2016 Annual Results

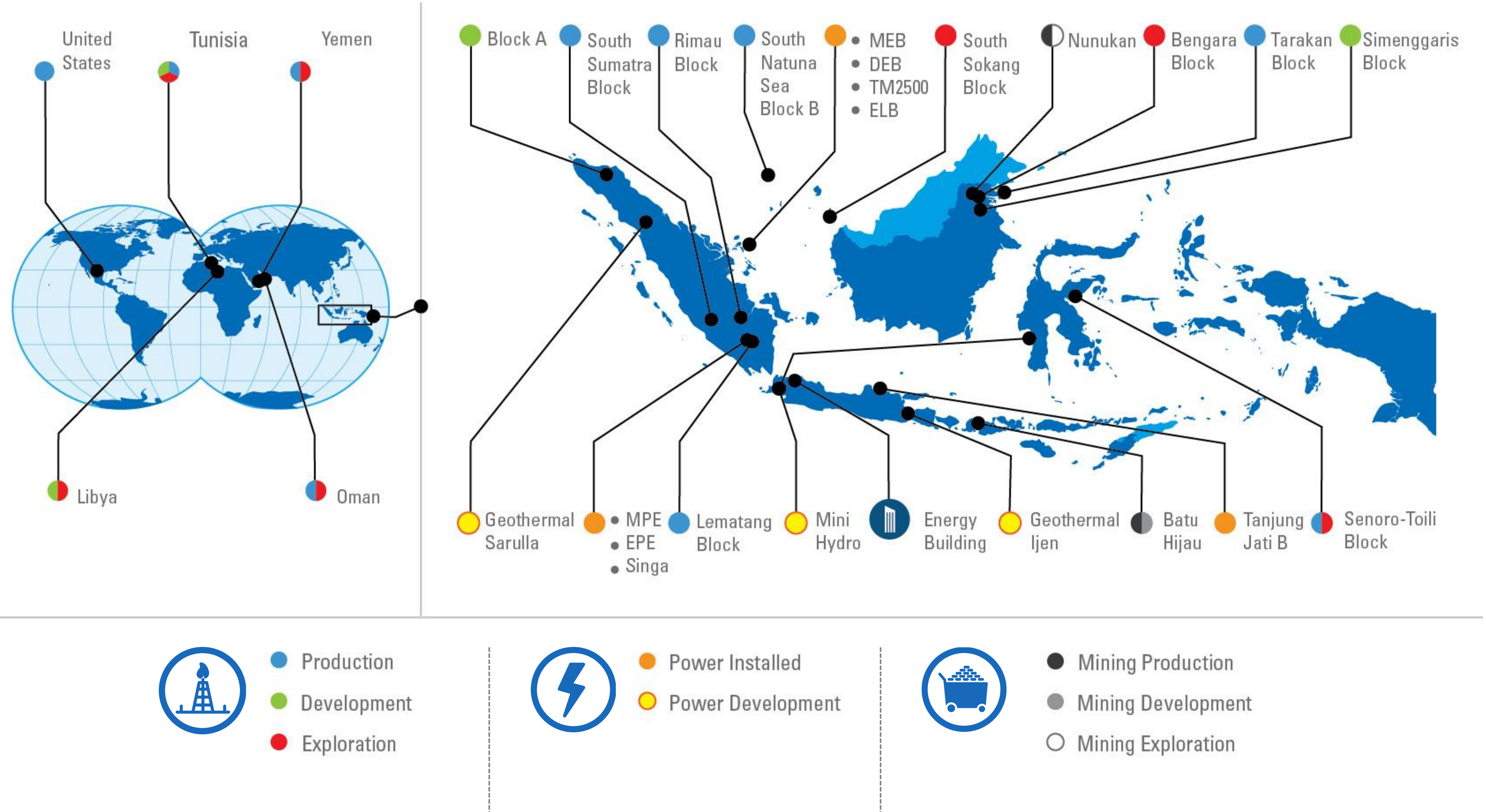
Delivering Value

MEDCOENERGI

www.medcoenergi.com | April 2017

Operations in three Key Business Segments, concentrated in Indonesia

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



Agenda

Board of MedcoEnergi

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

2016 was a transformational year. MedcoEnergi seized its opportunities to acquire strategic producing assets. Post acquisitions we are focused upon extracting maximum value.

We are building a company Leading in three key business segments, competitive in a low price environment, with a solid platform of producing assets and excellent growth prospects.

This new platform and the progress we have made on efficiency, reliability and discipline on capital and costs is positioning Medco to be a very attractive, very dependable investment proposition for the long term.

We aim to deliver long term value and optimize returns to our investors, lenders and other stakeholders through continuous improved performance.

2016: A Transformational Year

- 2016 Production 66 mboepd vs 56 mboepd in 2015. 2017 Q1 Production rate exceeds 90 mboepd.
- Acquired a 40% Operatorship in the South Natuna Sea Block B PSC and the West Natuna Transportation System.
- Approved the Block A Aceh Gas Development and consolidated holding to 85%.
- Awarded 10 year extension of the Lematang PSC and consolidated holding to 100%.
- Third party certification of an additional gross 880 bcf gas in Senoro Toili PSC.

- 2016 Net Income $185M USD, turning around 2015 Net Loss of $188M USD.
- Gross and Net margins improved year on year, unit cash cost reduced 28% to $8.8/BOE.
- Both EBITDA and Revenue higher despite lower year on year prices
- Share price increased (Rp 795 to Rp 1320) 66% during 2016 and continues further in 2017.
- 2017 results will see the full benefit of 2016 acquisitions on Production, EBITDA and Net Income

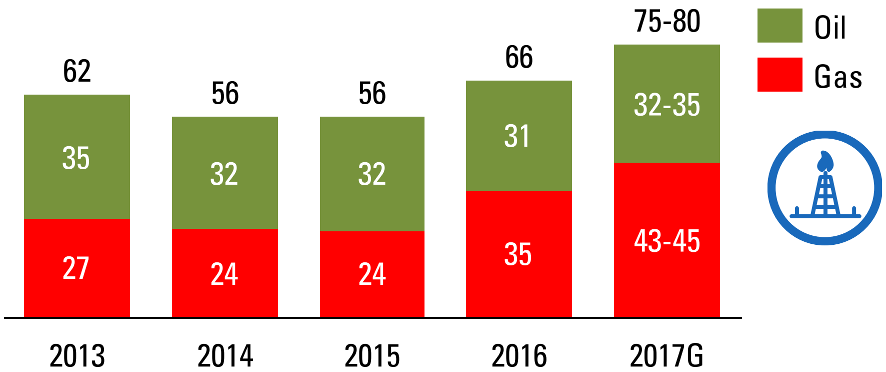
- MedcoPower won the tender to construct a 275MW IPP in Riau.
- MedcoPower signed the Operating and Maintenance contract for the the Sarulla phase I Geothermal Power plant. Sarulla phase I achieved Commercial production in Q1 2017.
- MedcoPower elected by IBEA as one of the top 5 Indonesian IPP and O&M Companies.

