

MEDCOENERGI

1H08 Presentation

PT Medco Energi Internasional Tbk.

August, 2008

www.medcoenergi.com

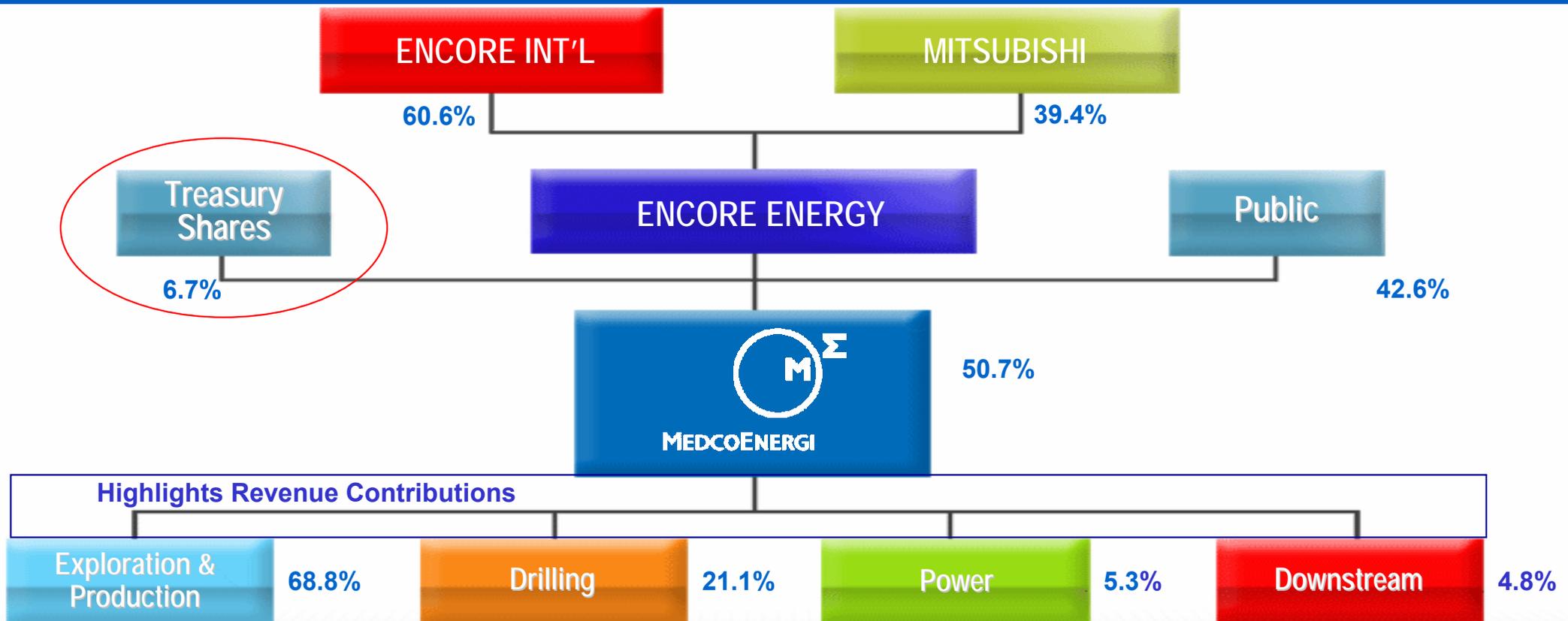
Energy Company of Choice

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MedcoEnergi's Ownership Structure



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- E&P Oil and Gas focused company, supported by onshore and offshore drilling operations, expanding to downstream and power opportunities.
- Strategic assets spread across Indonesia's prolific hydrocarbon bearing basins as well as international assets.
- Reserves Portfolio as of 30 June 2008:
 - Gross 1P reserve – 135, 60 MMBOE (67% oil, 33% gas)
 - Gross 2P reserve – 187,58 MMBOE (65% oil, 35% gas)
 - Contingent resources 191,01 MMBOE (2% oil, 98% gas)

Note: Reserves portfolio excludes contingent resources from Senoro, Block A, Bangkanai, Simenggaris, also Rimau EOR and Libya.

MedcoEnergi's - Indonesian Operations



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Map of E&P Operations in Indonesia



MedcoEnergi's E&P operations:

- 11 producing blocks/operations
- 1 development blocks
- 6 exploration blocks
- 1 economic interest

Major operated assets are:

- ❖ Rimau
- ❖ South Central Sumatra
- ❖ Lematang
- ❖ Senoro – Toili (gas reserves)
- ❖ Block A

MedcoEnergi's Power Plants:

- Panaran 1 & 2 Power Plant in Batam (118 MW)
- Batam Back-up Power Plant (20MW)
- Sarulla Geothermal in North Sumatra (340MW)
- Tanjung Jati B (O&M) in Central Java (1,320MW)

MedcoEnergi's Drilling Rigs:

- 8 onshore rigs
- 4 swamp barge rigs
- 2 jack-up rigs

MedcoEnergi's Downstream

- 1 Methanol plant in North East Kalimantan
- 1 LPG plant in South Sumatra
- 1 Ethanol plant in Lampung, South Sumatra
- 1 Wholesale storage and distribution facilities of refined fuels in Jakarta.

MedcoEnergi's - International Operations

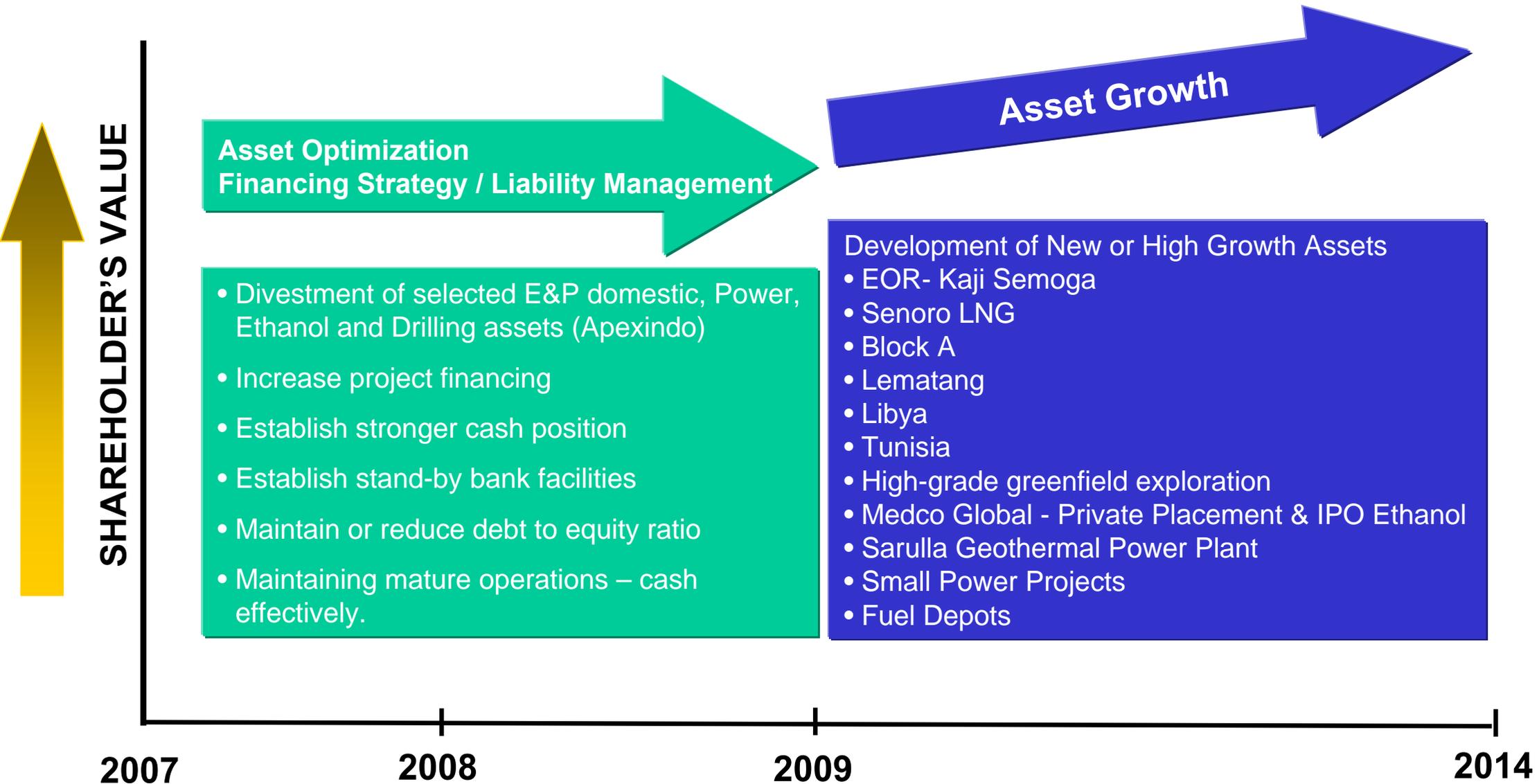


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- **USA*** – Producing (12 mmscfd):
 - East Cameron (317/318)
 - Main Pass (64/65 and 57)
- Exploration
 - Mustang Island (758)
 - Brazos Area (435, 437, 451, 492, 514)
 - West Delta (52)
- **Yemen*** - Exploration:
 - Block 82/83 (45% working interest)
- * operator
- **Libya** – Exploration and Discovery:
 - Block 47 (50% working interest)
 - Significant oil discovery
- **Oman*** – Service Contract (12 mbod):
 - Karim Small Fields
- **Cambodia*** - Exploration:
 - Block E (41.25% working interest)
 - Block 12 (52.5% working interest)
- **Tunisia** - Exploration:
 - Anaguid Block (40% working interest)

Short to Mid – Term Growth Strategy



... continued focus on E&P activities with a max of 70-80% of E&P assets and 20 – 30% other energy dependent or independent of our E&P business.

