

Pertamina

Securing energy for Indonesia's growth



3Q2015 (Unaudited) Highlight

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Pertamina at a Glance

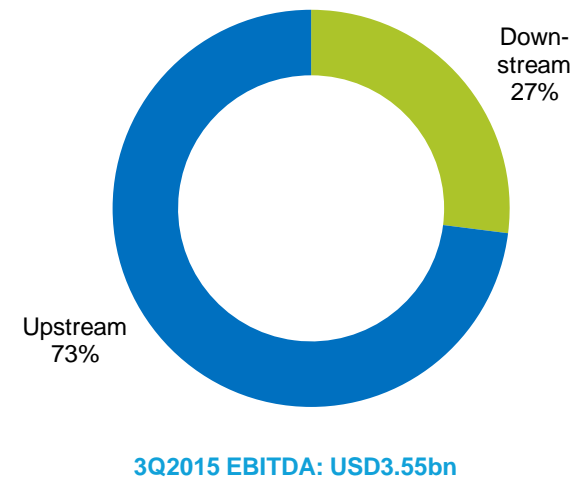
Pertamina has a critical role in Indonesia's energy sector

Summary of Pertamina Operations

Upstream	Downstream
Oil and Gas <ul style="list-style-type: none"> Estimated 2P reserves of 5,125 mboe <ul style="list-style-type: none"> - 74% proven - 49% oil - 86% domestic operation International presence with six working areas in three countries <ul style="list-style-type: none"> - Malaysia, Iraq and Algeria Oil production of 276.77mboe/d, gas production of 1.73 bcf/d (298.6mboe/d) 	Refining and Marketing <ul style="list-style-type: none"> Dominant Indonesia refiner with 6 refineries and total capacity of 1,031mbbls/d Average Nelson Complexity Index of 5.4 Refined products slate cater to 66% of domestic demand (2014) Leading provider in subsidized and non-subsidized fuel, industrial fuel, LPG and lubricants Unmatched distribution network in Indonesia including <ul style="list-style-type: none"> - 5,283 retail fuel stations - 591 LPG filling plants Other infrastructure including <ul style="list-style-type: none"> - 206 vessels - 199 fuel terminals, aviation fuel units, LPG terminals & depots and lubricant oil blending plants
Geothermal <ul style="list-style-type: none"> 14 geothermal working areas Total installed capacity of 437MW (own operation) from 4 operating areas Estimated 2P reserves of 1,550MW 	
Others <ul style="list-style-type: none"> Oil field and drilling services 	
Gas, New & Renewable Energy <ul style="list-style-type: none"> Extensive gas transmission and distribution pipelines totaling 1,624km Six LNG/regas plants across Indonesia Evaluating opportunities to expand into renewables and green fuels 	

Key Highlights

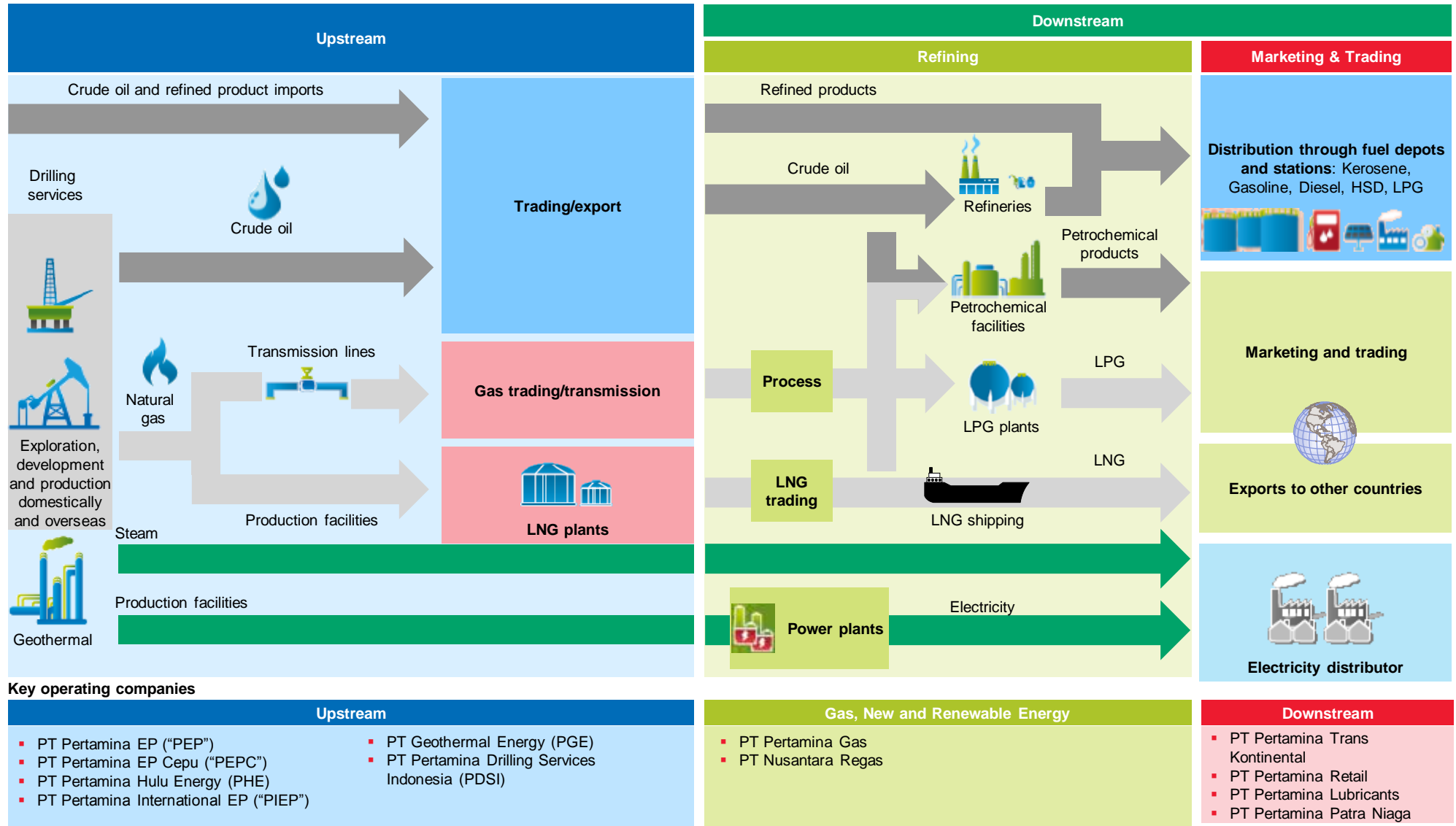
- 28,104 employees
- 2014 financial performance
 - Revenue: USD70.65bn
 - EBITDA: USD5.83bn
 - Net income: USD1.53bn
- 3Q2015 financial performance
 - Revenue: USD32.00bn
 - EBITDA: USD3.55bn
 - Net income: USD0.92bn
- 3Q2015 cash balance of USD4.15bn
- 3Q2015 undrawn credit lines of USD6.66bn



