



Investors' Update 9M15

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

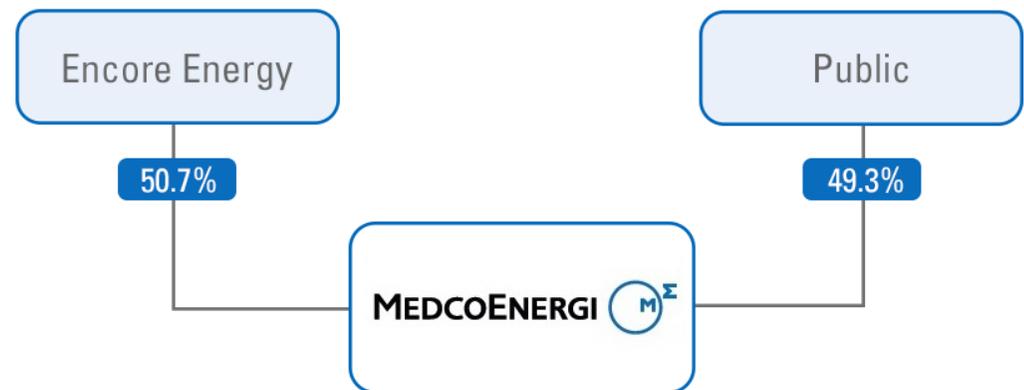
Complete all Major Projects as planned.

4

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

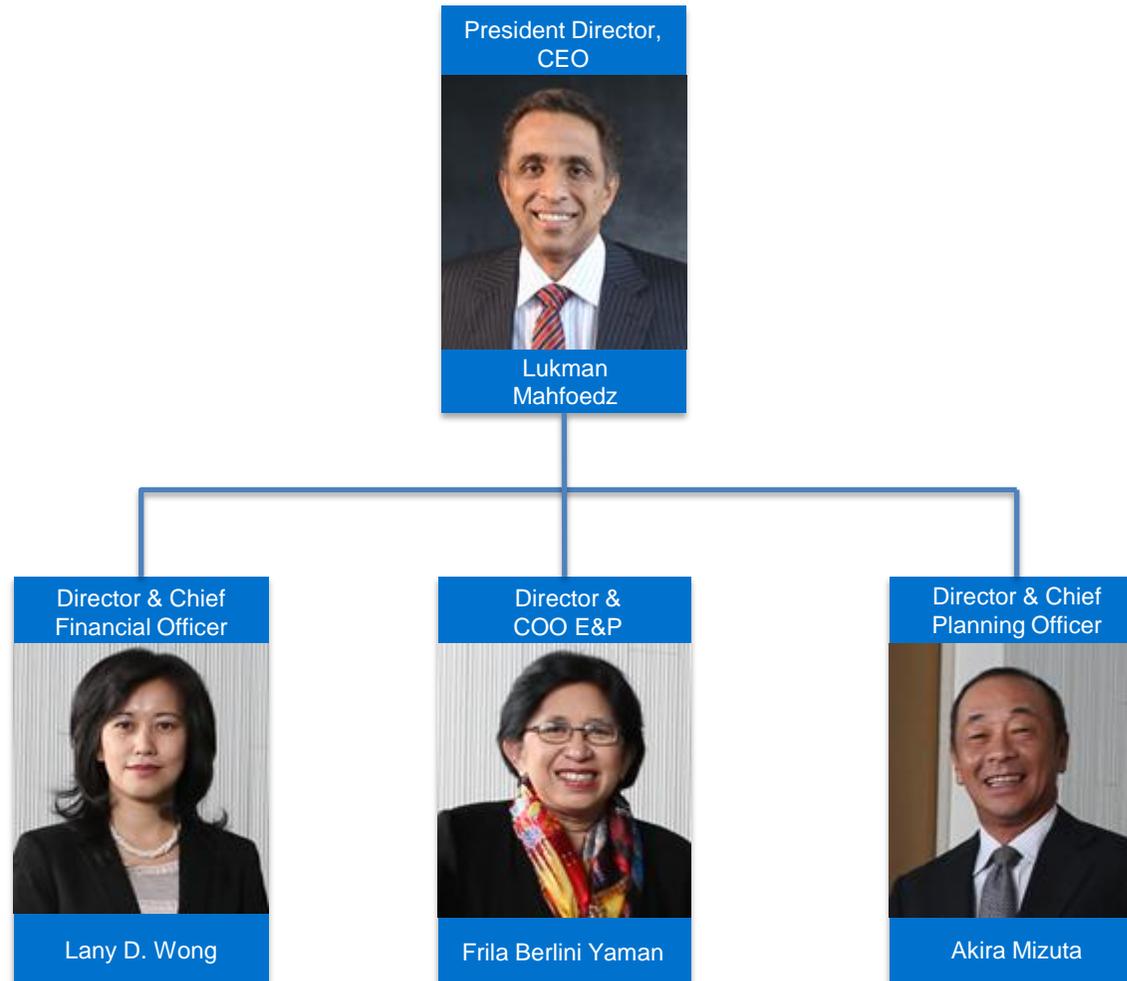
Shareholding Structure

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 2nd half 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 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 granted an additional 25 years of operation, an exploration program which includes three wells in the first two years, a 3-tier service fee scheme 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\$ 100 million, listed in SGX

- The MTN has a fixed coupon rate of 5.9% per annum 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.