1. Create a lean and efficient structure of four sub-holding companies:
 - **MedcoEnergi Global** holding all international E&P assets (established in 2007);
 - **Medco Downstream Indonesia** holding all downstream assets (to be established in 2008);
 - **Medco Power Indonesia** holding all power assets (to be established in 2008); and
 - **MedcoEnergi E&P Indonesia** as a management holding of the Indonesian E&P assets (established in prior years);
2. Divested 2.5% of MedcoEnergi's shares in Apexindo from our 51.4% shares on March 27th, 2008, reducing our ownership to **48.8%**. This transaction resulted in the deconsolidation of Apexindo from our financial statements prospectively and reduction of USD 190 million in debt;
3. Domestic E & P sale of seven **operated and non operated assets** is in progress expect closing of transaction 2H 2008;
4. Strategic minority divestment in **Medco Power Indonesia**. Financial advisor has been appointed, teaser being finalized potential bidders identified. Close 4Q 2008 or early 2009;
5. Strategic minority divestment in **Medco Ethanol**. Studying options, target close end 2008 – early 2009;
6. Minority divestment in MedcoEnergi Global. Financial advisor has been appointed, continue studying options in light of market condition;

7. Signed gas sales agreement for Block A, 17-yr 85 bcf with **Perusahaan Listrik Negara (PLN)**. USD 5.30/mmbtu with 3% escalation annually. Amended GSA for South Sumatra Extension, 5-yr 71 bcf with PLN from USD 2.75/mmbtu to USD 4.17/mmbtu with 3% escalation annually. Commencing August 2008. GSA for Tuban Block, 3-yr 6 bcf with **PT. Petro Kimia Gresik** from USD 4.90/mmbtu with 2.5% escalation annually;
8. Signed subscription agreement and joint venture agreement with Biofuel Industries Pte Ltd and Biofuel Services Pte Ltd to develop and operate a **25MW Biomass Co-generation Power Plant in Jurong, Singapore**. Expected to commence in Mid 2008 with a total estimated project cost of USD 55 million;
9. Obtained share buyback approval at the EGMS on May 15th, 2008 for 3.29% of issued shares;
10. Signed an SPA on June 9th, 2008, with **PT. Mitra Rajasa** for the sale of 48.8% Apexindo owned by MedcoEnergi for USD 340 million. Payment terms 80% cash, 20% in a form of a 1-year note;
11. As part of the domestic asset optimization program, on July 31st, 2008, MedcoEnergi together with Koperasi Nusantara, signed an SPA, with PT Pertamina Hulu Energi and PT Pertamina Gas for 100% of the total shares of PT Medco E&P Tuban.

Impact of Asset Optimization-Divestment

Consolidated Impact of Asset Optimization – maximum impact can be estimated as follows:

On E& P Divestment

- decrease in total production;
- decrease in total disclosed 2P reserves;

E&P divestment impact will be compensated by a significant amount of Cash from divestment with market valuation average : EV/2P around \$7 - \$11/boe.

On Apexindo Divestment

- reduction in assets will be compensated with the cash proceed;
- elimination of USD 190 million debt from MEI Balance Sheet;
- significant increase in Equity from transaction gain MV vs BV.

On Power and Ethanol

- a small positive financial statement impact is expected.

By leveraging off current market valuation it is very likely significant value will be unlocked from our asset optimization program.

Block A

- Block A, 7-yr 280bcf with *Pupuk Iskandar Muda* (USD 5.00/mmbtu). Commencing 2010;
- Block A, 17-yr 85 bcf with Perusahaan Listrik Negara (PLN). USD 5.30/mmbtu) with 3% escalation annually. Commencing 2010;
- Negotiating the split with BP Migas;
- Total budgeted capital expenditure USD 608 million.

Lematang

- Lematang, 9-yr 130bcf with *PLN* (USD 3.22/mmbtu average). EPC contractor has been appointed, construction underway for infrastructure;
- EPC has been awarded for a contract value of USD 65 million to PT. Inti Karya Persada Teknik; Commencing 2009.

Senoro LNG

- MedcoEnergi, Pertamina and Mitsubishi has agreed on a gas pricing formula;
- Floor price and ceiling have been removed;
- In process of getting BP Migas approvals;
- A new operating company PT. Donggi Senoro LNG has been establish in January;
- Final investment decision in 2008.

Rimau (EOR)

- EOR Program will increase potential reserve by 64 mmbo;
- Pilot project implementation in 2007 and 2008;
- Chemical injection slated to start in 1Q 2010;
- EOR production 2012.

Libya

- Successful exploration of Block 47 in Libya with 7 discoveries out of 7 attempts with an aggregate flowrate of 90,000 bopd;
- Drilled 3 appraisal wells and 4 additional exploration wells from planned 12 wells for 2008;
- Production slated for early 2010 at 50,000 bopd;
- Exploration budget of USD 150 million for 2008;
- A third party assessment on the reserves submitted to the NOC 2Q2008;
- FEED for gathering line, oil and gas export pipelines and processing facilities are being conducted.

Lampung Ethanol

- Commercial production is expected to start by the second half of 2008 with 60% capacity and will gradually increase to full production by end 2008;
- In process of having a strategy partner.

Sarulla Geothermal

- Project will be operated by the Consortium consisting of MedcoEnergi, Kyushu, Itochu and Ormat;
- Construction will be in 3 phases over the next 5 years;
- First unit is scheduled to commence operation within 30 months after the financial close;
- Total project cost is expected to be approximately USD 850 million;
- Currently the Consortium is under discussions with JBIC and ADB to secure project financing.

FINANCIAL HIGHLIGHTS (in million USD)	1H08	1H07	Δ%
Revenue	709.0	403.0	75.93
Gross Profit	264.0	189.0	39.68
Income from Operations	187.0	129.0	44.96
EBITDA	258.6	197.5	30.94
Earnings Before Tax	161.1	81.1	98.64
Net Income	63.4	27.6	129.7
EPS (USD/share)	0.0204	0.0089	129.71
Equity	569.0	542.0	4.98
Total Assets	1,948.6	2,001	(2.62)

Financial Highlights - continued



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Balance sheets	Apexindo consolidated (48.87% shares) USD mio	Apexindo (equity method) (48.87% shares) USD mio
Total assets	2,431.4	1,948.7
Total liabilities	643.5	583.3
Total debts	963.6	780.3
Equity	568.8	568.5
Debt to Equity ratio	1.69	1.37
Profit and loss	Apexindo consolidated USD mio	Apexindo not consolidated USD mio
Revenue	768.84	709.1
Gross profit	285.63	264.3
Income from operations	203.91	186.8
EBITDA	267.34	258.6
Earnings before tax	173.33	161.1
Net income	63.4	63.4
EPS (USD/share)	0.0204	0.0204

Net Income by Business Segments

Business Segment (in million USD)	Net Income
Medco Energi Internasional, Tbk.	(21.6)
Exploration & Production – Domestic	96.9
Exploration & Production – Foreign	(19.2)
Drilling	14.1
Downstream	1.1
Power	(3.0)
Eliminations	(4.9)
Consolidated after Eliminations	63.4

OPERATIONAL HIGHLIGHTS	1H08	1H07	Δ%
Oil Lifting / MBOPD	46.4	51.4	-9.9
Gas Sales / MMCFD	106.3	103.7	2.5
TOTAL Oil and Gas (MBOEPD)	64.5	69.1	-6.7
Crude Price, USD/barrel	110.1	62.9	75.1
Gas Price, USD/mmbtu	4.6	3.0	50.8
Onshore Rig Utilization / %	61%	69%	-11.6
Offshore Rig Utilization / %	91%	76%	19.7
Methanol Production / 000' MT	69.3	38.1	82.2
Methanol Sales / 000' MT	66.7	38.0	75.5
Methanol Price, USD/MT	346	269	28.6
LPG Production / MTD	45.2	84.3	-46.3
LPG Price, USD/MT	784.8	316.2	148.2



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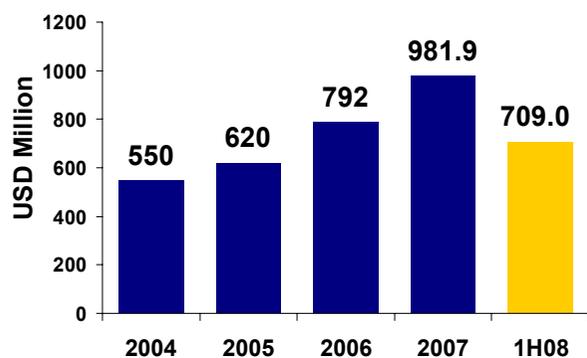
Attachments

