



Investors' Update 2014

PT Medco Energi Internasional Tbk.

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This document contains certain 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.

Business Strategy

1

Strengthen the portfolio of producing assets, including acquisitions.

2

Increase the reserve life index through exploration activities.

3

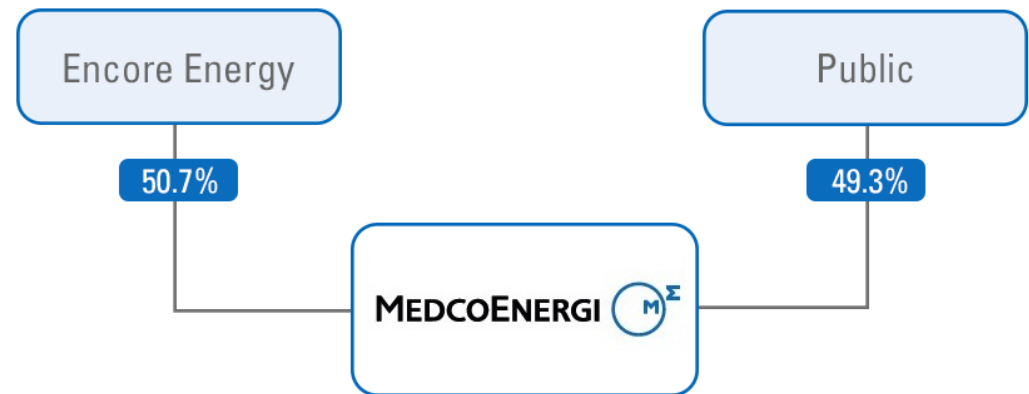
Complete all Major Projects as planned

4

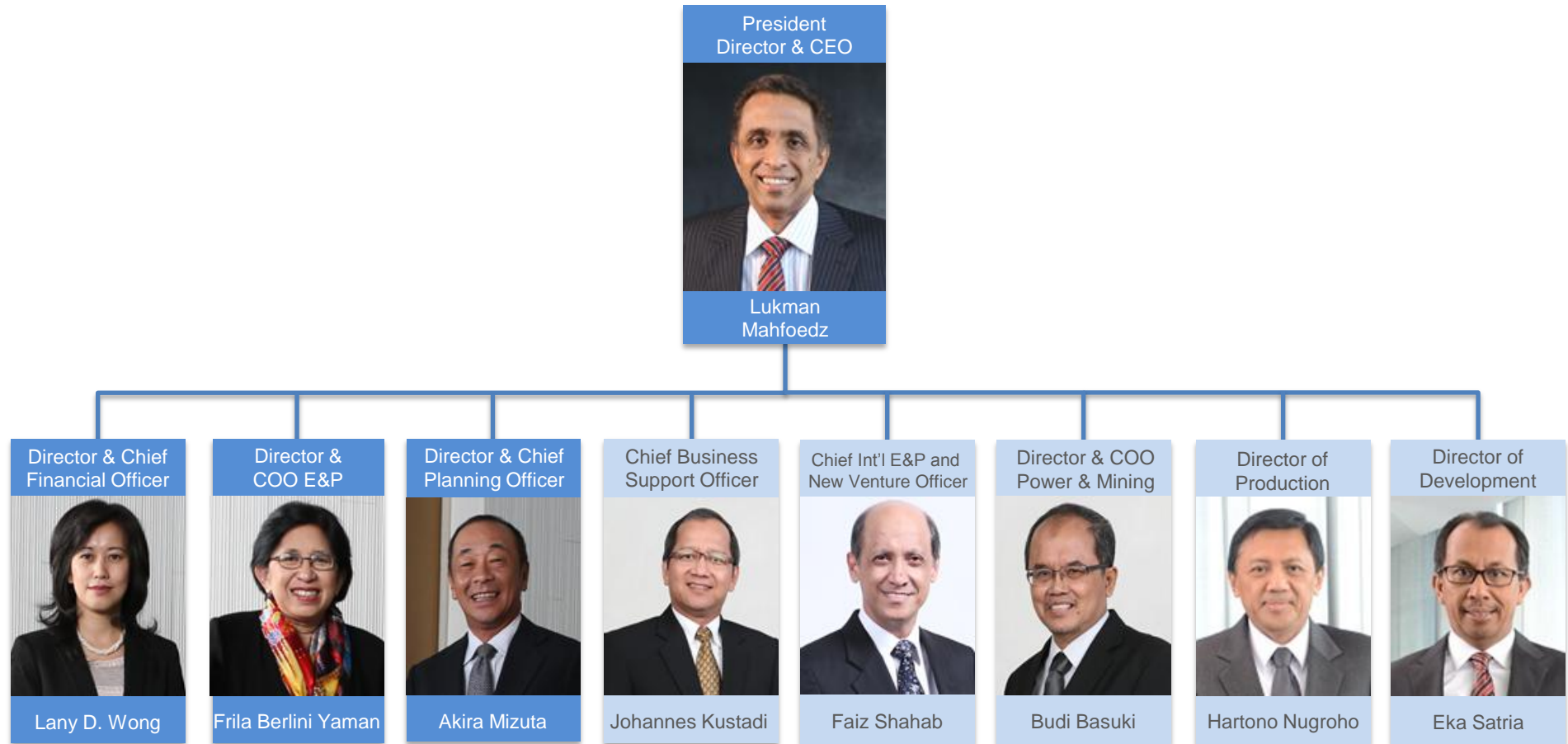
Accelerate the growth of non-oil and gas assets through strategic partners.

Shareholding Structure

PT Medco Energi Internasional Tbk. is a publicly listed integrated energy company with focus in exploration and production of oil and gas business. MedcoEnergi also has other energy related businesses in power generation, coal mining, gas pipelines and drilling services.



Organizational Structure



 Board of PT Medco Energi Internasional Tbk

 Extended Board

Success Stories

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 inshore oil reserve of the decade (Kaji-Semoga)

2005

Awarded EPSA IV PSC Contract for Area 47 Libya

2006

Awarded Oman Service Contract. Increased production up to 100% in 5-years time

2007

Discovered large hydrocarbon resources in Area 47, Libya; about 352 MMBOE with 90% exploration success ratio

2009

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

2010

Obtained 20-year extension for 3 PSC contract area in Indonesia (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% in Block 9 Malik, Yemen

First coal sales shipment to China

2013

Secured Project Financing for Senoro for USD 260 million.

Received Gold PROPER Award for Rimau Block for three consecutive years (2011, 2012, 2013)

2014 / 2015 Corporate Updates

10 Feb
2014

MedcoEnergi has acquired 90% shares in Moonbi Energy Ltd. holder of oil and gas exploration license in PPL 470, Papua New Guinea.

13 Mar
2014

MedcoEnergi through its Joint Operating Body in Senoro-Toili signed a Gas Sales Purchase Agreement with PT Panca Amara Utama for gas supply of 55mmscfd.