- Received Government's highest, Gold PROPER Environmental Stewardship Award on Rimau.
- Our Indonesian CSR program targeted assistance to 13 Regencies and 117 villages fostering empowerment and economic development in the communities in which we operate.

- Acquired a 41.1% indirect interest in PT Newmont Nusa Tenggara, effective November 2016.
- Batu Hijau 2016 full year EBITDA >$900M USD

2017: A Competitive National Company Leading in three Key Business Segments

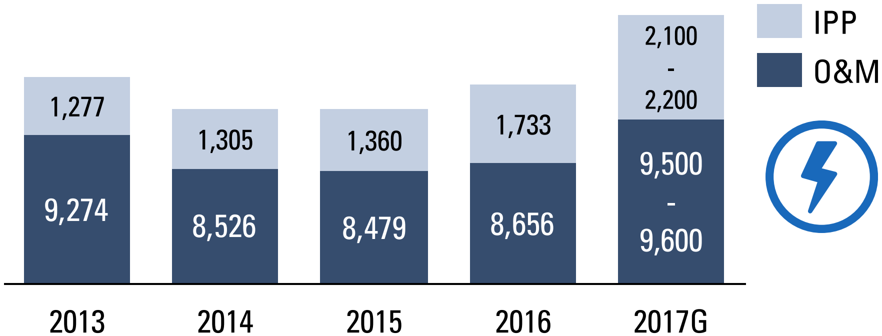
Hydrocarbon Production (Net), MBOEPD



Oil & Gas

- Complete Aceh development on schedule, on budget
- Monetise existing domestic discoveries
- Near field Exploration and cost recovery funded drilling and subsea developments
- Unit costs below $10/boe through 2020
- Further Portfolio rationalization

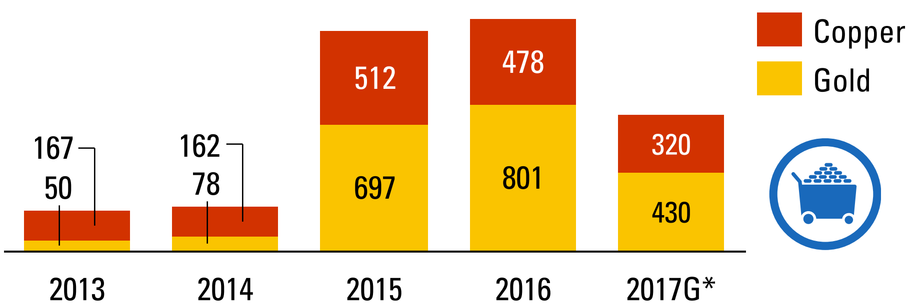
Power Production – Gross 100%, GWh



Power : MedcoPower

- Break ground on Riau EPC and complete Sarulla phase II
- Vertical integration of Upstream gas and onsite Gas IPPs
- New IPPs will focus upon Western Indonesia, medium sized gas and geothermal plants
- Expand profitable O&M services
- Portfolio rationalization