June 24th 2015

Gas produced from Senoro field, owned by Joint Operating Body Pertamina Medco E&P Tomori Sulawesi (JOB-PMTS), has been delivered to Donggi Senoro LNG (DSLNG) refinery, reaching a rate of 145 MMSCFD, and produced first LNG (First Drop LNG).

- Gradually, Senoro field will deliver larger amounts of gas to DSLNG until it reaches peak production capacity of 310 MMSCFD.
- First LNG cargo shipment in August 2015.
- This field will also produce condensate at 8,000 barrels oil of equivalent per day (BOEPD).

October 9th 2015

MedcoEnergi has signed a Sale and Purchase Agreement with Lundin SEA Holding AB to acquire the Indonesian operations of Lundin Indonesia Holding B.V.

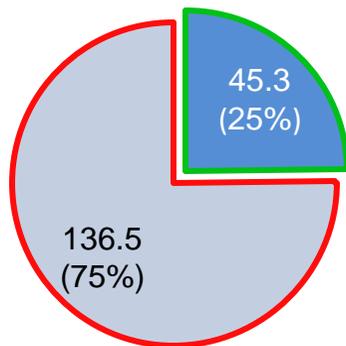
- The Indonesian assets include the non-operated interest in Lematang Block (25.8824%) and operated interests in the South Sokang (60%) and Cendrawasih VII Blocks (100%), as well as the Joint Study Agreement (JSA) in respect of the Cendrawasih VIII Block (100%).
- Completion of this transaction is conditional upon approval from the Government of Indonesia.

Operational Performance

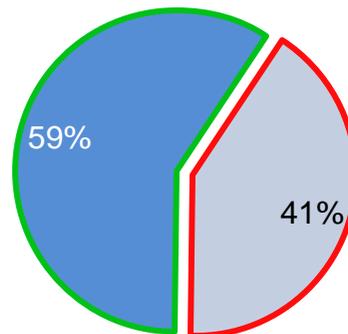
Oil and Gas E&P	9M14	9M15	Δ%
Lifting/Sales			
Oil Lifting, MBOPD	21.73	21.05	(3.1)
Gas Sales, BBTUPD	150.26	113.73	(24.3)
Service Contract , MBOPD	8.62	8.61	(0.1)
Average Realized Price			
Average Oil Price, USD/barrel	106.31	53.51	(49.7)
Average Gas Price, USD/mmbtu	5.60	5.48	(2.1)
Production (including service contract)			
Oil, MBOPD	31.26	31.31	0.2
Gas, MMSCFD	152.49	125.30	(17.8)
Total Oil and Gas, MBOEPD	57.32	52.73	(8.0)

Coal	9M14	9M15	Δ%
Sales, MT	330.9	247.5	(25.2)
Average Price, USD/MT	77.0	64.3	(16.4)
Production, MT	362.3	363.8	0.4