20 Mar
2014

MedcoEnergi has sold the remaining stake it has of 35.28% in PT Medco Sarana Kalibaru the fuel distribution and storage unit to Puma Energy

28 Mar
2014

Medco Power Indonesia, has signed a \$1.2 billion project financing agreement with JBIC, ADB and six other banks to develop the 330MW Sarulla Geothermal Project in North Sumatra.

18 Aug
2014

MedcoEnergi has acquired 100% shares of Storm Ventures Int'l, holder of participating interest in eight working areas in Tunisia for US\$114 million.

17 Sep
2014

The Government of Libya has declared the commerciality of B, C and J structures in Area 47, Libya.

17 Oct
2014

Signed two GSPAs, a 805 BBTU gas supply of US\$5.52/mmbtu for PLN North Kalimantan and a 6.6 TBTU gas supply of US\$7.32/mmbtu for PT MEPPOGEN

14 Nov
2014

Signed DSLNG Project financing for total borrowing amount of \$1.5 billion with JBIC, ECAs and several commercial Banks

20 Nov
2014

MedcoEnergi acquired majority participation in a new Exploration & Production Sharing Agreement in Block 56 Oman.

6 Dec
2014

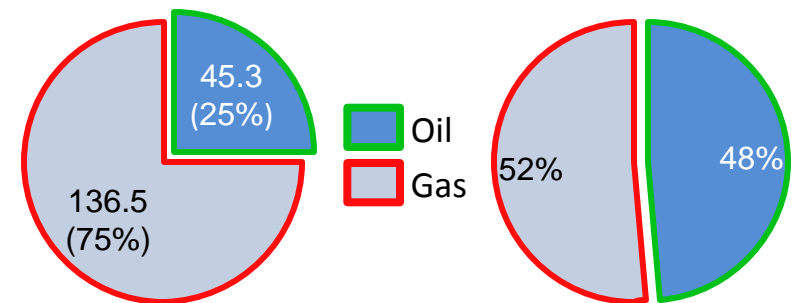
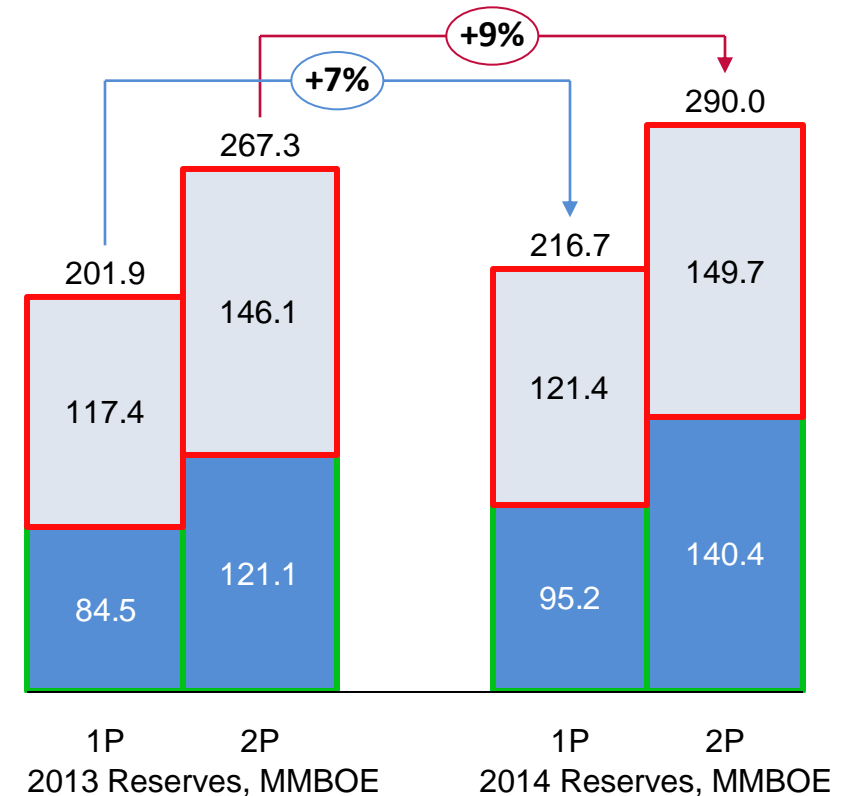
MedcoEnergi has received the PROPER Gold for the 4th consecutive year, the first and only oil and gas company in Indonesia that has received the award.

27 Jan
2015

Signed two GSPAs, a 198 TBTU gas supply of US\$9.45/mmbtu for Pertamina from Block A and a 8.75 TBTU gas supply of US\$6.5/mmbtu for Perusda Mura Energi in South Sumatra