Copper (Mlbs) & Gold (Koz) Production Gross 100%

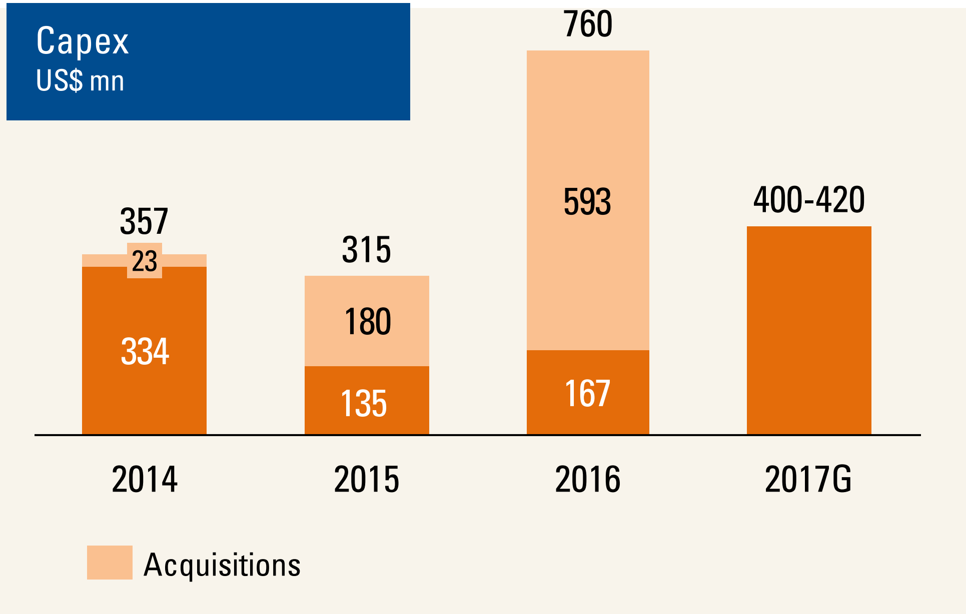


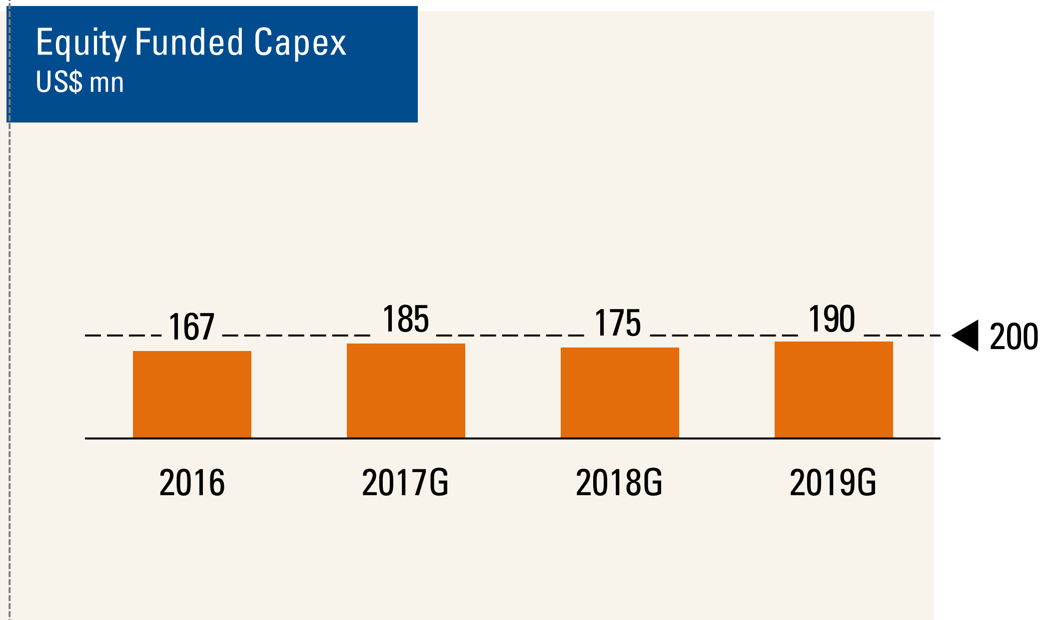
Mining : PT Amman Mineral Nusa Tenggara

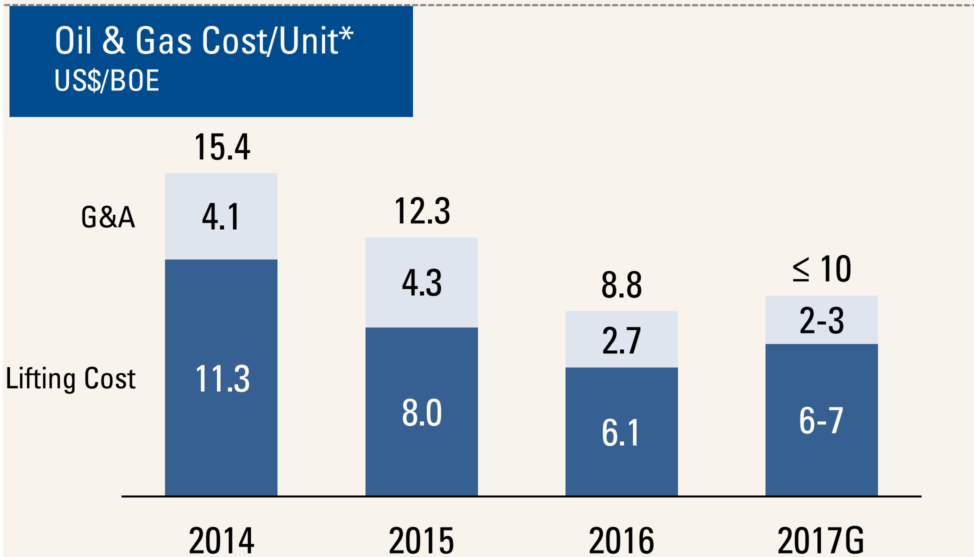
- Enhancing operational efficiencies and implementing organizational optimization
- Aim to complete smelter feasibility study by end 2017. Funding through assets injection, project financing, strategic partner.
- Intensive drilling in Nangka and Elang to expedite ore recovery

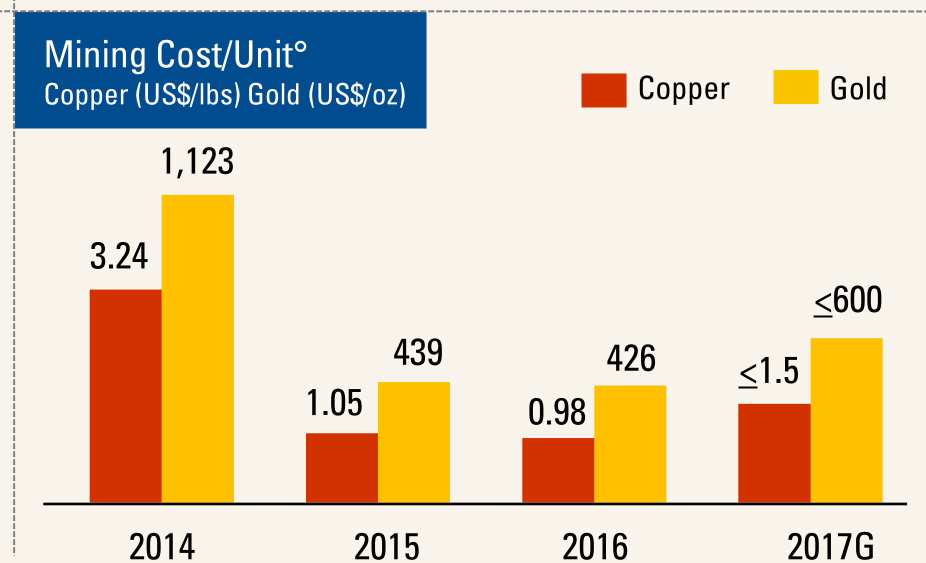
*Includes stockpile processing

2017 Operational Guidance









* Cash cost without Oman Service Contract

° Cash cost applicable to sales

2016 Operational Performance

Oil and Gas E&P	2015	2016	1Q17
Production			
Oil, MBOPD	31.6	30.8	36.7
Gas, MMSCFD	140.5	205.9	292.0
Total Oil and Gas, MBOEPD*	55.6	66.0	91.4
Lifting/Sales			
Oil Lifting, MBOPD	22.1	21.5	27.3
Gas Sales, BBTUPD	130.8	212.2	288.6
Oman Service Contract , MBOPD	8.6	8.3	8.8
Average Realized Price			
Average Oil Price, US$/barrel	49.3	42.3	51.6
Average Gas Price, US$/mmbtu	5.2	4.4	5.5

*Including Oman Service Contract and 1 Month 2016 SNSB production

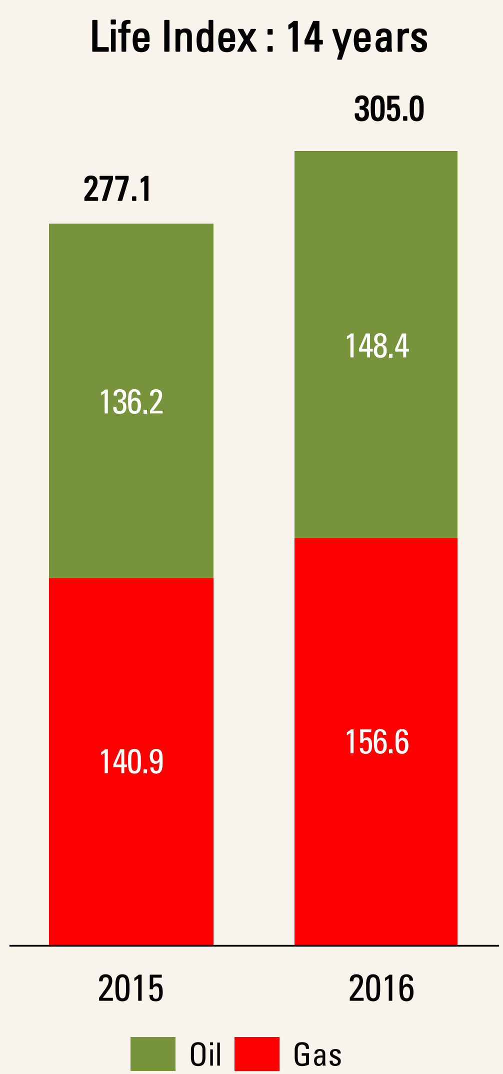
Power	2015	2016	1Q17
Production°			
IPP, GWh	1,362	1,733	435
Operation & Maintenance, GWh	8,479	8,656	1,912
Average Realized Price			
IPP, Cent/kwh	2.90	2.87	2.77