Note: List of assets is not exhaustive. All figures as of 3Q15 unless stated otherwise
Source: Pertamina

Pertamina's Operations Across the Value Chain

Pertamina is the only energy company in Indonesia that operates across the entire energy value chain with operations that are continually enhanced with development of reserves and refinery capacity expansions and upgrades



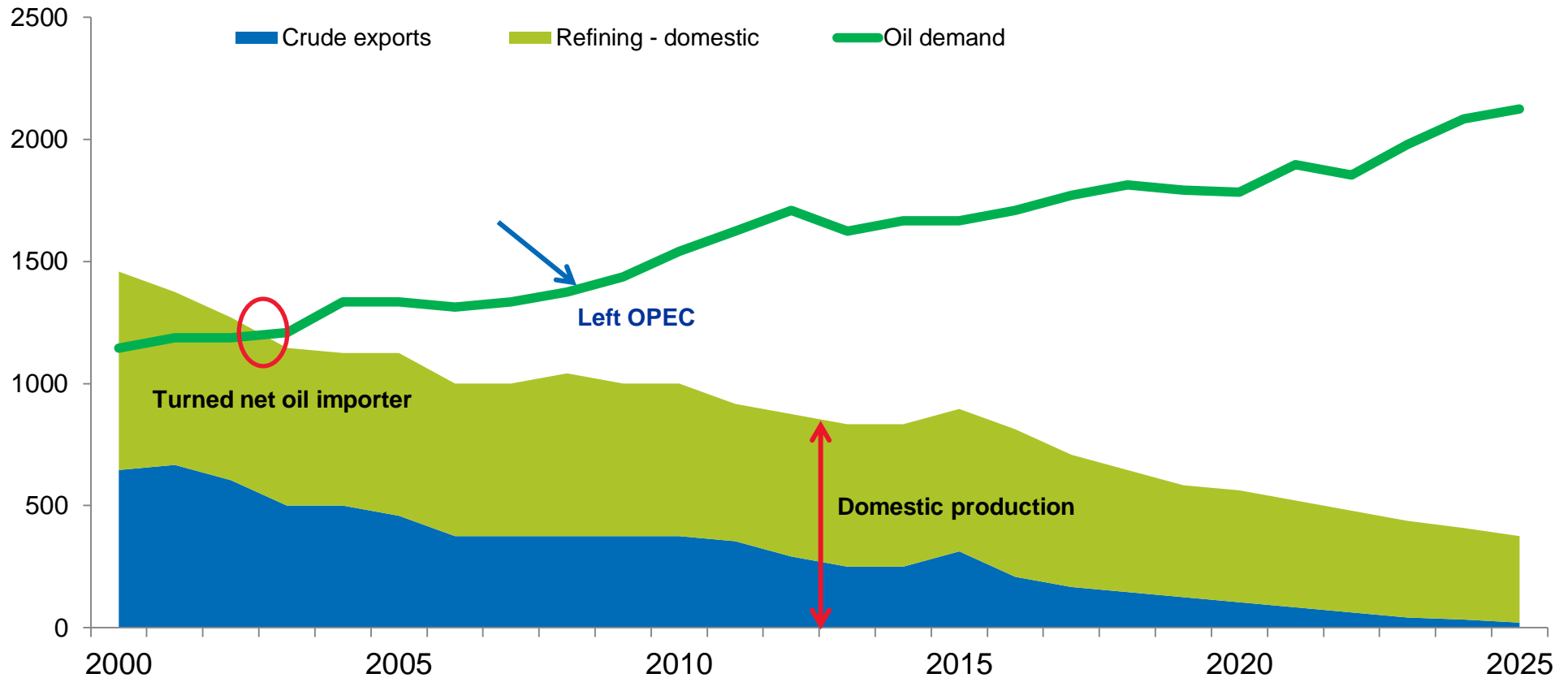
Note: Illustration of activities not comprehensive and does not reflect Pertamina's organizational structure