Operational Performance

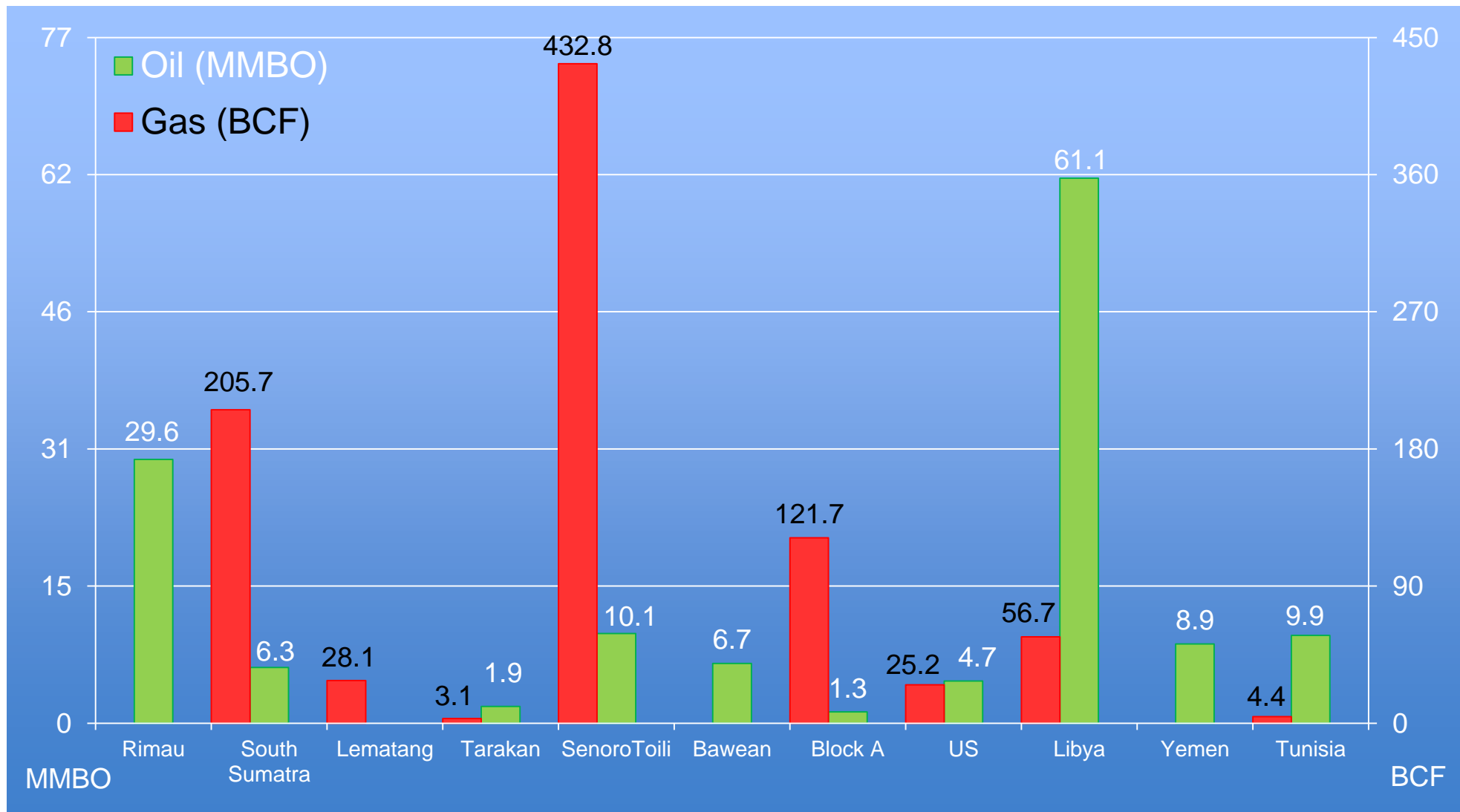
Oil and Gas E&P	FY13	FY14	Δ%
Lifting/Sales			
Oil Lifting, MBOPD	26.26	22.21	(15.4)
Gas Sales, BBTUPD	159.78	141.43	(11.5)
Service Contract , MBOPD	8.89	8.65	(2.7)
Average Realized Price			
Average Oil Price, USD/barrel	108.26	97.83	(9.6)
Average Gas Price, USD/mmbtu	5.13	5.60	9.2
Production (excluding service contract)			
Oil, MBOPD	25.73	22.90	(11.0)
Gas, MMSCFD	159.4	142.9	(10.4)
Total Oil and Gas, MBOEPD	52.97	47.33	(10.6)
Coal			
Sales, MT	525.3	497.4	(5.3)
Average Price, USD/MT	81.8	72.8	(11.0)
Production, MT	634.0	523.1	(17.5)
Oil and Gas Ratios			
2P Reserves Addition, MMBOE	(7.34)	40.04	n.m.
Actual 3 Year Avg. F&D, \$/BOE	7.26	6.18	(14.9)
Actual 3 Year Avg. RRR	1.22	2.07	69.5
2P Reserves Live Index, Years	13.82	16.79	21.5



