



MEDCOENERGI 

INVESTOR UPDATE 1Q 2018 RESULTS

INVESTING IN THE FUTURE

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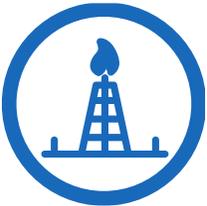
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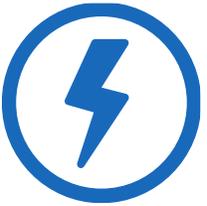
Appendix



- Secured long term capital structure
 - Right issue oversubscribed with ~\$195 million raised and used for debt repayment
 - Warrants 'in the money' with expected proceeds >\$200 million from July 2018
 - Issued \$400 million through Global USD bond in 2017 and another US\$500 million in 1Q 2018 to refinance near term maturities



- Strong Operational results; APAC Energy Council "Upstream Company of the Year"
 - Oil and gas production 85.5 MBOEPD, above guidance; annual and 3-year average reserve replacement ratio > 100%
 - 1Q 2018 cash costs \$8.3/boe with procurement contracts locked in for medium term
 - 1Q 2018 EBITDA \$148 million, with margins >50%; improved commodity prices continuing into 2018
 - Aceh first gas delivery on budget, commissioning gas on time with lump sum EPCI contract



- Medco Power Indonesia
 - Completed acquisition of a controlling stake; financial consolidation from Q4 2017
 - Sarulla phase I units I, II and III commissioned in March 2017, October 2017 and May 2018.
 - Gas-to-Power synergies on track with Matang proposal in PLN 'pipeline'



- Amman Mineral
 - Senior and mezzanine debt repaid, MEI PCG released; repayment triggered non recurring expenses
 - Began Phase 7 development, and secured further new development facility
 - MEI equity being diluted through pre IPO equity injections
 - Non-cash acquisition of 44% of Macmahon; non recurring employee downsizing expenses
 - Smelter studies completed, land preparation in progress and signed MoU with Freeport
 - Elang appraisal drilling and JORC assessment in progress with increased expected resource

Significant Player in Three Key Business Segments



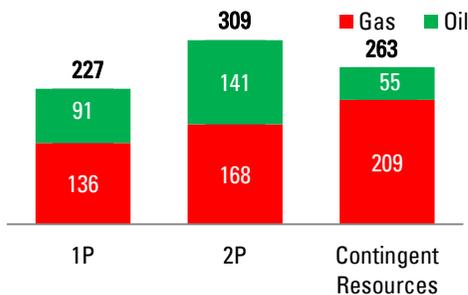
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Oil & Gas



- 10 Operated Indonesian assets, 7 producing
- 66:34 gas to oil production mix
- Gas sold under long term TOPQ contracts, 50:50 mix of fixed; commodity linked pricing
- Operating costs below \$10/boe through 2020

Net Reserves and Contingent Resources

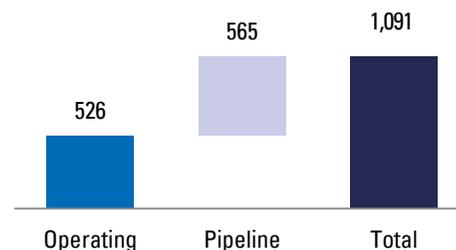


Power



- Independent Power Producer (IPP) for 9 Operated Indonesian assets
- IPPs with PLN under long term TOPQ backed clean energy contracts
- Specialized in medium sized IPPs
- Third party O&M contracts

IPP Gross Capacity

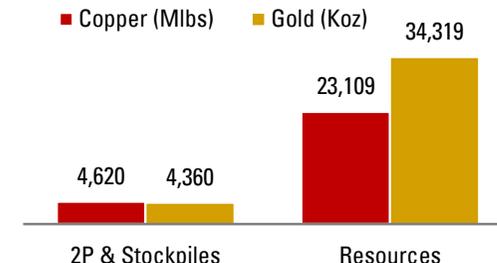


Mining



- Batu Hijau open pit porphyry copper and gold mine, Sumbawa Indonesia
- Developing phase 7 of the existing mine site
- Exploring 6 further prospective resources including drilling of Elang
- Progressing Smelter tender selection

Copper and Gold Gross Reserves and Resources



O&G reserve data mmboe as of 1Q18; Power MW capacity data as of 1Q18; Mining reserves data as of 1H17

