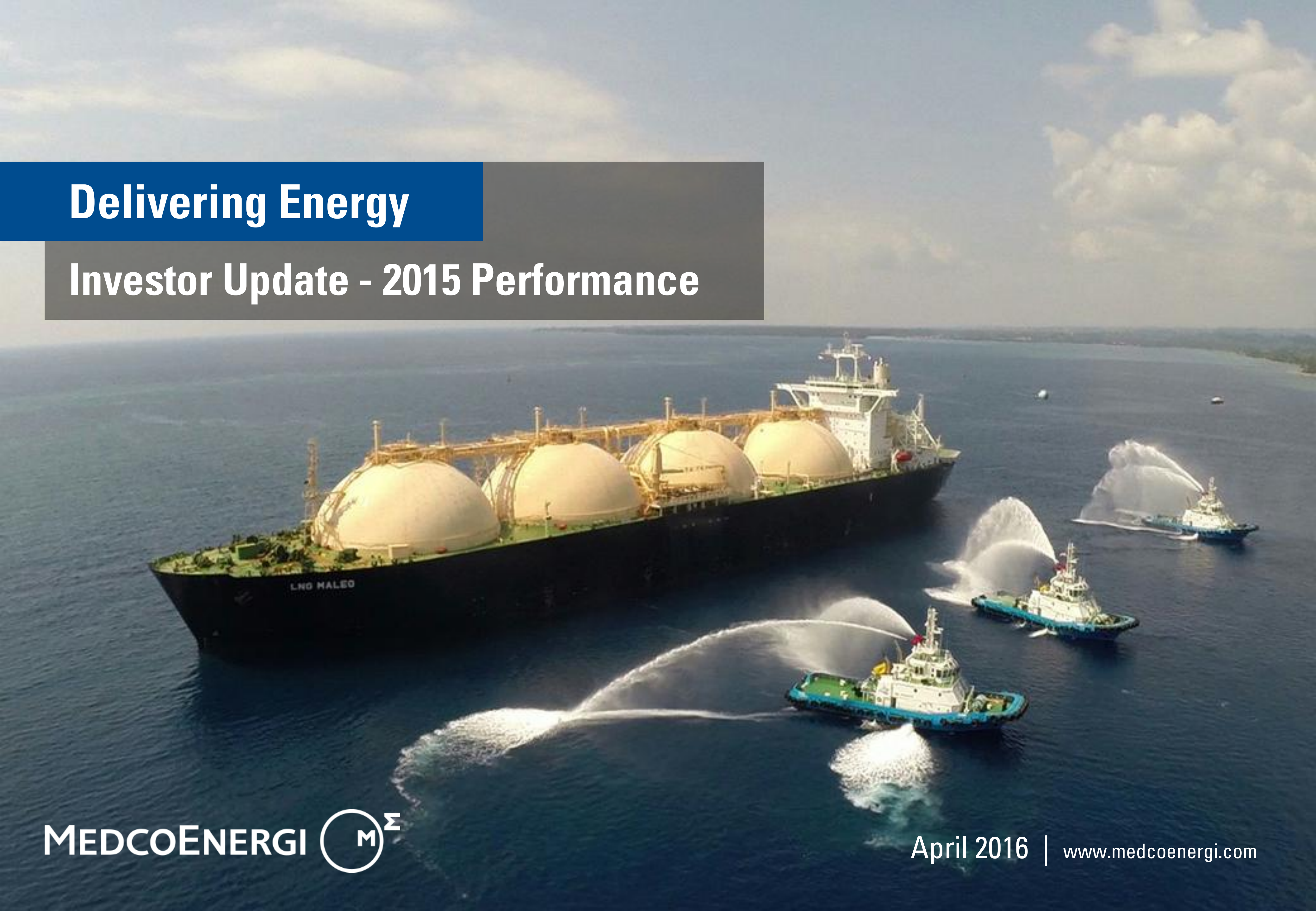
Delivering Energy

Investor Update - 2015 Performance



MEDCOENERGI

April 2016 | www.medcoenergi.com

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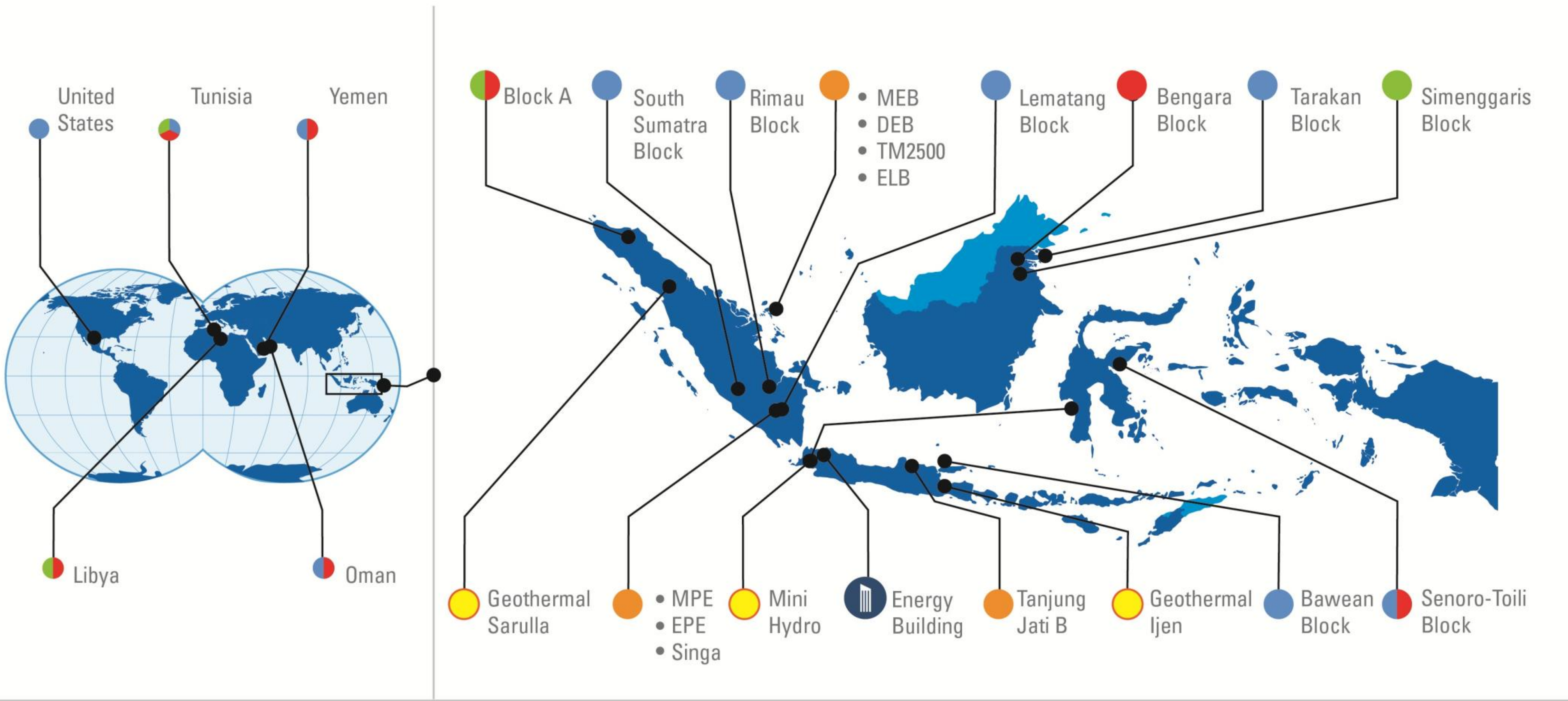
Cover photo: Senoro Downstream Donggi Senoro LNG plant – First shipment of LNG