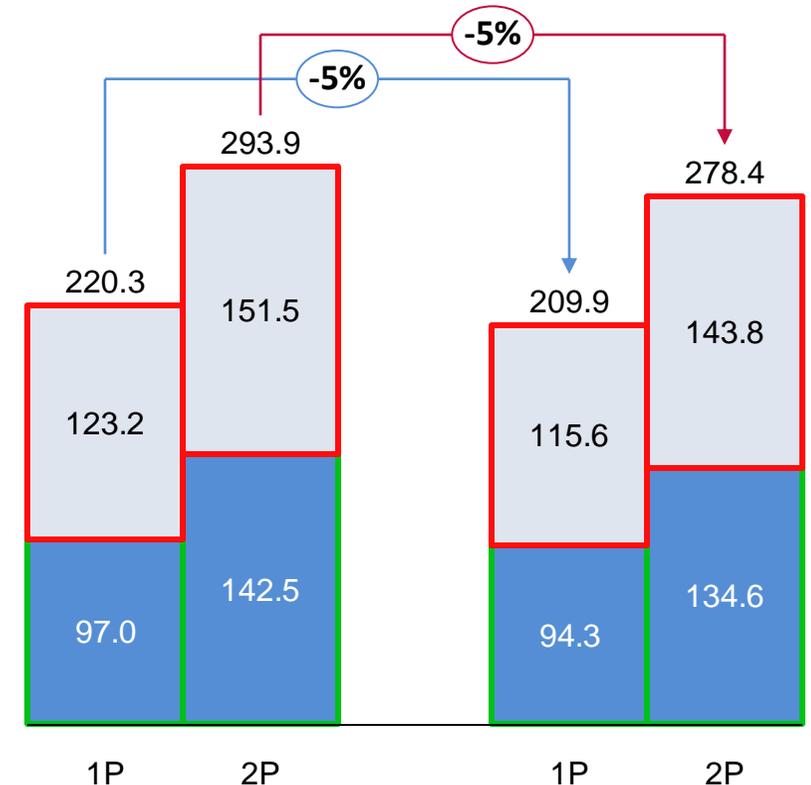
 Oil
 Gas



9M15 Contingent Resources, MMBOE



9M15 Production



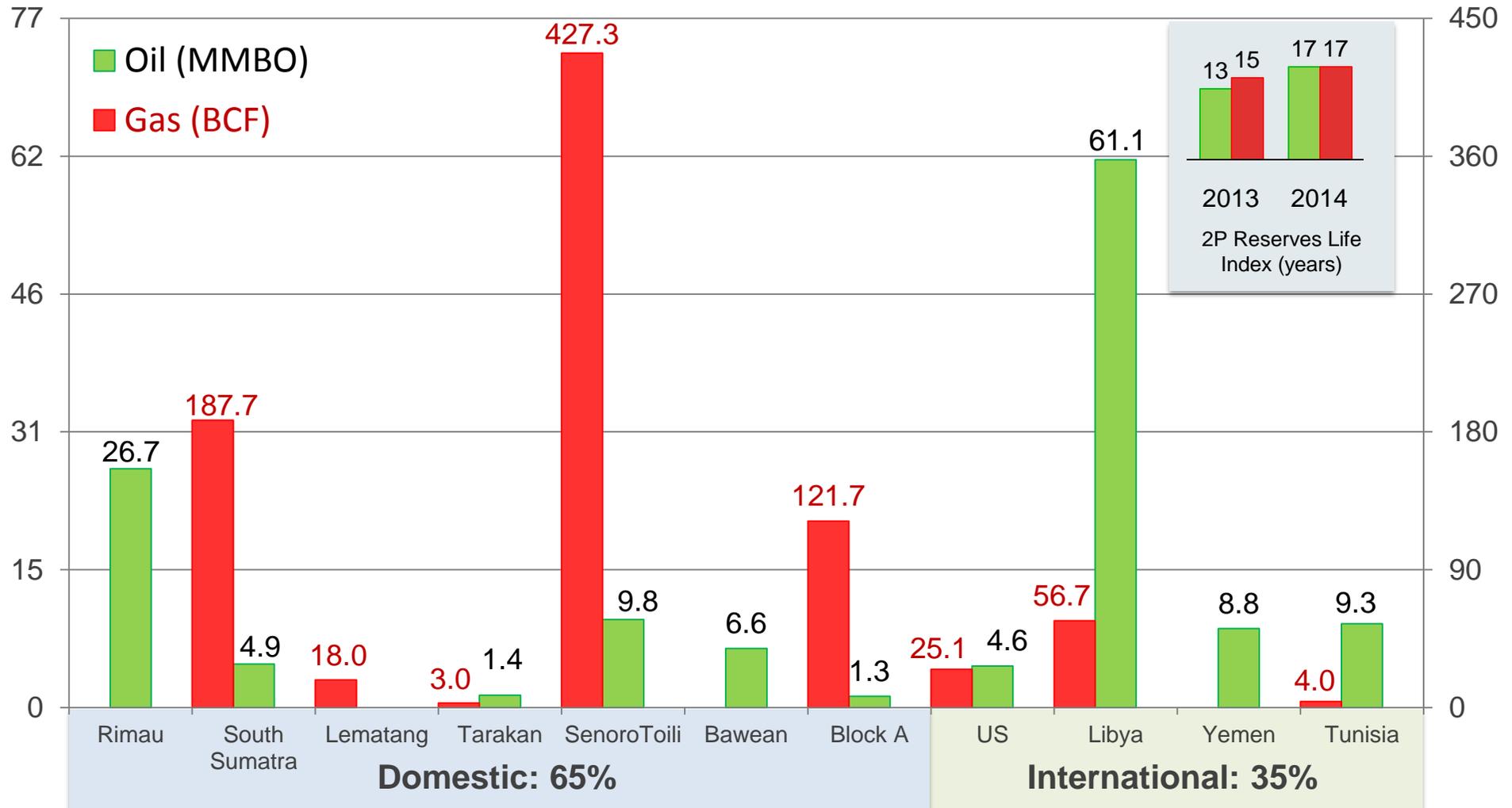
9M14 Reserves, MMBOE

9M15 Reserves, MMBOE

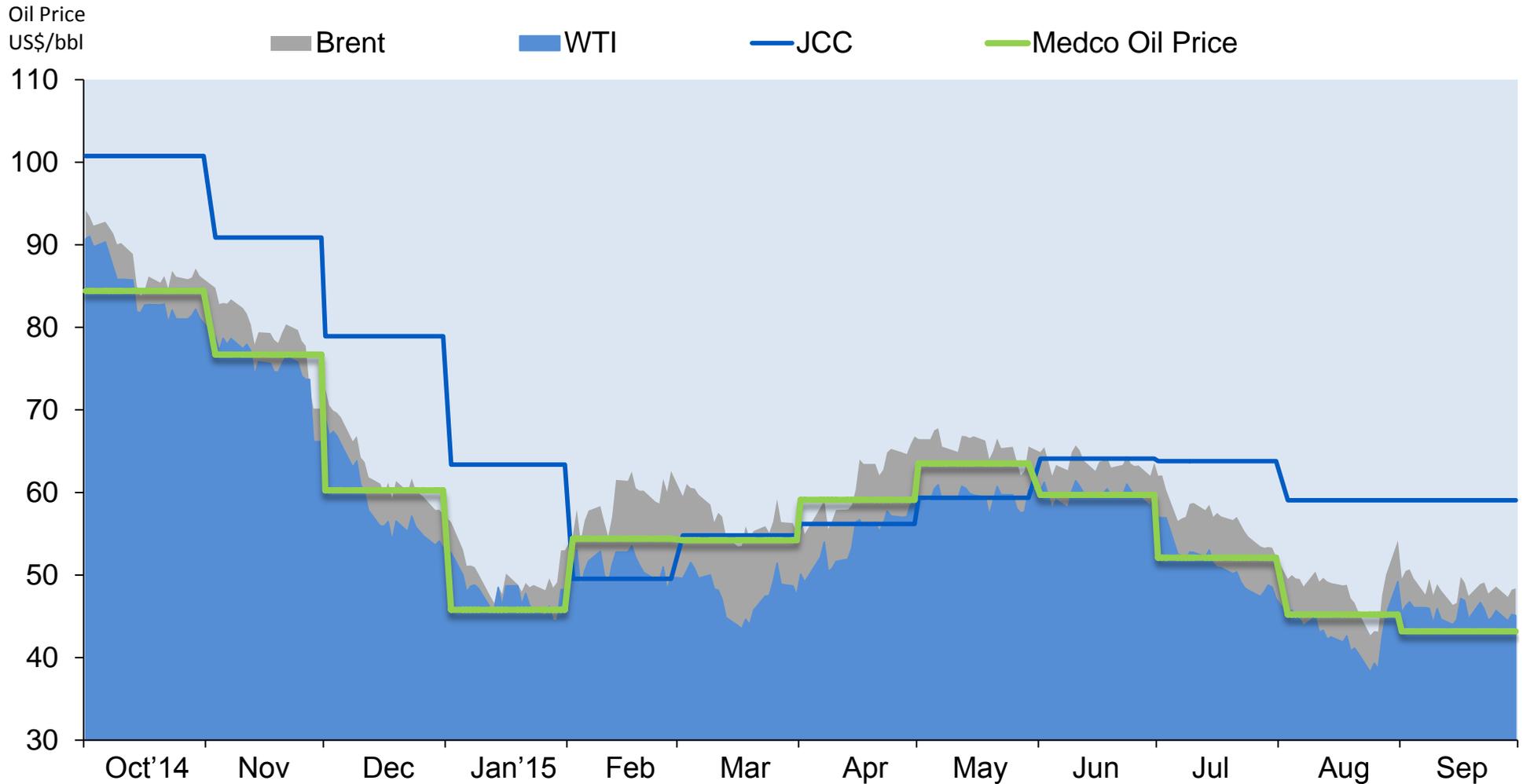
2P Reserves Breakdown by Assets

MMBO

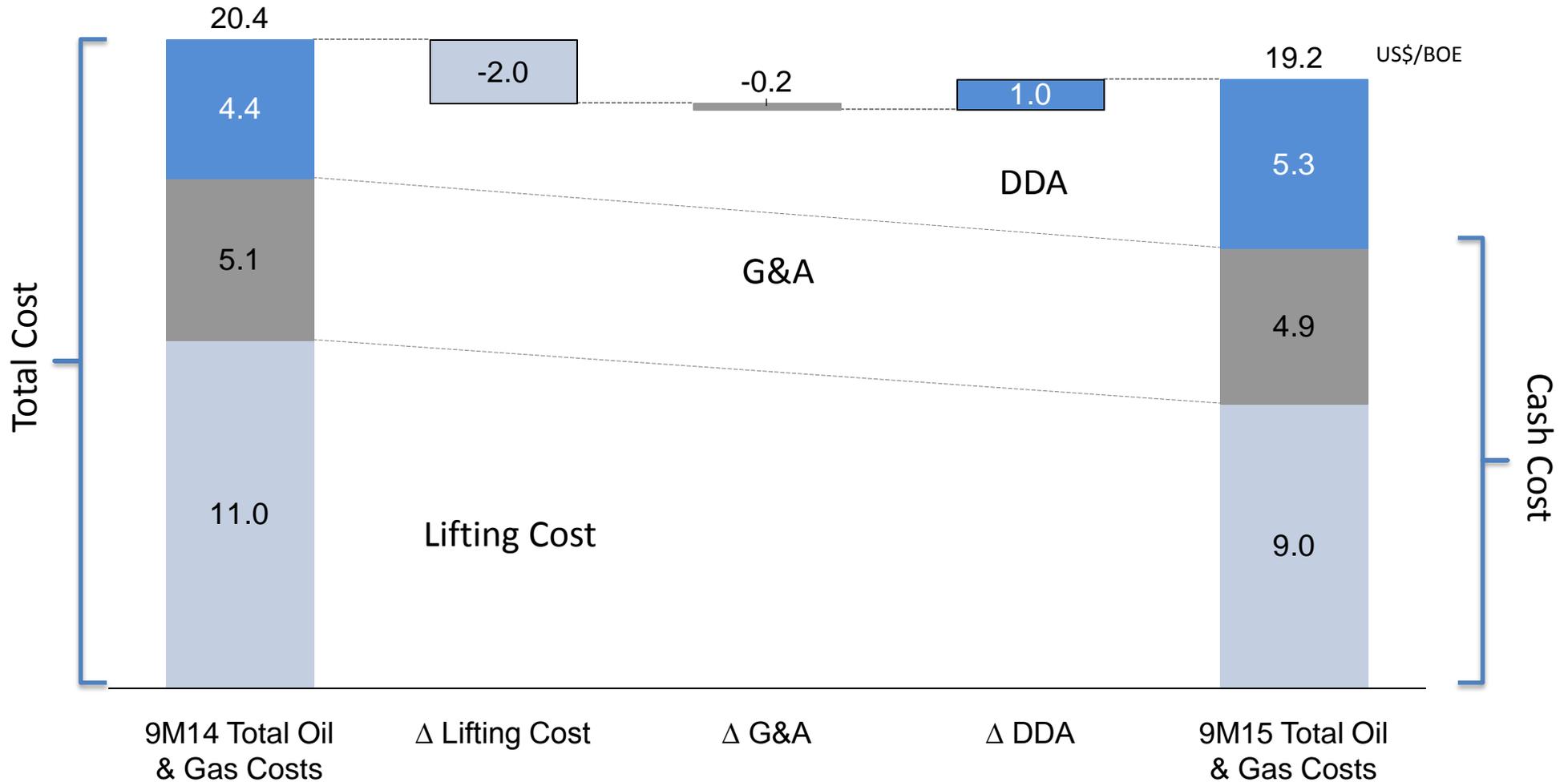
BCF



Medco's Realized Oil Price Comparison



Oil and Gas Costs