Source: Pertamina

Indonesia oil and gas balance going forward

Indonesia domestic assets not sufficient to fulfil domestic demand

Indonesia crude oil production and oil demand (kb/d)

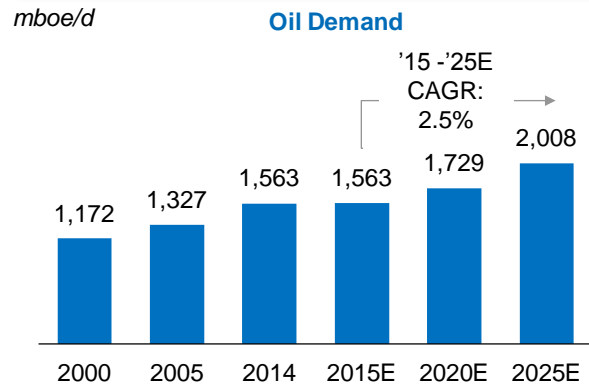


Source: Wood Mackenzie

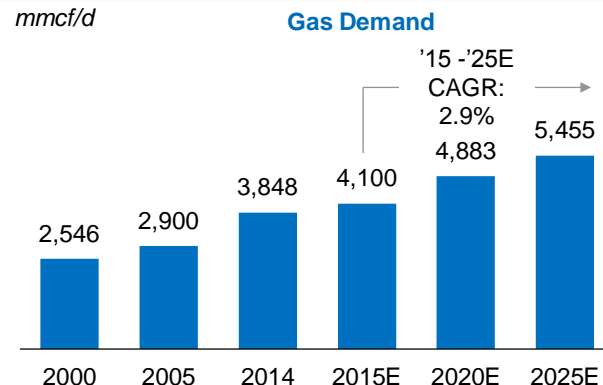
Pertamina Stands to Benefit From the Growing Indonesian Energy Sector

With its integrated position, Pertamina is well-positioned to benefit from energy demand growth across oil, gas and refined products

Favorable Indonesian Oil and Gas Demand Outlook



Source: Wood Mackenzie



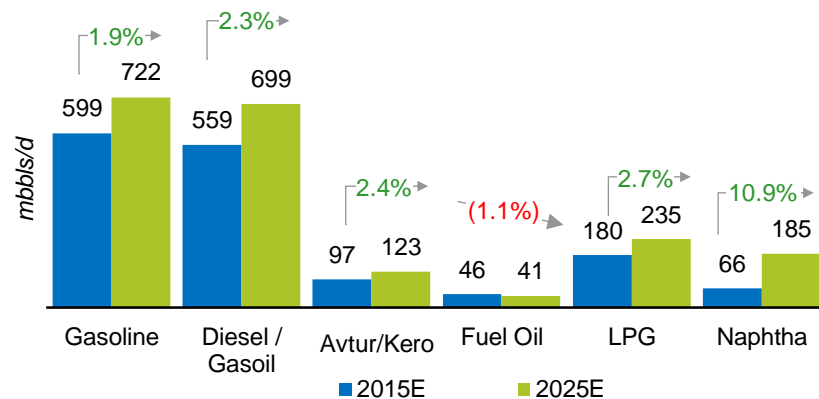
Source: Wood Mackenzie

Favorable Macroeconomic Dynamics

- Largest economy and population in South East Asia
- Visible Indonesian oil and gas demand growth outlook to 2025
- Equally, favorable expected refined products demand growth
- Robust energy demand supports price increase to end users

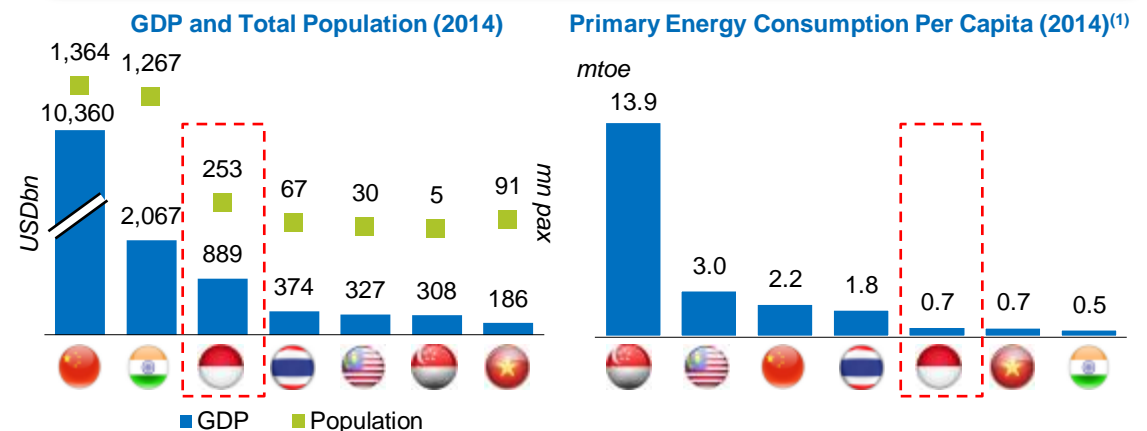
Growing Demand for Refined Oil Products

2015E – 2025E CAGR (%)



Source: Wood Mackenzie

Indonesia has the Highest GDP and Population, but one of the Lowest per Capita Primary Energy Consumptions in the Region