Main Business Activities

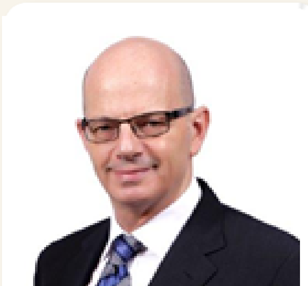
MedcoEnergi is a publicly listed, integrated energy company with significant interests in Power Generation and support services alongside its core Oil & Gas Exploration & Production activities in Indonesia, the Middle East, North Africa and the US.



Exploration · Development · Production · Power Installed · Power Development

New Board Priorities

President Director
Hilmi Panigoro



Director
Chief Executive Officer
Roberto Lorato

Director
Chief Financial Officer
Anthony Mathias

Director
Chief Human Capital & Business Support
Amri Siahaan

Director
Chief Operating Officer
Ronald Gunawan

- Cost and capital efficiency, operational effectiveness
- Optimum project cycle time with renewed focus upon value and delivery
- Portfolio rationalization to meet return and profitability benchmarks
- Leveraging MedcoEnergi's strong domestic position through focused acquisitions and contract extensions
- No compromise on safety

Cost and capital efficiency, operational effectiveness

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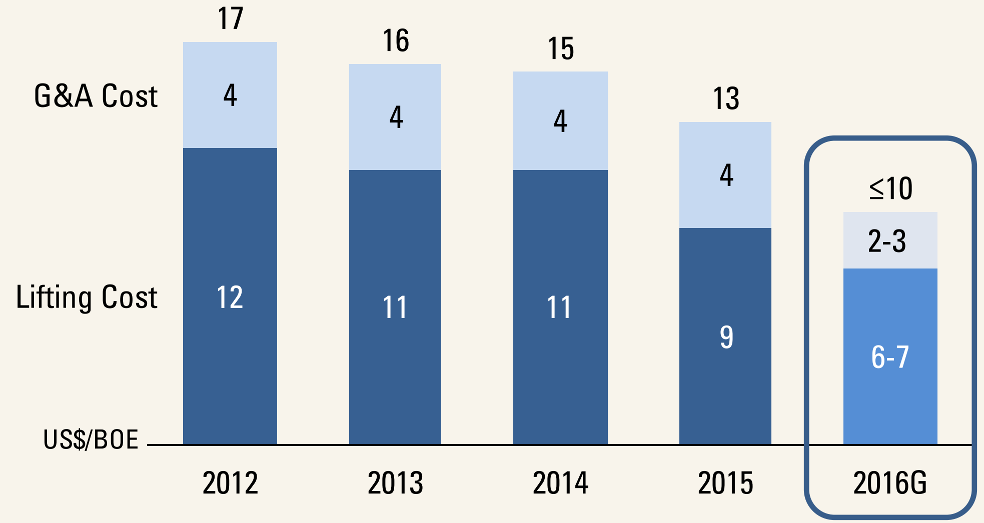
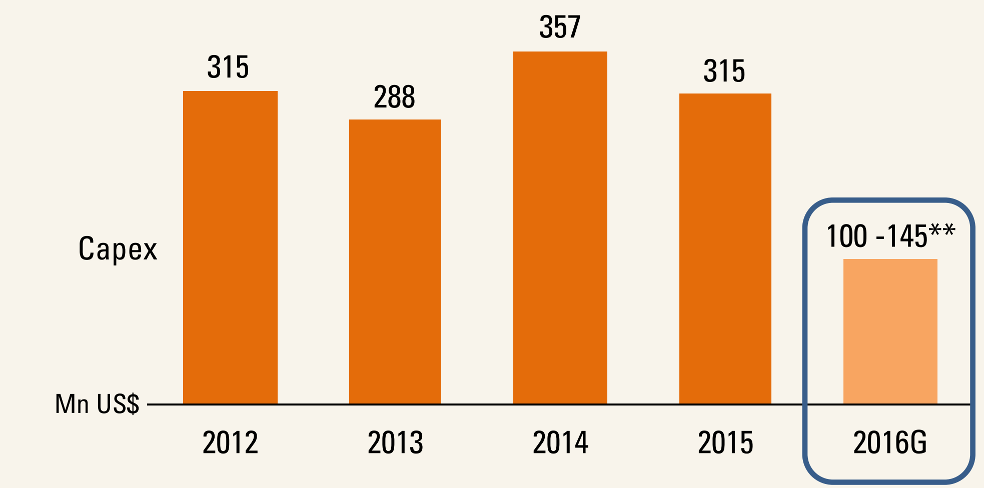
Improving unit cash cost*