Mining	2015	2016	1Q17
Payables°			
Copper Sales, Mlbs	494	461	94
Gold Sales, Koz	676	777	129
Average Realized Price			
Copper, USD/lbs	2.12	2.05	2.46
Gold, USD/oz	1,071	1,224	1,133

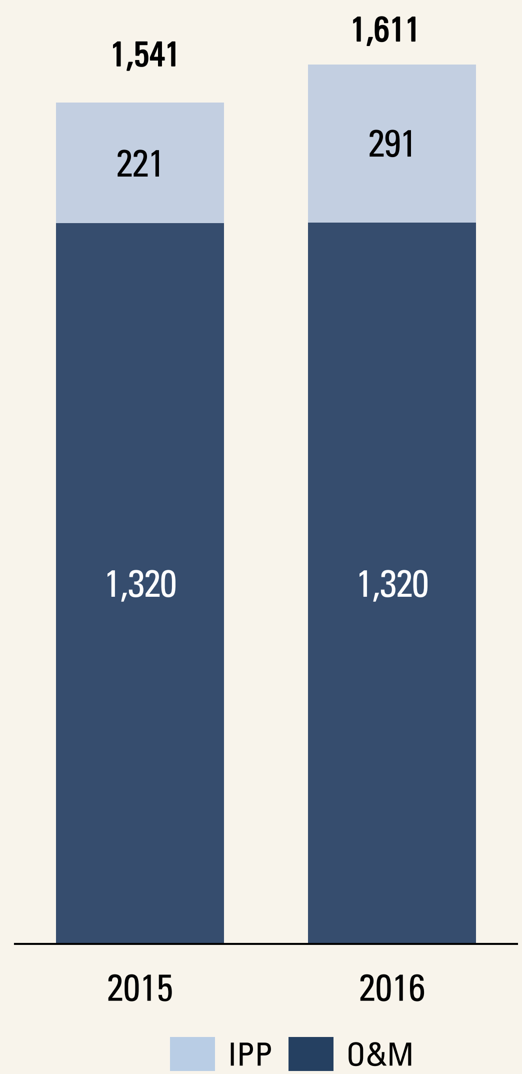
°Gross 100% interest

Certified Reserve Base

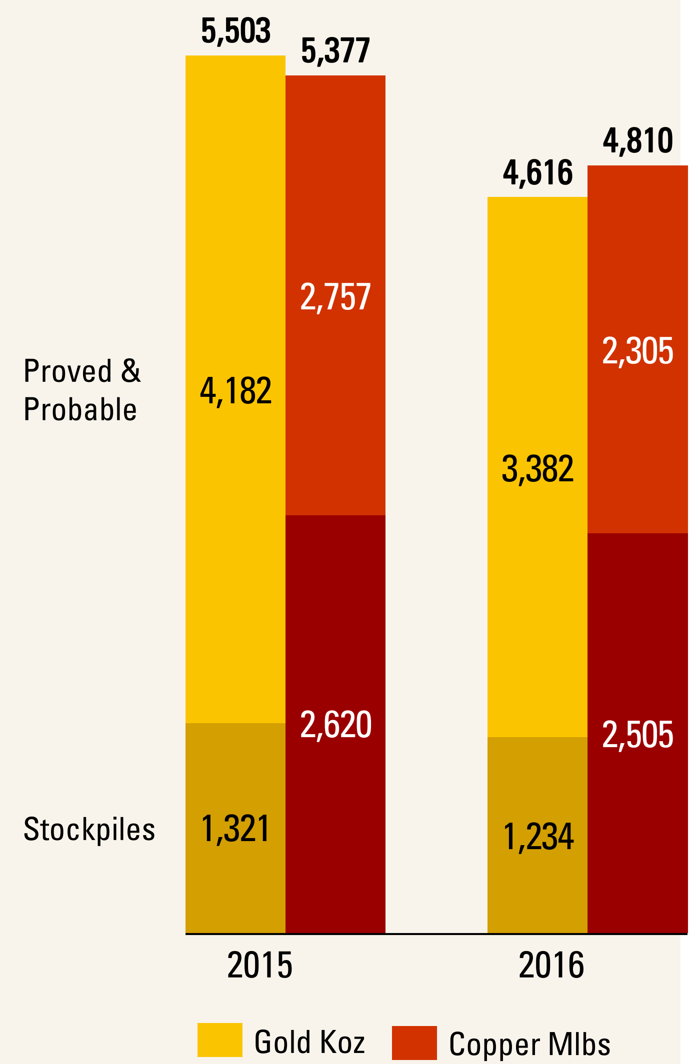
Oil & Gas: Net 2P Reserves, MMBOE



Power: Gross Installed Capacity, MW

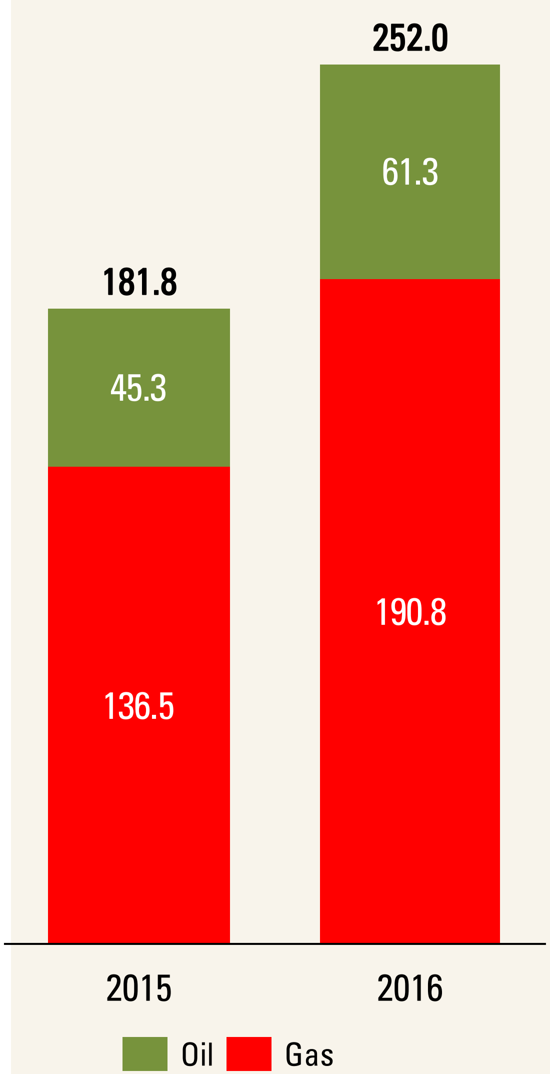


Mining: Gross Gold and Copper Reserves, Koz/Mlbs

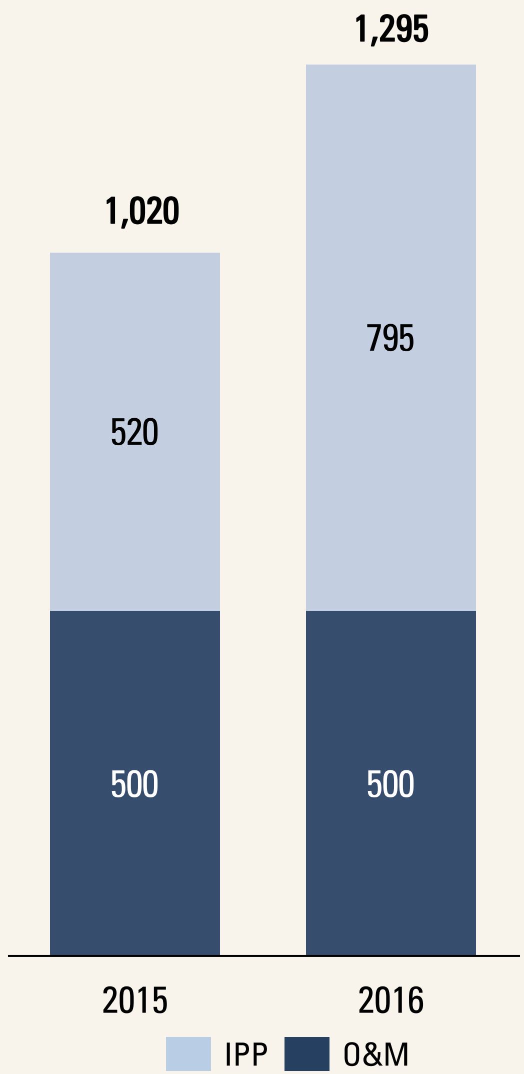


Organic Growth Base

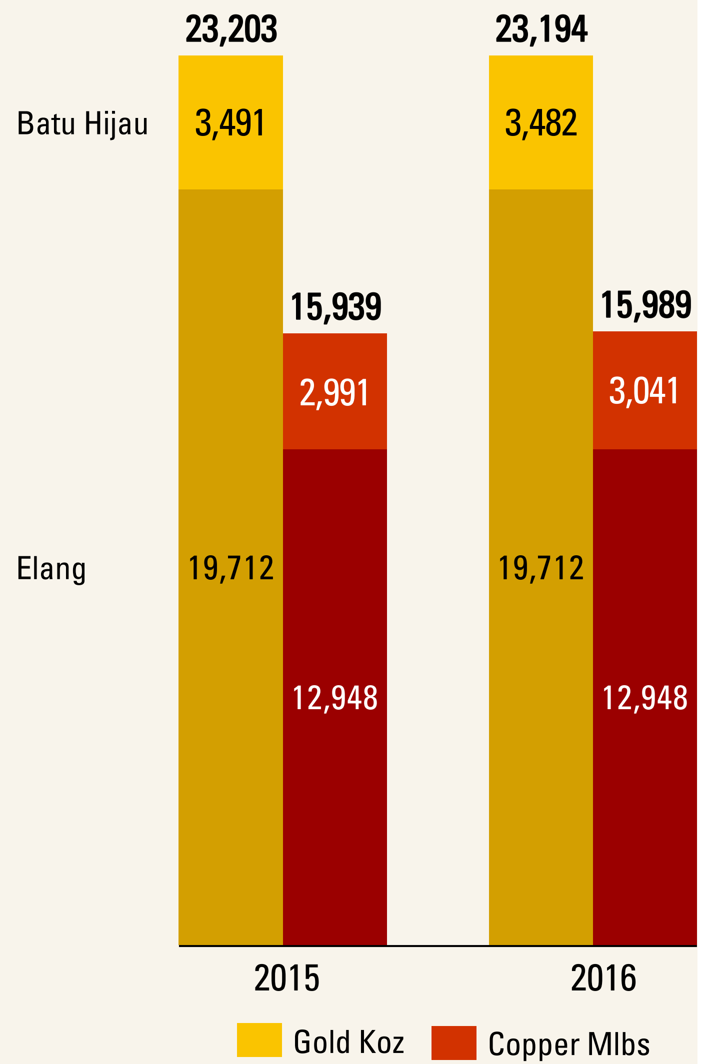
Oil & Gas: Net Contingent Resources MMBOE



Power: Gross Committed Projects MW



Mining: Gross Gold and Copper Resources, Koz/Mlbs



2016 Consolidated Financial Performance

Profit & Loss (US$ mn)	2015	2016	YoYΔ%
Revenue	575.3	600.4	4.4
Production & Lifting Costs	215.3	205.1	(4.7)
Gross Profit	217.3	250.6	15.3
S, G & A	112.1	97.8	(12.8)
Operating Income	105.2	153.0	45.4
EBITDA	220.2	274.0	24.4
Bargain Purchase aft. Impairment	(217.2)	239.7	n.m.
Profit from AMNT bfre Acqn costs	-	17.5	n.m.
Profit (Loss) before Tax	(122.9)	260.3	n.m.