Financial and Operating Highlights

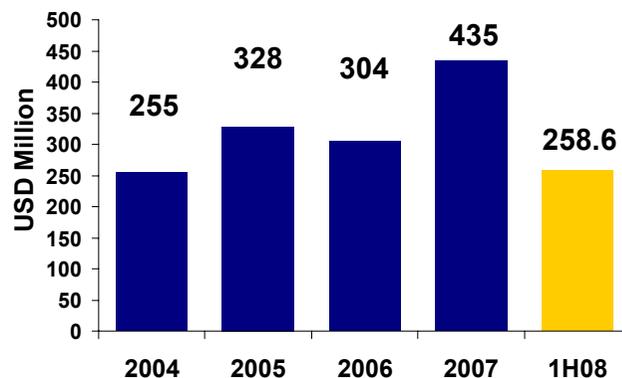


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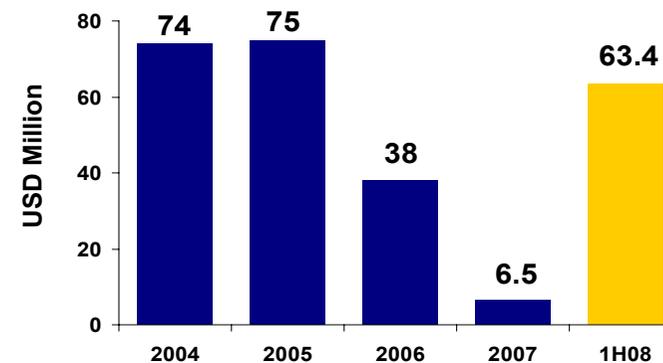
Revenues



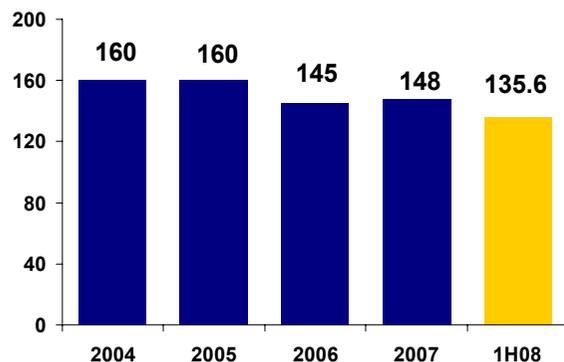
EBITDA



Net Income

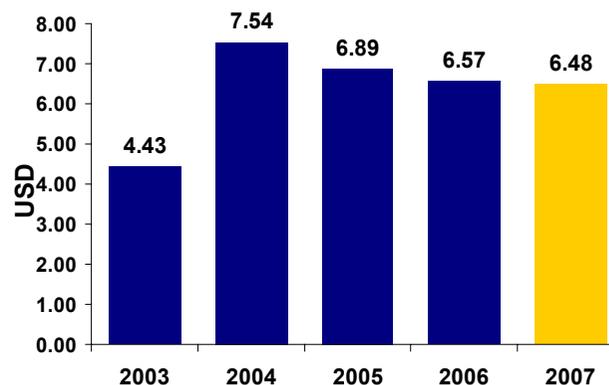


1P Reserves in MMBOE

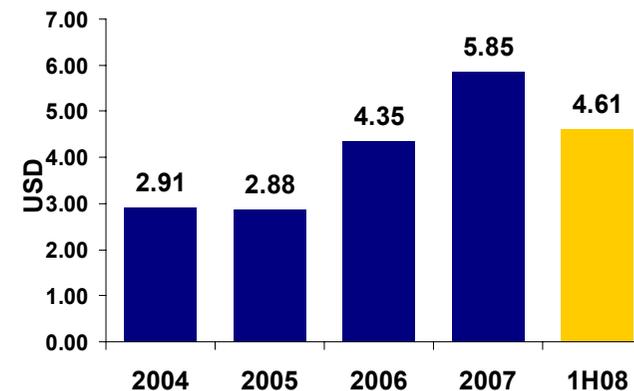


Note: Reserves quoted exclude Rimau (EOR) and Libya

Finding and Development per BOE



Lifting Cost per BOE



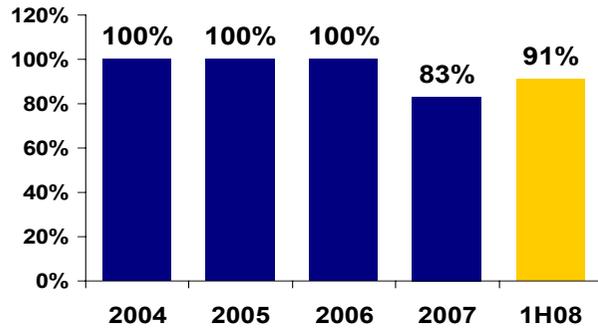
Note: Lifting Cost is based on production volume.

Financial and Operating Highlights

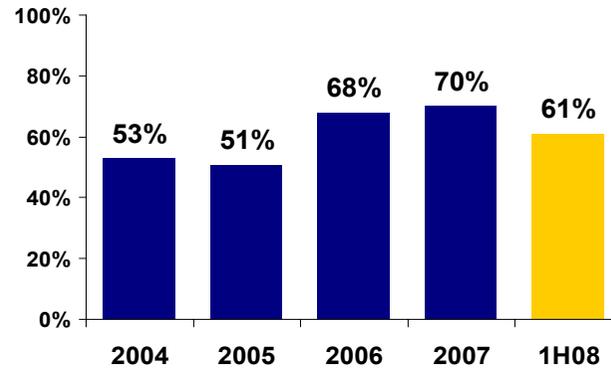


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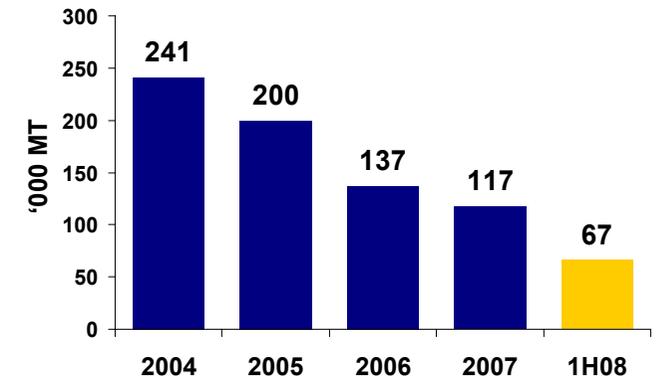
Offshore utilization rate



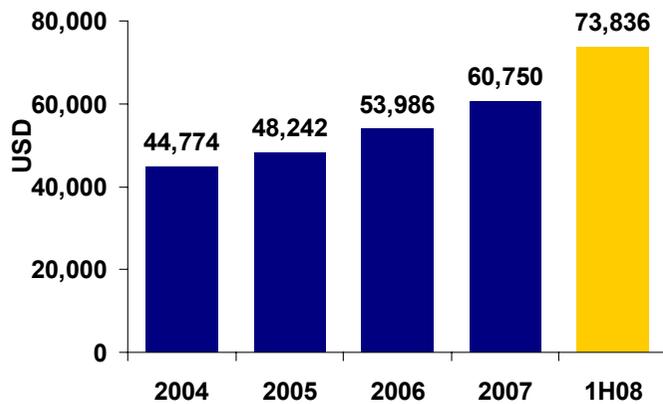
Onshore utilization rate



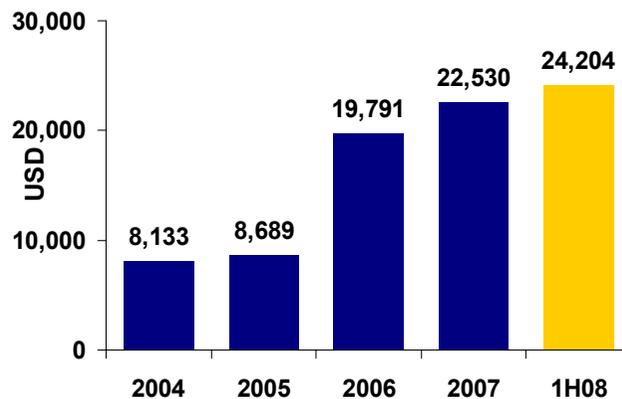
Methanol sales



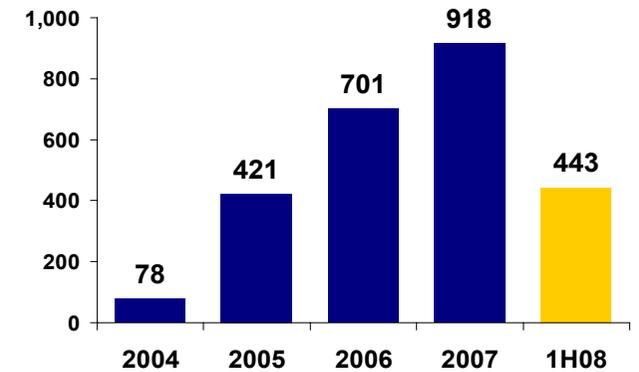
Offshore average daily revenues



Onshore average daily revenues



Power production in GWH



RATIOS	1H08	1H07	Δ%
Liquidity & Solvability			
Cash Ratio	0.72	0.61	18.3
Quick Ratio	1.83	1.85	(1.08)
Debt to Equity Ratio	1.37	1.53	(10.5)
Net Debt to Equity Ratio	0.60	1.00	(40)
Total Liabilities / Total Equity	2.39	2.46	(2.8)
Profitability			
Gross Margin	37%	47%	(21.3)
EBITDA Margin	36%	49%	(26.5)
Operating Margin	26%	32%	(18.8)
Net Margin	9%	7%	28.6
Interest Coverage Ratio	7.74	6.09	27.1
Return on Equity	0.11	0.05	120

