



Investors' Update 1Q15

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

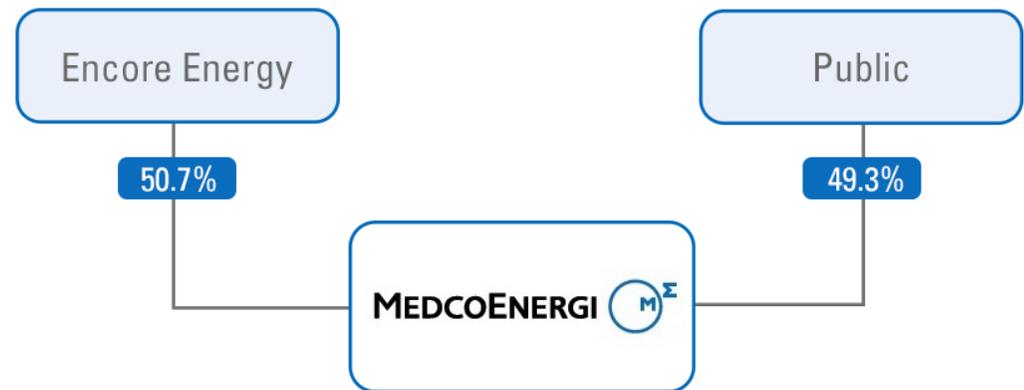
Complete all Major Projects as planned

4

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

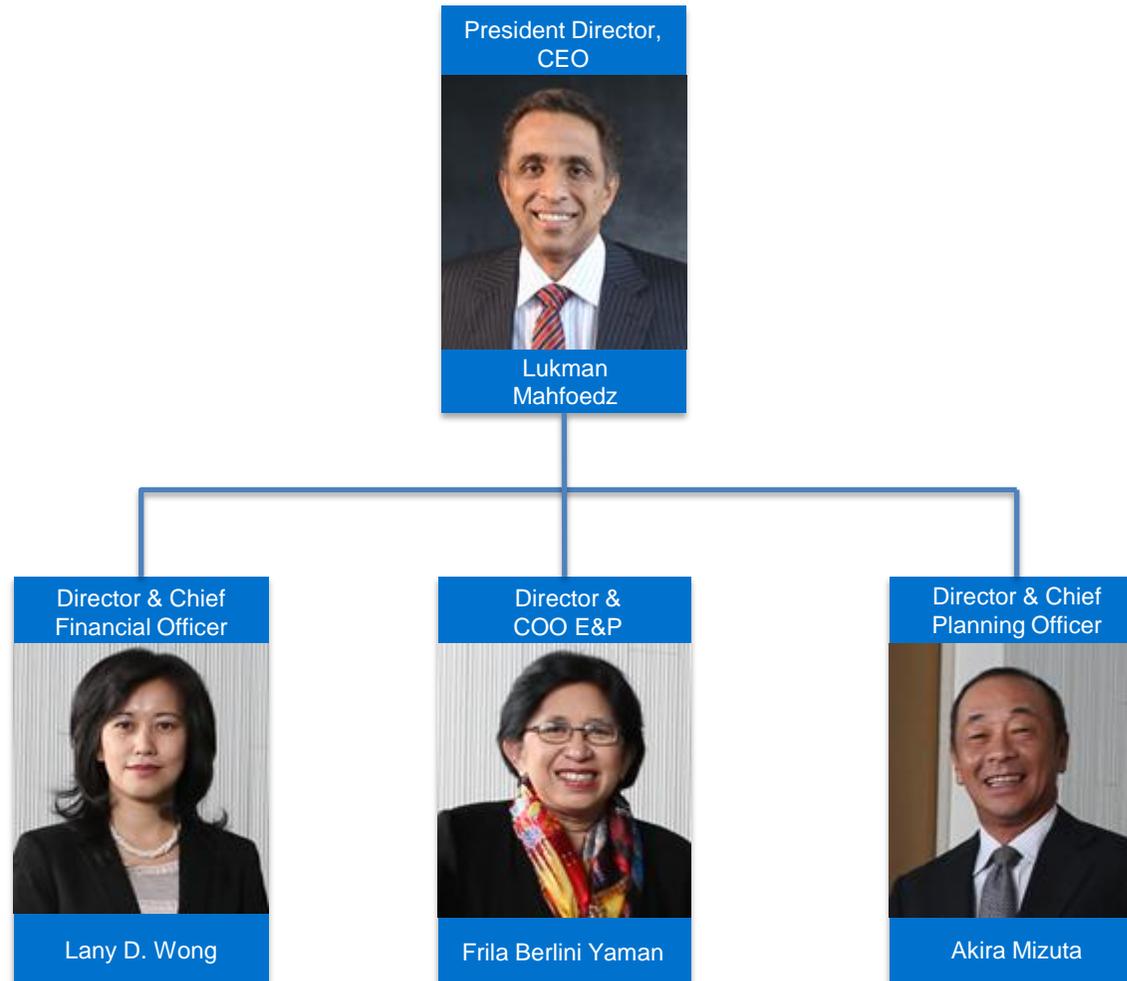
Shareholding Structure

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

“Members of the Group’s senior management team have an average of over 30 years of experience in exploration and production of oil and gas in Indonesia.”



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 onshore oil reserve** (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 **352 MMBOE** hydrocarbon resources in Area 47 Libya; about 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 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

Entered Swap transaction with Salamander

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

2014

Rimau Block received Gold **PROPER Award for 4 consecutive years** (2011-2014)

Acquired new assets in **Papua New Guinea, Tunisia and Oman**

Received **Project Financing for DSLNG and Sarulla** Geothermal Projects

Signed new **GSPAs with MEPROGEN, PAU and PLN** North Kalimantan

2015 Corporate Updates

January 27th 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

- The GSPA with Pertamina for Block A will be used to supply gas for fertilizer and local industry. The final investment decision (FID) is targeted by mid 2015 and the gas supply is slated to commence by 2017 for the contract period of 13 years.
- The GSPA amendment with Perusda Mura Energi will fulfill the gas needs for electricity in Musi Rawas Regency, South Sumatera for the contract period of 11 years with an escalation factor of 2.5% per annum.

