



PEFINDO CREDIT RATING INDONESIA

# PRESS RELEASE

## October 9, 2013

### 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 Bond I/2012, Shelf Registered USD Bond I/2011, Bond III/2012, Bond II/2009 Series B, and its maturing MTN III/2010. The Company plans to internally finance its maturing MTN III/2010 of USD50 million due October 29, 2013. As of June 30, 2013, the Company's cash and cash equivalents amounted to USD403.3 million. The outlook of the rating is "Stable". The ratings reflect favorable crude oil and gas price, MEDC's ability to maintain its gas and oil reserve, and strong liquidity position. However, the ratings are constrained by the Company's risk of exploration failure and sizeable capital expenditure.

MEDC is the largest privately-owned independent oil and gas company in Indonesia. The Company is also engaged in coal mining, power and downstream (ethanol, LPG, distribution of high speed diesel). In the first semester of 2013, the Company's revenue was mostly generated from oil & gas (93%) and other services (7%). On June 30, 2013, MEDC's shareholders consisted of Encore Energy Pte. Ltd. (50.7%), treasury shares (11.7%), and others including 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 7, 2013 – October 1, 2014

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