RATIOS	1Q08	1Q07	Δ%
Coverage Ratios (x)			
Income from Operations/ net interest	5.59	3.97	40.8
Net debt/ EBITDA	2.00	3.42	(41.5)
Efficiency Ratios (x)			
Revenue/ fixed assets	0.79	0.35	125.7
Revenue/ net working capital	1.48	1.30	13.8
Investment Ratios (x)			
CapEx/ Revenue	0.14	0.16	(12.5)
CapEx/ depreciation	1.42	0.96	47.9
Capital Structure (%)			
Net debt/ total equity	0.91	1.25	(27.2)
Net debt/ (net debt + equity)	0.48	0.55	12.7

- Maintaining sufficient debt capacity and financing flexibility for future expansion in line with the corporate strategic plan;
 - Deconsolidation of USD190 million Apexindo's debt providing both MedcoEnergi and Apexindo with financial flexibility;
 - Proceeds from the asset optimization plan will significantly strengthen our cash flow, capital structure and borrowing capacity position; and
 - Replace ethanol equity financing with debt financing
- Continue utilizing swap/derivative instruments to manage currency and interest swap with a strategy of 50% hedged;
- Securing non or limited recourse financing needs of our key development projects and other assets;
 - More timely matching financing with capital spending;
 - Provides an external validation on the projects economics
- Securing and using stand-by bank facilities for refinancing bonds and CB;
- Managing our debt maturity profile and currency exposure, to limit any restrictive covenants and to obtain competitive cost of fund on new or existing debt;
- Centralized treasury and liability management while exercising discipline on capital allocation



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Domestic E&P Assets

- **Optimizing production efforts:**

- Will drill 38 development wells and 3 exploration wells in 2008;
- Complete drilling the remaining 11 water-flood wells by end of 2008;
- Pilot Project on EOR have drilled and completed 15 wells this year and surfactant test this year;
- Strategic Alliances with other parties to optimize production.

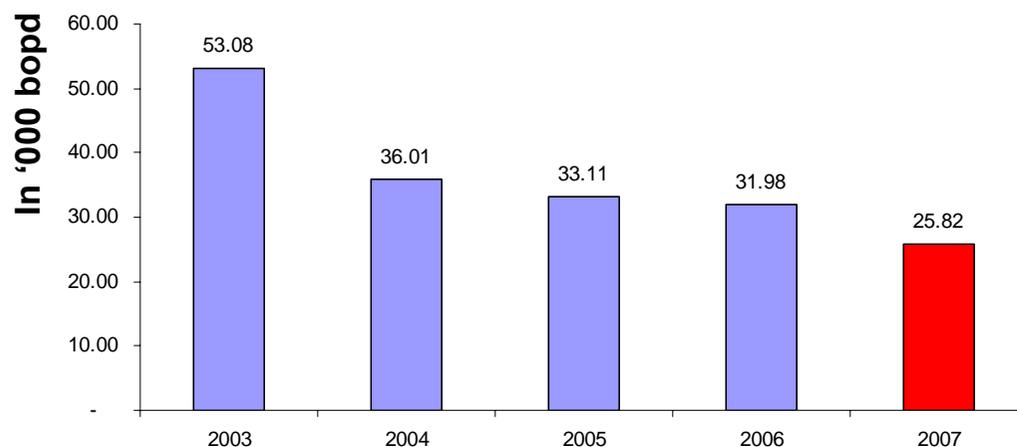
- **Reserves: as of June 30, 2008**

- 1P 56.00 MMBO, 3.24 bcf;
- 2P 72.67 MMBO, 10.83 bcf.

- **EOR may increase reserves by 64 MMBOE.**

- **Working Interest:**

- MedcoEnergi 95%
- South Sumatra Regency 5%



Telisa and Talang Akar develop 8 wells for 2008

- **Optimizing production efforts:**

- In 2008 MedcoEnergi plan to drill 7 explorations wells and 15 development wells
- Drilled 7 development wells in 1H08
- Amended 5-yr 71 bcf gas supply to PLN from USD 2.75/mmbtu to USD 4.17/mmbtu with 3% escalation
- Ibul reactivation project and Jene optimization study
- PSC Extension negotiation still in progress

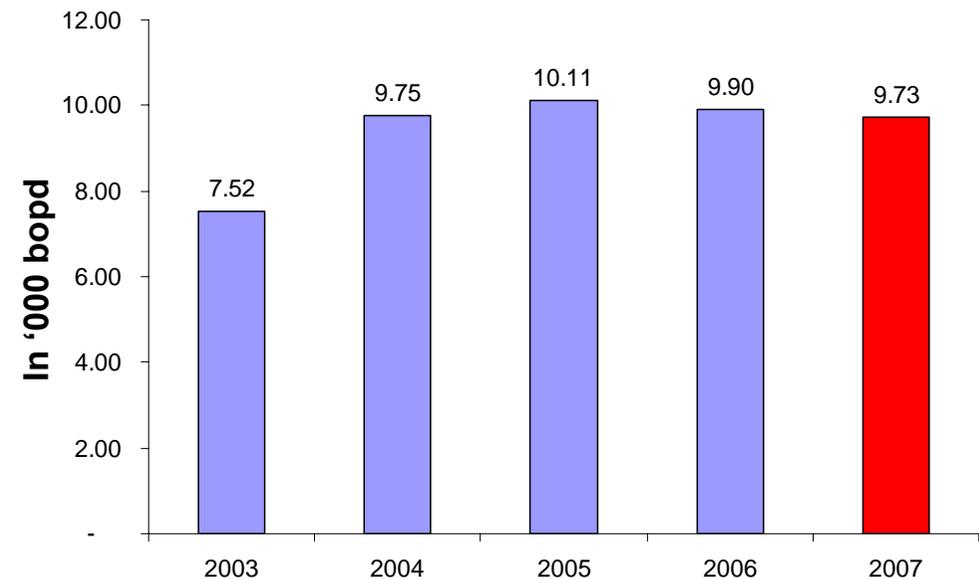


- **Reserves: as of June 30, 2008**

- 1P 5.94 MMBO, 99.95 bcf;
- 2P 12.51 MMBO, 183.28 bcf.

- **Working Interest:**

- MedcoEnergi 100%



Recent Development

- Plan of Development has been approved by BPMIGAS in 2006.
- On March 21st 2007, signed a **9-year 130 bcf Gas Sales Agreement** with PLN with an average price of **USD 3.22/mmbtu**.
- Engineering Procurement & Construction Contract award waiting for BPMIGAS approval.
- **USD 75.24 million** will be spent during 2007 – 2008 for production facilities.
- 2 new production wells and 2 work-over wells will be done in 2008 at a cost of approximately **USD 44.7 million**.
- Expected commencement of production end of 2009.

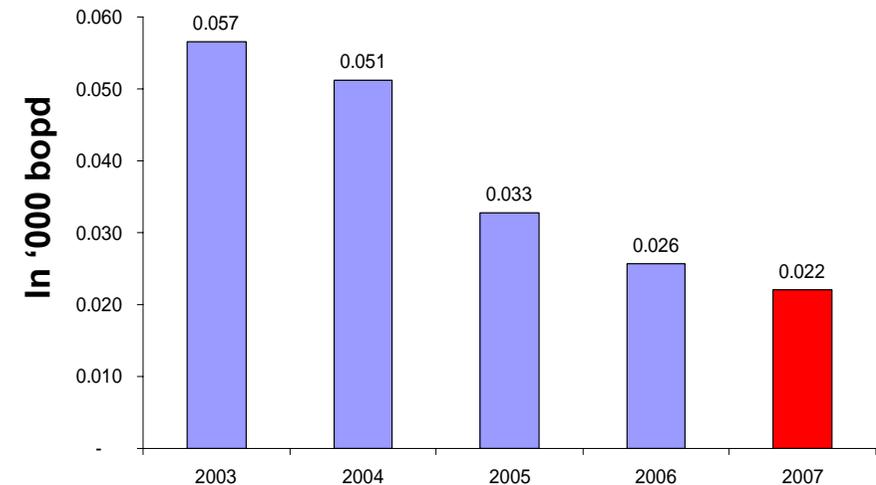
Reserves: as of June 30, 2008

- 1P 95.4 bcf.
- 2P 113.8 bcf.