April 28th 2015

MedcoEnergi has signed a contract extension agreement for the Karim Small Fields Service Contract in Oman

- The original contract which was signed in 2006 has a 10 years contract period until 2016
- The contract extension terms will add an additional 25 years of operation, an exploration program which includes three wells in the first two years, a 3-tier service fee scheme based on level of production costs that will yield better operation economics, and a reward mechanism upon successful exploration activities as measured by additional contingent resources.

May 14th 2015

MedcoEnergi has issued Medium Term Notes (MTN) of S\$ (Singapore dollar) 100 million

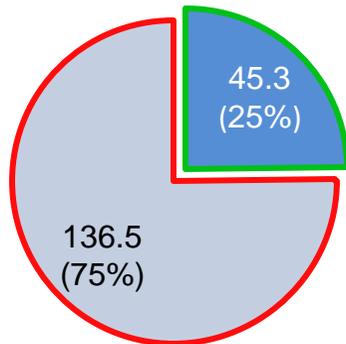
- The MTN has a fixed coupon rate of 5.9% per year and a tenor of 3 (three) years.
- Acting as joint lead managers are; DBS Bank Ltd., Australia and New Zealand Banking Corporation Limited and Mitsubishi UFJ Securities (Singapore) Limited.
- The issuance is part of an overall MTN program with the maximum amount of S\$ 500 million.

Operational Performance

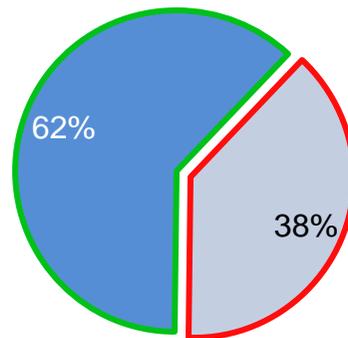
Oil and Gas E&P	1Q14	1Q15	Δ%
Lifting/Sales			
Oil Lifting, MBOPD	21.69	20.23	(6.7)
Gas Sales, BBTUPD	155.84	98.30	(36.9)
Service Contract , MBOPD	8.76	8.60	(1.8)
Average Realized Price			
Average Oil Price, USD/barrel	110.13	51.32	(53.4)
Average Gas Price, USD/mmbtu	5.69	5.78	1.6
Production (including service contract)			
Oil, MBOPD	31.51	31.10	(1.3)
Gas, MMSCFD	158.56	109.90	(30.7)
Total Oil and Gas, MBOEPD	58.61	49.90	(14.9)

Coal	1Q14	1Q15	Δ%
Sales, MT	113.0	110.0	(2.6)
Average Price, USD/MT	77.8	62.8	(19.3)
Production, MT	110.0	140.6	27.8