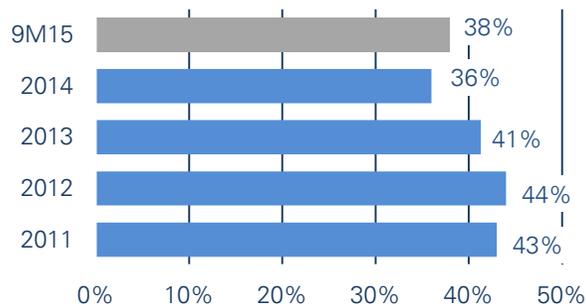


Financial Performance

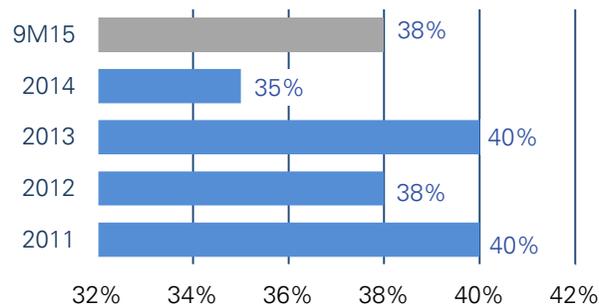
Profit and Loss (USD mm)	9M14	9M15	Δ%
Revenue	551.9	418.1	(24.3)
• Oil and Gas	517.8	385.1	(25.6)
• Non Oil and Gas	34.1	32.9	(3.6)
Gross Profit	239.4	158.9	(33.6)
Operating Income	137.2	70.8	(48.4)
EBITDA	216.0	157.9	(26.9)
Earnings Before Tax	99.1	3.3	(96.7)
Net Income	7.8	(44.5)	n.m.

Balance Sheet (USD mm)	9M14	9M15	Δ%
Cash and cash equivalents	220.3	224.1	1.7
Fixed Assets	1,348.3	1,320.7	(2.0)
Total Assets	2,711.4	2,598.3	(4.2)
Total Liabilities	1,791.1	1,726.3	(3.6)
• Current Liabilities	492.1	452.0	(8.2)
• Non Current Liabilities	1,299.0	1,274.3	(1.9)
Equity	910.8	862.4	(5.3)
Market Capitalization	974.2	260.3	(73.3)