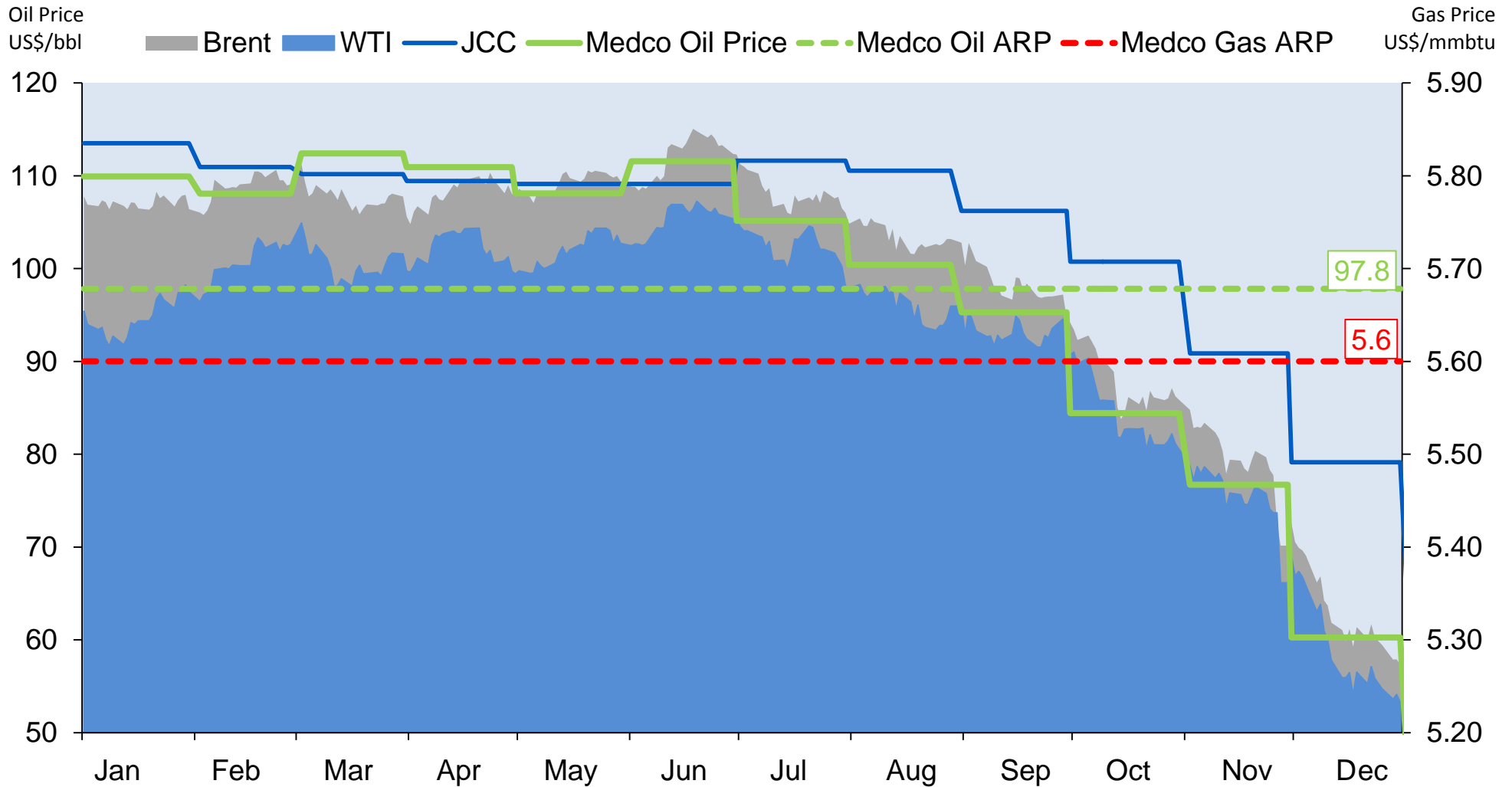
2014 Contingent Resources, MMBOE

2014 Production

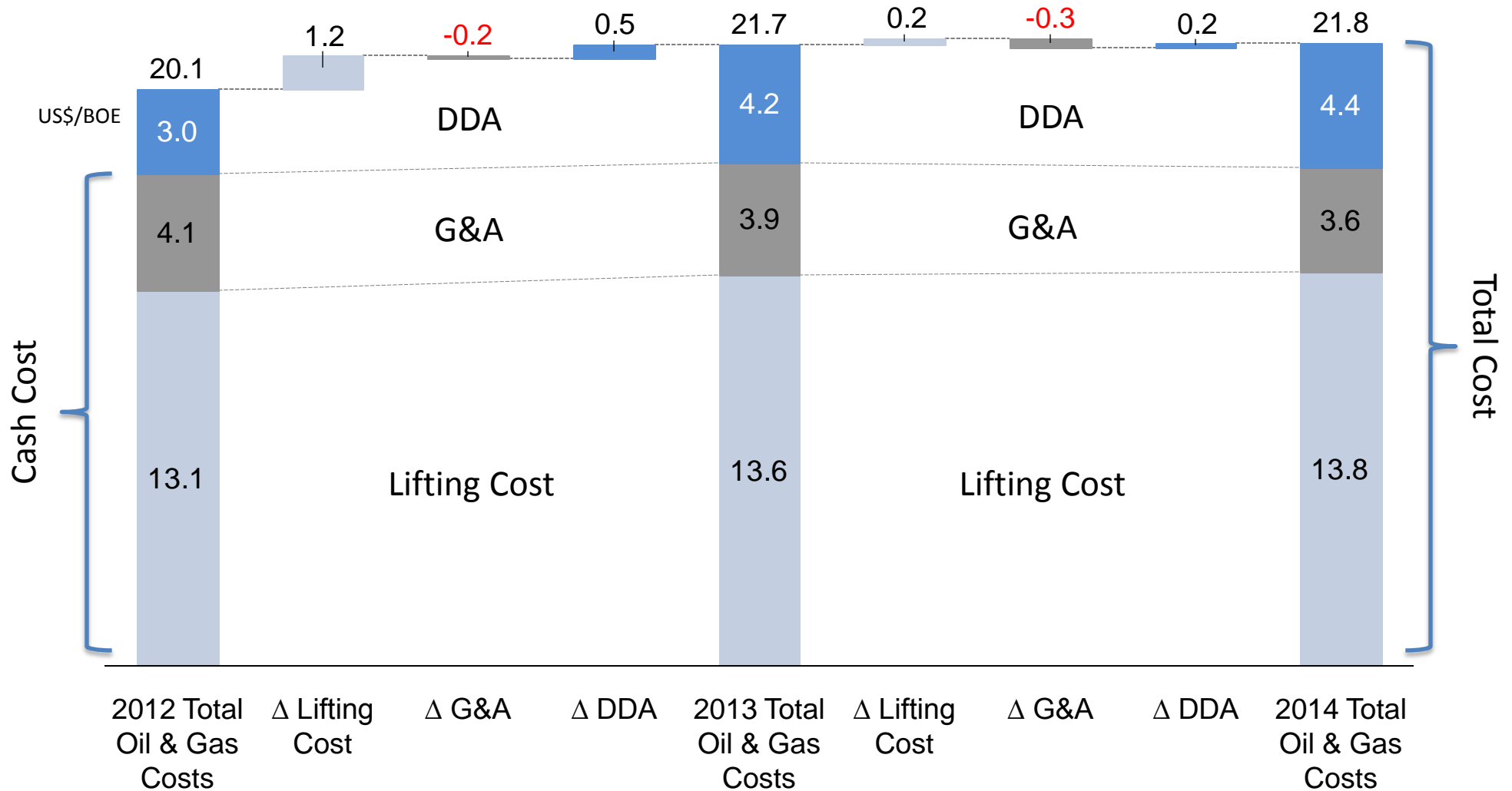
2P Reserves Breakdown by Assets



Medco's Realized Price Comparison



Oil and Gas Costs

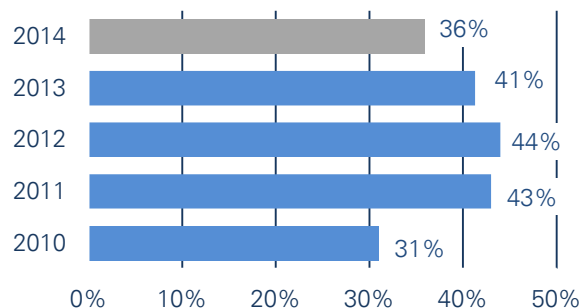


Financial Performance

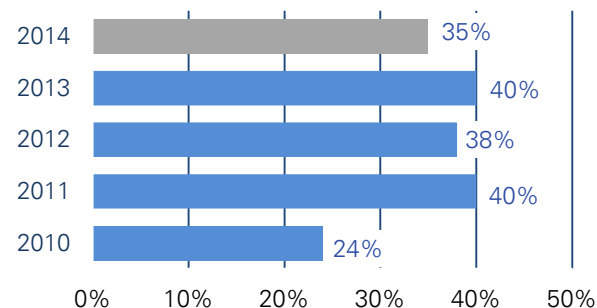
Profit and Loss (USD mm)	FY13	FY14	Δ%
Revenue	886.5	750.7	(15.3)
• Oil and Gas	826.8	701.4	(15.2)
• Non Oil and Gas	59.7	49.3	(17.4)
Gross Profit	364.8	271.0	(25.7)
Operating Income	247.7	160.6	(35.1)
EBITDA	351.0	259.1	(26.2)
Earnings Before Tax	192.1	111.0	(42.2)
Net Income	12.6	10.1	(19.6)

Balance Sheet (USD mm)	FY13	FY14	Δ%
Cash and cash equivalents	264.0	206.6	(21.7)
Short term Investments	253.4	268.6	6.0
Total Assets	2,531.7	2,702.4	6.7
Total Liabilities	1,634.9	1,782.1	9.0
• Current Liabilities	410.1	467.7	14.1
• Non Current Liabilities	1,224.9	1,314.4	7.3
Equity	885.2	910.8	2.9
Market Capitalization	574.1	1,018.0	77.3

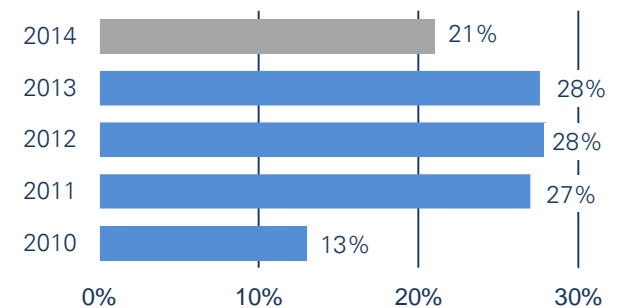
Gross Margin



EBITDA Margin



Operating Margin

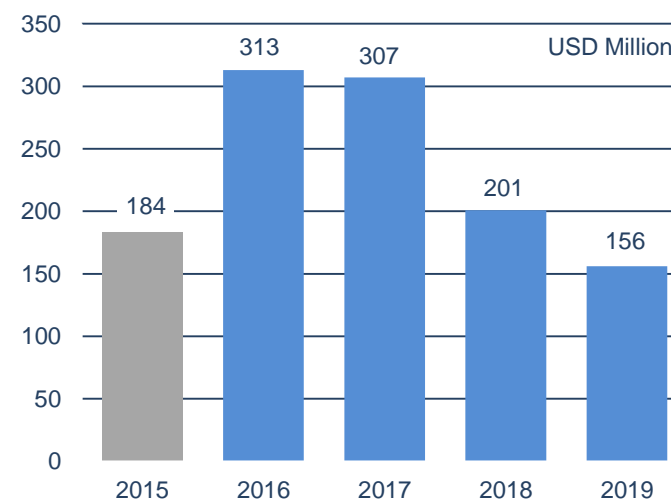


Financial Performance (cont'd)