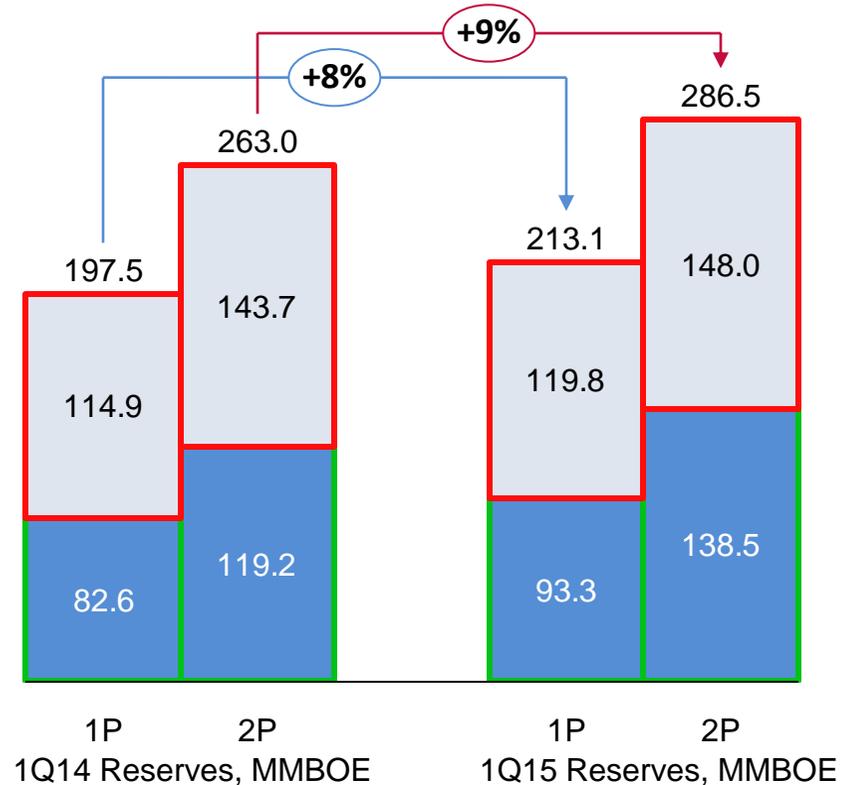
 Oil
 Gas



1Q15 Contingent Resources, MMBOE



1Q15 Production



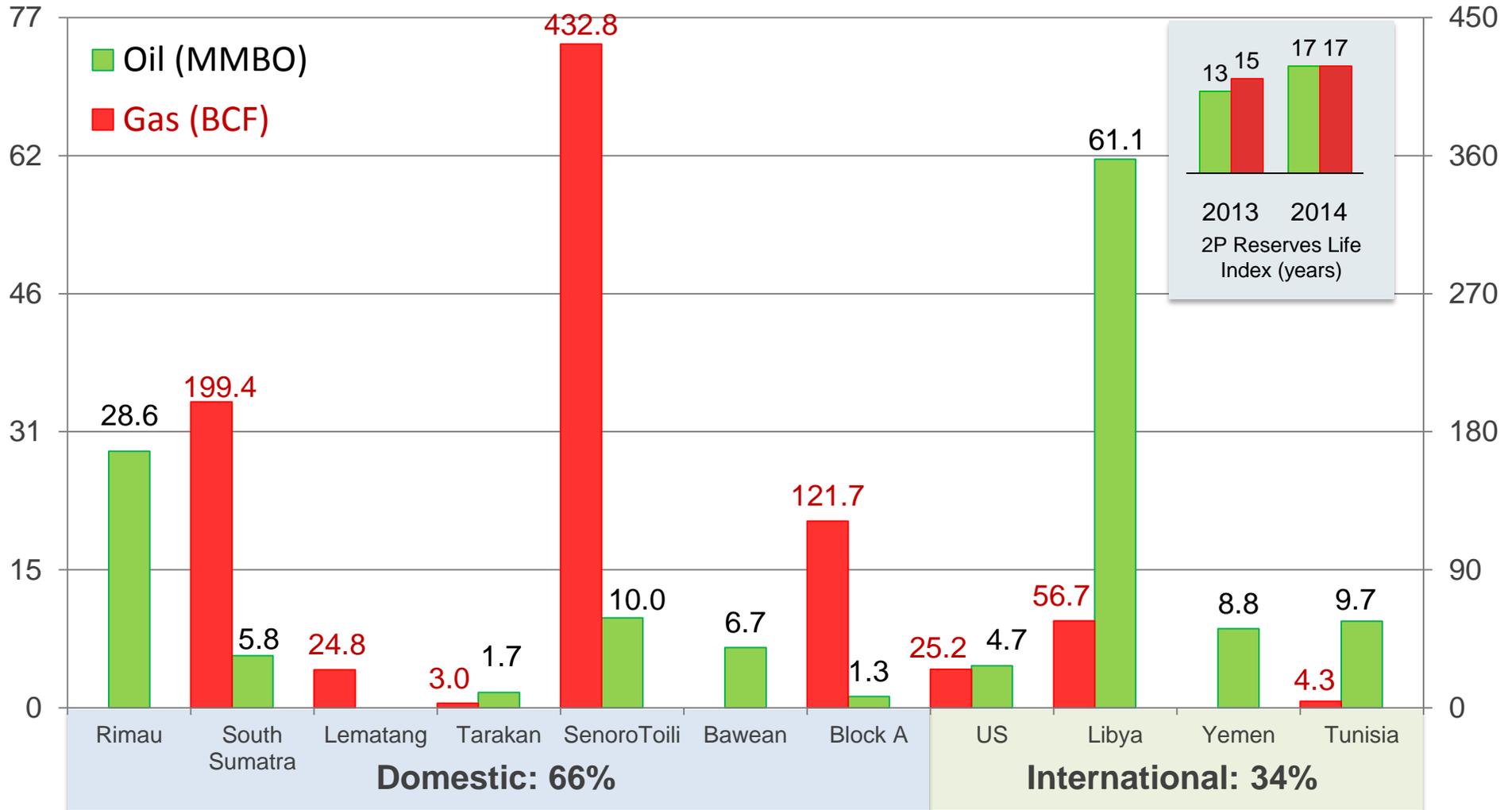
1Q14 Reserves, MMBOE

1Q15 Reserves, MMBOE

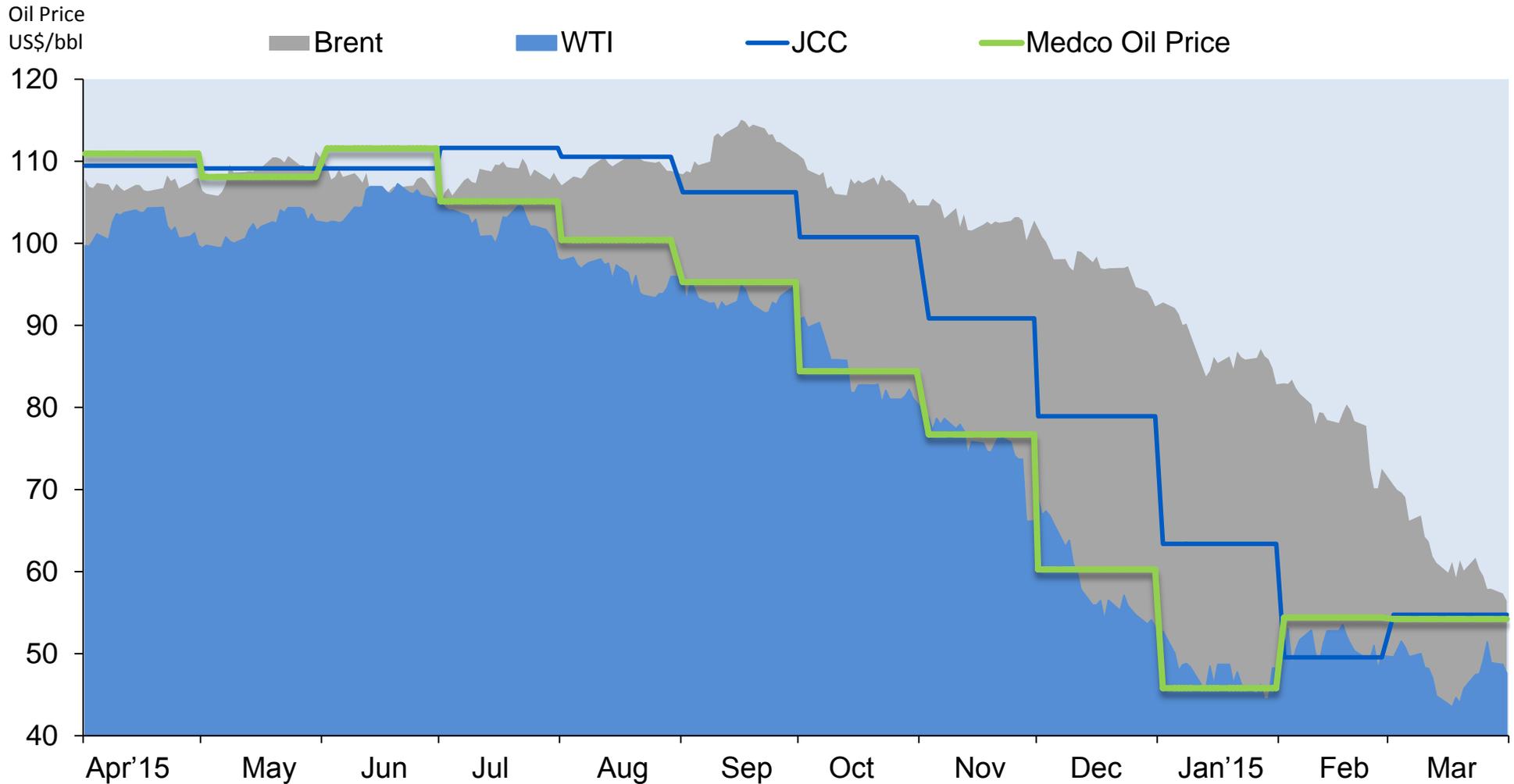
2P Reserves Breakdown by Assets

MMBO

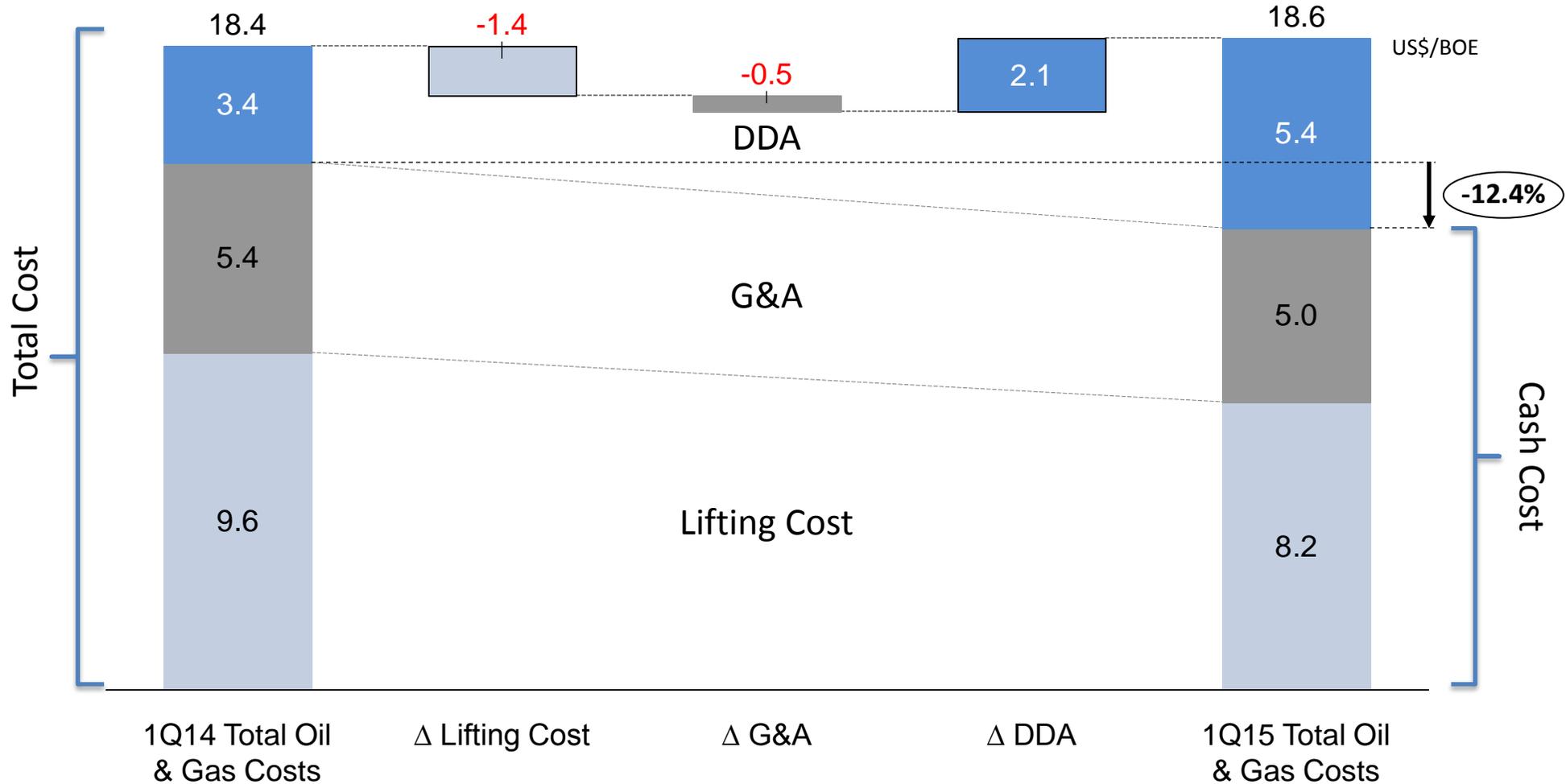
BCF



Medco's Realized Oil Price Comparison



Oil and Gas Costs