Working Interest:

- MedcoEnergi 74%
- Lundin Lematang 26%

Harimau Field Production



- **LNG plant with a 2 million tons capacity for 15 years.**
- **Progress Update:**
 - Estimated 2P reserves of 2.6 TCF gas; (2.9 TCF gas include Senoro-5 in house estimate);
 - First LNG project since the 2001 Oil and Gas Law;
 - Framework Agreement (Pertamina, MedcoEnergi, Mitsubishi) signed May 10, 2007, and Development Corporation Agreement signed August 20, 2007;
 - FEED contract for LNG is being developed;
 - Negotiations with potential LNG buyers and Upstream gas suppliers are underway;
 - Shareholders Agreement between MedcoEnergi, Pertamina and Mitsubishi has been signed.
- **Upstream Development:**
 - Continue performing Engineering & Design Optimization for new sales scenarios (250 mmscfd to LNG and 70 mmscfd to PAU);
 - Prepare bid document for EPC tender.
- **Tiaka oil field** as of March 31st, 2008 gross production **3,280 BOPD**
- Estimated Upstream Capex USD 485 Million gross, MedcoEnergi's portion 50%.
- **Upstream Working Interest:**
 - MedcoEnergi 50%
 - Pertamina 50%
- **Downstream Holdings:**
 - MedcoEnergi 20%
 - Pertamina 29%
 - Mitsubishi 51%



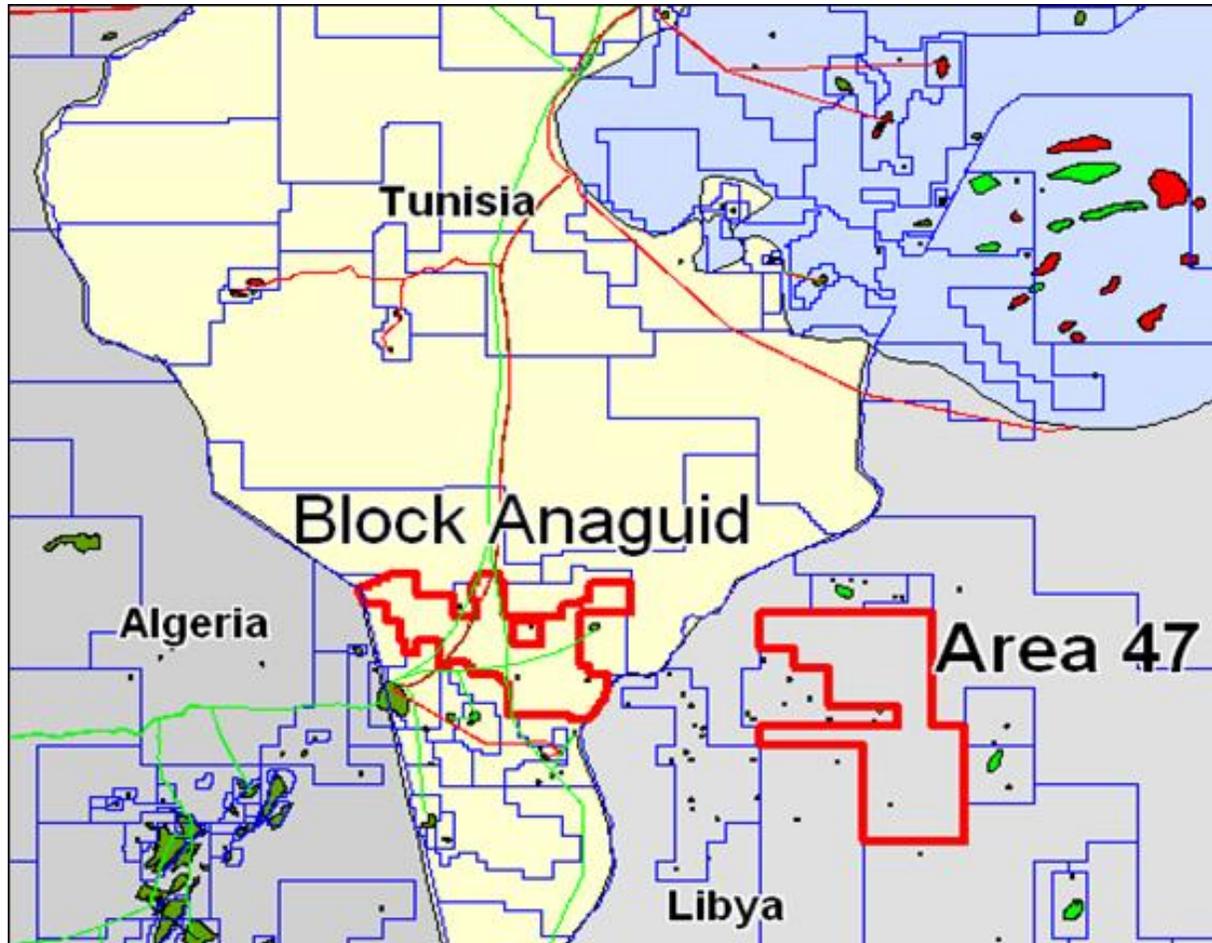
- Block size : 1,803 sq km.
- MedcoEnergi : 41.67%.
- Contract expire : August 31, 2011.
- Discovery of **4 gas fields** : Estimated 2P reserves of 680 BCF (D&M gross reserves).
- **Working Interest** : MedcoEnergi 41.67%
Premier 41.66%
Japex 16.67%
- Medco is the **Operator**.
- On December 10th, 2007, signed a 7-year 280 BCF Gas Sales Agreement with PT Pupuk Iskandar Muda for Block A gas, price of USD 5.00/mmbtu.
- On April 14th, 2008, signed a 17-year 85 bcf with Perusahaan Listrik Negara (PLN) at USD 5,30/mmbtu with 3% escalation annually.
- Expected production of 125 BBTUD.
- Expected commencement of production in 2010.
- Additional Gas market: State owned electricity company PLN.
- Potential exploration upside of **more oil and gas identified prospects**.



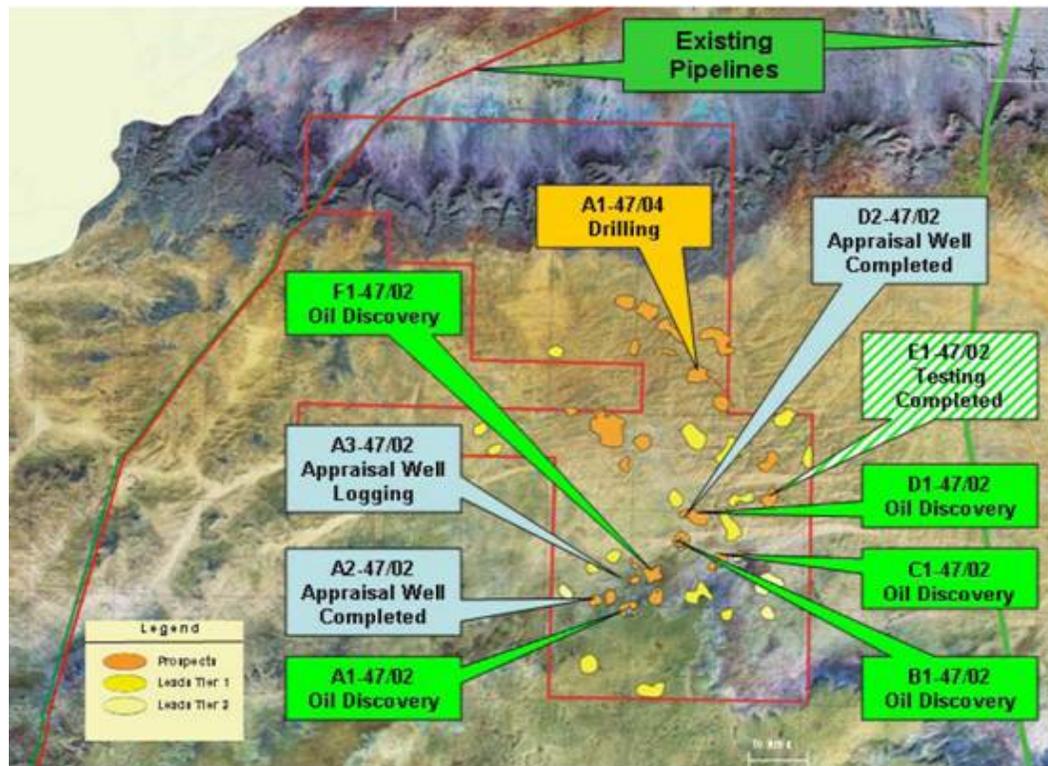


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International E&P Assets



Both Area 47 block in Libya and Anaguid block in Tunisia sits on the prolific hydrocarbon basin, called the Ghadames basin.



Appraisal Wells:

- A2-47/02 well, flow-tested 7,352 bopd;
- A3-47/02 well, awaiting NOC approval for release;
- A4-47/02 well, in process;
- D2-47/02 well, awaiting NOC approval for release.