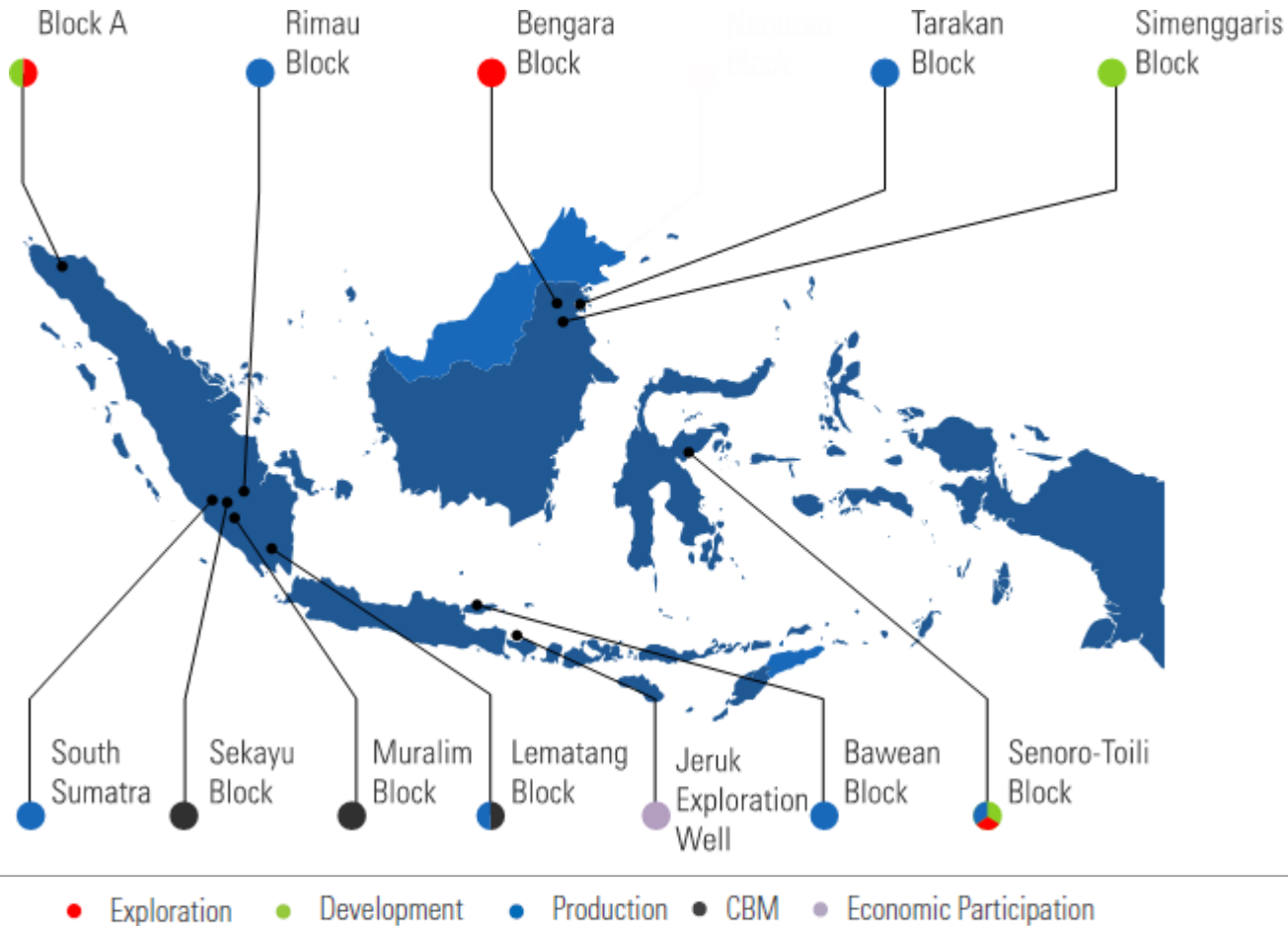
CONSOLIDATED DEBTS (in USD mn)	FY13	FY14	Δ%
A. Total Bank Loans	435.8	728.4	67.1
Current	60.9	183.7	201.5
Non Current	374.9	544.7	45.3
B. Other Obligations	595.9	457.4	(23.2)
Current: Rupiah Bonds	80.8	-	n.m.
Non Current: Related Party	130.9	-	n.m.
MTN	-	79.8	n.m.
Rupiah Bonds	285.7	280.3	(1.9)
USD Bonds	98.5	97.4	(1.1)
Total	1,031.7	1,185.8	14.9

Financial Ratios (x)	FY13	FY14
Current Ratio	2.00	1.61
Debt to Equity	1.17	1.30
Net Debt to EBITDA	2.19	3.78
EBITDA to Interest	4.55	3.63