Managing capital delivery



- Sustainable reductions in our cash cost structure
- Manage base production decline and reduce downtime
- Deferral and renegotiation of exploration commitments
- Selectively capture the benefits of further supplier market deflation

* Cash cost without Oman Service Contract | ** Excluding acquisition Capex

Well balanced 2P reserves

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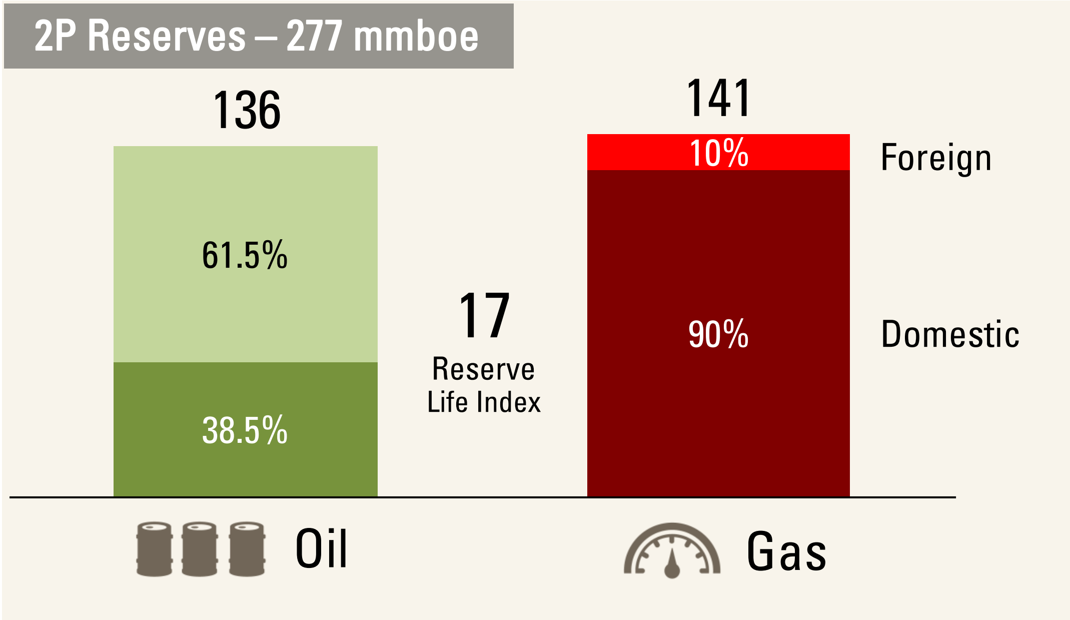
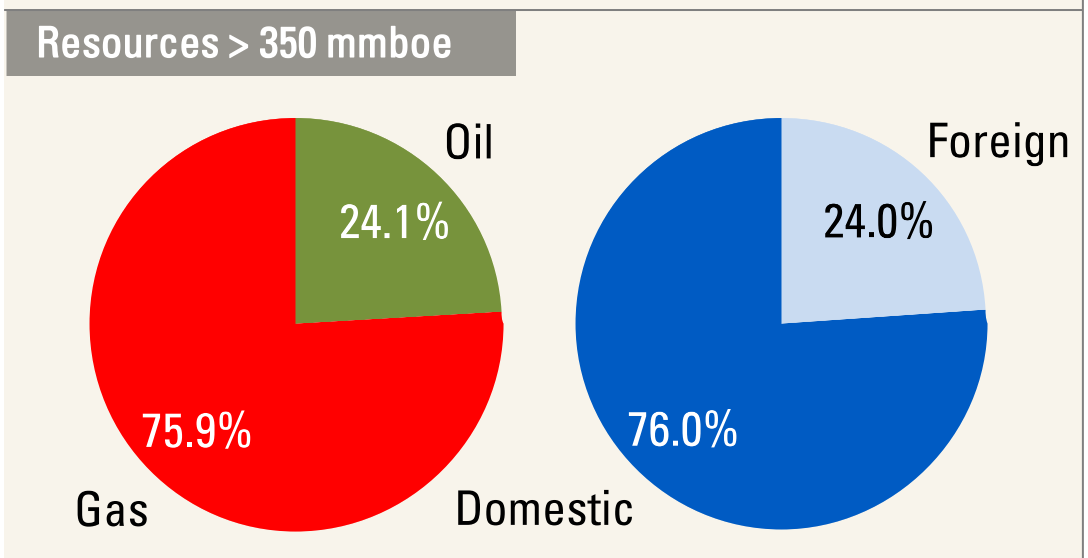
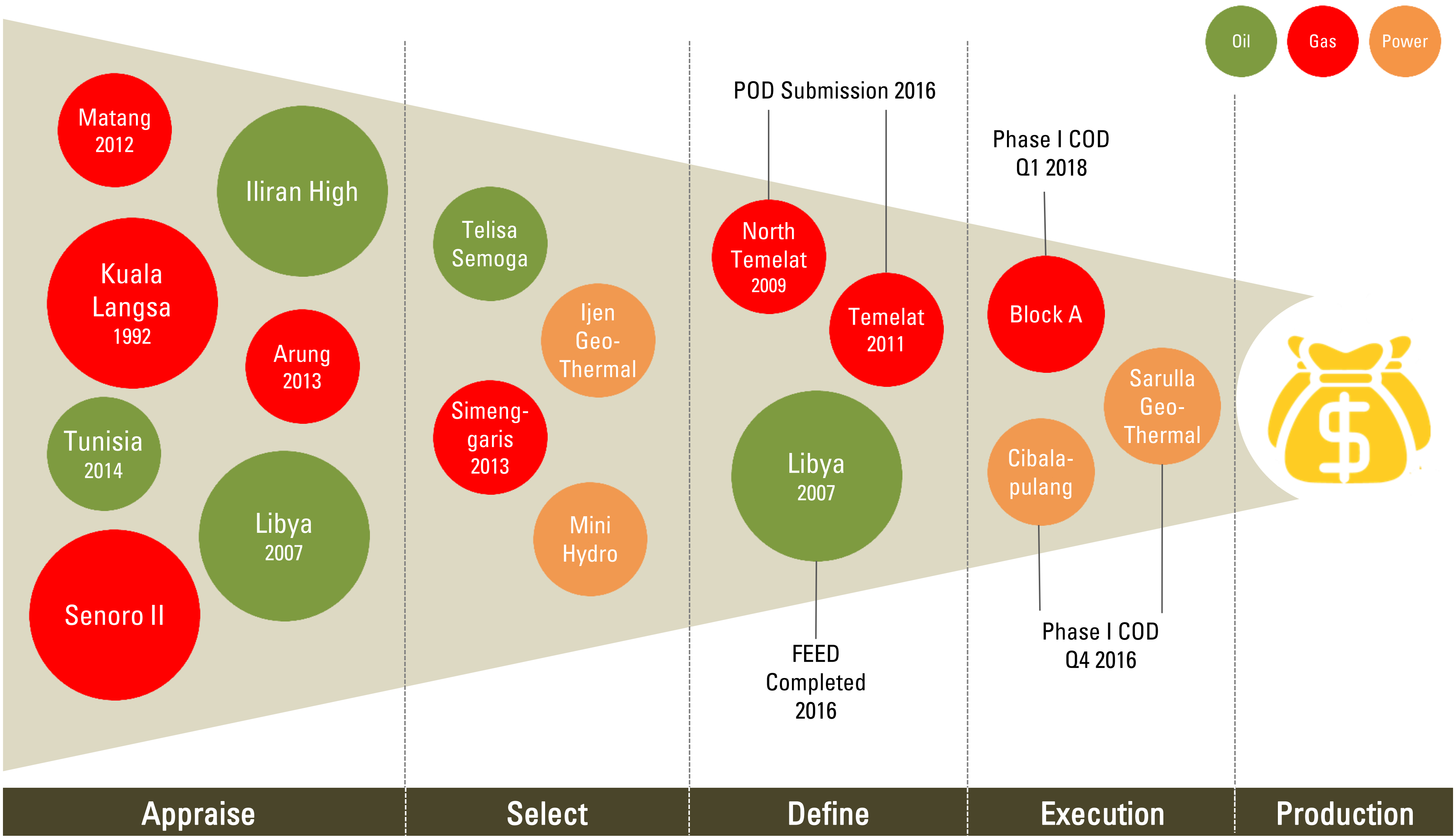