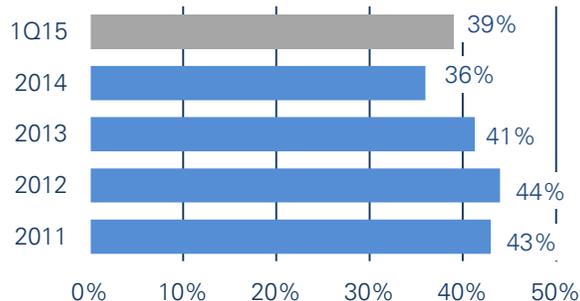


Financial Performance

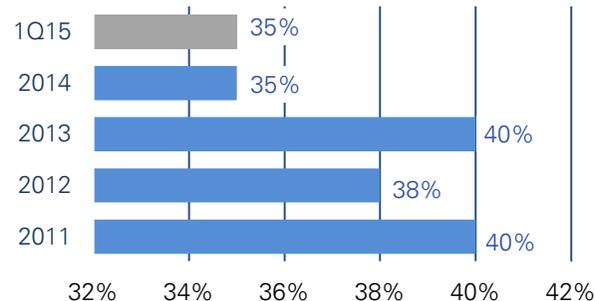
Profit and Loss (USD mm)	1Q14	1Q15	Δ%
Revenue	189.5	127.7	(32.6)
• Oil and Gas	177.8	114.8	(35.4)
• Non Oil and Gas	11.6	12.9	11.1
Gross Profit	98.7	49.8	(49.6)
Operating Income	60.2	17.8	(70.5)
EBITDA	80.5	44.9	(44.3)
Earnings Before Tax	43.9	4.2	(90.5)
Net Income	3.0	(1.5)	n.m.