Debt Maturity Profile



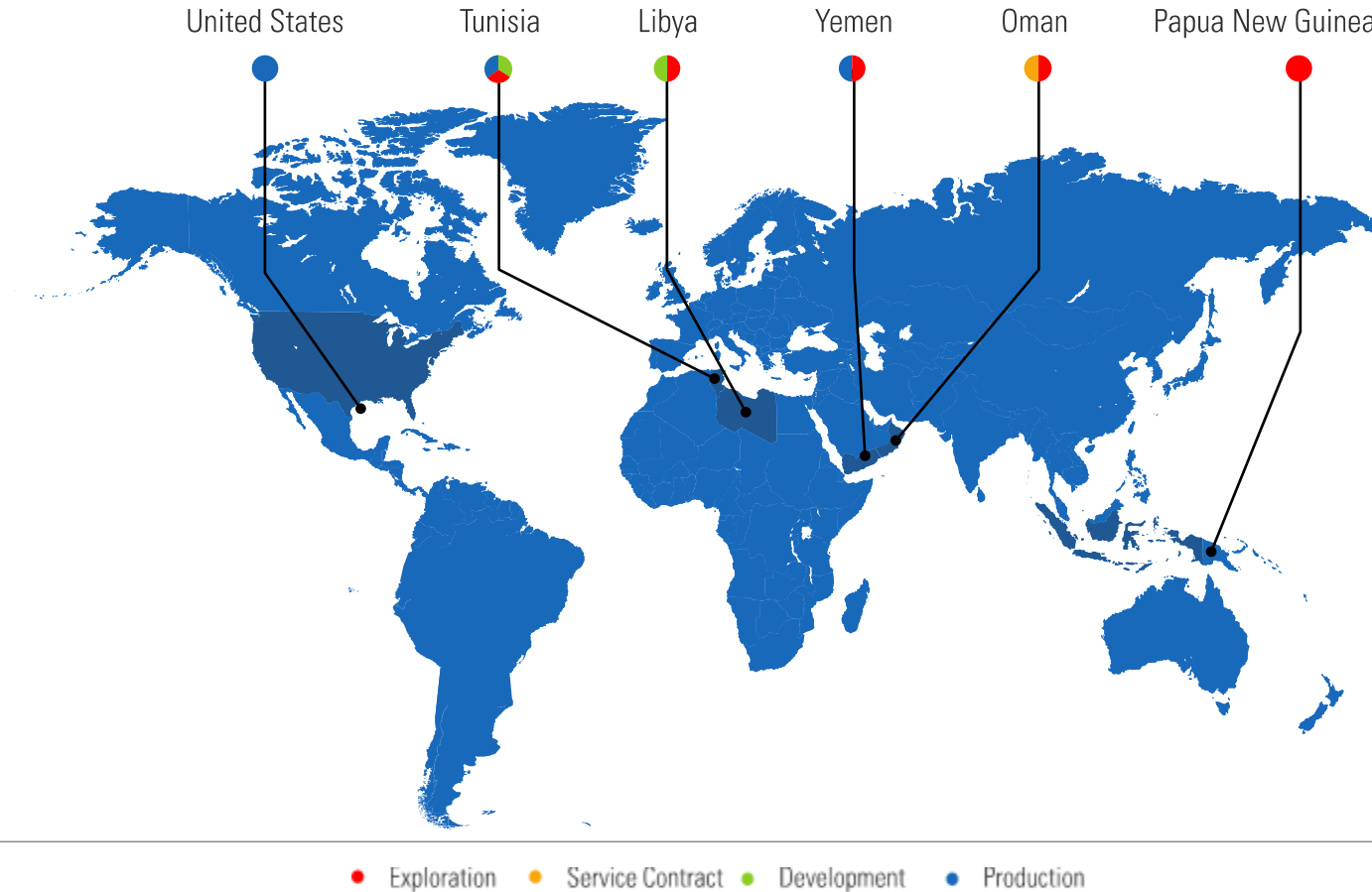
Oil and Gas E&P (Indonesia)



In Indonesia, Medco operates 9 blocks and holds economic participating interest in an exploration field. Moreover the Company also holds 3 CBM contracts.

Oil and Gas E&P (International)

“Large portfolio, domestic and international, offers diversification of opportunities and risks across broader geological formation.”



Medco’s international operations spread across 22 assets in the Middle East, North Africa, US and Papua New Guinea.

Other Energy Related Business



Power

Operated through Medco Power Indonesia, with an ownership structure of Saratoga Power (51%) and MedcoEnergi (49%), the company's businesses include:

- 2 gas-fired power generation plants with a mobile truck mounted power plant in Batam and 3 gas-fired power generation plants in South Sumatra with total capacity of 220 MW
- 1 Operation & Maintenance Contract in Tanjung Jati B Coal Plant, Central Java 1,320 MW
- Engineering, Procurement and Construction contracts

MedcoEnergi believes electricity remains an attractive business and can provide added value to the Company in the future by pursuing new projects such as:

- Build and operate Simple Cycle GasTurbine Power Plant of 70 MW in Tanjung Uncang, Batam upgradeable to 110 MW (CCPP)
- Two geothermal projects in Sarulla, North Sumatra (3x110MW) and Ijen, East Java (2x55MW)
- Mini hydro projects in West Java and Sumatera with total targeted capacity of 45MW.

The addition of these new assets will help drive Medco Power Indonesia's installed capacity grow to more than 800 MW within next 5 (five years).



Coal Mining

- Operates two Mining Rights at Nunukan, East Kalimantan. Production started in February 2012
- 1 Block already in production, with first coal cargo shipment on October 2012
- Peak production estimated at 500,000 ton per year



Gas Pipeline

Booster Compressor and 17.5km pipeline at Gunung Megang South Sumatra



Drilling Services

PT Exspan Petrogas Intranusa provides well services / workover rigs and Electric Wireline Logging (EWL) for oil & gas operations

Capex Profile

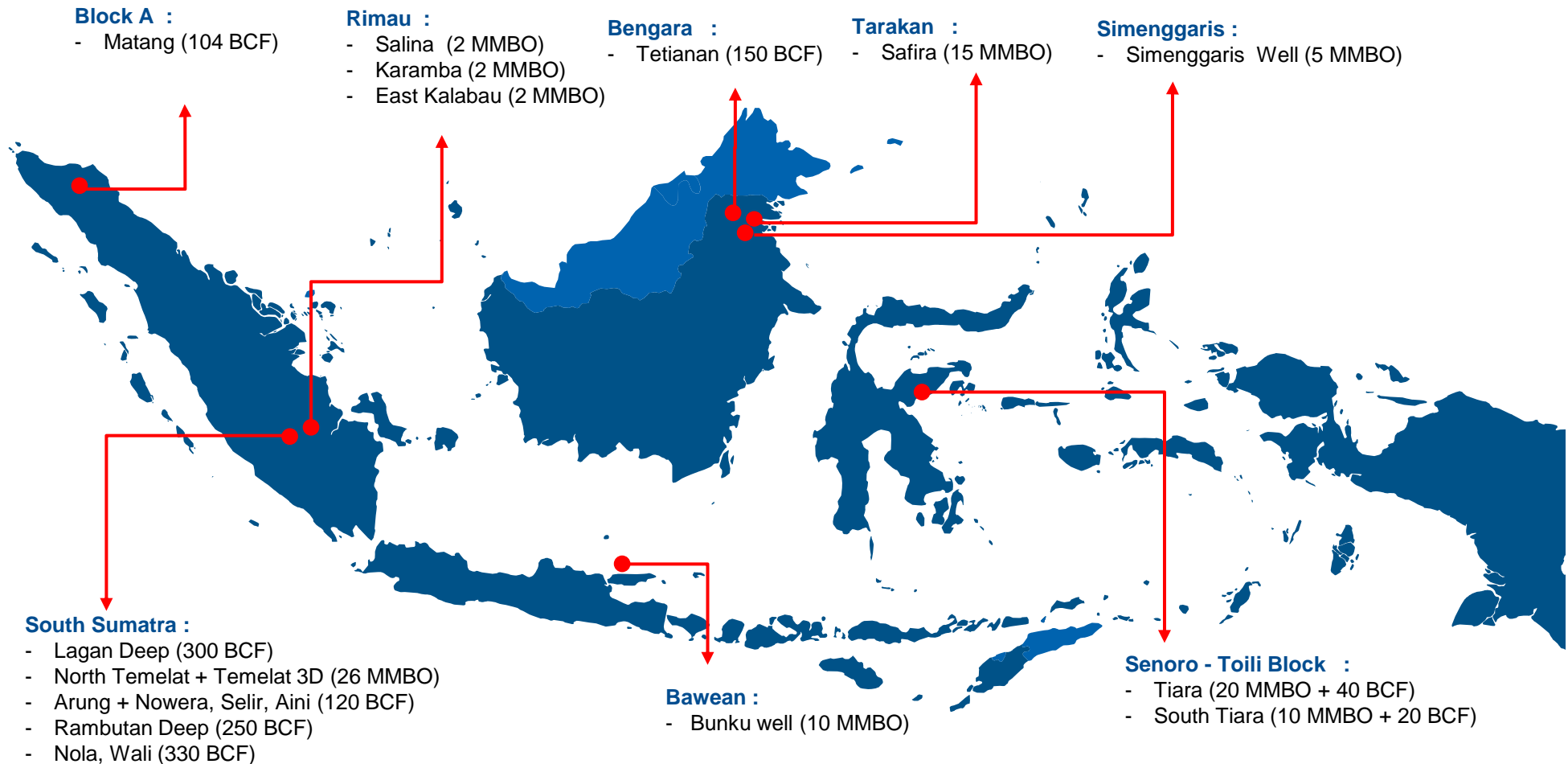
“During 2015-2017 Medco will spent substantial amount of Capex to start develop its Major Projects following the approval of their Final Investment Decisions and PSC contractors appointment”