Energy & Natural Resources Company Focused in Indonesia



Block A



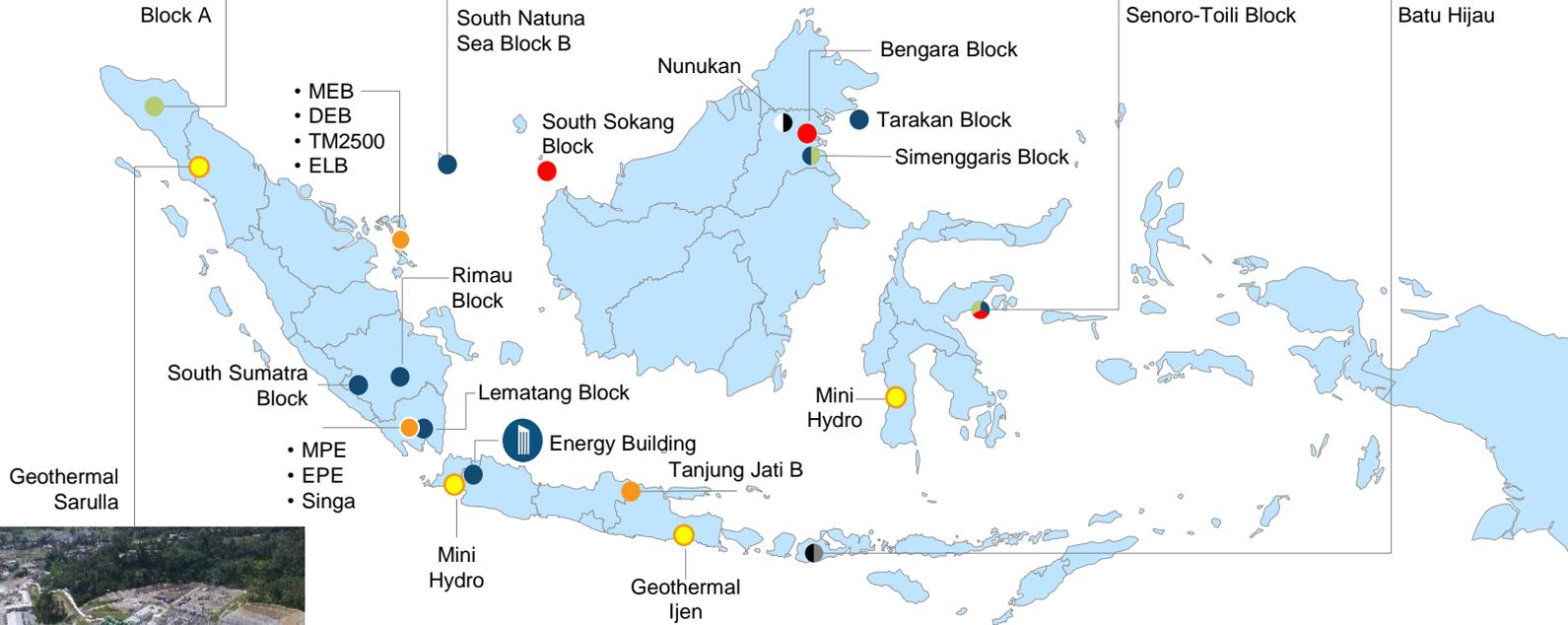
South Natuna Sea Block B



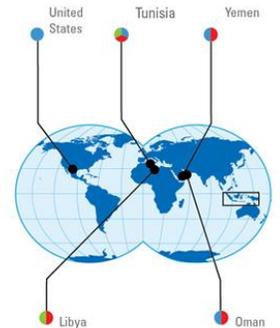
Senoro-Toili Block



Batu Hijau



International Assets



● Production
● Development
● Exploration



● Mining Production
● Mining Development
● Mining Exploration



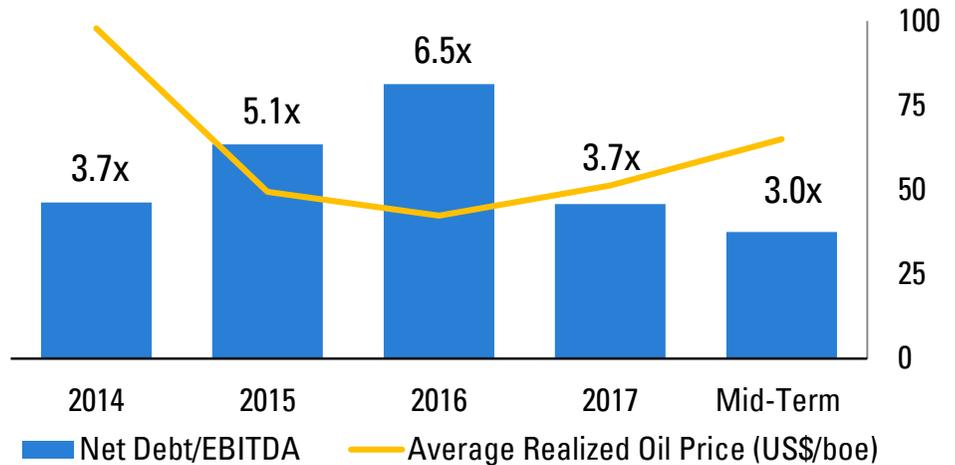
● Power Installed
● Power Development

Delivering On Our Commitments

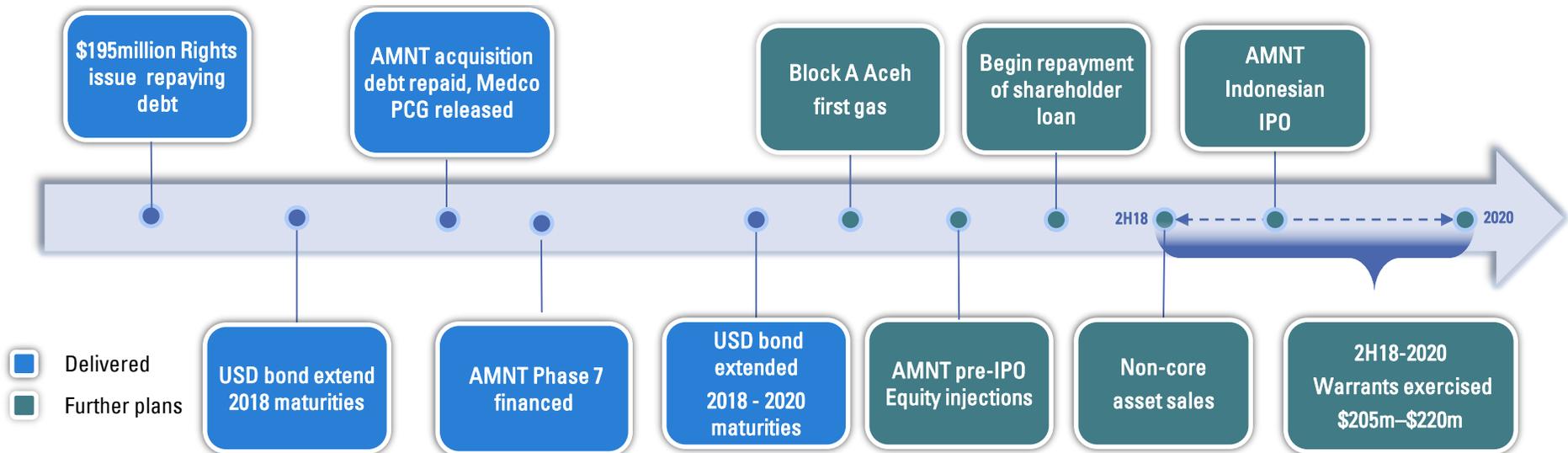
- Production >85 MBOEPD, cash cost maintained <\$10/boe. 1Q18 Revenue and EBITDA were up by +36% and +41% YoY.
- Sarulla Units I, II and III delivered on schedule. Aceh gas development on schedule, on budget with first gas and commissioning beginning in March 2018.
- Completed oversubscribed US\$195 million rights issue, issued further >US\$200 million warrants. Rights used for debt repayment in January 2018
- Acquired controlling interest in MedcoPower
- AMNT acquisition debt repaid, phase 7 development financed. Elang appraisal drilling and reserves assessment ongoing.

Net Debt to EBITDA°

° Consolidate Base excluding MPI



1Q18 Net debt to EBITDA was at 3.2x consolidate base excluding MPI

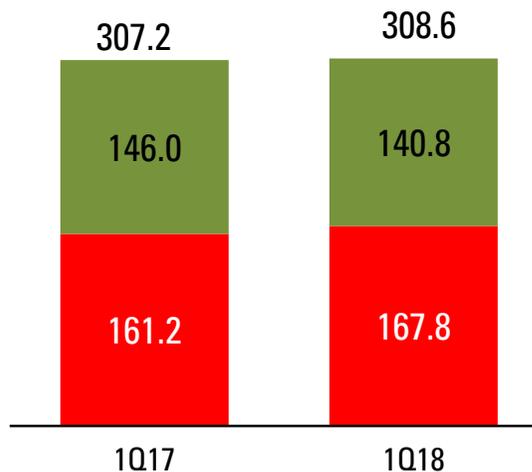




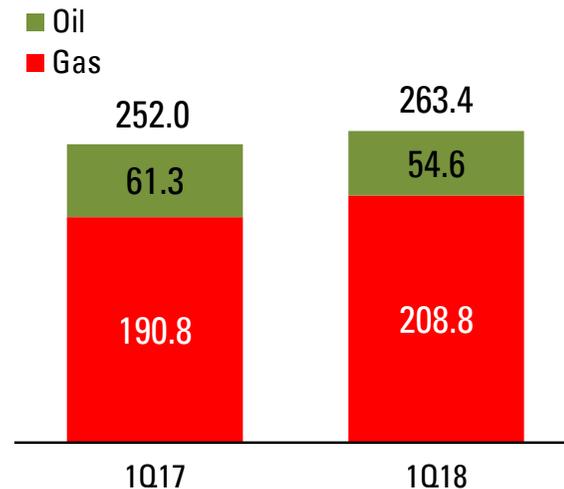
Metrics	1Q17	1Q18	YoY Δ%
Production^o			
Oil, MBOPD	36.7	33.9	(7.7)
Gas, MMSCFD	292.0	274.1	(6.1)
Lifting/Sales			
Oil Lifting, MBOPD	27.3	25.7	(6.0)
Gas Sales, BBTUPD	288.6	265.2	(8.1)
Oman Service Contract, MBOPD	8.8	7.6	(13.8)
Average Realized Price			
Oil, USD/barrel	51.6	63.3	22.7
Gas, USD/MMBTU	5.5	5.7	3.6

^oIncludes Oman Service Contract

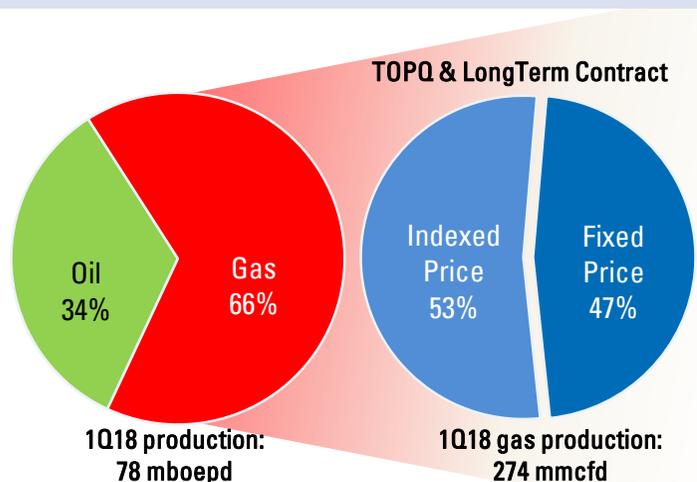
Net 2P Reserves, MMBOE
Life Index: 11 Years