Balance Sheet (USD mm)	1Q14	1Q15	Δ%
Cash and cash equivalents	373.8	274.2	(26.7)
Short term Investments	256.7	271.8	5.9
Total Assets	2,689.0	2,652.9	(1.3)
Total Liabilities	1,774.8	1,732.7	(2.4)
• Current Liabilities	412.7	440.2	6.7
• Non Current Liabilities	1,362.1	1,292.5	(5.1)
Equity	914.2	920.2	0.7
Market Capitalization	794.8	789.6	(0.7)

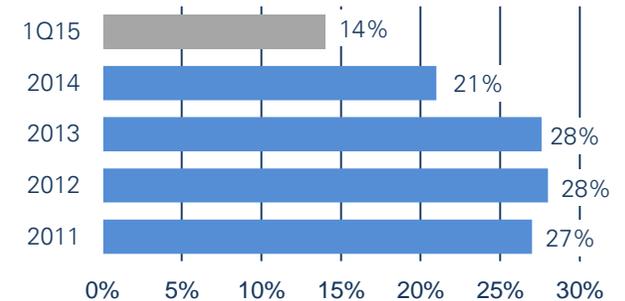
Gross Margin



EBITDA Margin



Operating Margin



Financial Performance (cont'd)

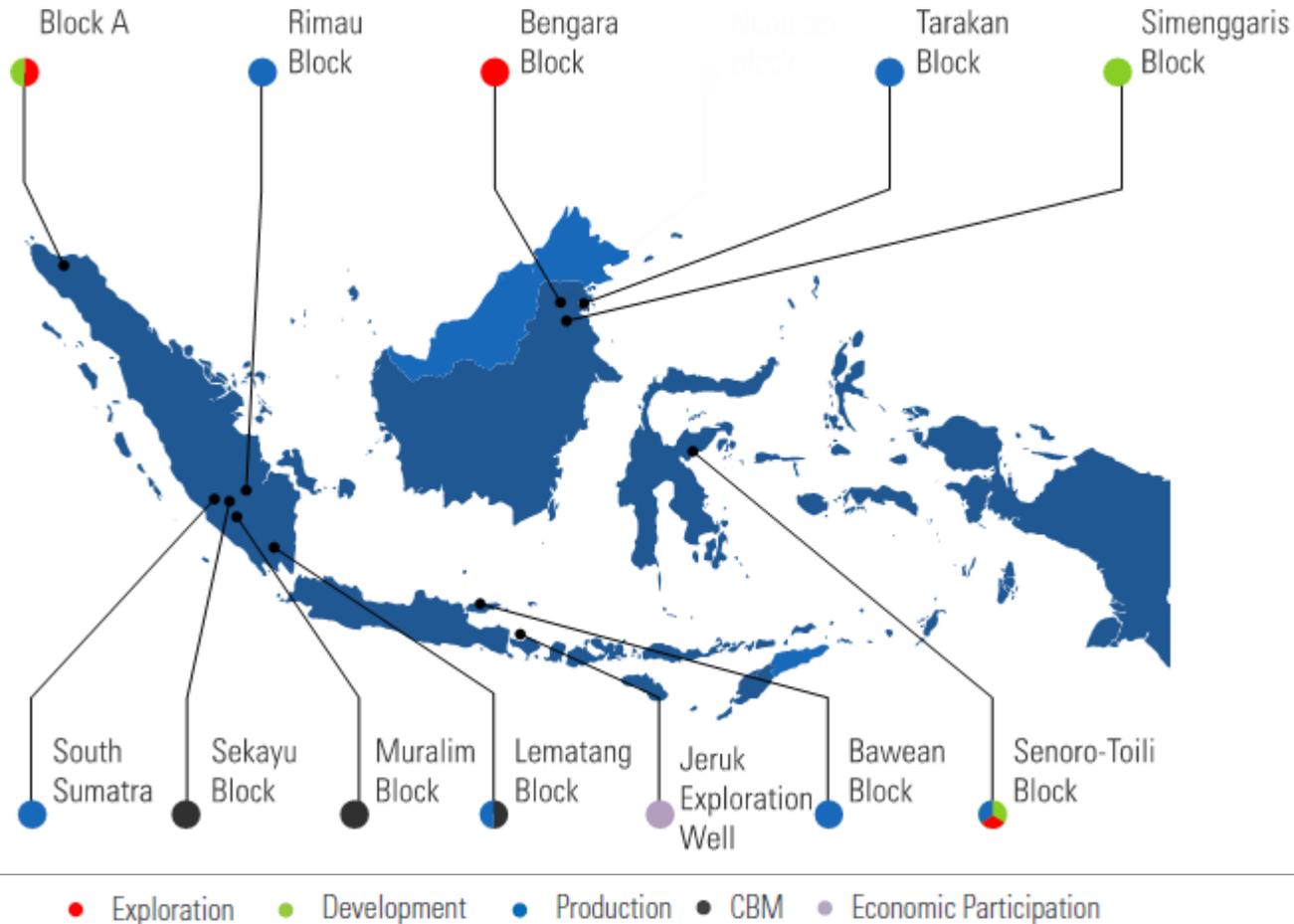
CONSOLIDATED DEBTS (in USD mn)	1Q14	1Q15	Δ%
A. Total Bank Loans	568.2	686.3	20.8
Current	50.6	163.0	222.3
Non Current	517.6	523.3	1.1
B. Other Obligations	622.8	439.8	(29.4)
Current: Rupiah Bonds	86.5	-	n.m.
Non Current: Related Party	132.3	-	n.m.
MTN	-	75.8	n.m.
Rupiah Bonds	305.4	266.5	(12.8)
USD Bonds	98.6	97.5	(1.1)
Total	1,191.0	1,126.2	(5.4)

Financial Ratios (x)	1Q14	1Q15
Current Ratio	2.22	1.94
Debt to Equity	1.30	1.22
Net Debt to EBITDA	2.54	4.75
EBITDA to Interest	4.96	2.50