Source: World Bank

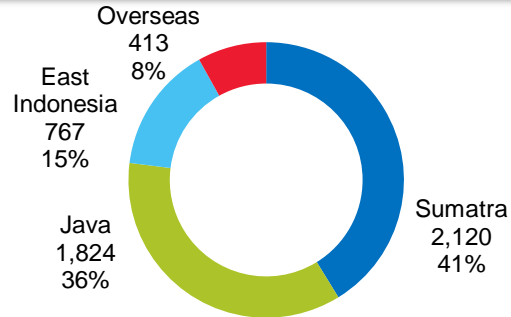
Source: World Bank, BP Statistical Review 2015

(1) Primary energy comprises oil, natural gas, coal, hydro-electricity and renewables. Primary energy consumption per capita calculated as total energy consumption (BP) divided by total population (World Bank)

Upstream Overview

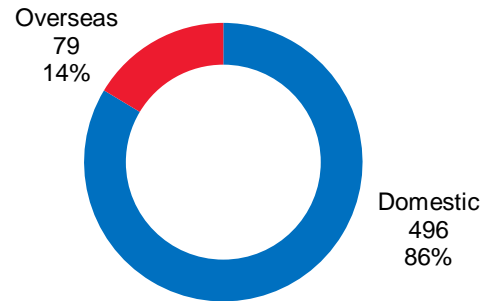
Pertamina is the largest oil and gas producer in Indonesia. It also has a growing international presence with six blocks in three countries

Diversified Reserves and Production (3Q2015)



Total 2P Estimated Reserves: 5,125 mmboe

- 74% of 2P reserves are proven
- Oil accounts for 49% of 2P reserves



Total Production: 575mboe/d

Indonesia:

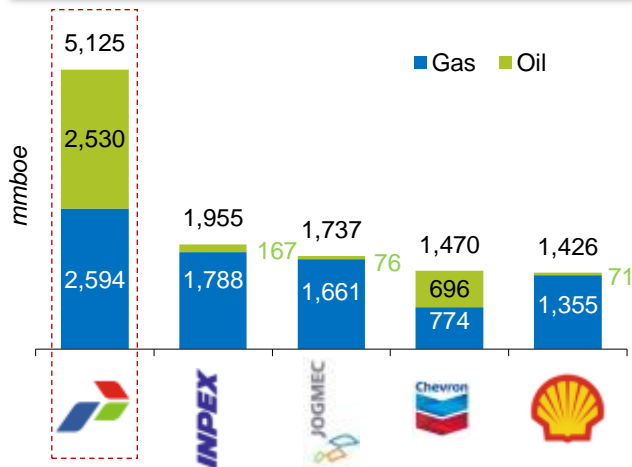
Pertamina's domestic upstream activities are managed by a number of subsidiaries, including:

- PEP (20 areas)
- PHE (48 blocks)
- PEPC
- PGE (4 geothermal operating areas)

International:

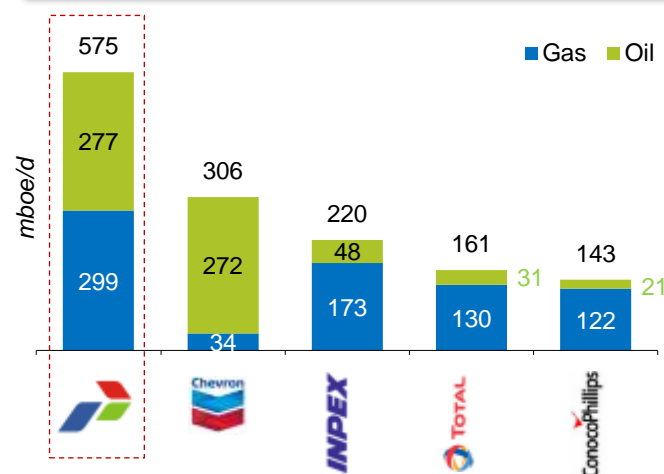
- Operations in Malaysia, Iraq and Algeria

Largest Reserves in Indonesia



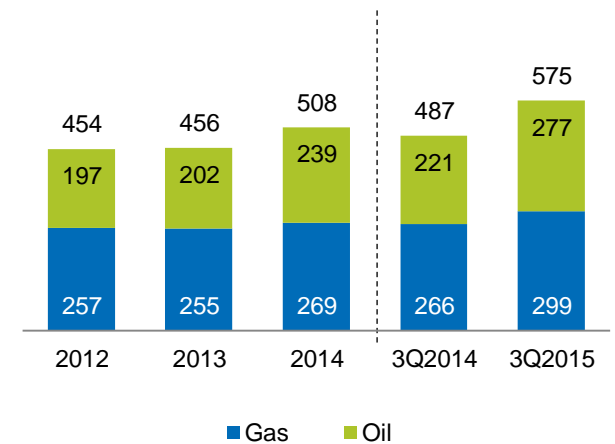
Source: Estimated Pertamina 2P reserves per Pertamina 3Q2015 reported. Other companies based on Wood Mackenzie working interest commercial and technical reserves as of January 1, 2015

Dominant Oil and Gas Producer in Indonesia



Source: Pertamina production as per Pertamina 3Q015 reported. Other companies' production figures are for 2014 per Wood Mackenzie

Growing Oil and Gas Production



Note: Total production figures are not adjusted historically for pro forma impact of acquisitions

Global Upstream Expansion

Pertamina is expanding across the globe to secure assets in areas where it can compete



Refining and Marketing Overview

Pertamina remains the dominant oil refiner and marketer in Indonesia with an unmatched production and distribution network across the archipelago