- Large well balanced 2P reserves backed by a strong resource base
- Monetize our resources through capital discipline and project execution
- Prioritize domestic projects for early cash generation
- Focus on lower risk, cost effective near field resources and exploration

Reserves and resources in mmboe, Reserve life index in years

Healthy project pipeline



Block A Aceh Phase I – Gas Development

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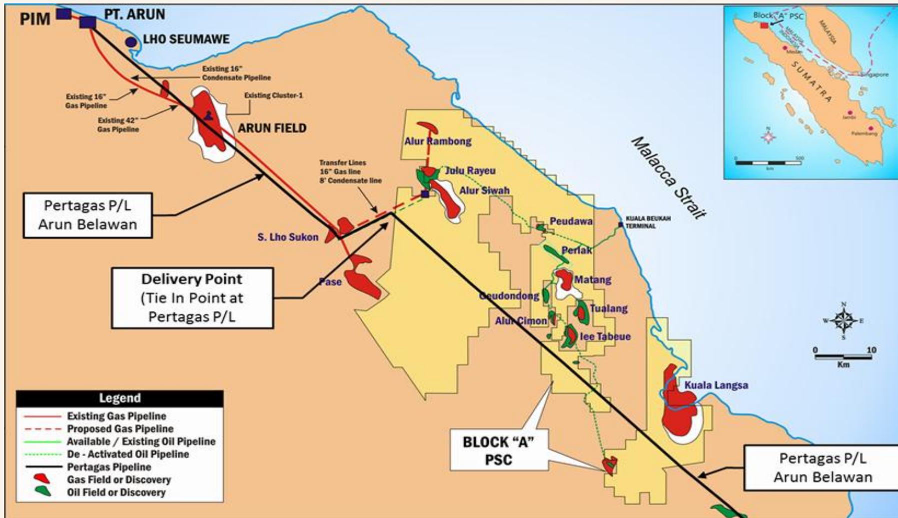
Monetizing 237 TBTU of gas and 5.19 MMBO of condensate for domestic market



Ownership Structure:
- *MedcoEnergi 41.67% (Op)*
- KrisEnergy 41.67%
- Japex 16.67%

CPP area site preparation progress

- EPC contract of US$240 million awarded to JEC, a consortium of PT JGC Indonesia and PT Encona Inti Industri.
- Engineering and site preparation work is well advanced. Land acquisition completed.
- Total project investment until first gas is US$540 million. First gas Q1 2018.
- GSA with Pertamina, for delivery of 198 TBTU over 13 years (58 BBTUPD).
- Proactive engagement with local community (hospital handed over).
- Additional gross potential resources of up to 1.6 TCF from Kuala Langsa and Matang.

Sarulla Phase I – Geothermal Power Development

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The largest single-contract geothermal power project in the world


Infrastructure Construction Work Progress

- Located in Tapanuli Utara district, North Sumatra with contracted capacity of 3X110MW.
- 30 years Energy Sales Contract with PT PLN with Take or Pay 90% capacity factor. Joint Operating Contract with PT PGE.
- Ownership:
  - MPI (18.9975%),
  - INPEX (18.2525%),
  - ORMAT (12.75%),
  - ITOCHU (25%),
  - KYUSHU (25%)
- Total project investment cost of US$1.6 billion.
- Secured project financing of US$1.17 billion for 20 years with JBIC, ADB, and 6 commercial banks.

