



MEDCOENERGI

Press Release PT Medco Energi Internasional Tbk	<ul style="list-style-type: none">• President Director : Hilmi Panigoro• Director & CEO : Roberto Lorato• Director & CFO : Anthony R. Mathias• Director & COO : Ronald Gunawan• Director & CHCO : Amri Siahaan
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MedcoEnergi Strengthen Ownership in Power Business

JAKARTA, 06 October 2017 – PT Medco Energi Internasional Tbk (“MedcoEnergi” or the “Company”) announces that it has acquired a 77.68% interest in PT. Saratoga Power from Saratoga and other shareholders. With this transaction, the Company has increased its effective interest in PT. Medco Power Indonesia (“MPI”) from 49% to 88.62%. The remaining 11.38% effective share in MPI held by the International Finance Corporation (“IFC”) is unchanged.

Established in 2004, MPI is a leading mid-sized Independent Power Producer (IPP) in Indonesia with its primary focus on power from natural gas and geothermal sources. MPI currently operates over 520MW of gross installed capacity following the commercial operation of the Cibalapulang 1 mini-hydro facility in September 2017, and the expected commercial operation of the Sarulla Unit 2 geothermal plant in October 2017, one month ahead of schedule. MPI gross operated capacity will further increase when Sarulla Unit 3 (110MW) reaches commercial operation in Q2 2018, and Riau CAPP (275MW) in 2021.

MPI Operation & Maintenance (O&M) business has also expanded and now operates over 2,000MW of third-party power plants. This expansion is driven by two new O&M contracts signed in late 2016 where MPI now operates the Sarulla Geothermal units and PLN gas-turbine units in eight locations across Indonesia.

Hilmi Panigoro, the President Director of MedcoEnergi, said that “this acquisition allows the Company to regain majority control of MPI and to strengthen our position in the power generation sector, which is expected to continue growing at 9% per annum over the next ten years. Our increased control over MPI is consistent with the Company’s strategy to grow in three main sectors; oil and gas, mining and power, and unlocks greater potential for synergies with our upstream gas business.”

MedcoEnergi is a publicly listed, integrated energy and natural resources company with significant interests in Mining and Power Generation alongside its core Oil & Gas Exploration & Production activities in Indonesia, the Middle East, North Africa and the US.

This document may contain projections, plans, strategies, policies and objectives of PT Medco Energi Internasional Tbk. (“the Company”), which should be treated as forward looking statements within the meaning of applicable law. Forward looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these statements. The Company does not guarantee that any action taken in reliance on this document will bring specific results.

For further information please call:
Corporate Secretary | Investor Relations
Tel: (62-21) 2995 3000, Fax: (62-21) 2995 3001
Email: corporate.secretary@medcoenergi.com
investor.relations@medcoenergi.com
Website: www.medcoenergi.com