Business Highlights

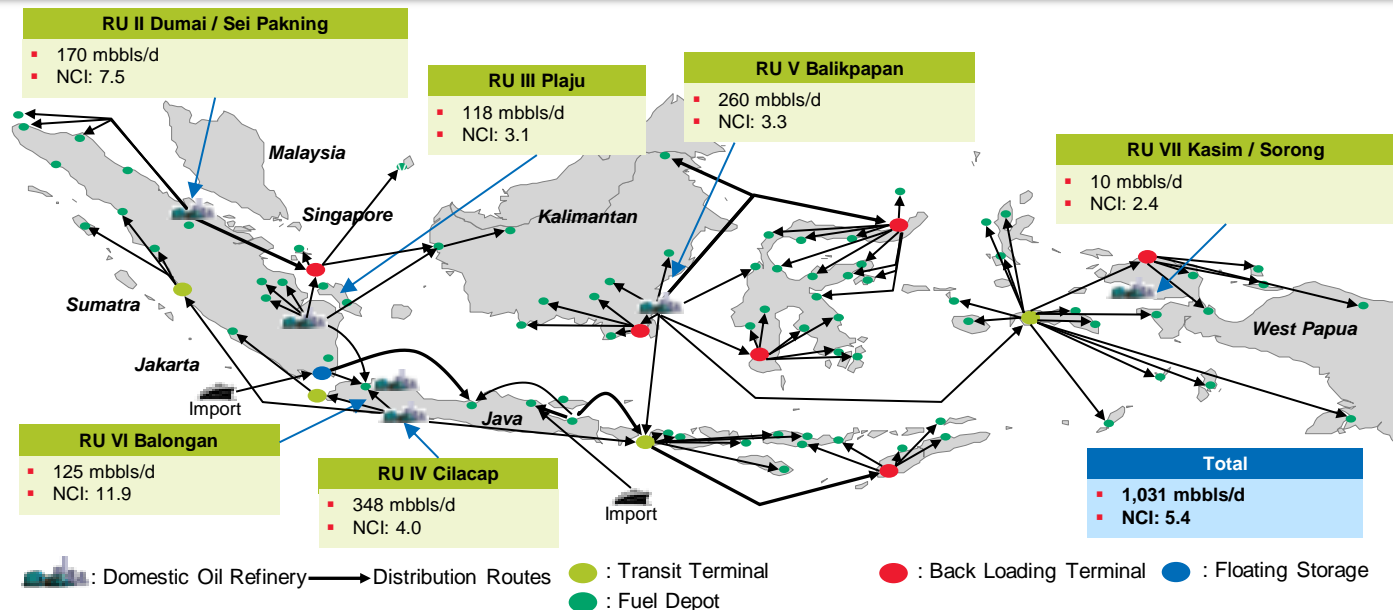
- Dominant refiner in Indonesia with 6 strategically located refineries with total capacity of 1,031 mbbls/d
- Refined products slate caters to 66% of domestic demand (2014)
- Downstream margins optimized by integrated supply chain, with over 60% coming from Pertamina's own domestic upstream production
- Expansion projects and new-builds to enhance competitive position

Dominant Downstream Position

Distribution Channels

Gas stations	5,283 stations
LPG filling plant	591 units
Vessels	206 units
Fuel terminals	115 units
Aviation fuelling units	62 units
LPG terminals & depots	19 units
Lubricant oil blending plants	3 units

Refinery and Distribution Network

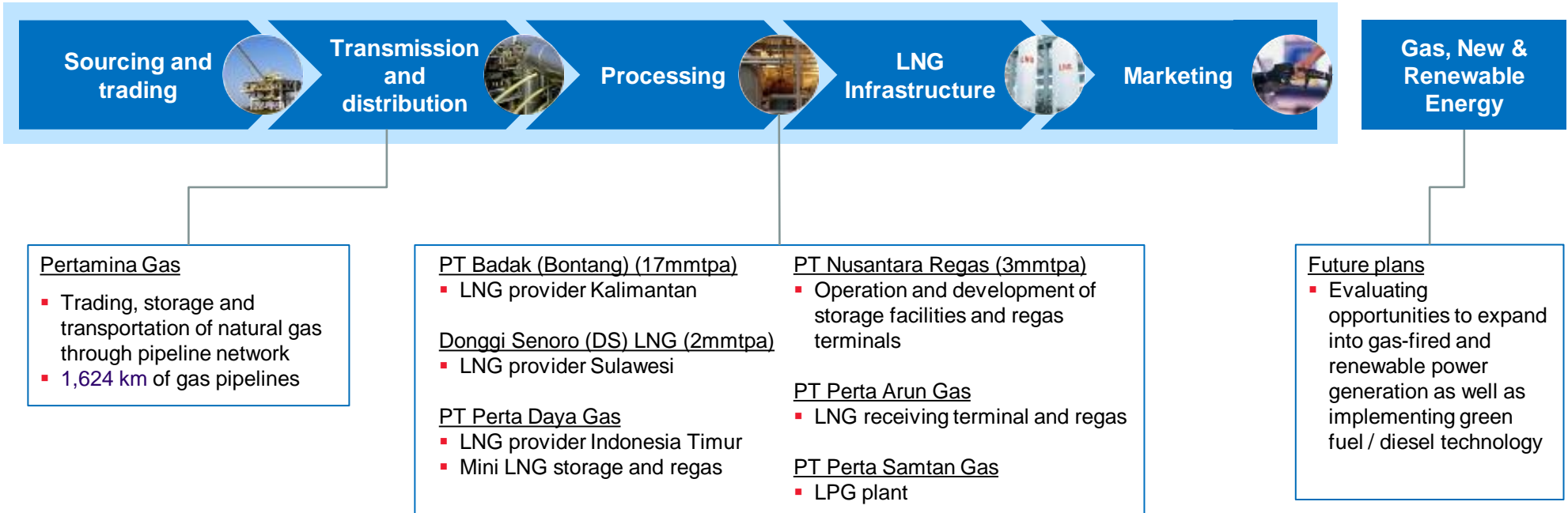


Source: Pertamina. Data as of September 30, 2015

Gas, New & Renewable Energy Overview

Pertamina has a comprehensive presence across the gas value chain (production, sourcing domestically and internationally, infrastructure development and commercialization) and is developing new & renewable energy