Debt Maturity Profile



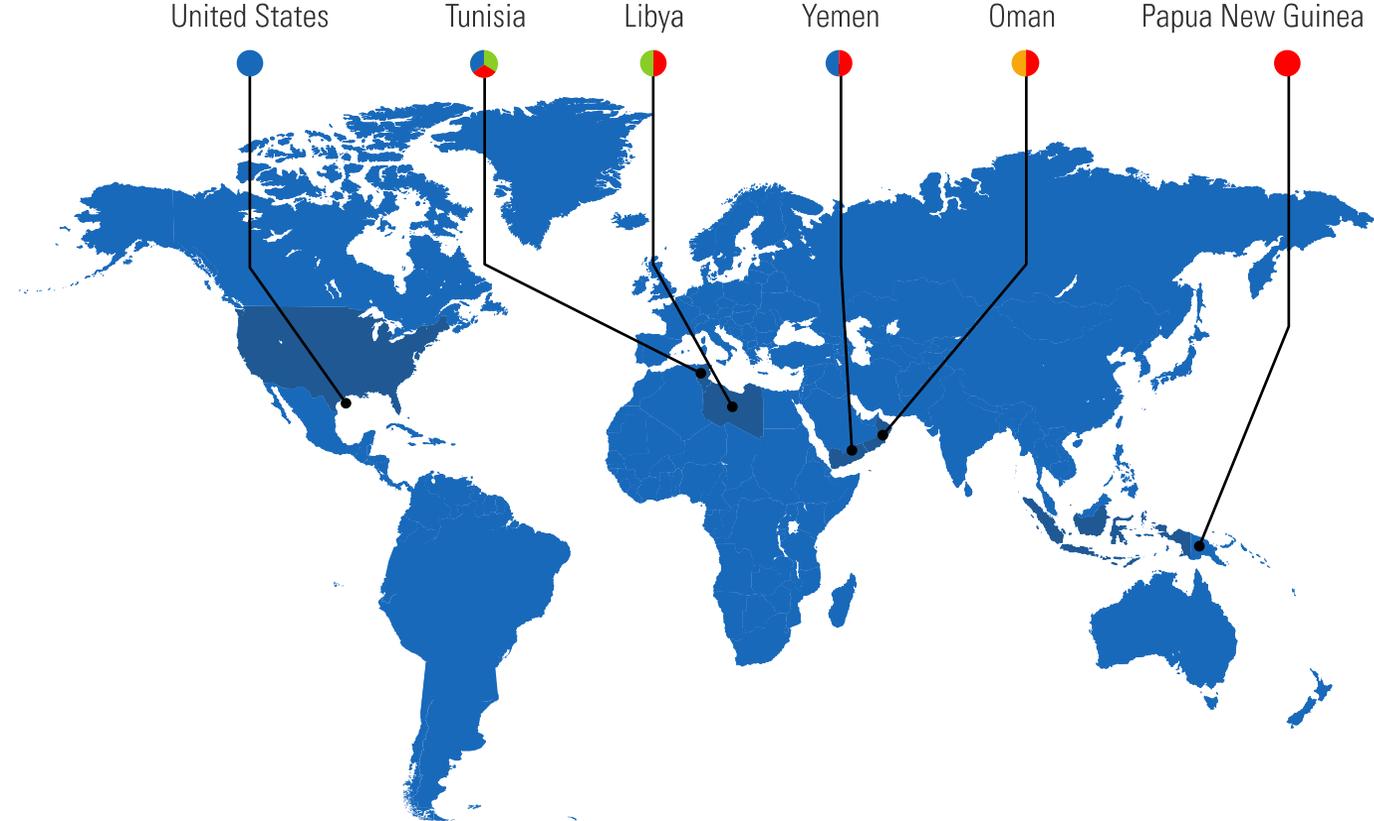
Oil and Gas E&P (Indonesia)



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.”



● Exploration ● Service Contract ● Development ● Production

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:

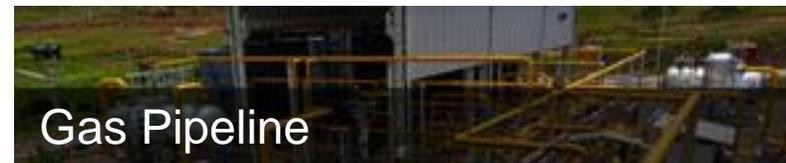
- Build and operate Simple Cycle GasTurbine Power Plant of 70 MW in Tanjung Uncang, Batam upgradeable to 110 MW (CCPP)
- Two geothermal projects in Sarulla, North Sumatra (3x110MW) and Ijen, East Java (2x55MW)
- Mini hydro projects in West Java and Sumatera with total targeted capacity of 45MW.

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).



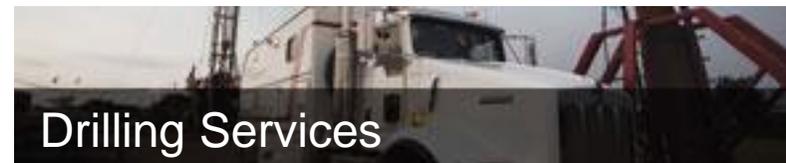
Coal Mining

- Operates two Mining Rights at Nunukan, North 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