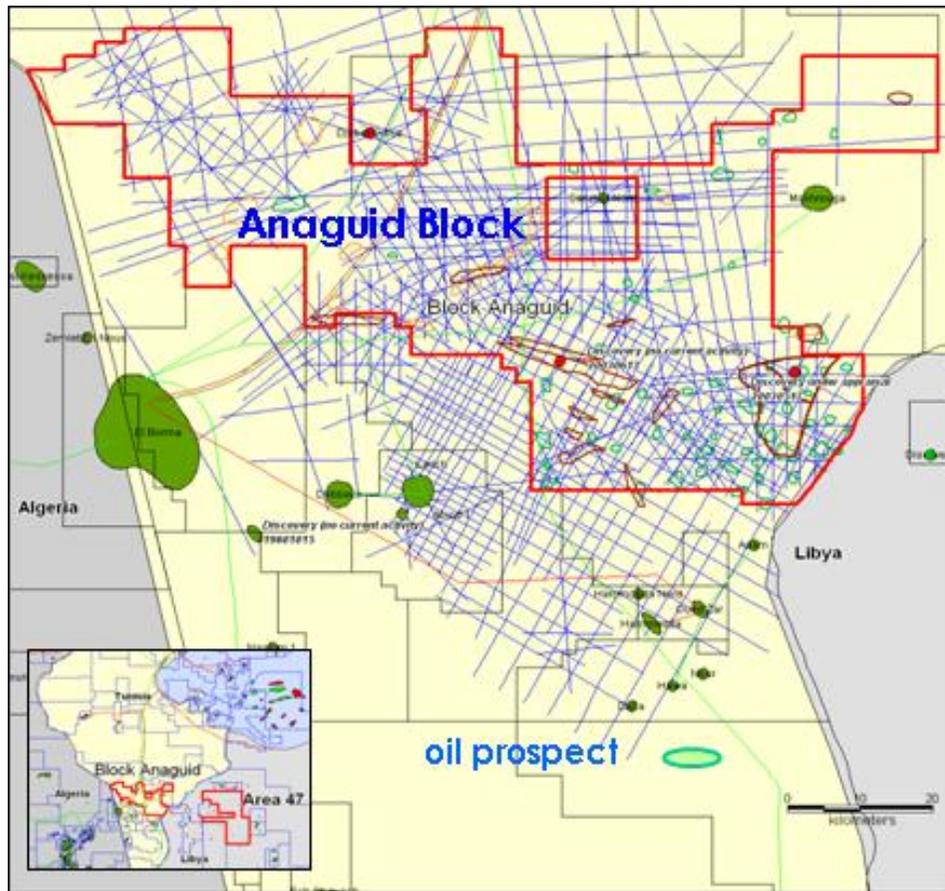
Drilling:

- B1-47/04 well, drilled and cased;
- C1-47/04 well, logging;
- G1-47/02 well, drilling.

- Contract term : EPSA IV;
- Signature Bonus US\$ 0.25 million;
- Successful drilling on 7 exploration wells with significant oil discovery. Four appraisal wells have been drilled. Three drilling programs underway;
- There are 45+ initial oil prospects and leads;
- 13.7% production allocated;
- Working Interest :
 - MedcoEnergi 50%
 - Verenex (operator) 50%
- Completed all Exploration commitment;
- Completed 1,225 km² of 3D seismic by December 2007;
- Initial production end of 2009 at approximately 50,000 bopd.

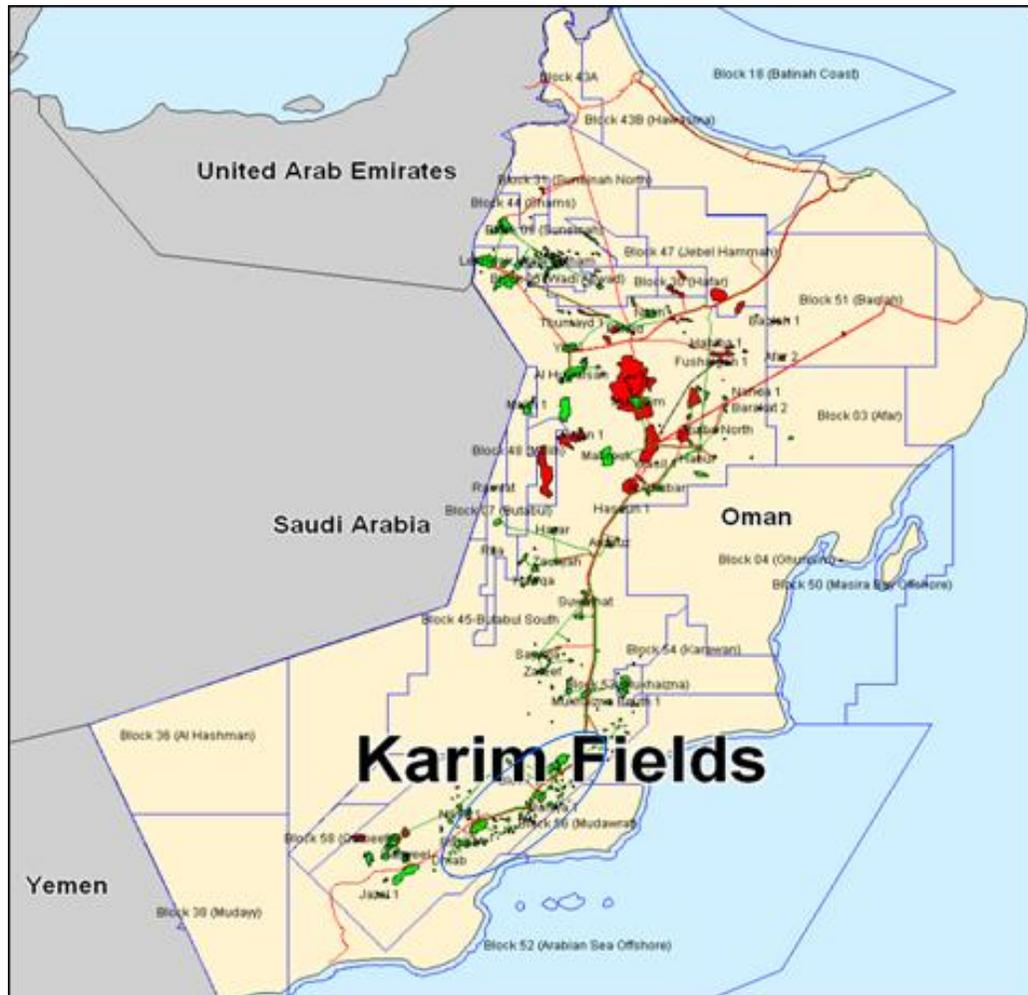
New oil discovery based on own exploration:

- A1-47/02 well, flow-tested 12,500 bopd;
- B1-47/02 well, flow-tested 23,800 bopd;
- C1-47/02 well, flow-tested 23,570 bopd;
- D1-47/02 well, flow tested 7,742 bopd;
- E1-47/02 well, flow tested 1,216 bopd*;
- F1-47/02 well, flow-tested 7,215 bopd;
- A1-47/04 well, flow tested 6,603 bopd.



- Type of Contract : Concession;
- Farm-out of Anadarko's Working Interest;
- Working Interest* :
 - MedcoEnergi 40%
 - Pioneer 60%
- *) ETAP – Tunisia Govt has participation right up to 50% WI of development;
- Carried through ETAP exploration capex;
- Acquire 3D Seismic ~ 2,200 km² (Nov 2007 – March 2008) and 2 exploration wells will be proposed commencing August 2008 to test Lower Acacus targets.

Anaguid Block situated in western part of the prolific Ghadames basin, in Tunisia. The Ordovician sands tested gas a main objective, and Lower Acacus, Silurian sand provide oil zone objectives.

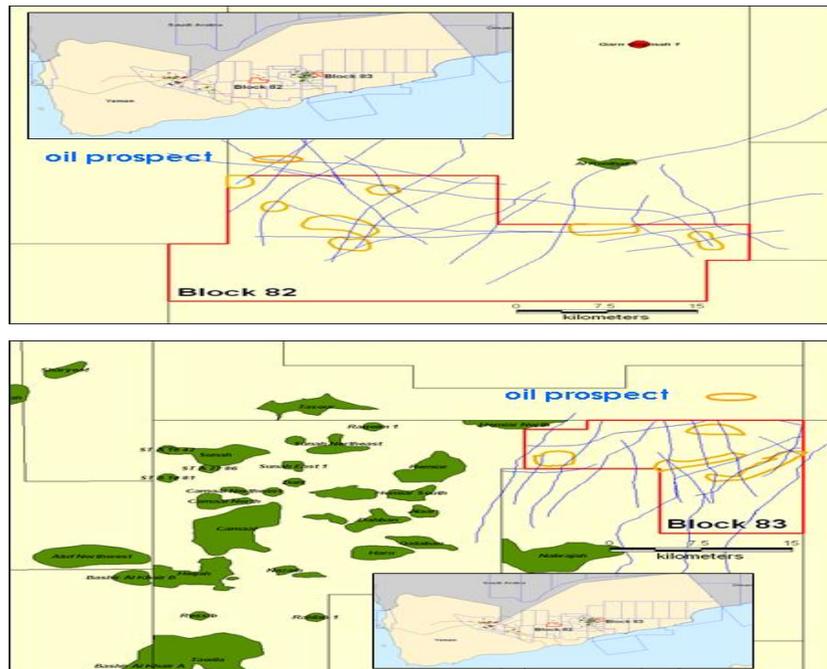


- Service Contract Agreement with PDO;
- Producing Block;
- Probable Reserve 122 mmbo;
- Current Production 13,000 bopd;
- Target Production 38,000 bopd by 2008;
- Operational Handover to Medco in August 2006;
- Contract:
 - 30% CR Ceiling
 - US\$ 30 million Signatue Bonus
 - MedcoEnergi 51% WI (operator)
 - Partner : Kuwait Energy 15% WI, OOC 25% WI, Vision 5% WI, and Petrovest 4% WI.