Net Income	(188.1)	184.8	n.m.

Balance Sheet (US$ mn)	2015	2016	YoYΔ%
Cash & cash equivalents	463.2	164.6	(64.5)
Investments	532.3	1,041.1	90.5
• Short Term	225.9	66.9	(70.4)
• AMNT	-	815.4	n.m
• MPI	102.2	108.8	6.5
• Others	204.2	23.0	(88.8)
Fixed Assets	1,547.9	1,364.4	(11.9)
Total Assets	2,909.8	3,597.1	23.6
Total Liabilities	2,208.2	2,706.6	22.6
Equity	696.5	887.6	27.4

Financial Ratios (x)	2015	2016
Gross Margin	37.8%	41.7%
Operating Margin	18.3%	25.5%
EBITDA Margin	38.3%	45.6%
Net Income Margin	-32.7%	30.8%

Financial Ratios (x)	2015	2016
Current Ratio	1.98	1.32
Debt to Equity	2.27	2.18
EBITDA to Interest	2.85	2.57
Revenue on Fixed Assets	0.34	0.44

*Restated 2015 financial results

A Competitive National Company Leading in three key Business Segments

Oil & Gas: Overview of Production Assets

- South Sumatra Assets
- South Natuna Sea Block B
- Block A Aceh: Phased Gas Developments
- Senoro: Phased Gas Developments

MedcoPower: Overview of Power Generation Assets

- Power Portfolio
- Sarulla: Phased Geothermal Power Developments
- Riau Combined Cycle Power Plant