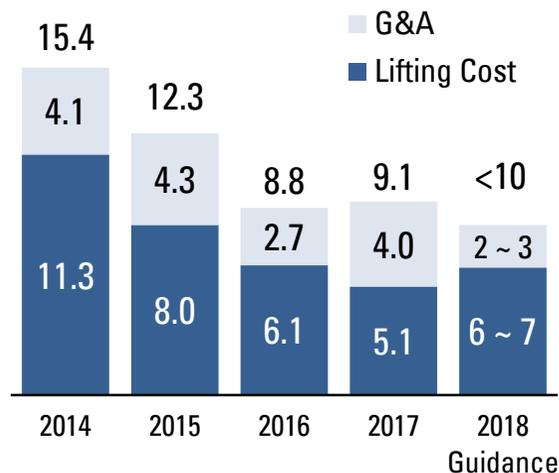
Net Contingent Resources, MMBOE



1Q18 Oil & Gas Breakdown

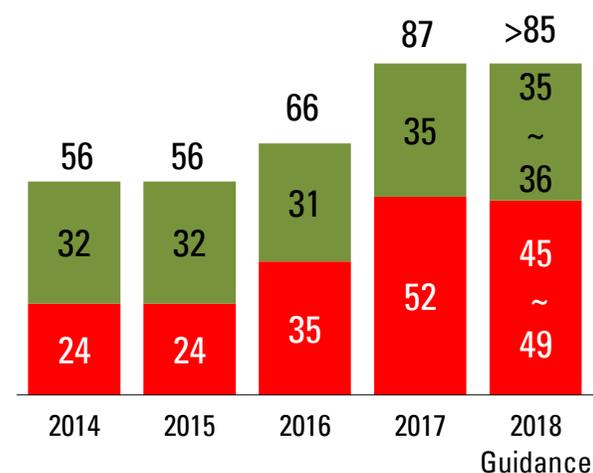


Cash Cost/Unit*, USD/BOE



*Excludes Oman Service Contract

Net Hydrocarbon Production^o, MBOEPD



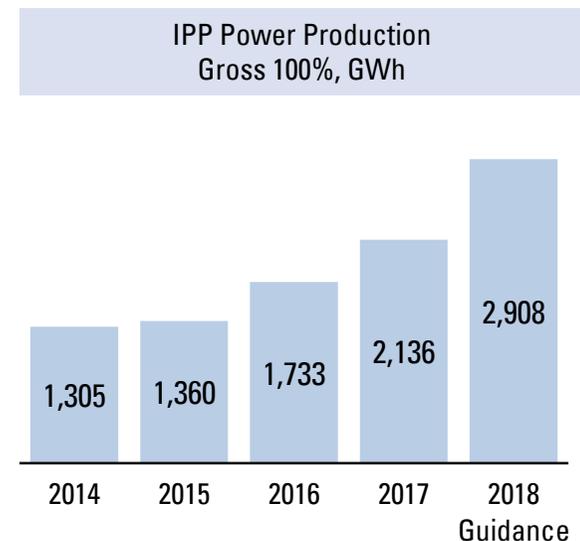
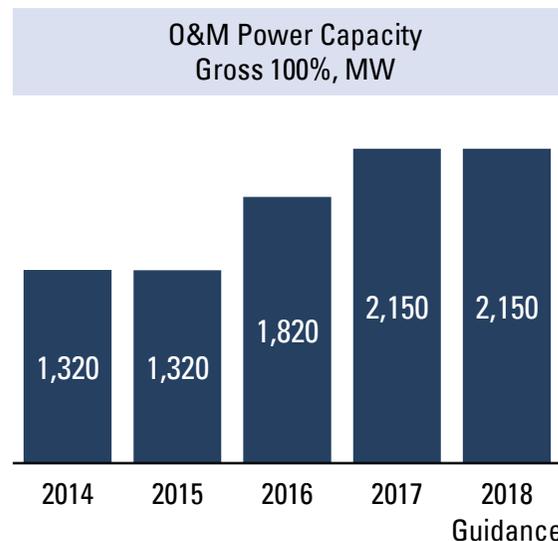
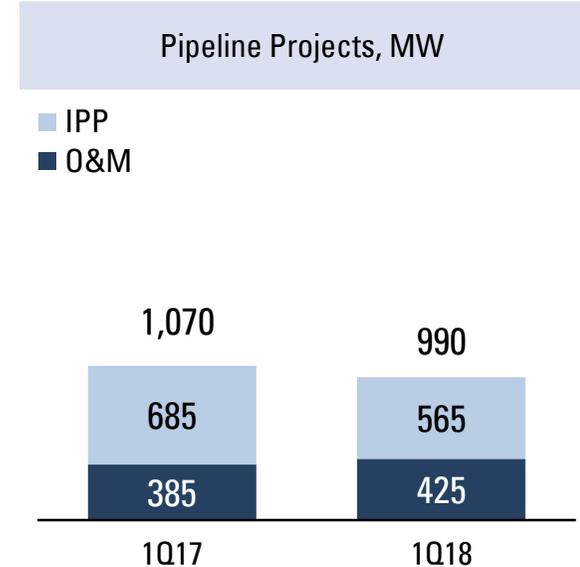
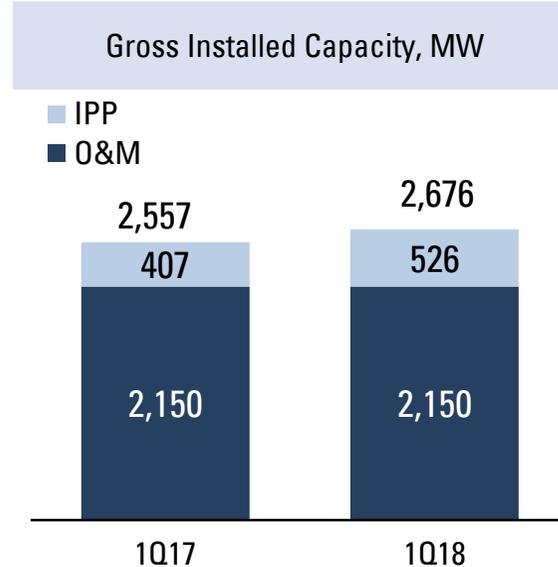
^oIncludes Oman Service Contract



Metrics ^o	1Q17	1Q18	YoY Δ%
Production & Capacity			
IPP Power Production, GWh	435	593	36.3
O&M Capacity, MW	2,150	2,150	0.0
Average Realized Price*			
IPP, Cent/kwh	2.77	4.41	59.2

^oGross 100% interest *Excludes Fuel Component

- Medco Power shareholders: Medco Energi ~88%, IFC ~12%
- Sarulla Geothermal Power Phase I, Unit I began commercial production in March 2017, Unit II in early October, one month ahead of schedule. Unit III commercial operation in May 2018
- MedcoPower was awarded the Operation & Maintenance contract for the Sarulla Geothermal Power plants.
- MedcoPower won the tender to construct a 275MW IPP in Riau, PPA was signed in April 2017.
- Matang Gas-to-Power proposal included in PLN's Electric Power Supply Business Plan (RUPTL)



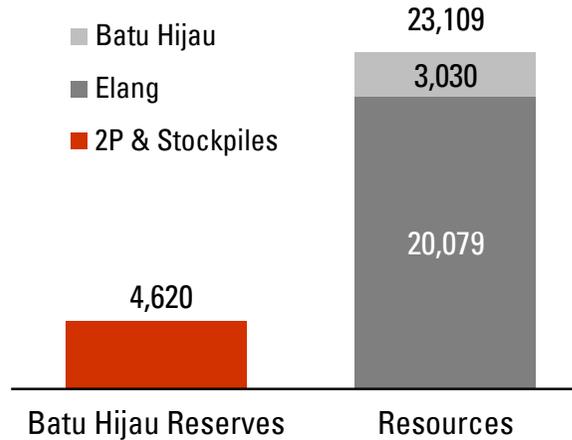


Metrics ^o	1Q17	1Q18	YoY Δ%
Production			
Copper, M lbs	61.6	40.4	(34.3)
Gold, k oz	49.8	19.2	(61.4)
Sales			
Copper, M lbs	94.0	25.0	(73.4)
Gold, k oz	128.6	16.3	(87.3)
Average Realized Price			
Copper, USD/lbs	2.46	3.17	29.1
Gold, USD/oz	1,133	1,421	25.5

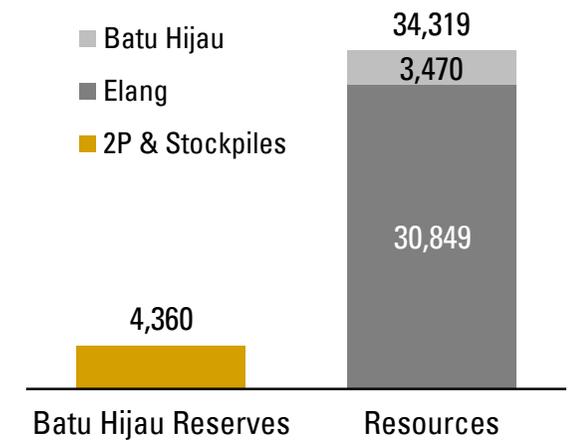
^oGross 100% interest

- Converted Contract of Work into a Special Mining Permit and extended export permit
- Copper concentrate export permit extension for 2018 for 450,826 wmt
- Acquired single largest stake in the ASX listed mining contractor Macmahon through a shares - assets transaction
- Completed Smelter feasibility studies and signed MoU with Freeport Indonesia
- Elang Joint Ore Reserves Committee (JORC) assessment in progress; resources improved >50%

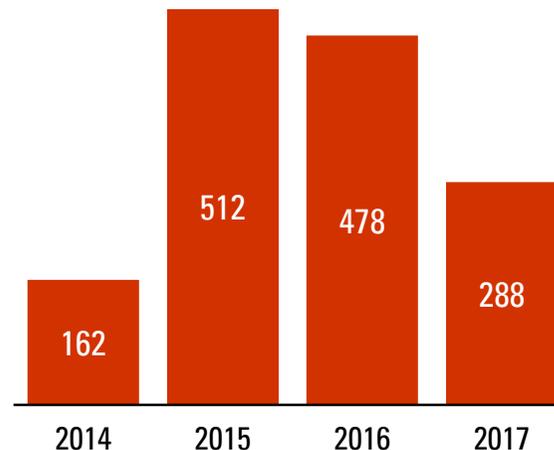
Copper Gross Reserves & Resources – 1H17 (M lbs)



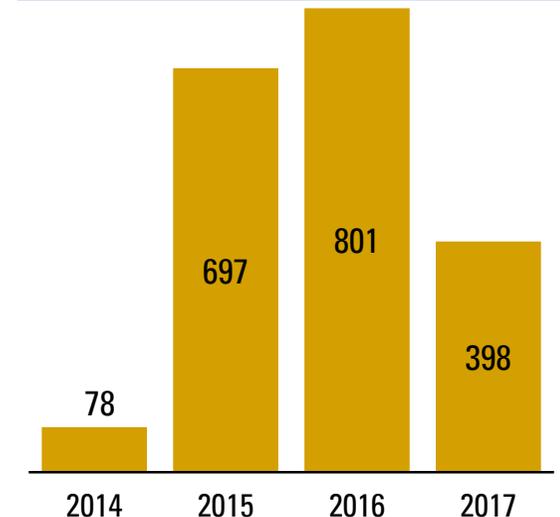
Gold Gross Reserves & Resources – 1H17 (k oz)