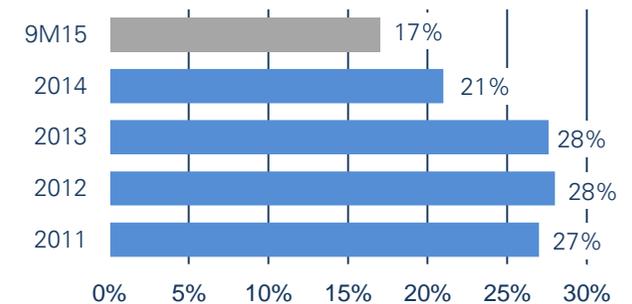
Gross Margin



EBITDA Margin



Operating Margin

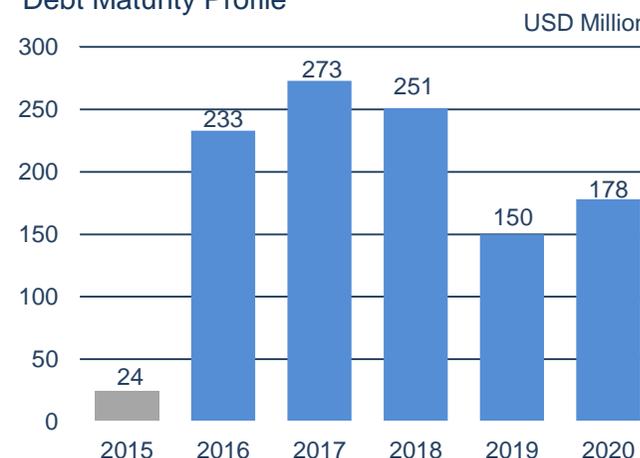


Financial Performance (cont'd)

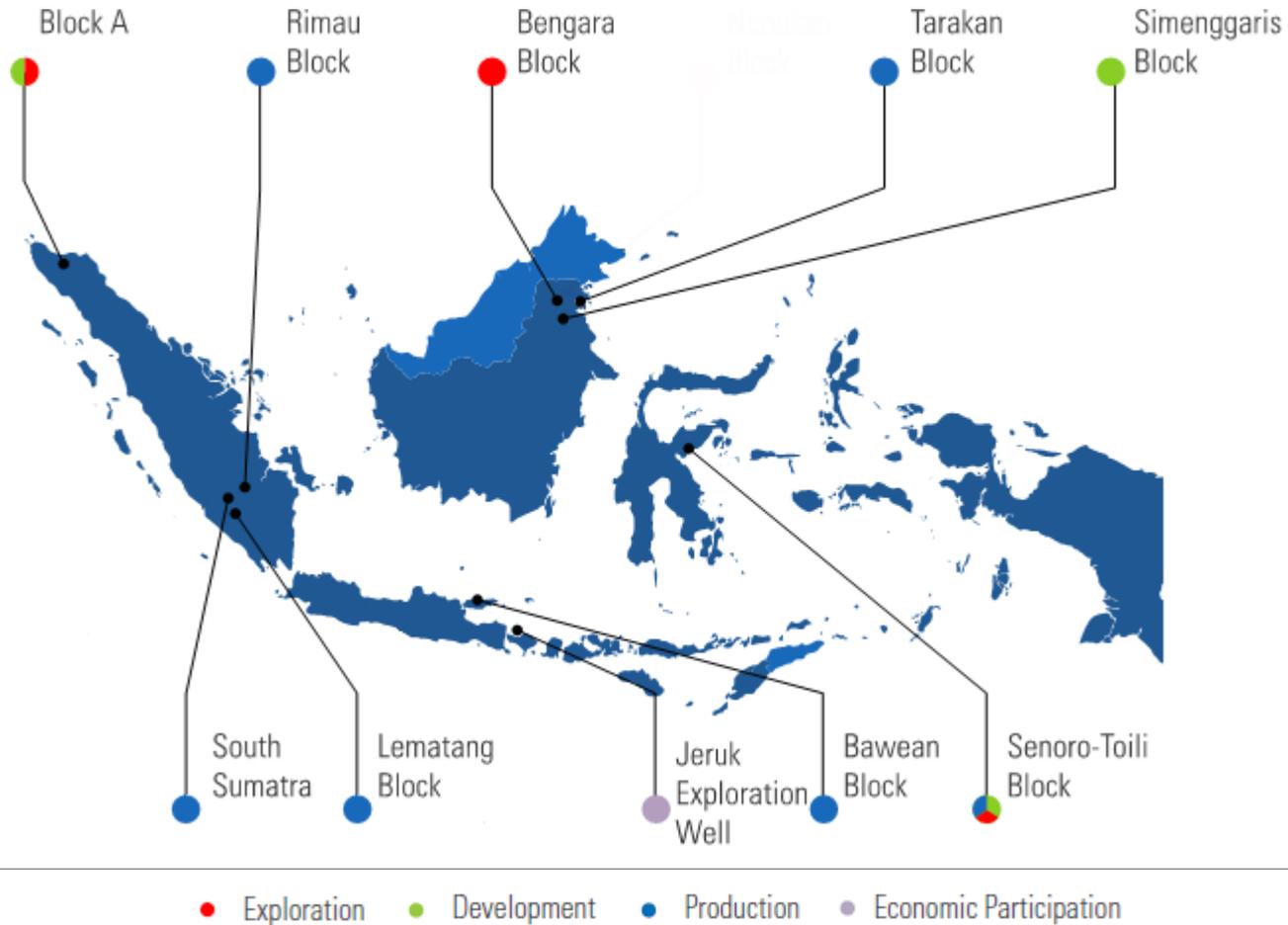
CONSOLIDATED DEBTS (in USD mn)	9M14	9M15	Δ%
A. Total Bank Loans	748.0	678.4	(9.3)
Current	232.1	222.3	(4.2)
Non Current	515.8	456.1	(11.6)
B. Other Obligations	487.2	422.2	(13.3)
Non Current: Rupiah Bonds	285.4	237.9	(16.6)
USD Bonds	97.4	47.7	(51.1)
Related Party	104.4	0.0	n.m.
MTN	0.0	136.6	n.m.
Total	1,235.2	1,100.7	(10.9)

