



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE

December 21, 2012

Medco's Ratings Assigned at "idAA-"

PEFINDO assigned its "idAA-" rating for the Shelf Registered Bond 2012 of PT Medco Energi Internasional Tbk (MEDC or the Company) up to IDR4.5 trillion to be used for refinancing. PEFINDO has also affirmed its "idAA-" ratings for the Company's Shelf Registered USD Bond I/2011, Bond III/2012, Bond II/2009 Series B, MTN I-II/2009 Series B, and MTN II-III/2010. The outlook of the rating is "Stable". The ratings reflect favorable crude oil and gas price, MEDC's 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 consisted of Encore Energy Pte. Ltd. (50.7%), treasury shares (11.7%), and the public (37.6%). Encore Energy is owned by the Panigoro family, through Encore International (60.6%) and Mitsubishi Corp. (39.4%).

Rating Period: October 4, 2012 – October 1, 2013

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