Copper (M lbs) Production Gross 100%



Gold (k oz) Production Gross 100%



Profit & Loss (US\$ mn)	1Q17	FY17	1Q18
Revenue	212.7	925.6	288.9
- Oil and gas	210.3	855.1	231.7
- Power	-	67.5	57.0
- Others	2.4	3.0	0.3
DDA	34.9	164.9	36.1
Gross Profit	105.4	420.7	151.6
S, G & A	35.5	151.4	39.7
Operating Income	70.0	269.3	111.9
EBITDA	104.8	434.2	148.0
Net Income	43.1	127.1	21.6

Profitability Ratios (%)	1Q17	FY17	1Q18
Gross Margin	49.6%	45.5%	52.5%
Operating Margin	32.9%	29.1%	38.7%
EBITDA Margin	49.3%	46.9%	51.2%
Net Income Margin	20.2%	13.7%	7.5%

Balance Sheet (US\$ mn)	1Q17	FY17	1Q18
Cash and cash equivalents	157.1	489.0	439.7
Investments	920.6	887.3	1,059.2
Fixed Assets	995.1	1,279.5	1,313.7
Total Assets	3,576.4	5,160.8	5,138.5
Total Liabilities	2,647.1	3,758.1	3,678.1
• Loans	1,107.9	1,599.1	1,305.4
• Capital Market Debts	716.2	990.0	1,388.0
• Other Liabilities	823.0	1,169.0	984.8
Equity	929.3	1,402.7	1,460.4

Financial Ratios (x)	1Q17	FY17	1Q18
Current Ratio	1.44	1.53	1.68
Debt to Equity	1.96	1.85	1.84
EBITDA to Interest	3.57	3.09	3.09
Net Debt to EBITDA ^o	3.98	4.59	3.51
Net Leverage Ratio	3.91	4.53	3.47

^o Includes escrow account from USD bonds proceeds

Financial performance: excluding Medco Power

Profit & Loss (US\$ mn)	1Q17	1Q18	1Q18*)
Revenue	212.7	288.9	232.0
- Oil and gas	210.3	231.7	231.7
- Power	-	57.0	-
- Others	2.4	0.3	0.3
DDA	34.9	36.1	34.8
Gross Profit	105.4	151.6	124.9
S, G & A	35.5	39.7	32.8
Operating Income	70.0	111.9	92.1
EBITDA	104.8	148.0	126.9
Net Income	43.1	21.6	19.3

Profitability Ratios (%)	1Q17	FY17	1Q18*)
Gross Margin	49.6%	52.5%	53.8%
Operating Margin	32.9%	38.7%	39.7%
EBITDA Margin	49.3%	51.2%	54.7%
Net Income Margin	20.2%	7.5%	8.3%

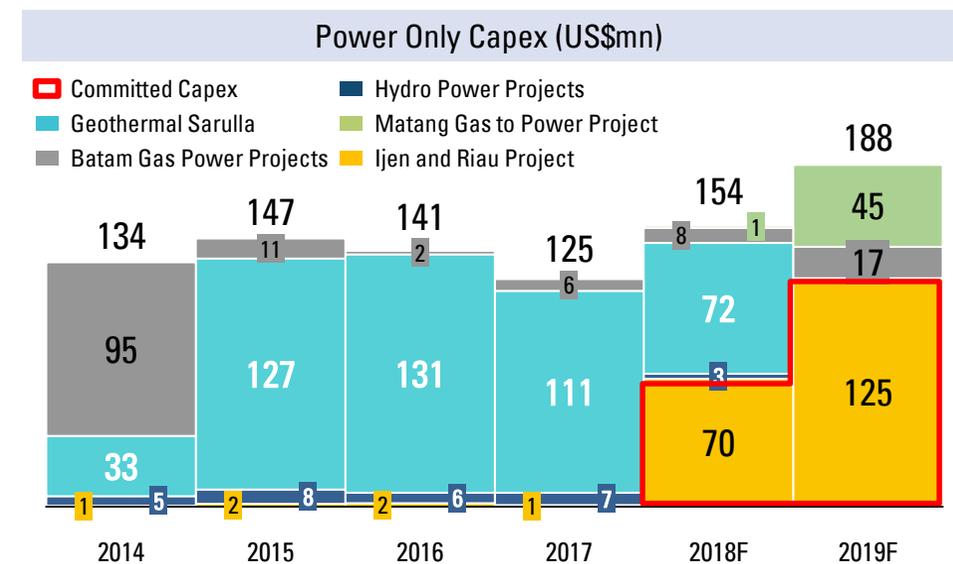
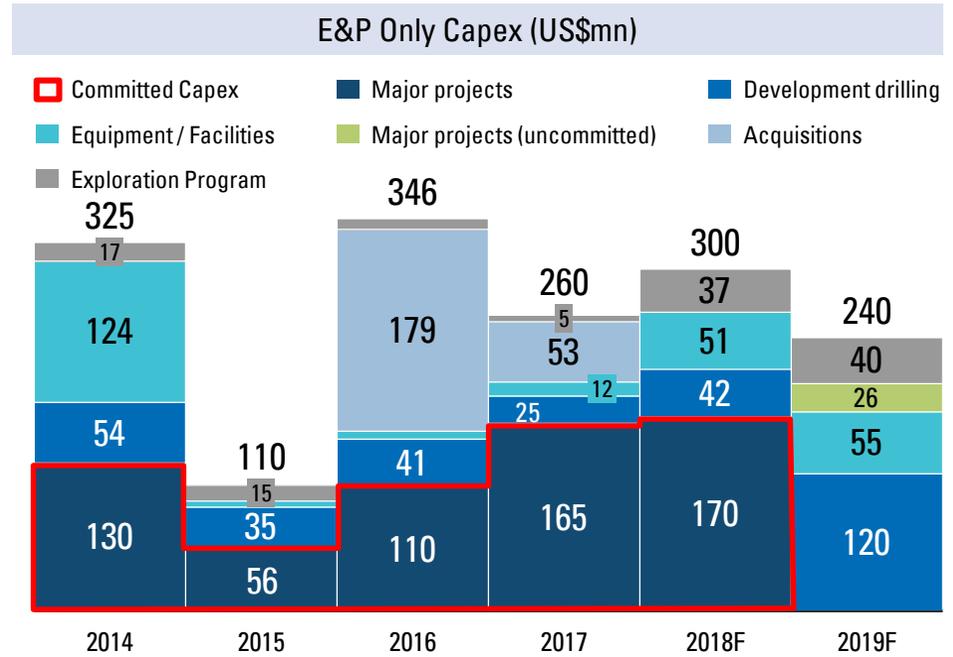
*1Q18 excluding MPI

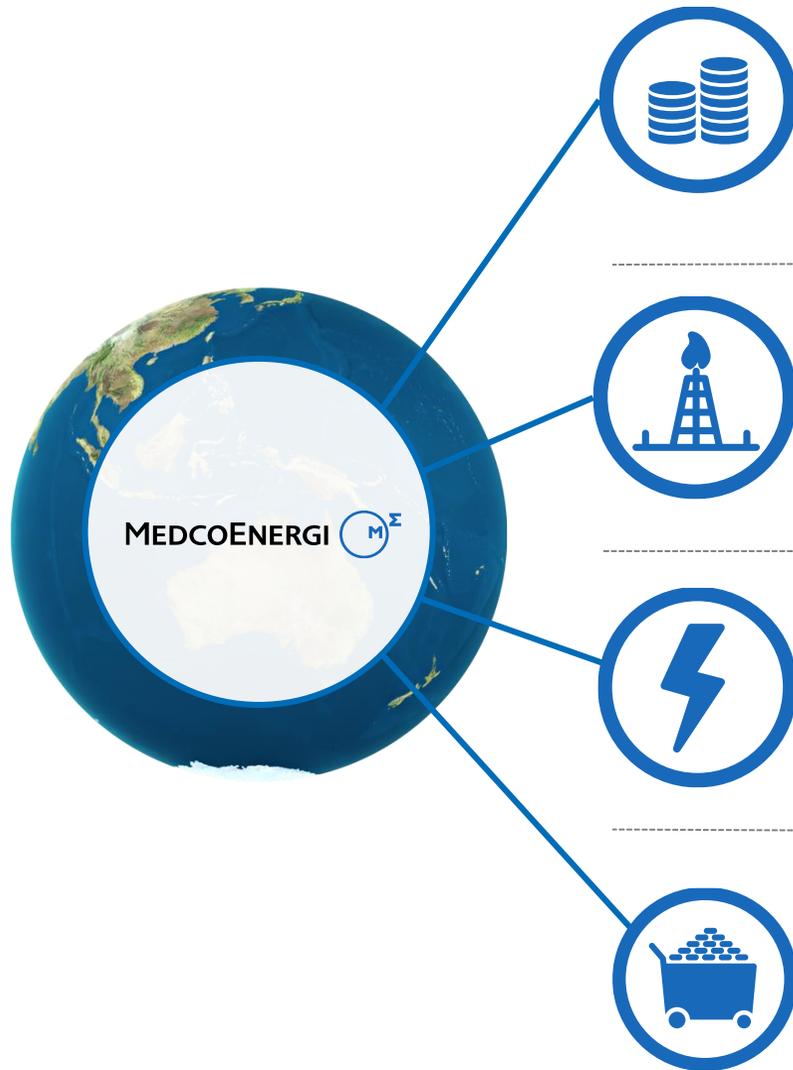
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Investments	920.6	1,059.2	1,059.2
Fixed Assets	995.1	1,313.7	1,252.5
Total Assets	3,576.4	5,138.5	4,008.4
Total Liabilities	2,647.1	3,678.1	3,002.5
• Loans	1,107.9	1,305.4	795.3
• Capital Market Debts	716.2	1,388.0	1,388.0
• Other Liabilities	823.0	984.8	819.2
Equity	929.3	1,460.4	1,215.4