Financial Ratios (x)	9M14	9M15
Current Ratio	1.63	1.82
Debt to Equity	1.36	1.28
Net Debt to EBITDA	3.52	4.16
EBITDA to Interest	4.31	2.82

Debt Maturity Profile



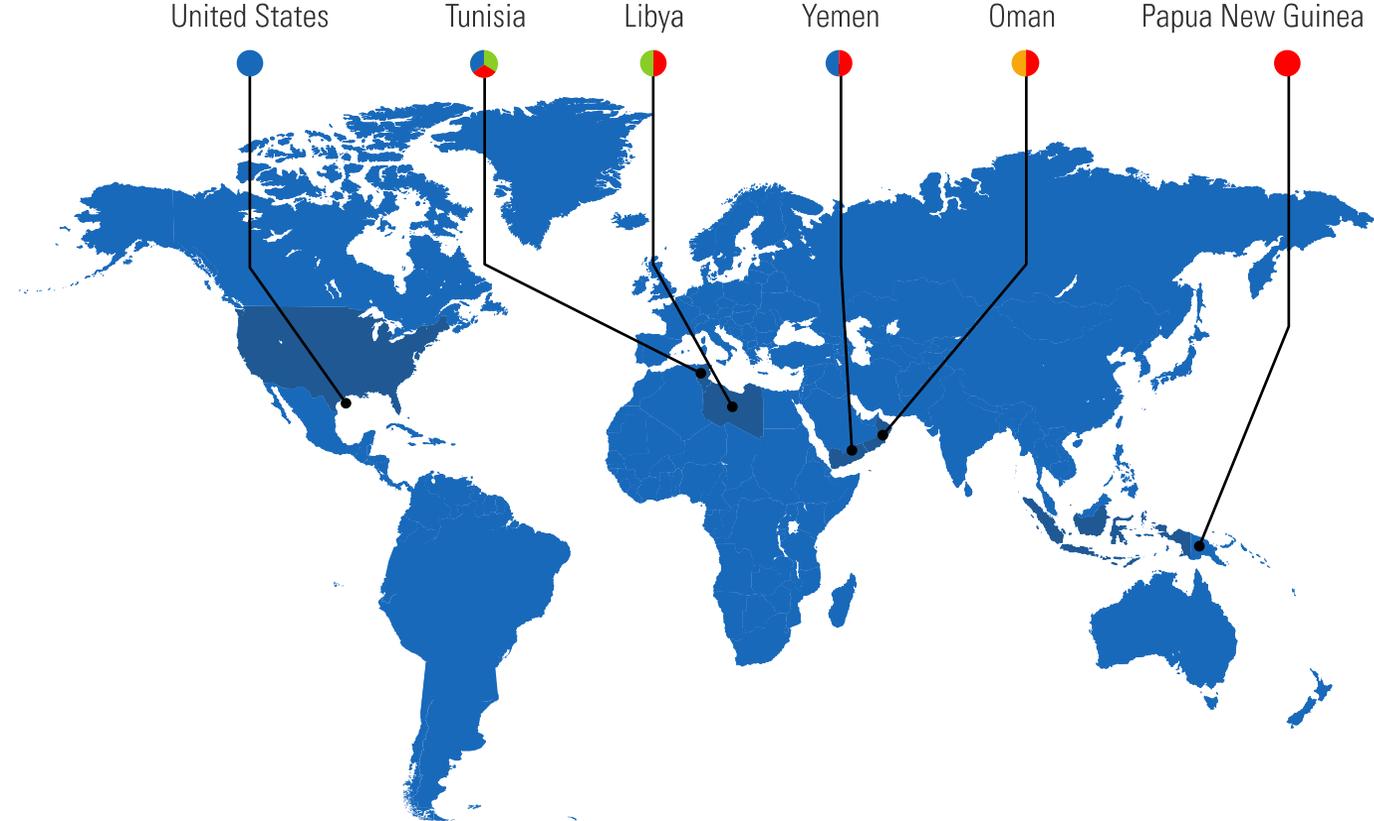
Oil and Gas E&P (Indonesia)



In Indonesia, Medco operates 9 blocks and holds economic participating interest in an exploration field.