Mining:

- Amman Mineral Nusa Tenggara: Phased Mining Developments

South Sumatra Assets

Extensive experience in managing decline and controlling costs on maturing assets

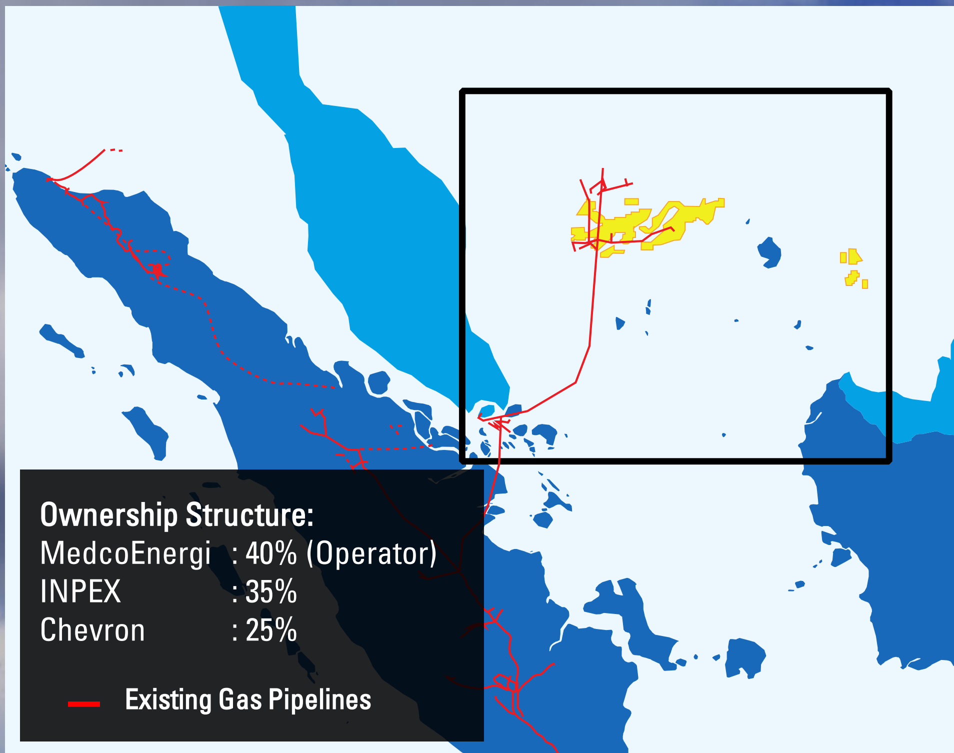
Rimau
Contract area of 1,103 km^2
Contract expires in 2023
2016 Production: 9.8 mboepd

South Sumatra
Contract area of 4,470 km^2
Contract expires in 2033
2016 Production: 15.8 mboepd

Lematang
Contract area of 409 km^2
Contract expires in 2027
2016 Production: 6.5 mboepd

South Natuna Sea Block B

Enhancing capabilities through the integration of world-class offshore operations



Offshore PSC in the South Natuna Sea, world class facilities, large hydrocarbon base (gross resources > 569 mmboe)

Acquisition completed November 2016, contract expires in October 2028

Medco Operates the PSC and the West Natuna Transportation System (WNTS)

2016 Full year gross production 56mboepd.

Strong net cash flow linked to attractively priced gas sales agreements into premium markets

Future near field exploration, subsea developments and production optimization will extend field life and optimize asset decline.

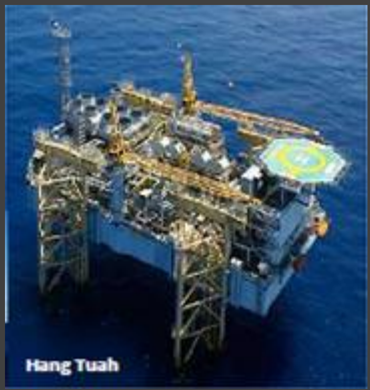
North Belut– South Natuna Sea Block B

South Natuna Sea Block B - Offshore Facilities

Integrated Offshore Production Systems Operated to the Highest Standard


Belanak FPSO


Belida LGP & DPP-A


Hang Tuah


WNTS - ORF


North Belut CPP & WHP-D


Belida WHP-B


Belanak WHP-B

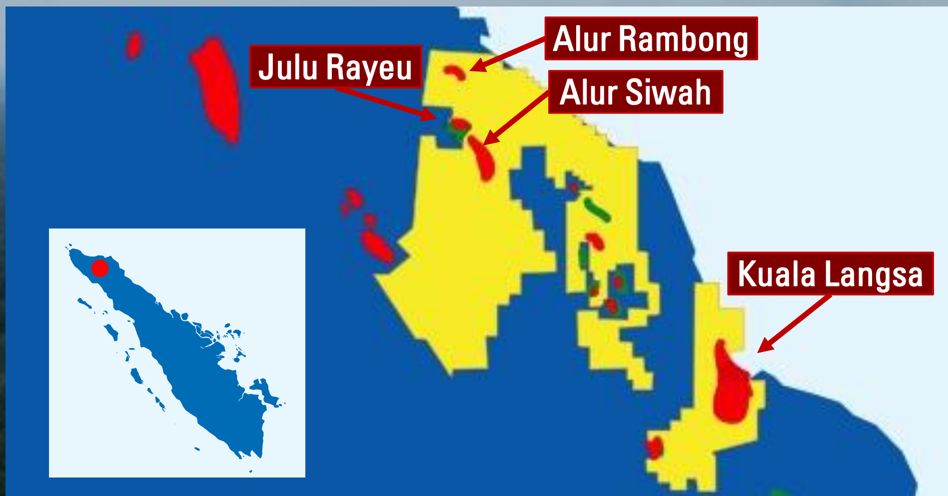

Belanak WHP-A


Kerisi CPP & WHP-K


Intan FSO

Block A Aceh: Phased Gas Developments

Phase I will monetize 237 TBTU of gas and 5.17 MMBO of condensate for the domestic market



Medco Operated PSC. First gas 2018, PSC expiry 2031. Consolidated interest to 85%

Engineering, procurement, and construction over 35% completed as of March 2017

GSA with Pertamina over 58 BBTUD for 13 years

Proactive CSR engagement with local community

Phase II and III development of gas discoveries with resources of > 5TCF, enough to generate 1.5GW to support Sumatra electricity demand growth