Financial Ratios (x)	1Q17	1Q18	1Q18*)
Current Ratio	1.44	1.68	1.83
Debt to Equity	1.96	1.84	1.80
EBITDA to Interest	3.57	3.09	3.29
Net Debt to EBITDA ^o	3.98	3.51	3.24
Net Leverage Ratio	3.91	3.47	3.19

^o Includes escrow account from USD bonds proceeds

- Capex guidance unchanged; 2018 committed capex to complete the Block A Aceh gas development
- Senoro phase II development expected to begin Q4 2018/Q1 2019
- Exploration program will be limited to ~\$40M per year
- Medco Power will be self funding prior to IPO in 2021-2022
- Medco Power capital focussed on Sarulla, Ijen and Riau; incremental clean energy growth
- No Medco funding support required for AMNT





- Continued deleveraging and delivery on commitments
- Warrants exercised, seeking approval for limited private equity placement
- Disciplined capital investment and project appraisal
- Complete Amman equity investments and advance IPO
- Further Portfolio upgrades

- Deliver Aceh gas development
- Continue to monetise domestic gas discoveries; complete Senoro phase 2 FEED and begin project execution
- Extending reserve life with economic near field exploration
- Maintain operating costs < \$10/boe

- Complete Sarulla geothermal phase I development
- Gas and IPP synergies with new developments
- Tender and win new medium-sized clean energy IPPs
- Expand third party O&M services

- Further operational efficiencies and organization optimization
- Complete Smelter FEED, project financing and venture structure
- Continue phase 7 development and complete Elang Joint Ore Reserves Committee (JORC) and IPO



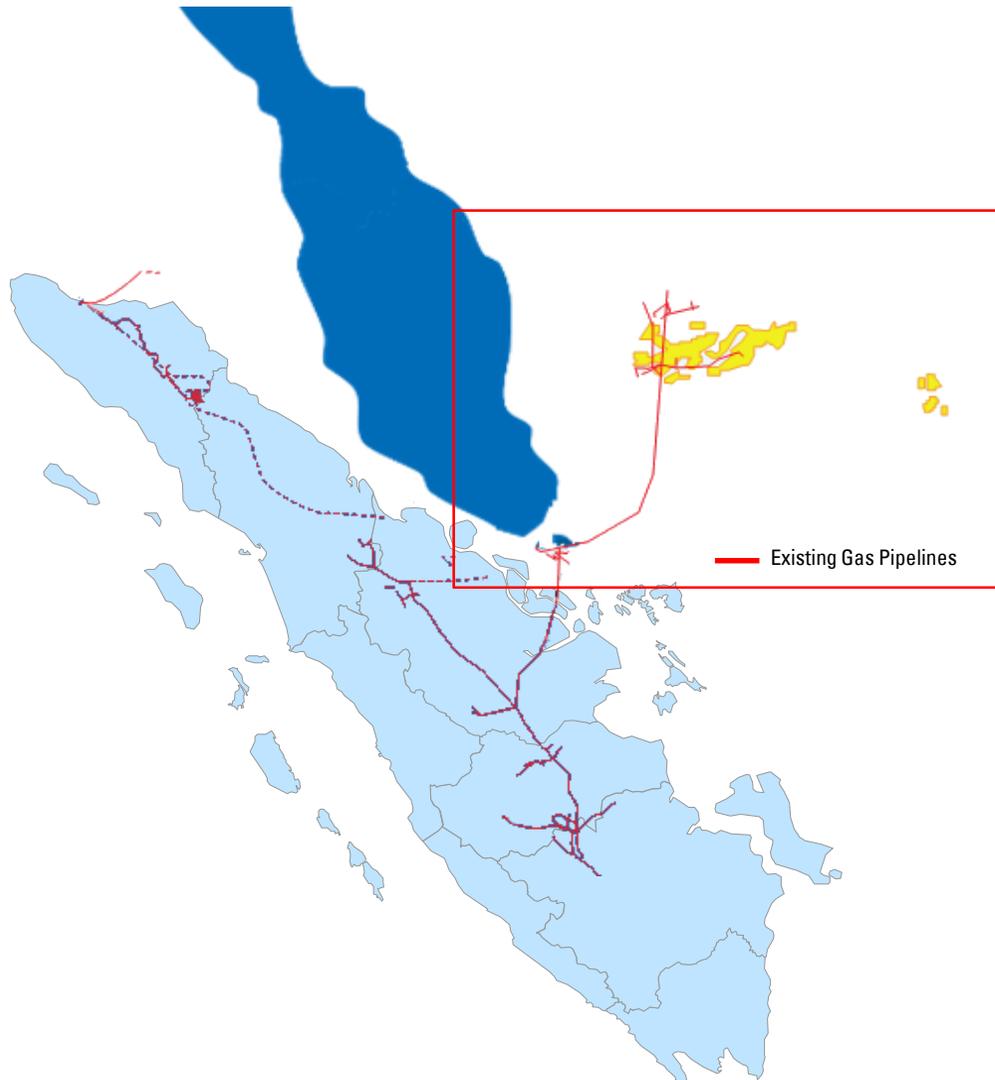
Extensive experience in managing decline and controlling costs on maturing assets



Asset	Contract Area	Participating Interest	Contract Expiry	1Q18 Production (mboepd)
Rimau	1,103 km ²	95%	2023	9.6
South Sumatra	4,470 km ²	100%	2033	19.0
Lematang	409 km ²	100%	2025	3.6



Enhancing capabilities through the integration of world-class offshore operations



- Medco Operated (WI 40%) offshore PSC in the South Natuna Sea, world class facilities, large hydrocarbon base (gross resources > 569 mmboe)
- Medco also operates the PSC and the West Natuna Transportation System (WNTS)
- License expires in October 2028, 1Q 2018 gross production 56.5 mboepd.
- Strong net cash flow linked to commodity linked and fixed priced gas sales into Singapore and Malaysia
- Future near field exploration, subsea developments and production optimization will extend field life and mitigate asset decline rate