International - Yemen - Block 82 & 83



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Block 82 lies on the south western part of the Sir Sayun prolific basin. Qishn Clastic, Cretaceous sands are the main oil objectives in these blocks.

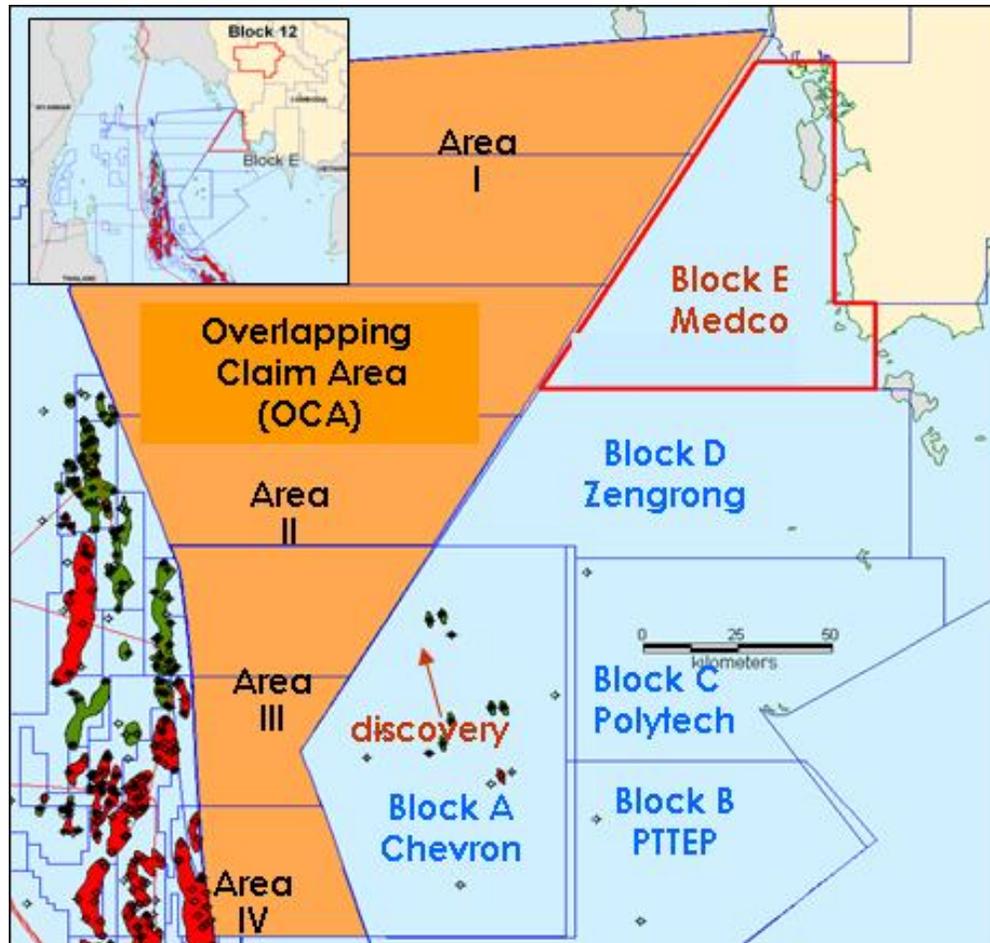
Block 83 Located in the prolific Sir Sayun basin. The block is surrounded by oil fields, and Qishin clastics, Cretaceous sands are the oil objective zones. Number of leads was confirmed by the 2D lines.

- Type of Contract : Production Sharing;
- Signature Bonus USD 7.0 million and USD 10.0 million for Block 82 and 83 respectively;
- Working Interest:
 - MedcoEnergi (operator) 38.25%
 - Kuwait Energy 21.25%
 - IOC 12.75%
 - OIL 12.75%
 - YBCO 15.00%
- Awarded in Dec. 2006 and PSA signing in Sept 2007.



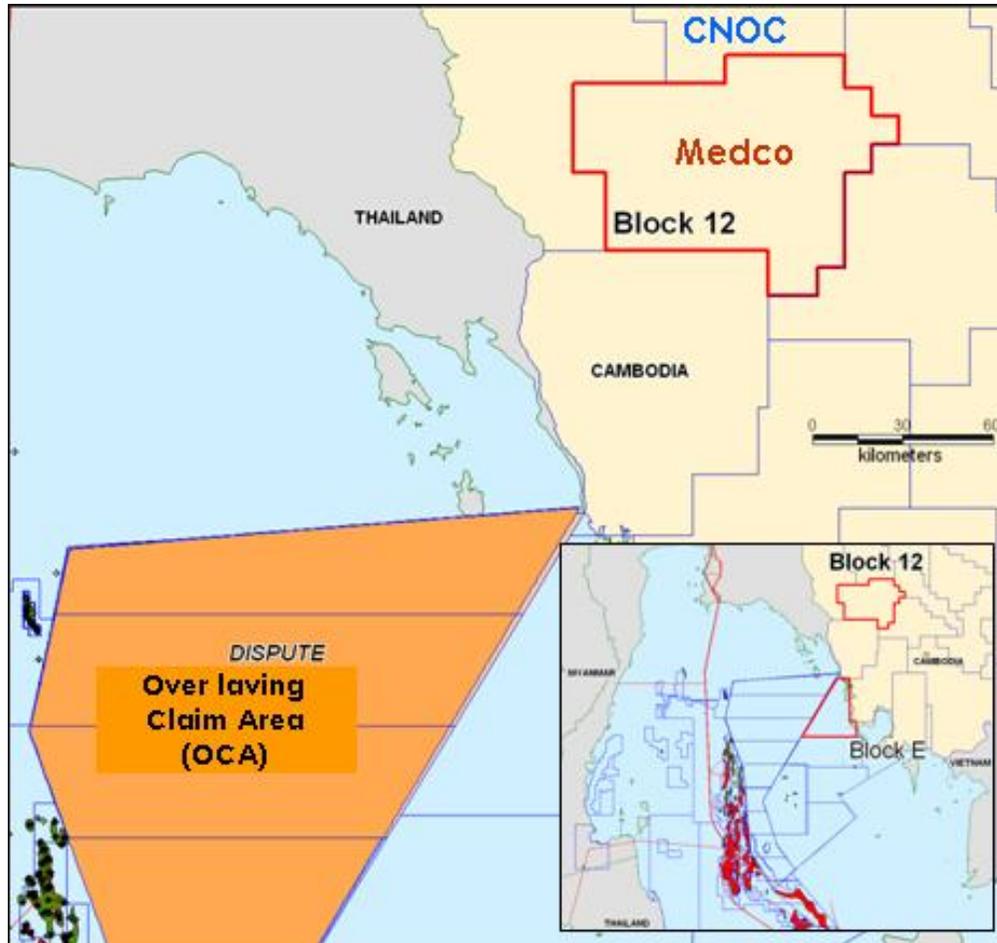
- Eight Concessions;
- MedcoEnergi as Operator;
- MedcoEnergi's Working Interest :
 - East Cameron : 75% WI
 - Main Pass 64/65 : 75% WI
 - Main Pass 57 : 7% WI
 - Mustang Island : 66.25% WI
 - Block 435 : 100% WI
 - Block 437 : 100% WI
 - Block 492 : 100% WI
 - Block 514 : 100% WI
 - West Delta 52 : 53.84% WI
- Development program to improve reserve and production;
- Sold Sorrento Dome and impaired reserves mainly from East Cameron and Main Pass in 2007

- Operating Data;
 - 20 producing wells;
 - Proven reserve as per December 31st, 2007 is 4,935 mboe;
 - 2007 production : 2,570 mmscfd, 112 mbo.



Block E Located in Northern part Cambodia. Known as proven prolific source of oil offshore Cambodia. 1,760 km 2D seismic are acquired, and several leads defined.

- Contract signed on September 3rd, 2006;
- Signature Bonus US\$ 4.5 million;
- Contract Type : Production Sharing Contract;
- Block E Offshore in Khmer Basin, with potential resources 77 mmbo;
- 3 Years Min. Commitment : US\$ 10.25 million;
- Attractive fiscal term : the profit oil has 2 – 2.5 time of Indonesia PSC;
- Working Interest :
 - MedcoEnergi (operator): 41.250% WI
 - Lundin : 34.000% WI
 - KE : 20.625% WI
 - JHL Petroleum*) Ltd. : 4.125% WI
- Oil discovery in block A, a Chevron concession;



- Contract signed on September 28th, 2007;
- Contract Type : Production Sharing Contract,
- Signature Bonus USD 3.0 million,
- Block 12 Onshore targeting Tonle Sap basin in Northern Cambodia;
- 3 years exploration license with one time extension of 2 years.;
- Attractive fiscal term;
- Working Interest :
 - MedcoEnergi (operator): 52.5% WI
 - CNPA : 40.0% WI
 - JHL Petroleum*) Ltd. : 7.5% WI

Block 12 Located in south-western part of the Tonle Sap Basin, onshore Cambodia. The prospective area has been previously identified through gravity and magnetic mapping and satellite images.