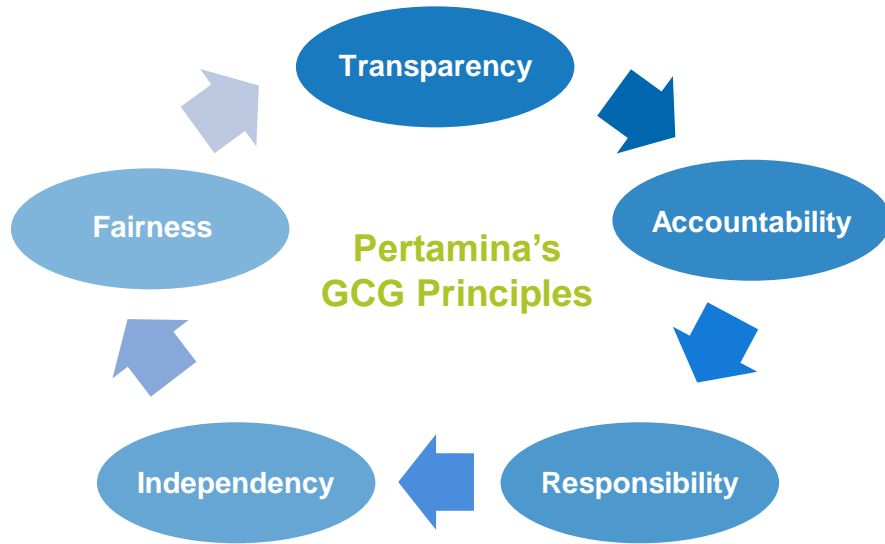
Gas Business



Source: Pertamina

Focused On Strong Corporate Governance and Transparency

Pertamina applies the principle of Good Corporate Governance (“GCG”) throughout its functions, such as Board of Commissioners, Board of Directors, Internal Audit, Legal Counsel and Compliance and other relevant functions



Implementation of GCG as Part of Pertamina's Transformation

1,706 LHKPN
(Wealth Report of State Official)

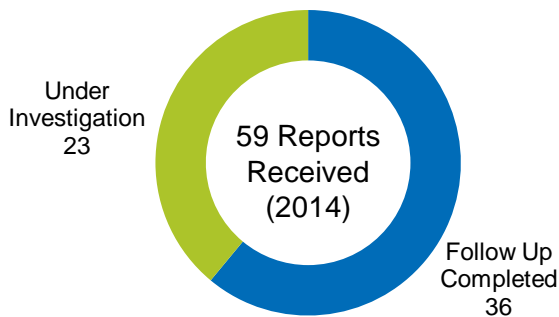
Compulsory report related to the Board of Directors, Board of Commissioners and managerial level

95.2% of the 1,792 total compulsory reports target in 2014 (63.2% in 2013)

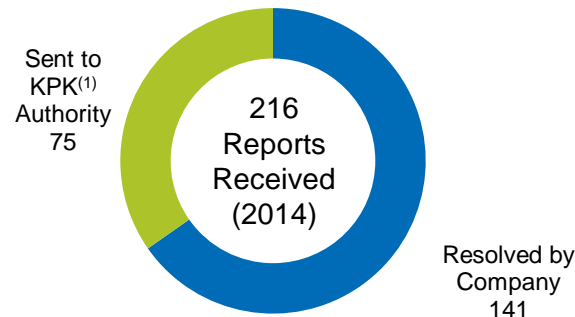
71.62
ASEAN SCORE CARD 2014

Assessment by the Indonesian Institute for Corporate Directorship, comparing GCG implementation in Pertamina with public companies in ASEAN, based on instruction from Board of Commissioners

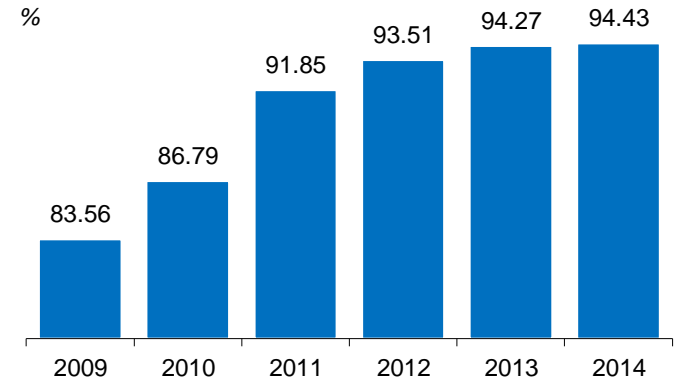
Independently Managed Whistle Blowing System (“WBS”)



Implementation of a Gratification Control Program under Compliance



Awarded Best SOE in Controlling Gratification, Reflective of Healthy GCG Assessment Score⁽²⁾