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

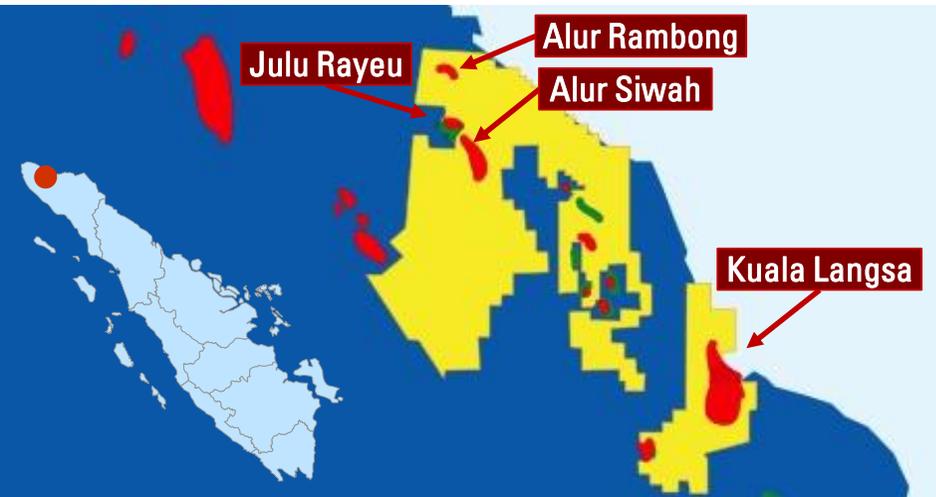


Intan FSO





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

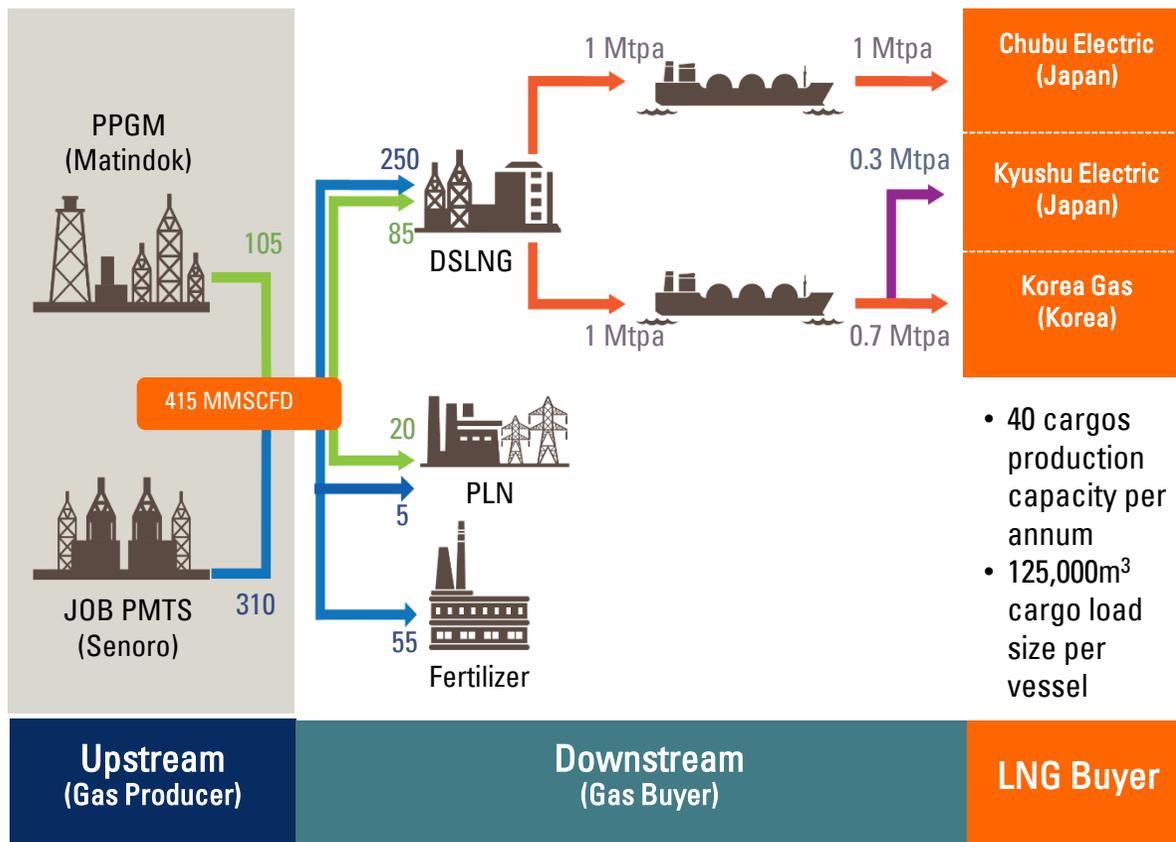


CPP area site preparation progress

- MedcoEnergi operated (WI 85%) onshore PSC First gas 2018, PSC expires in 2031.
- GSA with Pertamina, 58 BBUTD for 13 years
- Full project engineering, construction and drilling 81.7% completed as of March 2018. Positive drilling results to date.
- Project finance facility agreement with international banks. Received Asia Pacific Energy & Infrastructure Forum, “Deal of the Year” for Block A Finance
- Successful 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



Senoro Upstream/Downstream Value Chain



- Medco Joint Operated onshore JoB, first production Q3 2015. Contract expires in 2027
- 1Q 2018 gross gas production > 292 mmscfd
- Gross proved reserve 1.4 TCF with additional 1 TCF third party certification
- Senoro Phase 2 will increase production above 450 mmscfd

- 40 cargos production capacity per annum
- 125,000m³ cargo load size per vessel

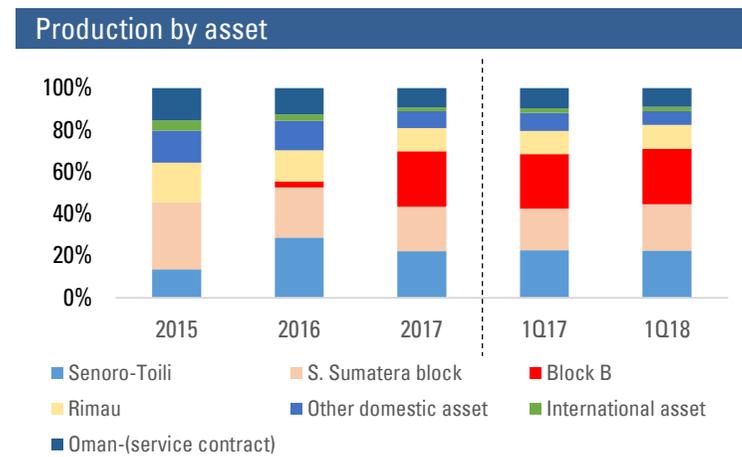
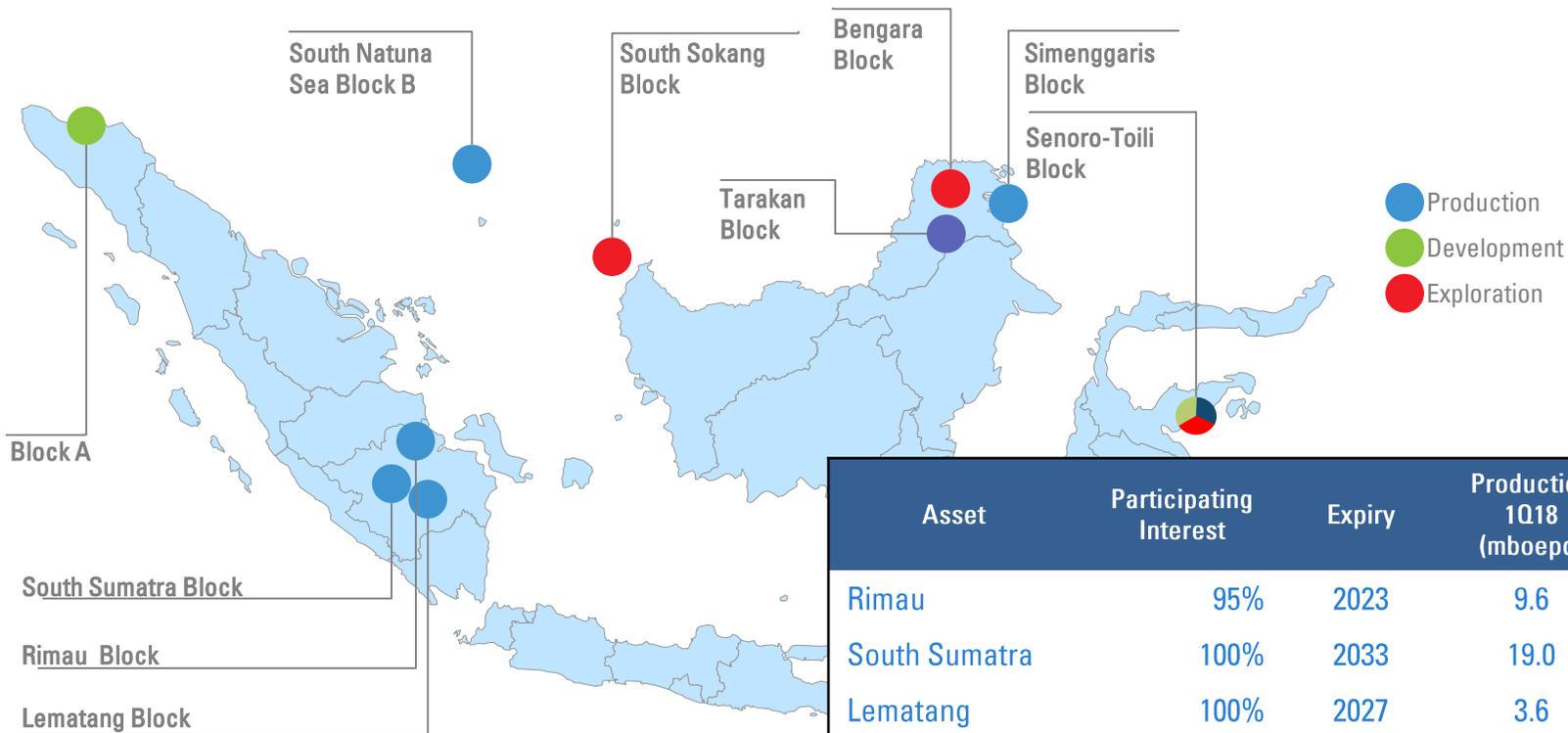