Senoro Phase II – Gas Development

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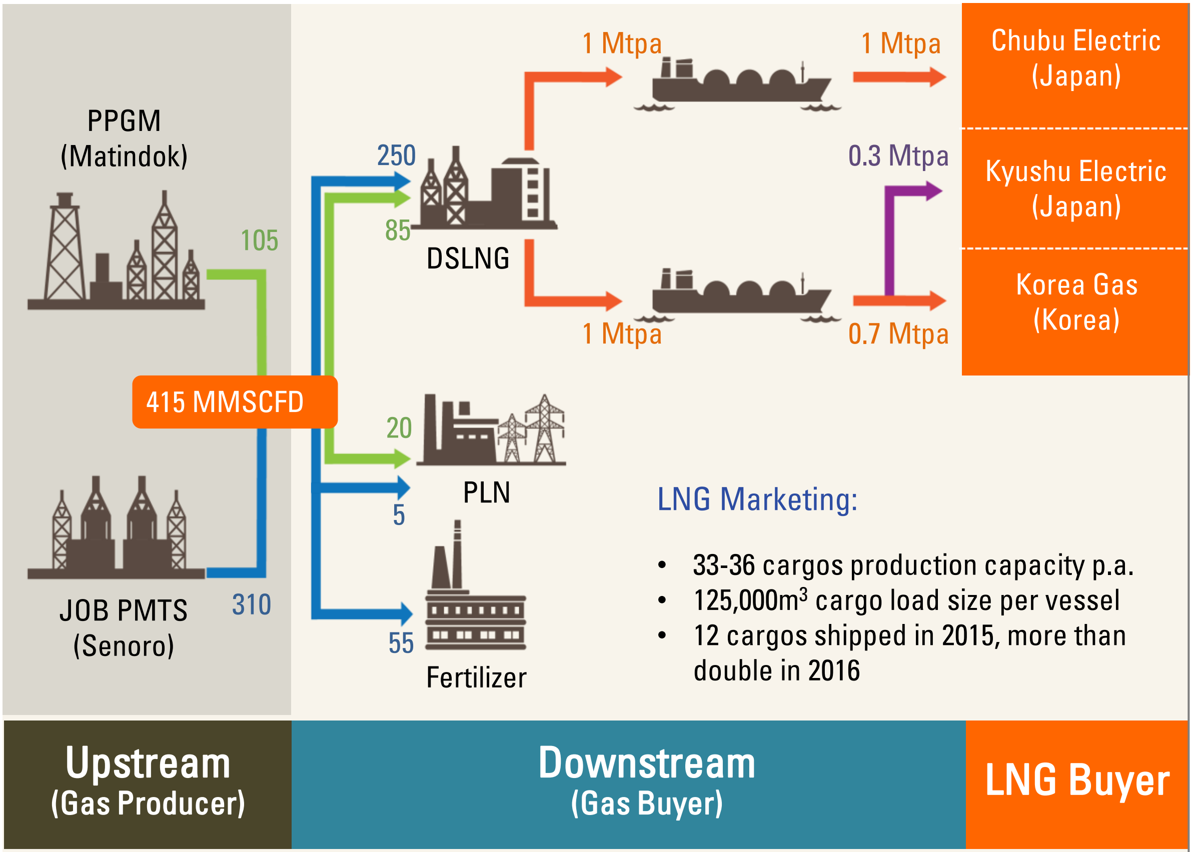
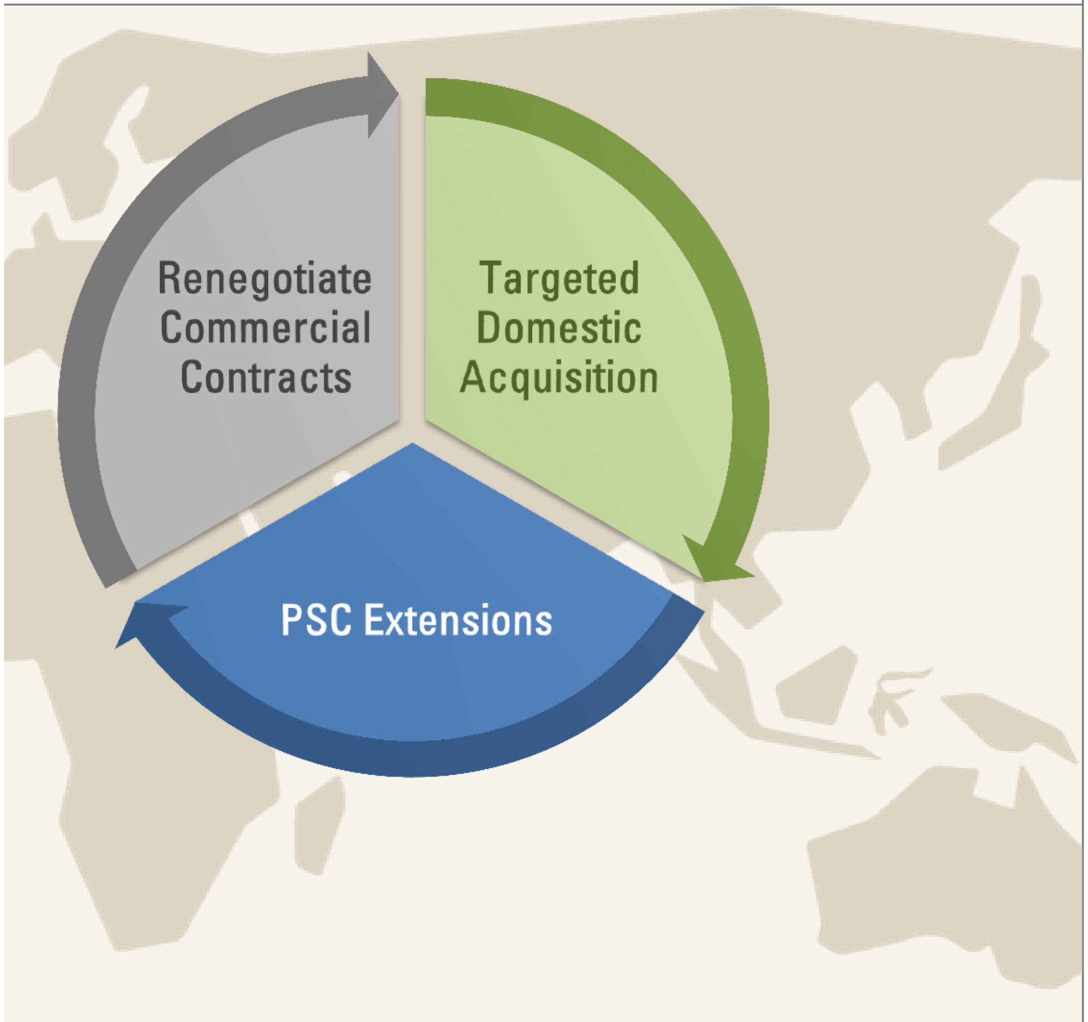
Enhancing the Senoro Upstream/Downstream LNG Value Chain



Structure	Upstream WI	Downstream
MedcoEnergi	30%	11.1%
Pertamina	50%	29.0%
Mitsubishi & Kogas	20%	59.9%

- Senoro Phase I existing proven reserve 1.4 TCF, COD in June 2015.
- Currently producing 347 mmscfd.
- Potential upside from North and South Senoro 500 BCF – 1 TCF.
- Senoro Phase 2 projected to increase production to above 400 mmscfd.