E&P CAPEX	2015 F	2016 F	2017 F	3-YR F
Producing Assets	110.2	227.5	203.7	541.5
Exploration Capex	43.0	95.6	25.2	163.7
Development Capex	67.2	131.9	178.5	377.7
Development Assets	72.2	214.1	156.8	443.1
Senoro Upstream	62.1	32.5	0.5	95.2
Others	10.1	181.6	156.2	347.9
Exploration Assets	10.7	14.5	14.2	39.4
Donggi-Senoro LNG	31.5	-	-	31.5
TOTAL E&P CAPEX	224.6	456.2	374.7	1,055.4
Non E&P Capex	5.0	14.4	41.9	61.4
TOTAL CAPEX NET	229.6	470.6	416.6	1,116.8

*Net Working Interest to MedcoEnergi. Forecasted figures, subject to change. Capex for producing assets will be funded internally through cost recovery, while capex for development will be funded proportionately through equity and debt.

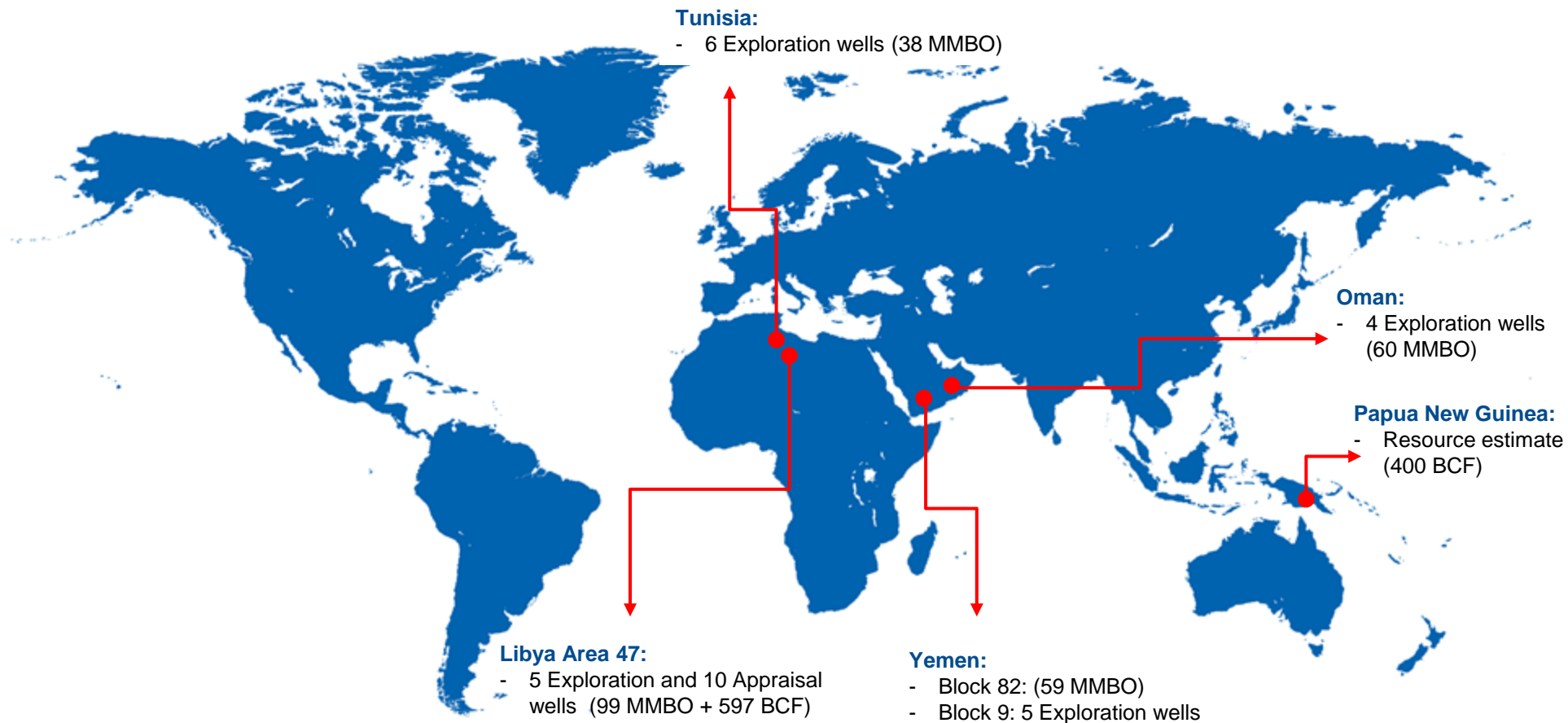
Exploration Program: Domestic

“Estimated potential resources addition from Domestic Exploration (2015 – 2019) :
311 MMBOE net unrisked resources or 83 MMBOE net risked resources”



Exploration Program: International

“Estimated potential resources addition from International Exploration (2015 – 2019) :
144 MMBOE net unrisked resources or 35 MMBOE net risked resources”



Senoro Upstream and Downstream LNG Project Milestones

**2000**

Acquired 50% working interest from ARCO for US\$1mn. Partnering with Pertamina as a Joint Operating Body

2005

Start producing crude oil approx. 1.5mbopd from Tiaka field

2009

Gas Sales Agreement (GSA) with Downstream LNG as well as LNG Sales Agreement with Japanese & Korea buyers, has been signed

2010

Moving 1.9tcf of gas into gross 2P reserves and contingent resources categories

2011

Secured Final Investment Decision and at the same time sold 20% working interest in upstream to Mitsubishi for US\$260mn