30
Years
1997 - 2027

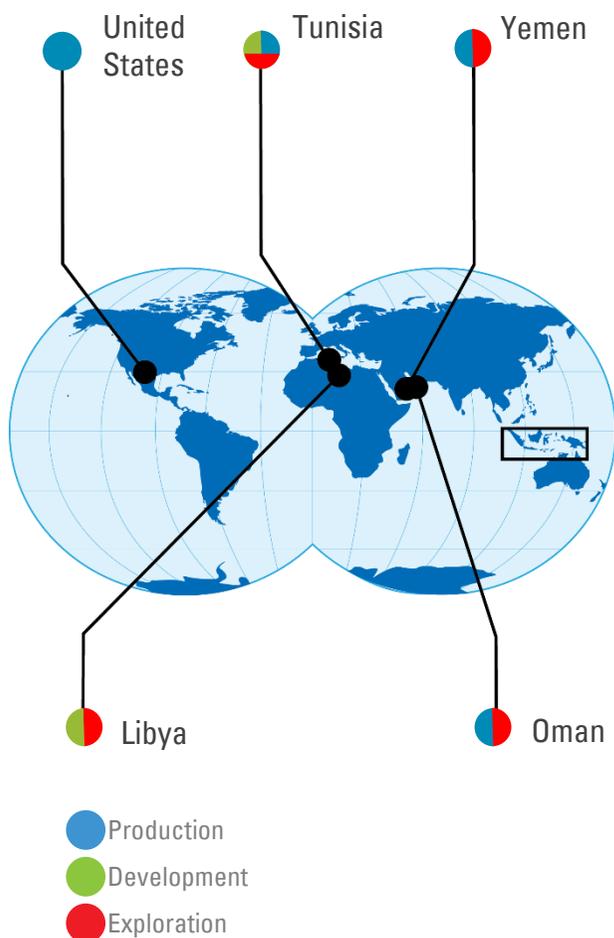
1.9 TRILLION
CUBIC FEET

12
Wells

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



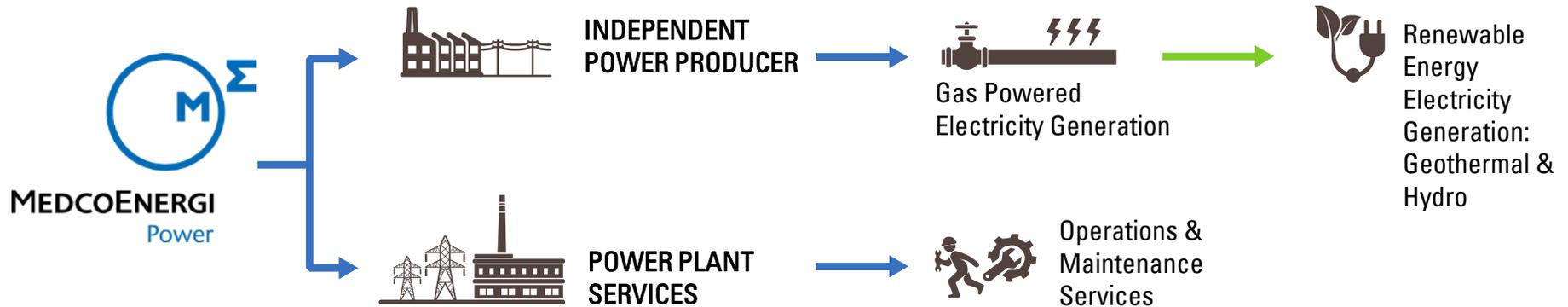
Asset	Participating Interest	Expiry	Production 1Q18 (mboepd)	Type of Contract
Rimau	95%	2023	9.6	PSC
South Sumatra	100%	2033	19.0	PSC
Lematang	100%	2027	3.6	PSC
South Natuna	40%	2028	22.6	PSC
Tarakan	100%	2022	2.0	PSC
Senoro-Toili	30%	2027	19.2	PSC JOB
Simenggaris	62.5%	2028	0.0	PSC JOB
Block A	85%	2031	-	PSC
Senoro Phase 2	30%	2027	-	PSC JOB
South Sokang	100%	2040	-	PSC
Bengara	100%	2029	-	PSC



- **Oman:** Service contract for the Karim Small Fields, a 51% participating interest and an exploration block (Block 56, 50% participating interest). Total production ~ 8.0 MBOEPD.
- **Libya:** One development asset (Area 47) with 25% participating interest and total gross discovered 2P reserves of 282 mmboe and gross contingent resources of 211 mmboe.
- **Tunisia:** Two producing assets (Bin Ben Tartar and Adam block) with a participating interest of 100% and 5% respectively. Total production ~ 1.5 MBOEPD. Two development assets (Cosmos and Yasmin block) with participating interest of 80% and 100% and four exploration licenses.
- **USA:** One producing asset in the Gulf of Mexico. Main Pass 64/65 (75%). Total production ~ 0.3 MBOEPD.
- **Yemen:** One producing (Block 9, 21% participating interest). Assessing options to re-establish production. Gross production capacity 5.0 MBOPD.



Focusing on Independent Power Producer and Operation & Maintenance Businesses



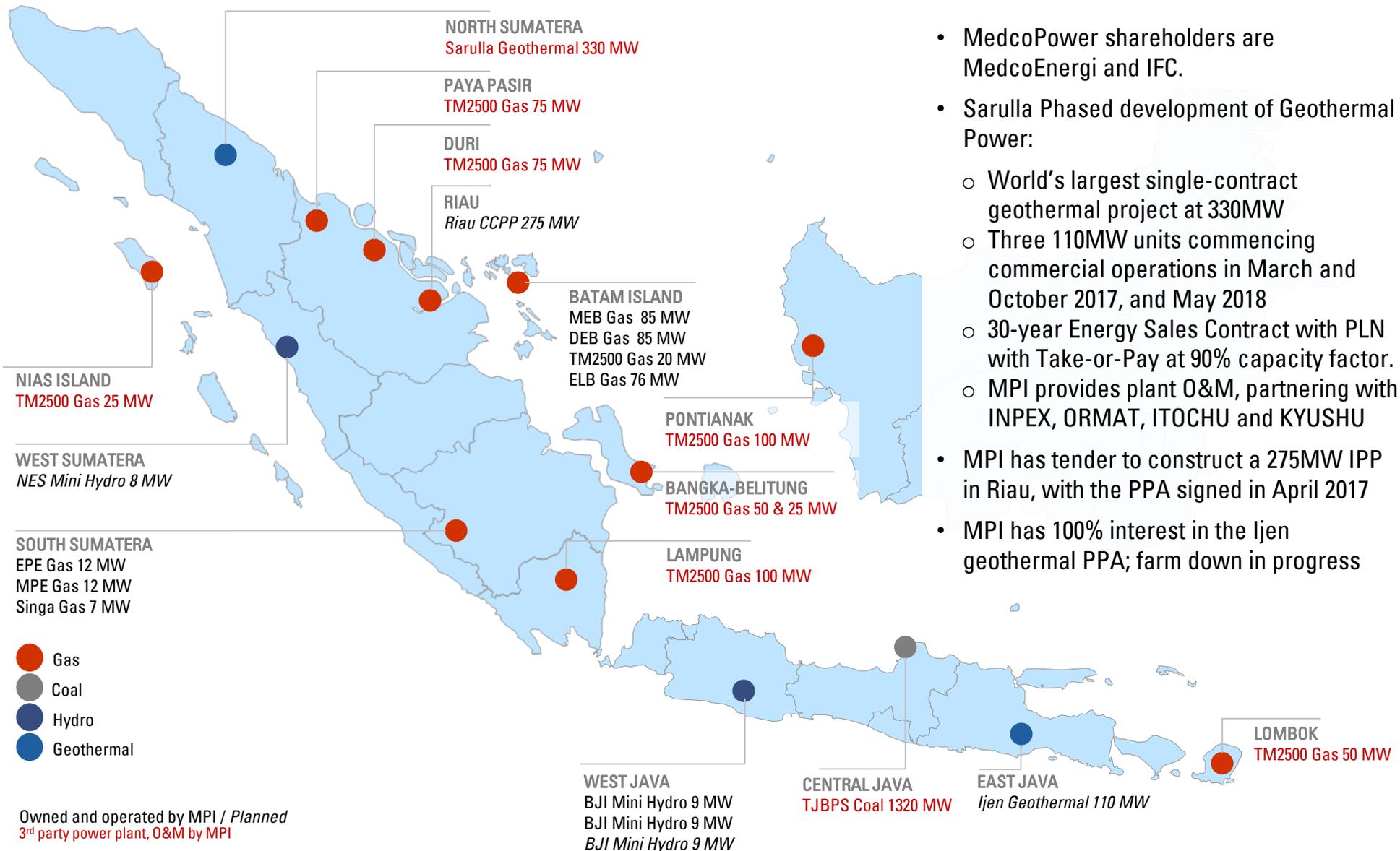
526 MW Operating Asset + 565 MW asset under construction
2,150 MW O&M business + 425 MW pipeline O&M business

BUSINESS STRATEGY

- Clean energy, primarily gas and geothermal assets
- Focus on Western Indonesia (access to gas and geothermal resource), also selectively looking for opportunities in Central and Eastern Indonesia
- Focus on medium sized power plants (100-300MW) and selective larger power plants
- Expand the O&M services business
- Extract greater synergies within MEI Group

BUSINESS ENVIRONMENT

- Contracts are Long Term (20-30 years), Take-or-Pay sales to PLN. PLN is the single buyer of electricity from various IPPs. PLN also develops and operates its own power plants
- Indonesia commitments to International targets to grow clean energy electricity capacity
- Capitalize on regulations to encourage turn-key power generation from gas producers
- Regional costs of generation as a benchmark for renewable energy prices



