



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE

October 9, 2012

Medco's Ratings Affirmed at "idAA"

PEFINDO affirmed its "idAA-" ratings for PT Medco Energi Internasional Tbk (MEDC or the Company) and its Shelf Registered USD Bond I/2011, Bond III/2012, Bond II/2009 Series B, MTN I-II/2009 Series B, MTN II-III/2010. The outlook of the Corporate rating is "stable". The ratings reflect favorable crude oil price, improvement in gas and oil reserve, and strong liquidity position. However, the ratings are constrained by the Company's risk of exploration and production failure and sizeable capital expenditure.

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). In the first semester of 2012, the Company's revenue was mostly generated from oil & gas (77%), downstream (22%), and other services (1%). At the end of first semester of 2012, 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: October 4, 2012 – October 1, 2013

Contact Analyst: Endi Roswendi & Niken Indriarsih

endi.roswendi@pefindo.co.id & niken.indriarsih@pefindo.co.id

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Phone : (62-21) 7278 2380

Fax : (62-21) 7278 2370

PEFINDO Website: <http://www.pefindo.com>