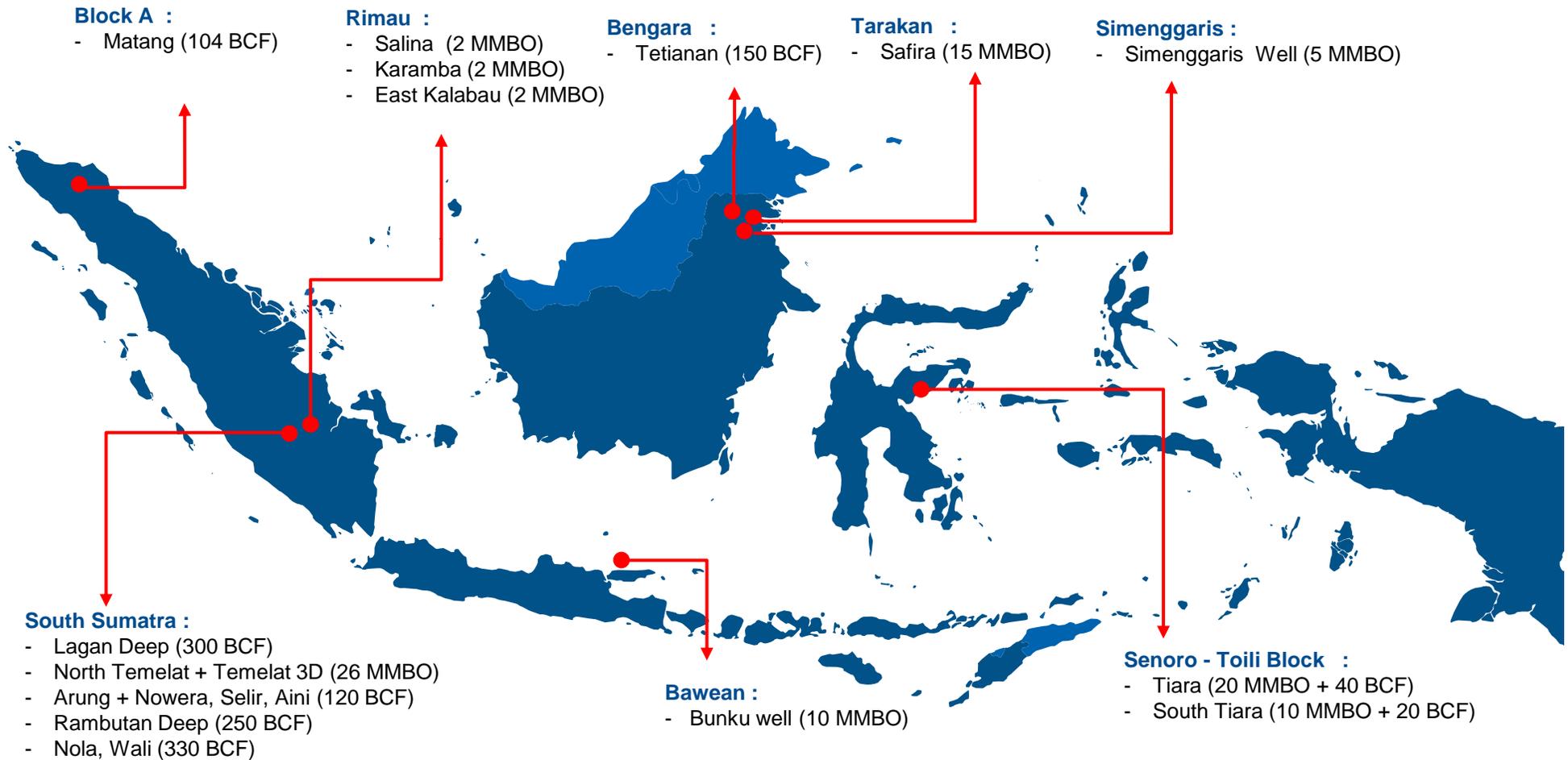
“During 2015-2017 Medco will spent substantial amount of Capex to start develop its Major Projects following the approval of their Final Investment Decisions and PSC contractors appointment”

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”

Tunisia:

- 6 Exploration wells (38 MMBO)

Oman:

- 4 Exploration wells (60 MMBO)

Papua New Guinea:

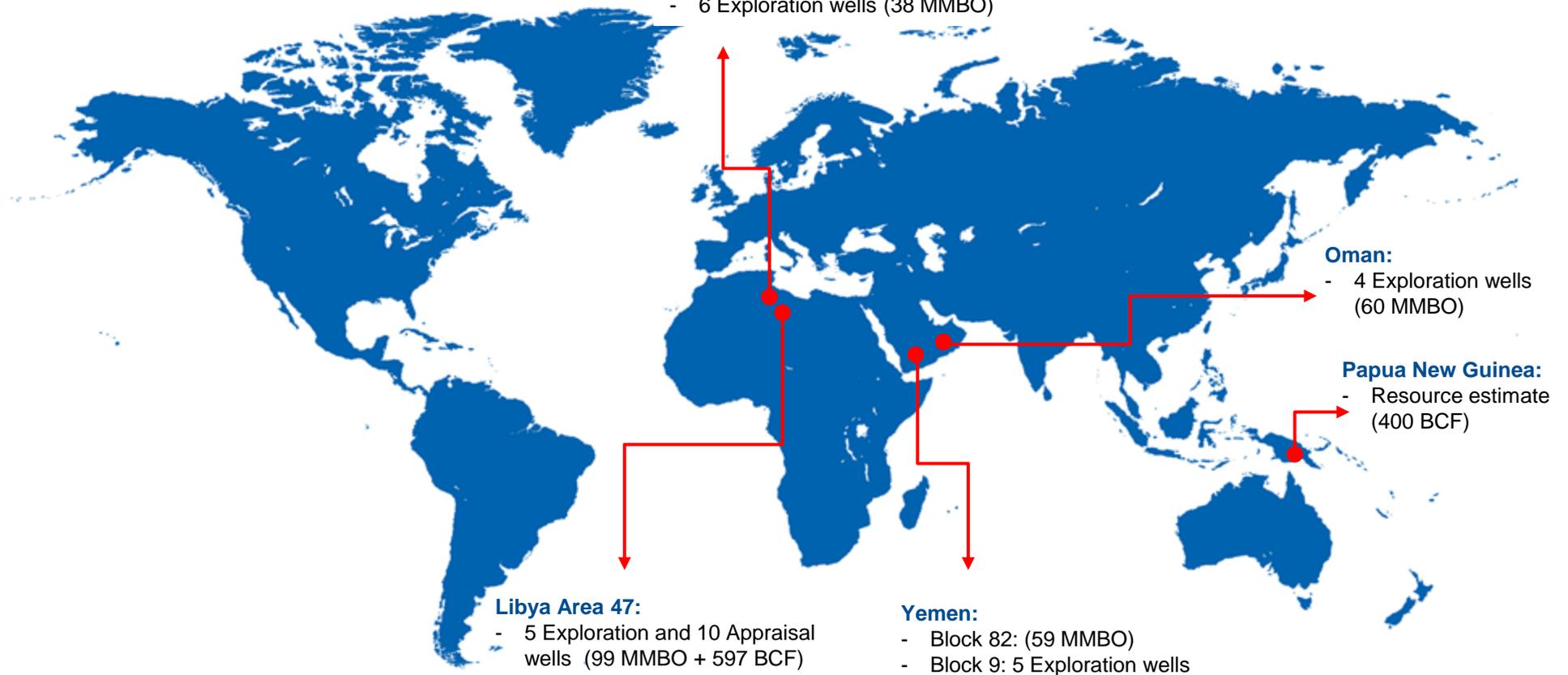
- Resource estimate (400 BCF)

