



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE

May 23, 2012

PT Medco Energi Internasional Tbk

PEFINDO assigned “**idAA-**” ratings for PT Medco Energi Internasional Tbk (MEDC or the Company), its proposed Bond III/2012 up to IDR1.5 trillion. The proceeds of bond issuance will be used for acquisition, refinancing and general purposes. The outlook of the Corporate rating is revised to “**stable**” from “**negative**”, reflecting MEDC’s expected better financial profile as a result of more conservative financial policy going forward. The ratings reflect favorable crude oil price, MEDC’s refocus on E&P mainstream business, and strong liquidity position. However, the ratings are constrained by the Company’s risk of exploration and production failure and depleting proved oil and gas reserve.

MEDC is the largest privately-owned independent oil and gas company in Indonesia. The Company is also engaged in downstream (ethanol, LPG, distribution of high speed diesel) and power generation. In 2011, the Company’s revenue was mostly generated from oil & gas (70%), downstream (21%), power generation (8%), and other contracts (1%). At the end of 2011, MEDC’s shareholders consist of Encore Energy Pte. Ltd. (50.7%), treasury shares (11.7%) and the public (37.6%). Encore Energy is owned by Panigoro family, through Encore International (60.6%), and Mitsubishi Corp. (39.4%).

Rating Period: April 2, 2012 – April 1, 2013

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