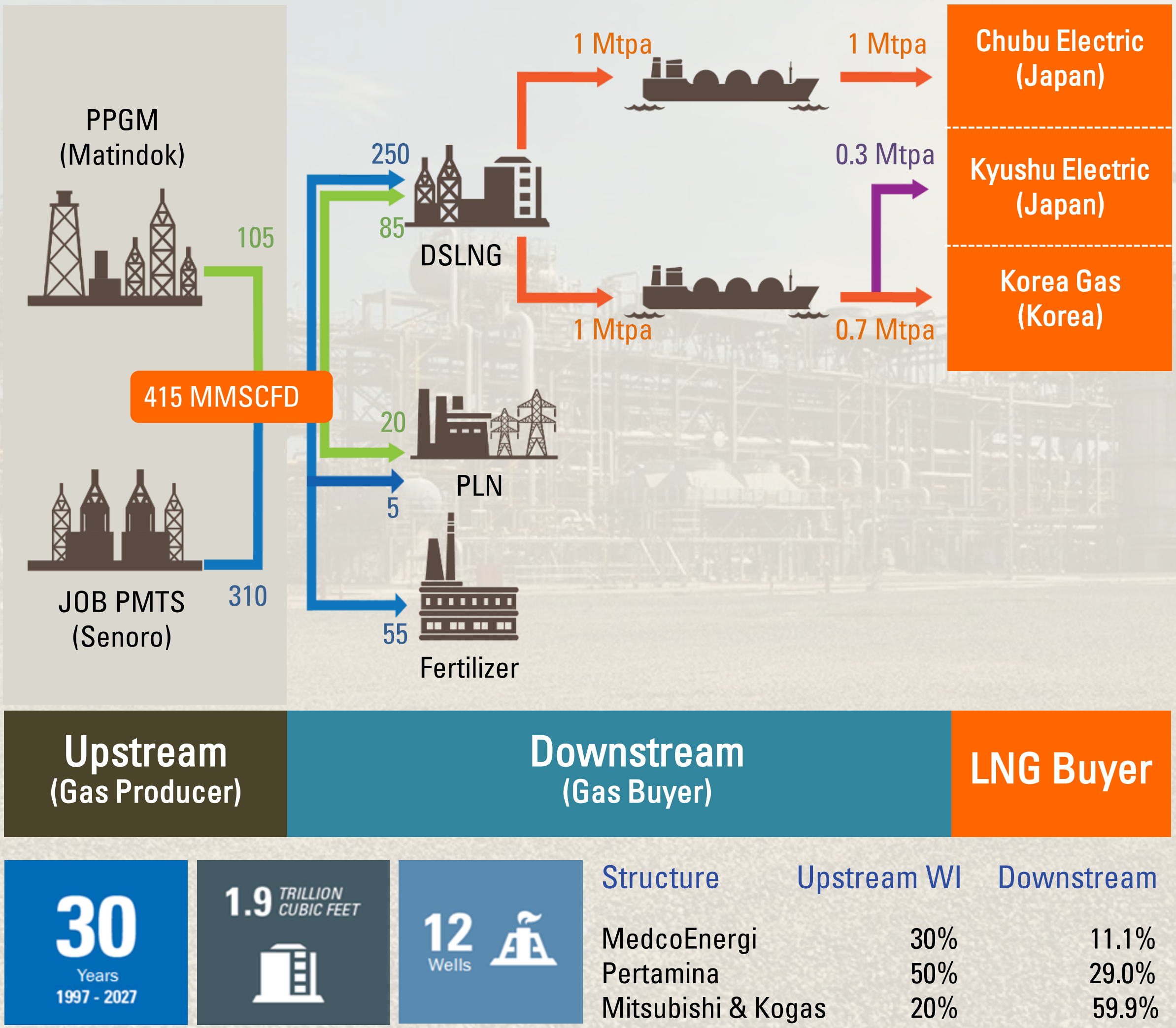
Ownership Structure:

- Medco E&P Malaka 85% (Op)
- KrisEnergy (Aceh B.V.) 15%

CPP area site preparation progress

Senoro: Phased Gas Developments

Senoro Upstream/Downstream Value Chain



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

Senoro Phase I production, Q3 2015

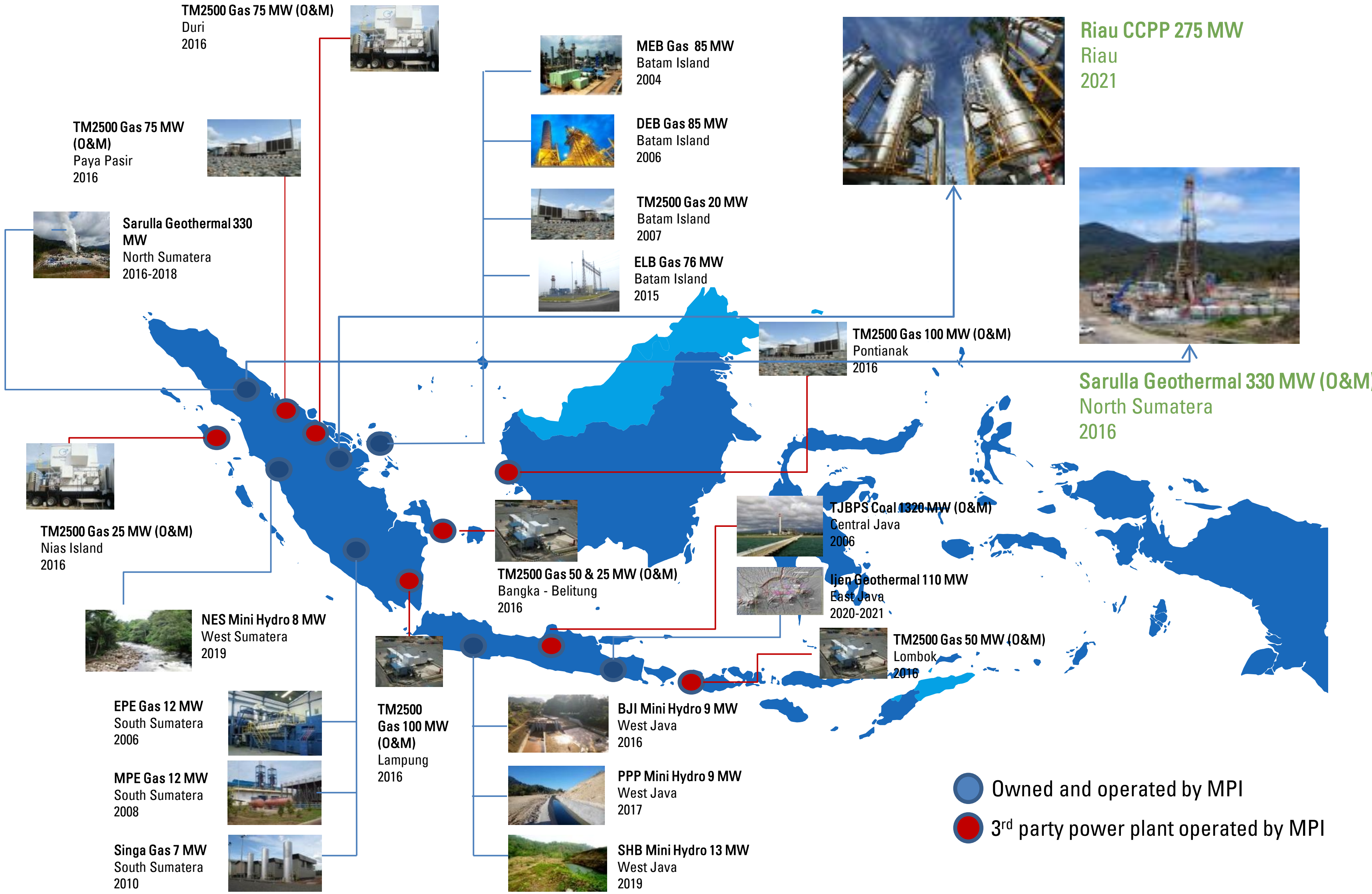
Contract expires in December 2027

2016 gross production > 300 mmscfd

Gross proved reserve 1.4 TCF with additional 880 bcf third party certification

Senoro Phase 2 will increase production above 400 mmscfd

Medco Power Generation: Asset Portfolio



Sarulla: Phased Geothermal Power Developments

The largest single-contract geothermal power project in the world

Phase I 110MW, commercial operation March 2017

Phase II and III CoD late 2017/2018 and 2019. Total contracted capacity of 330MW.

30 years Energy Sales Contract with PLN with Take or Pay 90% capacity factor. MPI provides plant O&M.

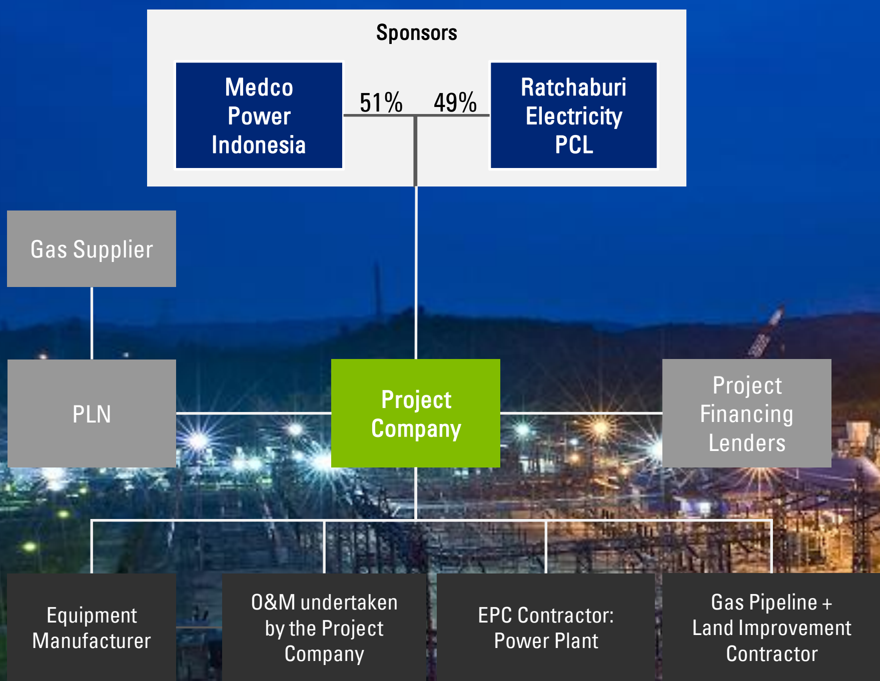
Partners INPEX, ORMAT, ITOCHU and KYUSHU

Investment cost of US$1.6 billion with secured project financing with JBIC, ADB, and 6 commercial banks

Riau Combined Cycle Power Project

Recently Awarded 20 years PPA Powering Areas Close to E&P Operations

Project Structure



Project Description

Project Location	Riau, Sumatera Island
Capacity	275 MW
Estimated COD	2021
Current Status	PPA signed April 2017

Project Milestone

Announcement	PPA signed		Financial close		COD
Nov 2016	April 2017	12 months	April 2018	36 months	2021

Amman Mineral Nusa Tenggara: Phased Mining Developments

Access to world-class Mining operations with long term upside

Transaction completed: 2 November 2016

Copper and gold mine in Sumbawa, Nusa Tenggara, established under 4th generation COW expiring in 2030, extendable 2x for 10 year period each. Converted into IUPK in Feb 2017

2016 production: 478 Mlbs copper, 801 Koz gold

Reserves (Proven + Probable):
  4,810 Mlbs copper + 4,616 Koz gold.
Resources (Measured + Indicated + Inferred):
  7,851 Mlbs copper + 8,100 Koz gold

Potential Development: Elang with est. resources 12,945 Mlbs copper, 19,712 Koz gold with potential to produce 300~430 Mlbs copper and 350~600 Koz gold

Summary

Creating Value

- Completed two transformational acquisitions
- Results Exceeded Guidance on production and costs. 2016 Production up 18.7% to 66 mboepd
- Gross and net margins improved, unit cash costs down 28%
- Senoro additional reserves, Lematang PSC extension, Riau IPP

Delivering Value

- Block A, Aceh Phase I execution
- Sarulla phase I commercial production
- 2016 Revenue and EBITDA increased despite lower average realized prices
- Share price up 66% during 2016 and continues in 2017

Looking Forward

- Extract operational efficiencies from acquisitions
- Maintain E&P unit cash cost below $10 per boe
- Monetize discovered reserve and resource base
- Build out the AMNT mine plan
- Further portfolio rationalization
- Long term balanced return to Shareholders and Lenders

About MedcoEnergi

1980

Established as Meta Epsi Pribumi Drilling Company

1994

Initial Public Offering in Indonesia

1995

Acquired 100% shares of Stanvac Indonesia from Exxon/Mobil

1996

Discovered **largest onshore oil reserves** (Kaji-Semoga)

2005

Awarded EPSA IV PSC Contract for Area 47 Libya

2006

Awarded Oman Service Contract. **Increased production by 100%** within 5-years

2007

Discovered **352 MMBOE** hydrocarbon resources in Area 47 Libya; 90% exploration success ratio

2009

LNG Sales Agreement signed with Japanese & Korean buyers, gas to be supplied from Senoro-Toili Block

2010

Obtained 20-year **extension for 3 Indonesian PSCs** (South Sumatra, Block A and Bawean)

2011

Obtained **Commerciality approval on Area 47, Libya**

Received **Final Investment Decision for Senoro-Toili** Gas and LNG projects

2012

Acquired 25% Block 9 Malik, Yemen

First coal sales shipment to China

2013

Secured Project Financing for Senoro for **USD 260 million**

2014

Signed **GSPAs** with **MEPPOGEN, PAU** and **PLN** Tarakan

Secured **Project Financing for DSLNG** and **Sarulla**

2015

Senoro and **DSNLG** began production

25 year of extension for Karim, Oman

Signed **GSA** in Block A Aceh

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