Libya Area 47:

- 5 Exploration and 10 Appraisal wells (99 MMBO + 597 BCF)

Yemen:

- Block 82: (59 MMBO)
- Block 9: 5 Exploration wells



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

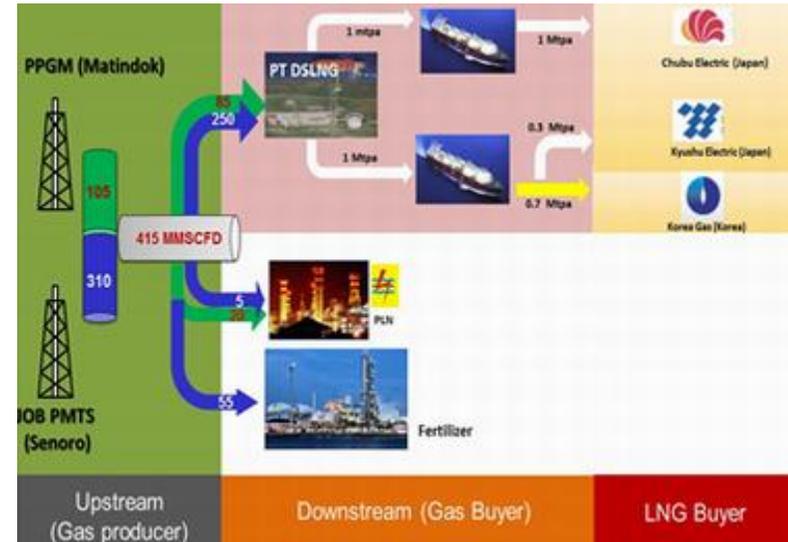
2014

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 almost 100% Upstream progress is 99.26% (May'15). Target of first Gas delivery by Q2 2015 and LNG shipment by Q3 2015.

Senoro Upstream Project



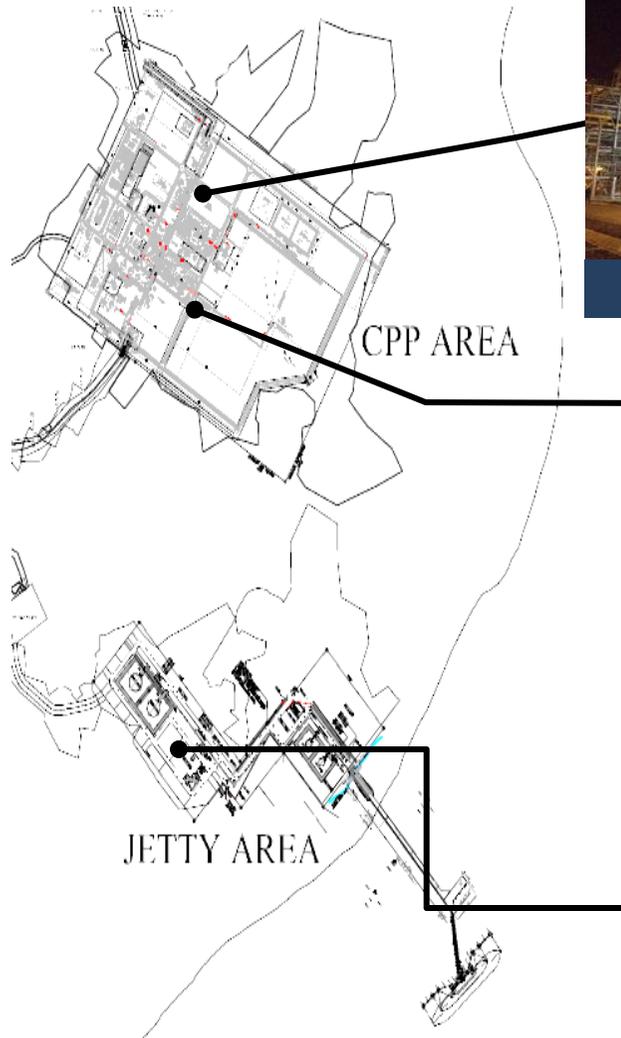
Working Interest Structure:

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:
 - Obtained Project financing from Standard Chartered and Bank Mandiri on July 31, 2013.
 - GSA with Panca Amara Utama has been signed on March 13, 2014
 - EPC Progress is 99.26% completed as of 13 May 2015 (PMT 100%; Engineering 100%; Procurement 99.95%; Construction 98.79%; Precomm & Comm 54.77%)
 - Started gas delivery for DSLNG commissioning phase on 3 October 2014
 - Complete North Senoro drilling / re-entry 10 wells
 - Gas introduced to GTG in CPP April 2015
 - Minister of Energy & Mineral Resources Visit 30 April 2015.

Facilities Pictures



Overview CPP Site



Hot Oil Heater A & B



Condensate Stabilization system



Deluge Valve

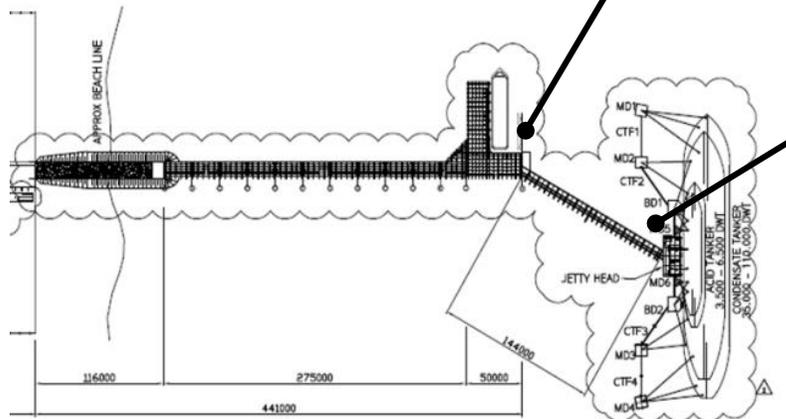


Gas Export System – Metering Station

Condensate Loading Jetty Pictures



Bird's Eye View Jetty



Lightening tower & Loading Arm 16"



Formwork Installation

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.
 - IJGlobal Asia Pacific Award 2014 winner for Best Project Financing for Asia Pacific Oil & Gas, March 2015



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