2013

Secured Project Financing for Upstream Gas Plant for US\$260mn

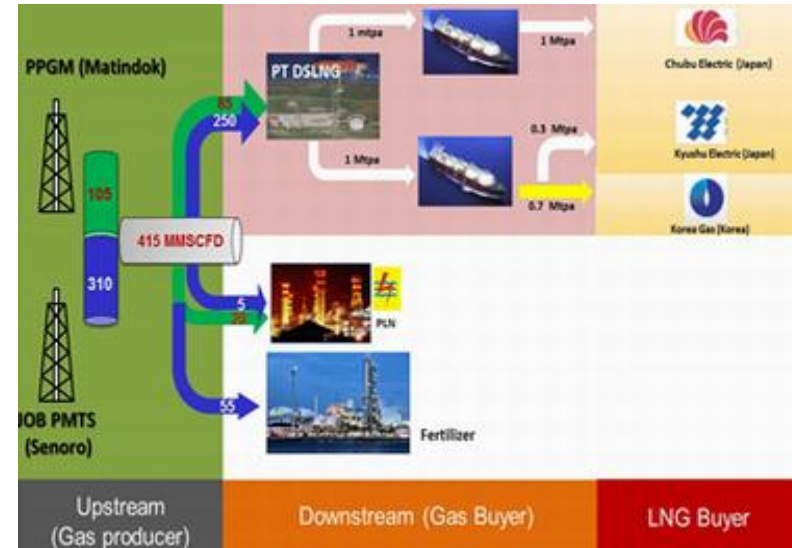
2014

Started Gas Delivery for Downstream's fuel gas system commissioning Signed Project financing for DSLNG project with JBIC, ECAs and several commercial Banks.

2015

Downstream progress is 99.96% (Feb'15). Upstream progress is 97.6% (Mar'15). Target of first Gas delivery by Q2 2015 and LNG shipment by Q3 2015.

Senoro Upstream Project



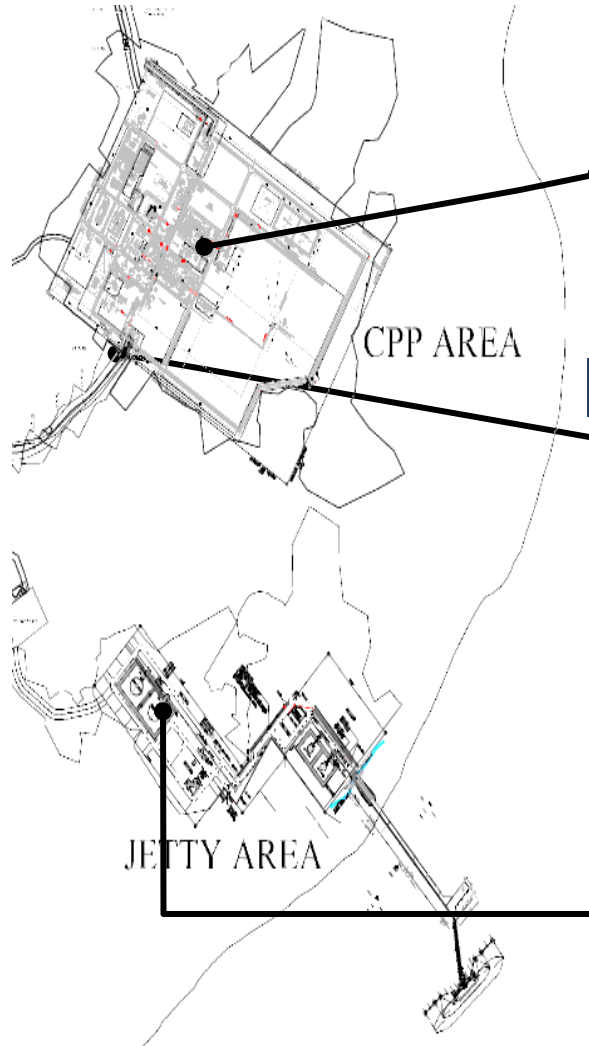
Working Interest Structure:

Pertamina 50%
 MedcoEnergi 30%
 Mitsubishi & Kogas 20%

Upstream Status:

1. Objective: Commercialize 1.96 TCF of gross 2P reserve and contingent gas resources through LNG product
2. Scope: Build 310 MMSCFD plant, target completion of plant facilities by 2Q 2015
3. Status:
 - EPC Progress is 97.6% completed as of end of March 2015 (Engineering 100%; Procurement 99.5%; Construction 94.9%)
 - Started gas delivery for DSLNG commissioning phase on 3 October 2014
 - Complete drilling / Re-entry 10 wells
 - Obtained Project financing for Senoro project from Standard Chartered and Bank Mandiri on July 31, 2013.
 - GSA with Panca Amara Utama has been signed on March 13, 2014

Facilities Pictures



Bird's Eye View CPP Site



Condensate Loading Tank

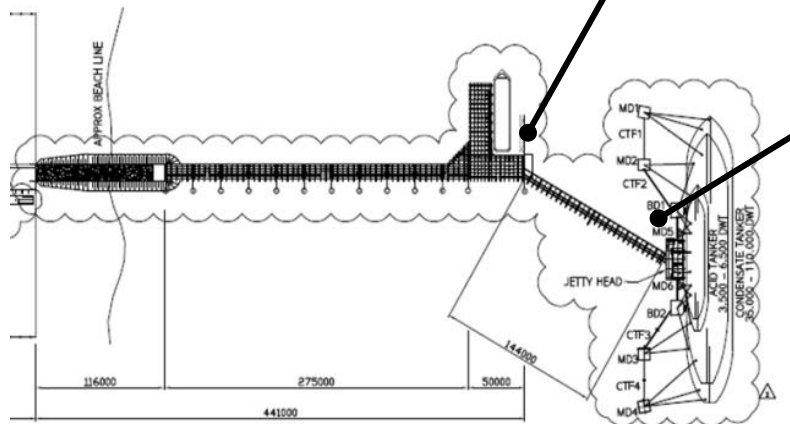


Water Treatment Installation

Facilities Pictures



Bird's Eye View Jetty



Blowing Utility Line



Pouring Concrete Pile Cap MD-1

DSLNG Downstream Project



Ownership Structure:

Mitsubishi & Kogas 59.9%
Pertamina 29%
MedcoEnergi 11.1%

Downstream Status:

1. Objective: Commercialize 1.96 TCF of gross 2P reserve and contingent gas resources through LNG product
2. Scope: Build 2.0 MT per annum LNG facilities, target first LNG Cargo shipment by Q3 2015.
3. Status:
 - LNG Plant overall progress has almost reached 100% completion
 - DSLNG Fuel Gas system has started to receive gas for commissioning from Upstream on 3 Oct 2014
 - Signed Project financing for DSLNG project with JBIC, ECAs and several commercial Banks on November 14, 2014.



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