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 to grow to more than 800 MW within next 5 (five years).



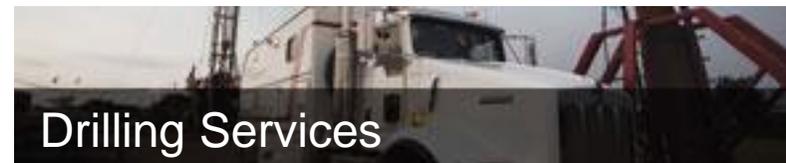
Coal Mining

- 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.

Senoro Upstream/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

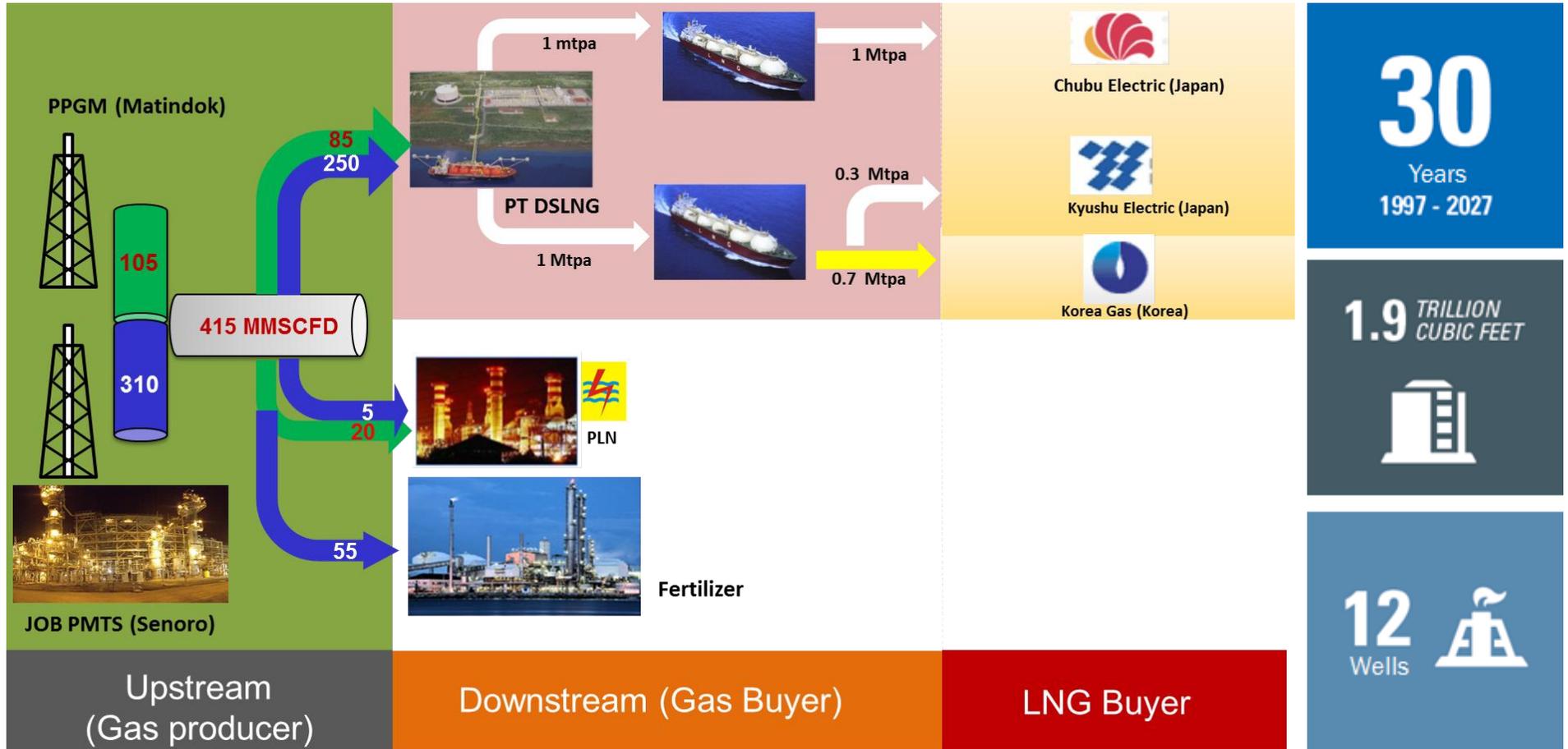
2014

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

2015

Upstream and Downstream Projects have reached full commercialization. First gas delivery and first drop LNG in June 2015. First LNG shipment in August 2015.

Senoro Upstream/Downstream LNG Value Chain



Working Interest Structure:

- Pertamina 50%
- **MedcoEnergi 30%**
- Mitsubishi & Kogas 20%

Ownership Structure:

- Mitsubishi & Kogas 59.9%
- Pertamina 29%
- **MedcoEnergi 11.1%**

LNG Marketing:

- 33-36 cargos production capacity per annum
- Load size per cargo 125,000m³ each on 2 vessels
- 12 cargos to be produced until end of 2015



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