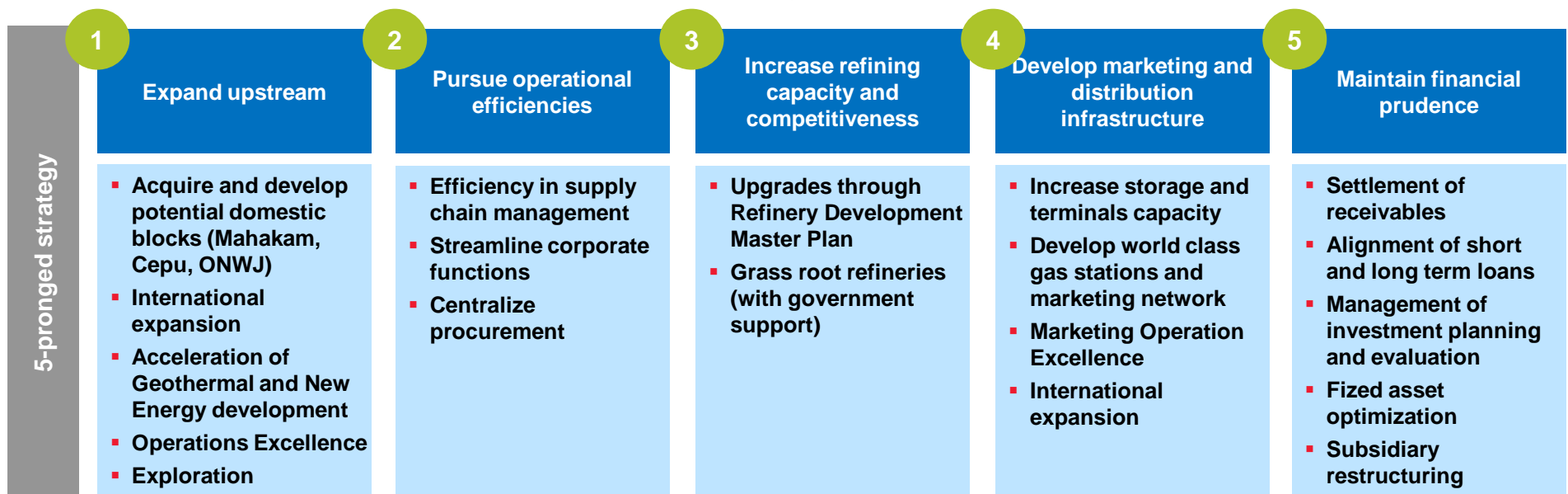


(1) Corruption Eradication Commission
(2) Awarded by the Corruption Eradication Commission
Source: Pertamina

Responsive to Lower Oil Price Environment

Pertamina has the flexibility to adjust its spending to changes in the oil price environment. The Company is pursuing its 5-pronged strategy to grow in the current environment

- Several measures by Pertamina in response to the decline in oil prices
 - Revised internal oil price assumptions
 - 2015 capital expenditure revised down to c.60% from original budget (15% excluding M&A)
 - 2015 operating expenditure revised down to c.35% (>USD700mn) from original budget
- Material working capital improvement due to decrease in oil import payments and change in trust receipt drawdown policy
- Relatively low cash operating costs help shield upstream operations from price decline



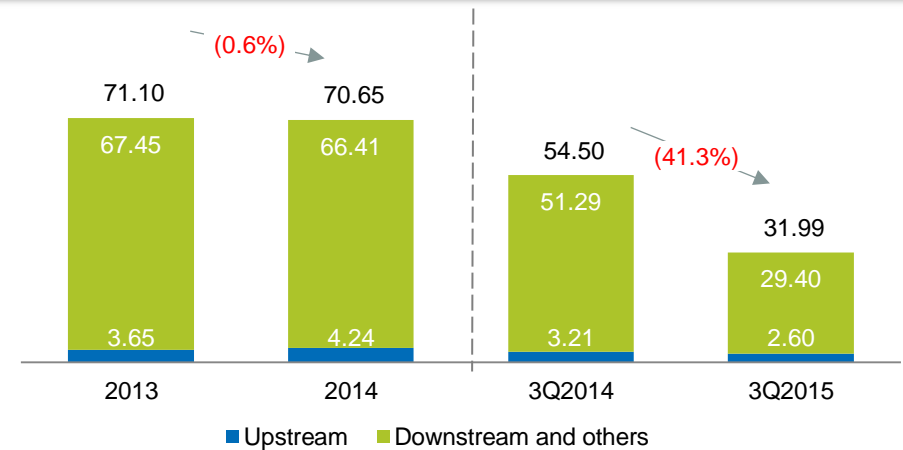
Source: Pertamina

Revenue and Other Financial Highlights in Challenging Environment

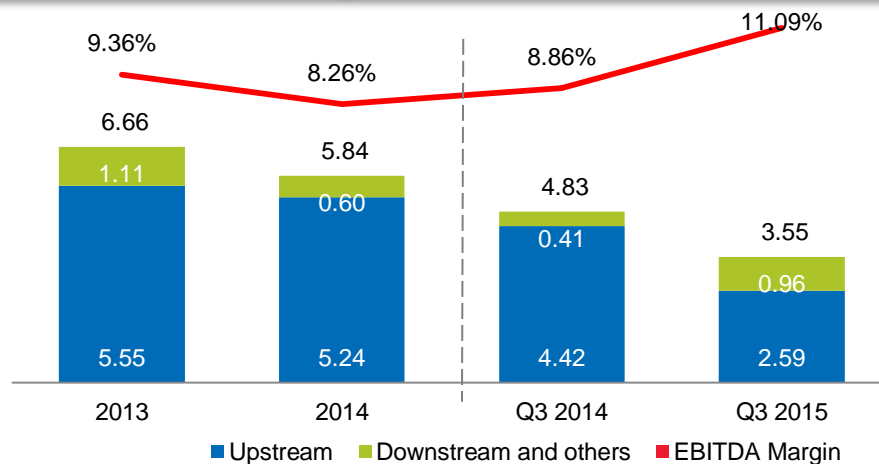
Pertamina has maintained healthy EBITDA and Net Income margins despite volatility and decline in global oil prices, demonstrating the quality of its asset base