Leveraging MedcoEnergi's strong domestic position …



- Strong track record in obtaining PSC extensions (2001 – Rimau, 2010 – South Sumatra, Block A, Bawean, 2016 – Lematang).
- With commodity prices projected to remain low, there will be opportunities to acquire domestic resources.
- Medco will create value by evaluating each opportunity against our return and profitability benchmarks.
- Effective integration into our portfolio will be essential to extract value.

2015 Milestones

Senoro Upstream Gas – Central Processing Plant

- Senoro gas field and DSLNG plant placed into service, on budget and on time, inaugurated by the President of Indonesia.
- Signed two GSAs, 198TBTU in Block A Aceh and 8.75TBTU in South Sumatra.
- Signed a 25 year extension of the Karim Field Service Contract in Oman.
- Medco Power entered into a CSPA with Aboitiz Power of the Philippines to co-develop the 110 MW Ijen Geothermal Project, and extended the PPA for the Singa power plant in South Sumatra.
- Rimau received Gold Proper Award 2015 and MEI was rated as a top 8 Green Company according to SWA magazine.
- Raised SG$100million, part of an overall MTN program of SG$500 million.
- Net financial impairments of ~USD$180Million but closed 2015 with > USD$450Million of cash reserves.
- Cash costs dropped by 16.5%, unit costs down 13.6% and capex without acquisition cut by 62%.

2015 Operational Performance

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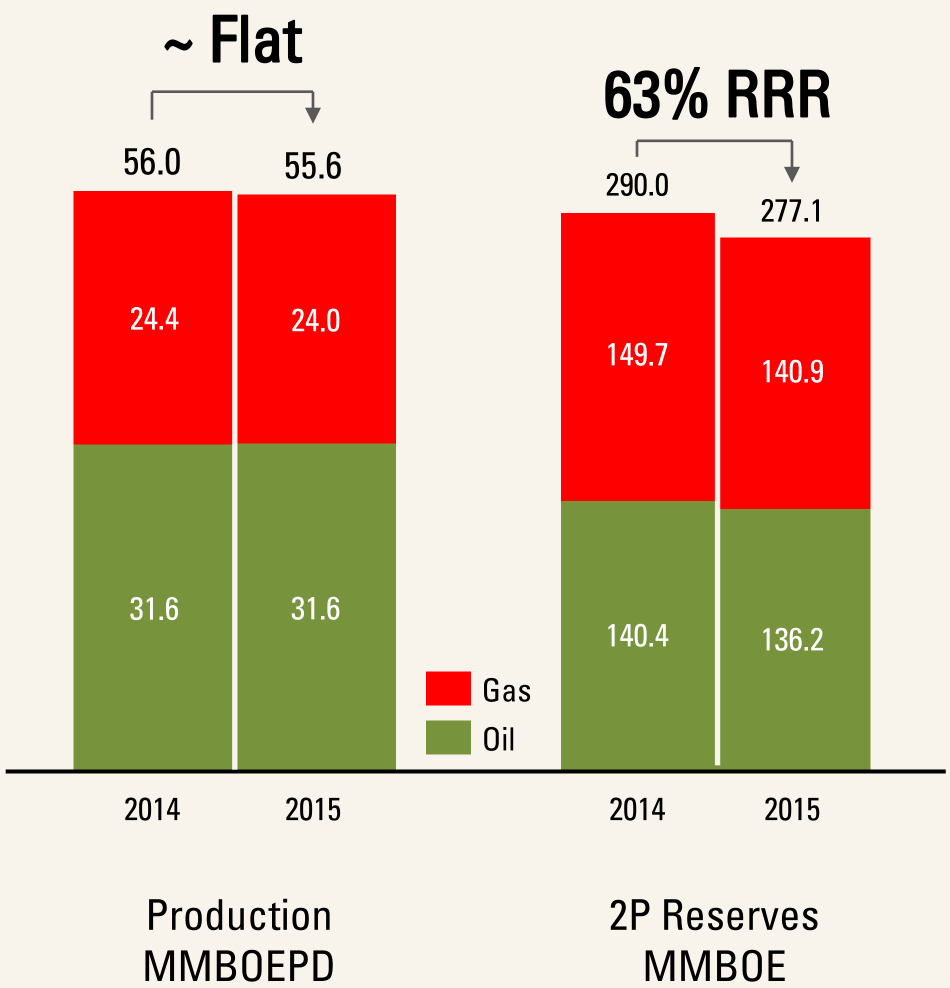

Oil and Gas E&P	FY14	FY15	Δ%
Production (including service contract)			
Oil, MBOPD	31.55	31.61	0.2
Gas, MMSCFD	142.90	140.49	(1.7)
Total Oil and Gas, MBOEPD	55.98	55.62	(0.6)
Lifting/Sales			
Oil Lifting, MBOPD	22.21	22.12	(0.4)
Gas Sales, BBTUPD	141.43	130.76	(7.5)
Service Contract , MBOPD	8.65	8.63	(0.2)
Average Realized Price			
Average Oil Price, USD/barrel	97.83	49.29	(49.6)
Average Gas Price, USD/mmbtu	5.60	5.23	(6.6)

Coal	FY14	FY15	Δ%
Sales, MT	497.40	386.0	(22.4)
Average Price, USD/MT	72.83	56.1	(23.0)
Production, MT	523.10	376.2	(28.1)

2015 Financial Performance

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Profit and Loss (USD mm)	FY14	FY15	Δ%
Revenue	750.7	628.5	(16.3)
• Oil and Gas	701.4	574.4	(18.1)
• Non Oil and Gas	49.3	54.1	9.8
Gross Profit	271.0	208.3	(23.1)
Operating Income	155.7	89.5	(42.5)
EBITDA	254.2	216.8	(14.7)
Earnings Before Tax	106.0	(146.4)	n.a.
Net Income	5.2	(188.1)	n.a.