MEDCOENERGI

Drilling



48.8%

PT Apexindo Pratama Duta Tbk. (onshore / offshore drilling)

- ◆ Incorporated in 1991.
- ◆ Operates 6 offshore rigs, two jack-ups and 4 swamp barges.
- ◆ Currently operates 8 onshore rigs.
- ◆ Key long term clients like Total ensure high utilization.
- ◆ Revenue of USD 200 M in FY 2007.
- ◆ Market Capitalization USD 601 million (As of December 28th 2007)

FINANCIAL HIGHLIGHTS (in million USD, unless otherwise stated)	1H08	1H07	Δ%
Revenue	115.8	81.8	41.6
Gross Profit	44.4	30.7	44.6
Income from Operations	37.9	26.8	41.4
EBITDA	55.3	38.5	43.5
Earnings Before Tax	24.5	22.8	7.4
Net Income	21.3	15.1	41.3
Equity	238.3	214.9	10.8
Total Assets	482	472	2.1
Debt to Equity (Ratio)	0.77	0.95	-19.3
Net Debt to Equity (Ratio)	0.58	0.80	-27.2
Offshore average daily revenues Jack ups (USD)	135,828	42,874	216.8
Onshore, average daily revenues swamp barges (USD)	42,840	49,308	-13.1
Onshore, average daily revenues (USD)	24,204	21,130	14.5



MEDCOENERGI

Downstream

Panaran 1, Batam 2x27.5 MW gas fired power plant

- Initiate discussion with PLNB for Combined Cycle plant expansion

Panaran 2, Batam 2x27.5 MW and 8 MW Chiller.

- 20 MW TM 2500
- 21 MW Combined Cycle add on for Panaran II construction started expected to complete by mid 2010
- PPA Amendment V regarding CCPP Panaran II was signed on May 7th 2008.
- PPA Amendment VI regarding TM2500 was signed on June 9th 2008.

Tanjung Jati B, Central Java

- O&M provider for 1320 MW coal fired power plant

Sengkang, South Sulawesi

- 135 MW Gas fired power plant
- Construction of 60 MW expansion plant started and expected to complete by end 2008



Sarulla, North Sumatera

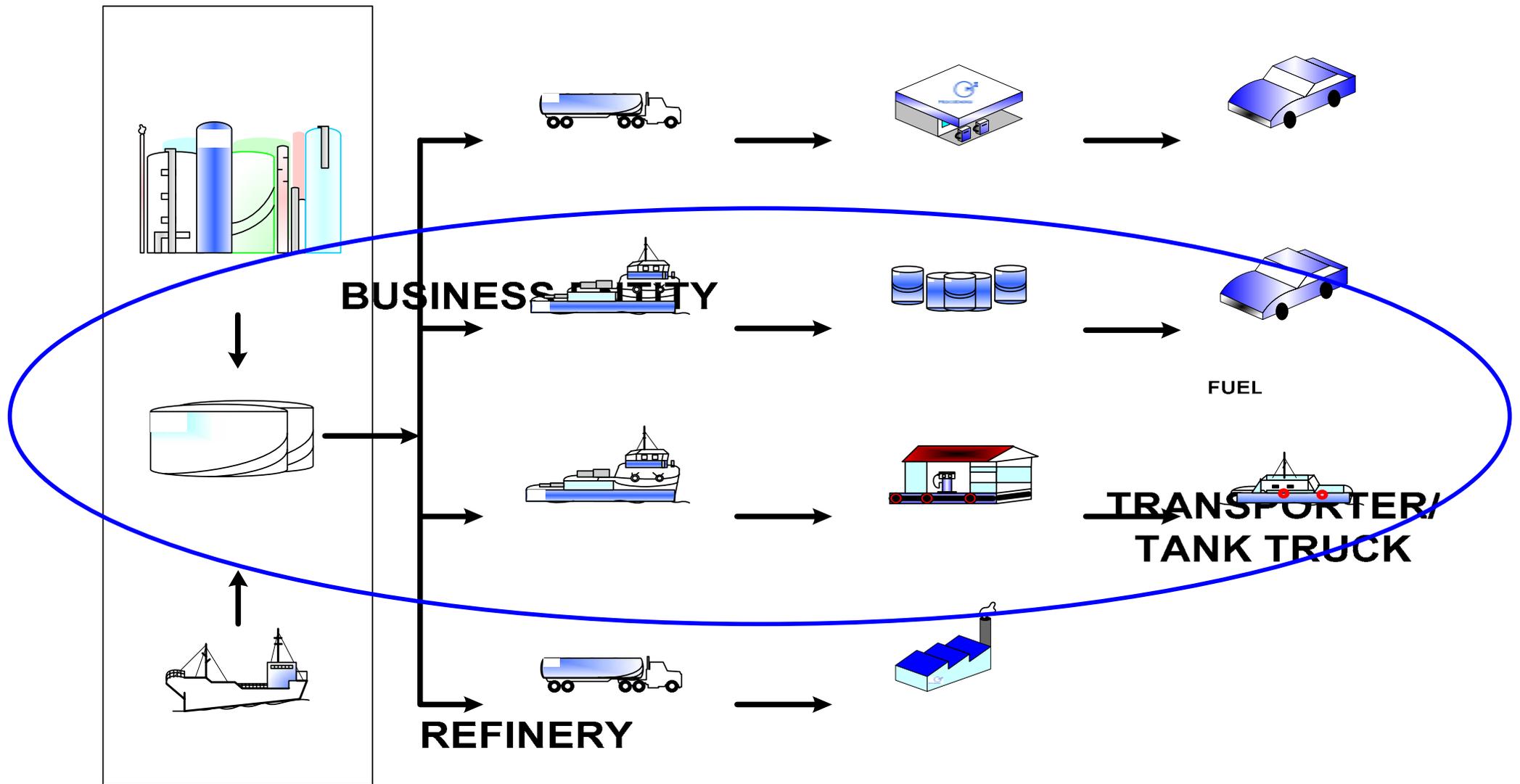
- 330 MW Geothermal power plant
- Energy Sales Contract (ESC) and Deed of Assignment (DOA) was signed by PLN and Consortium on December 14th 2007.
- Join Operation Contract (JOC) was signed by Pertamina and Consortium on December 14th 2007
- Amended DOA signed on 3rd July 08 to formalize Kyushu Electric participation
- Finalization of EPC contract
- Negotiation with potential lender continued

Jurong, Singapore

- 25 MW Biomass power plant
- JVA signed with Biofuel Services Pte. Ltd.
- Finalization EPC Contract, Fuel Supply Contract and Project Financing
- Basic engineering design work started

Future Committed Projects:

- 6 MW gas-fired power plant in Muara Enim, South Sumatra, utilizing MEPI flared gas.
- 6 MW gas fired power plant for Singa field, South Sumatra. Will demonstrate synergy and entry to PSC's market
- Senoro, Central Sulawesi and Block A, Aceh gas fired power plant project development



Growing in the newly opened mid-stream fuel farms that is relatively low cost, with potential to grow horizontally in the near future and vertically in the long run.

**TRANSPORTER/
LAND/SEA/AIR**

Methanol

- Plant location on Bunyu Island - East Kalimantan;
- Methanol plant owned by PERTAMINA;
- Capacity 330,000 tons per annum or 900 tons per day;
- 60% export, 40% domestic market sales.

Status

- Lack of gas supply;
- Possible plant shutdown;
- Looking to find gas resources from Sembakung, Simenggaris, Tarakan and Nunukan.

LPG Kaji

- Plant located in Rimau PSC in South Sumatra;
- Plant Capacity 73,000 tons per annum
- Processed 5,301 MMCF of associated gas from Kaji/Semoga fields;
- LPG production of 26,803 tons in 2007 and 4,254 tons for first half of 2008;
- Produce 96,536 barrels of condensate and 2,979.46 MMCF of lean gas in 2007.

Status

- Lack of gas supply due to lower production of Rimau PSC.

Ethanol

General

- **Raw Material** of 396,000 MT of cassava or 236,000 MT of molasses;
- **Operation** 330days per year 24 hours per day;
- **13,200 ha** of cassava plantation area, run and owned by independent farmers;
- Commencement of production is expected to be in 2nd half 2008;
- Progress to date 95% completed;
- Divestment of minority share.

Location

- **Kotabumi**, North Lampung, Sumatra.

Plant Output

- **180 kiloliters** per day (1,130 boepd) or **60 million liters** per year.



Fuel Farm

- The new deregulations in the Oil and gas Law brought the opportunity to enter a business with added value and stable income.

Medco Sarana Kalibaru :

- Fuel Blending Plant and Storage;
- Located in a special zone of Tanjung Priok Harbour;
- Has 5 tanks (3 tanks of 6,000 KL & 2 tanks of 2,350 KL) with total capacity of 22,700 KL.



Lemongan Intergrated Shorebase :

- Located in a East Java;
- Initial startup with one tank with a capacity of 6,000 KL and will be increased gradually to four tanks by 1Q2010 with a total capacity of 24,000 KL.

This document contains certain financial conditions and results of operation, and may also contain certain projections, plans, strategies, policies and objectives of the Company, which could be treated as forward looking statements within the meaning of applicable law. Forwards looking statements, by their nature, involve risks and uncertainties that could cause actual results and development to differ materially from those expressed or implied in these statements. PT MEDCO ENERGI INTERNASIONAL TBK. does not guarantee that any action, which should have been taken in reliance on this document will bring specific results as expected.

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