- MedcoPower shareholders are MedcoEnergi and IFC.
- Sarulla Phased development of Geothermal Power:
 - World's largest single-contract geothermal project at 330MW
 - Three 110MW units commencing commercial operations in March and October 2017, and May 2018
 - 30-year Energy Sales Contract with PLN with Take-or-Pay at 90% capacity factor.
 - MPI provides plant O&M, partnering with INPEX, ORMAT, ITOCHU and KYUSHU
- MPI has tender to construct a 275MW IPP in Riau, with the PPA signed in April 2017
- MPI has 100% interest in the Ijen geothermal PPA; farm down in progress

Owned and operated by MPI / Planned
3rd party power plant, O&M by MPI



Portfolio Details

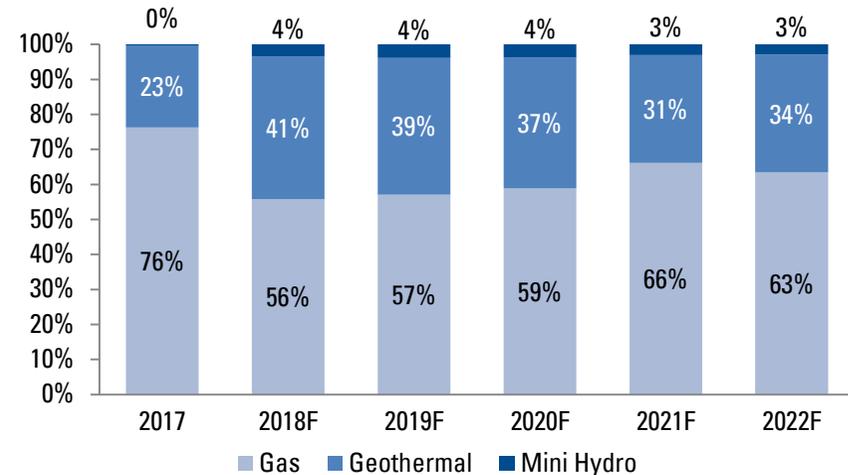
IPP

Plant	Fuel-Type	% stake	COD	Gross capacity (MW)
Operating projects				
MEB Comb.Cycle	Gas	64%	2004	85
DEB Comb. Cycle	Gas	80%	2006	85
ELB Simple Cycle	Gas	70%	2016	76
TM 2500	Gas	100%	2007	20
EPE	Gas	92.50%	2006	12
MPE	Gas	85%	2008	12
Singa	Gas	100%	2010	7
Sarulla (Unit I & II)	Geothermal	19%	2017	220
1 Mini Hydro	Hydro	70%	2017	9
Sub-total				526
Pipeline projects				
Riau CCPP	Gas	51%	2021	275
ELB comb. Cycle	Gas	70%	2020	40
Sarulla (Unit III)	Geothermal	19%	2018	110
Ijen Geothermal	Geothermal	100%	2022 – 2023	110
3 Mini hydro	Hydro	80% - 100%	2018 – 2019	30
Sub-total				565

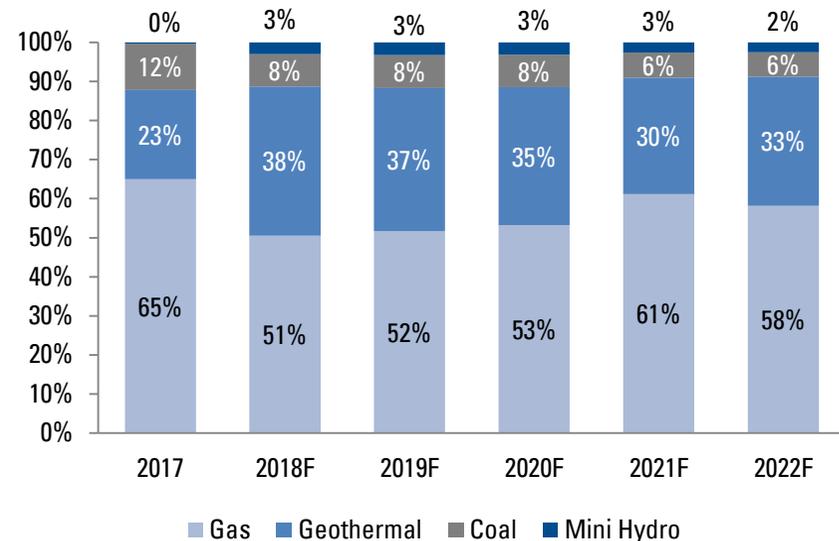
O&M

Operating projects				
Sarulla	Geothermal	100%	2017 – 2018	330
CFPP Tanjung Jati	Coal	80%	2006	1,320
TM2500	Gas	64%	2016	500
Sub-total				2,150
Pipeline projects				
Luwuk	Gas	64%	2019	40
Riau CCPP	Gas	51%	2021	275
Ijen Geothermal	Geothermal	100%	2022 – 2023	110
Sub-total				425

IPP Revenue Plan by Fuel Mix



IPP and O&M Revenue Plan by Fuel mix





Access to world-class Mining operations with long term upside



- Copper and gold mine in Sumbawa, Nusa Tenggara, established under 4th generation COW expiring in 2030, Converted into IUPK.
- Full repayment of senior and mezzanine loans in December 2017,
- Phase 7 development began in 2017 and development facility secured
- Pre IPO sales expected to be complete in Q1 2018
- Enhancing operational efficiencies and implement organizational optimization
- Developing on-site smelter. Finalized feasibility studies. To be funded through asset injection, project financing & strategic partner.
- Joint Ore Reserves Committee (JORC) appraisal for Elang development in progress
- Elang has the potential for production to exceed 300~430 M lbs copper and 350~600 K oz gold



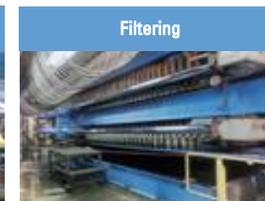


World-class Mining operations with complete facility

Mine Operations

- Batu Hijau mine site includes:
 - Processing facilities
 - 137.5 MW coal-fired and 50 MW diesel power plant
 - Deep-water port with ferry terminal
 - Air services and town site for housing and school
- As of September 2017 employs approximately 2,800 workers following employee restructuring
- Cash-less acquisition of 44% stake in Macmahon Holdings Limited:
 - Equity exchanged for the existing mobile mining equipment and a life-of-mine contract to provide earthmoving and mining services at the Batu Hijau mine
 - Transaction will reduce AMNT's costs and timeline for the development of phase 7 of the Batu Hijau mine as well as other resources on the concession

Facilities





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 for MedcoEnergi in which we seized opportunities to acquire strategic producing assets. During 2017 we focused on extracting maximum value from our new and existing asset portfolio.

Our strategy is building a leading company across three key business segments, competitive in a low price environment, with a solid platform of producing assets and excellent growth prospects.

Our new, more diversified asset portfolio, together with the progress we have made on cost efficiency and capital discipline, positions MedcoEnergi as a very attractive and 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 selective investments and continuous improvements in operational and financial performance.

1980

Established as **Meta Epsi Pribumi** Drilling Company

1994-1996

Initial Public Offering in Indonesia

Acquired **100% shares of Stanvac Indonesia** from Exxon/Mobil

Discovered **major onshore oil reserves** in Kaji-Semoga

2005-2010

Awarded EPSA IV PSC Contract for **Area 47 Libya**

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

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

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

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

2011-2014

Final Investment Decision for Senoro-Toili Gas and LNG projects

Secured **Project Financing** for Senoro-Toili

Secured **Project Financing** for DSLNG and Sarulla

2015

Senoro-Toili and DSLNG begin production

25 year of extension for Karim, Oman

Signed **GSA** for Block A Aceh

2016

Acquired a 41.1% indirect interest in **AMNT**

Acquired a 40% Operatorship in the **South Natuna Sea Block B PSC**

Awarded **10 year extension on Lematang PSC** and increased holding to 100%

2017

Conversion of AMNT's **CoW into IUPK** and acquired **44.3% shares in Macmahon**

Increased ownership in **MedcoPower** by acquiring a controlling interest

Completed **1:4 stock split** and **3:1 Rights Issue** with warrants attached

2017

- Upstream Company of the Year” award for 2017, from the APAC Energy Council
- Asia Pacific Energy & Infrastructure Forum, “Deal of the Year” for Block A Finance
- Received the Governments highest, Gold PROPER Environmental Stewardship Award for Rimau Block, for the seventh consecutive year
- Green PROPER award, 4 years in a row for TJBPS
- Indonesia Best Electricity Award ceremony, Medco Energi Batam (a subsidiary of MedcoPower) received ‘The Best Power Plant Company (10-100MW category)’, and Sarulla Operations Ltd. received ‘The Best New Comer Power Plant Company’
- Top HR Team 2017 from Human Resources Directors Magazine Asia in the Change Management Category for Medco E&P Natuna Ltd.



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