Balance Sheet (USD mm)	FY14	FY15	Δ%
Cash & cash equivalents	206.6	463.2	124.1
Fixed Assets	1,362.4	1,510.7	10.9
Total Assets	2,667.8	2,909.8	9.1
Total Liabilities	1,780.7	2,208.2	24.0
• Bank Loans	728.4	1,087.7	49.3
• Capital Market Debt	457.4	492.5	7.7
• Other Liabilities	594.9	628.0	5.6
Equity	877.5	696.5	(20.6)

Financial Ratios (x)	FY14	FY15
Gross Margin	36.1%	33.6%
Operating Margin	20.7%	14.2%
EBITDA Margin	33.9%	34.5%
Net Margin	0.7%	-29.9%

Financial Ratios (x)	FY14	FY15
Current Ratio	1.61	1.98
Debt to Equity	1.35	2.27
Net Debt to EBITDA	3.85	5.15
EBITDA to Interest	3.56	2.80

2016 Guidance

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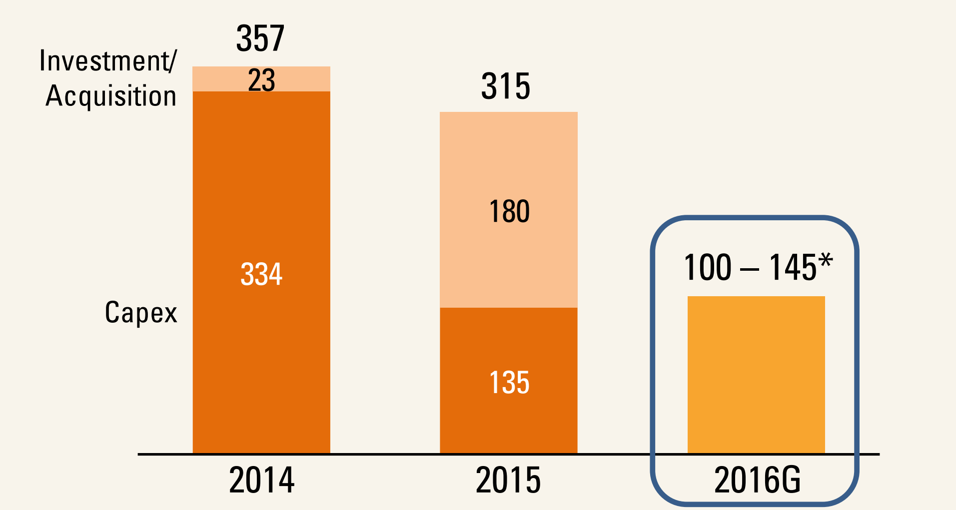
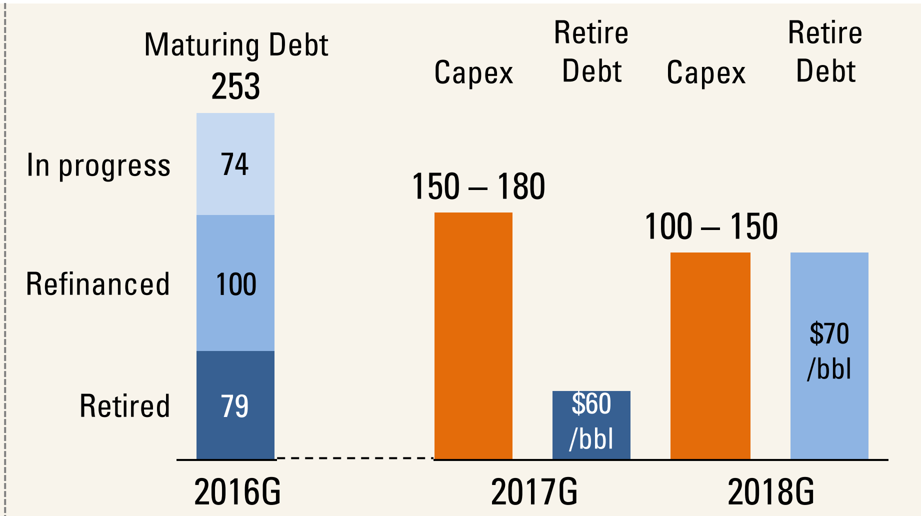
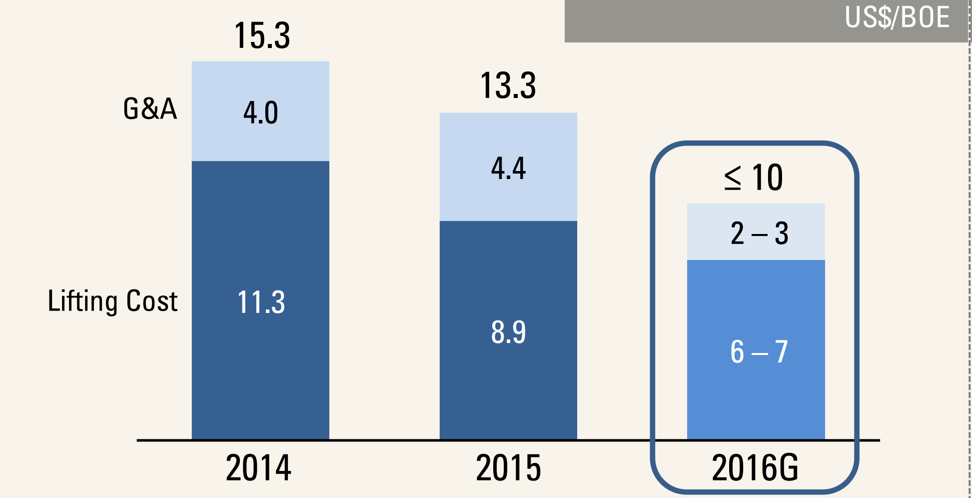
Capex
US$mn



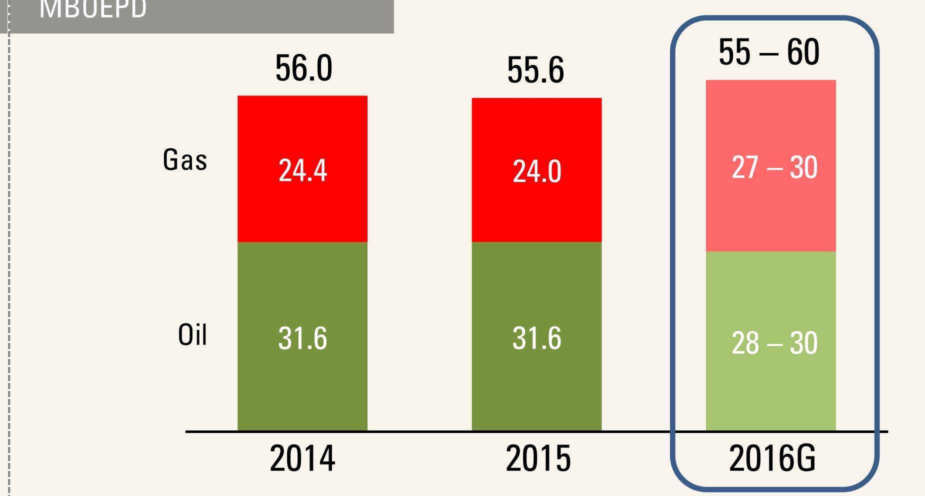
Sensitivity
US$mn



Unit Operating Cost**
US$/BOE

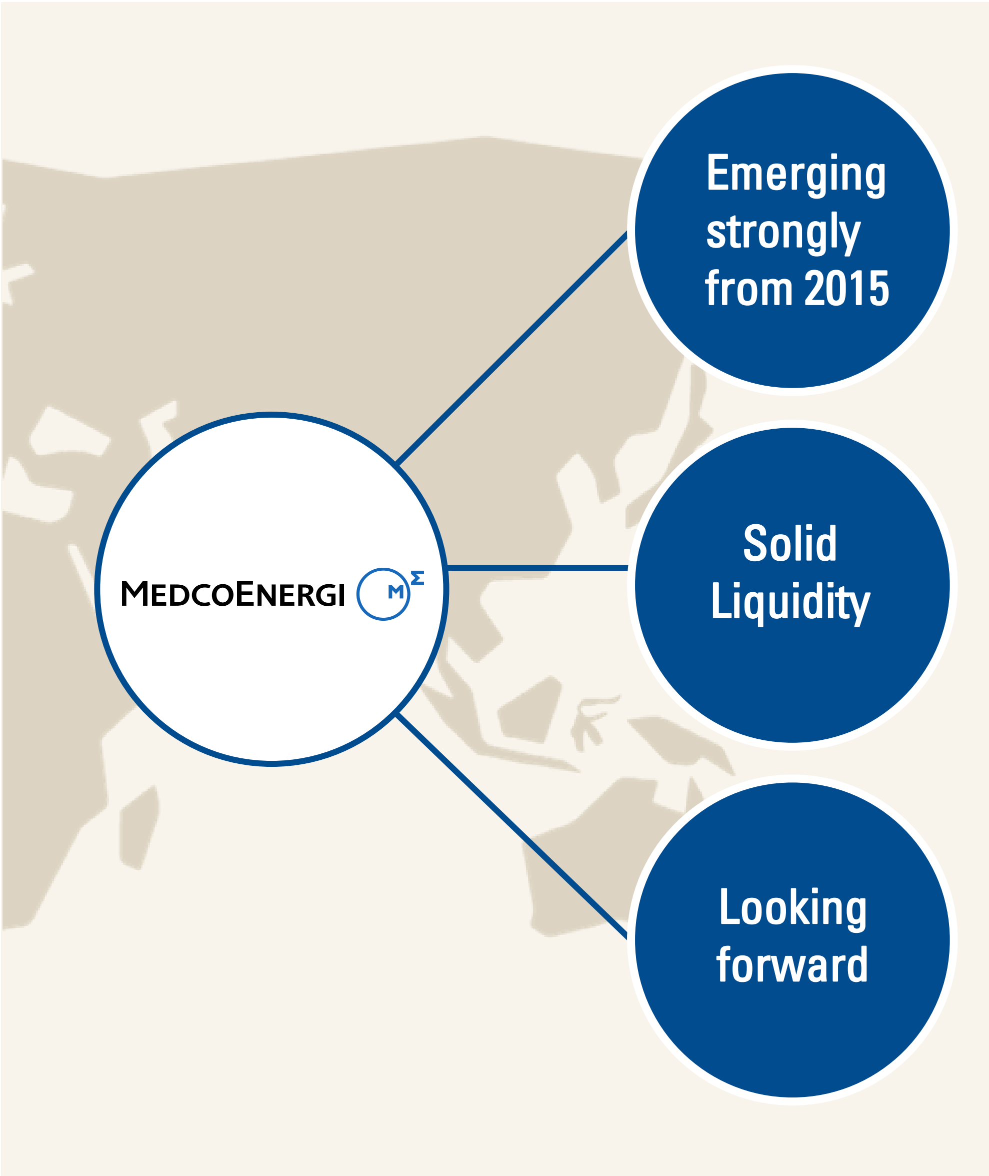


Production
MBOEPD



* Excluding acquisition Capex | **Cash cost without Oman Service Contract

Conclusion



- Despite the low price environment, we generated US$217 million EBITDA
- Successfully delivered Senoro Upstream Gas and Downstream Donggi Senoro LNG Plant

- Closed 2015 with > US$450 million in cash
- US$10/bbl increase generates $45 million cash available for debt service

- Management focus on value not volume; expect flat near term production
- Healthy project pipeline; prioritize domestic gas for early cash generation
- Sustainable reductions in our cash cost structure

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