- Despite the decline in oil prices, Pertamina recorded healthy 3Q2015 EBITDA and EBITDA Margin compared to the full year 2014
- Injection of quality assets such as 30% in Murphy Oil's Malaysia assets, along with greater downstream optimisation have provided a platform improved earnings quality
- Positive impact on refining operations from oil price environment notwithstanding some inventory write downs

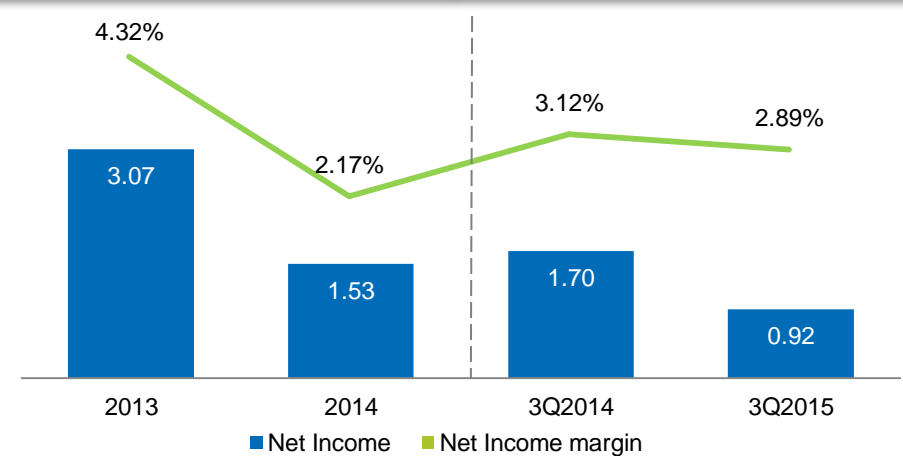
Revenue



EBITDA and EBITDA margin



Net Income and Net Income Margin



Note: 3Q2014 and 3Q2015 figures are unaudited. EBITDA calculated as income for the year - interest income + interest expense + income tax expense + DD&A
Source: Pertamina.

Reforms in the Indonesian economic sector

The Government of Indonesia has introduced several reforms to encourage growth – including in the energy sector

Package 1 Sept 9	Package 2 Sept 29	Package 3 Oct 7	Package 4 Oct 16	Package 5 Oct 22	Package 6 Nov 5	Package 7 Dec 5	Package 8 Dec 21
<p>Deregulation to revitalize real sector to anticipate economic crisis and protect the poor</p> <ul style="list-style-type: none"> Reduction of 98 regulations Acceleration of national strategic projects Enhancement of property sector investments 	<p>Enhancement of investment environment</p> <ul style="list-style-type: none"> Permit simplification/streamlining, e.g., industrial area license from 8 days to 3 hours, environmental permits from 14 to 6 Import requirement relaxation Income tax cut for exporters who keep their funds on-shore 	<p>Reduction of production costs and stimulation of SME development</p> <ul style="list-style-type: none"> Reduction of diesel, jet fuel, gas, and electricity tariffs Broadening and interest reduction on micro loans from 22% to 12% Provisions (e.g., discounts, delay) for companies in financial difficulties 	<p>Improvement of labor environment</p> <ul style="list-style-type: none"> Formula to determine labor wages across the different provinces to provide more certainty to business owners Broadening of micro loans SME working capital loan program 	<p>Improvement of fiscal regulations to enable growth</p> <ul style="list-style-type: none"> Temporary reduction of tax rate for asset revaluations Elimination of double taxation for REITs 	<p>Economic development in less developed regions</p> <ul style="list-style-type: none"> Development of Special Economic Zones Provision of clean water Paperless licensing and approval for importation of raw materials for pharma industry 	<p>Improvement of low income economies.</p> <ul style="list-style-type: none"> Incentives for labor-intensive industries Acceleration of land certificate issuance for street vendors 	<p>Select acceleration of key industries (incl. oil refinery).</p> <ul style="list-style-type: none"> One map policy for land usage Elimination of import duty for aviation spare-parts Acceleration of Grass Root Refinery development

Implications to Pertamina

- Maintaining economic growth and stability over medium to long term
- Possible acceleration of major investment programs, e.g., refinery development
- Opening up possible avenues for growth leverage, including in non-core business, e.g., property development
- Overall investment climate to attract financial and strategic investors

Our plans going forward

We are committed to develop the Indonesian energy sector

Upstream

- Production and development of major upstream assets (e.g., Jambaran Tiung Biru)
- Take-over of expiring assets (e.g., Mahakam)
- Geothermal development
- International acquisitions

Gas Midstream and Power

- Integrated Jawa-Sumatera Gas Pipelines
- Onshore and Floating Regas Terminals
- City Gas (e.g., CNG stations, etc)
- Power (monetization)

Downstream

- Major upgrading of existing refineries, i.e., Refinery Development Masterplan (RDMP)
- Grass root refinery development
- Distribution and marketing infrastructure (e.g., fuel and LPG terminals, shipping, etc.)

Others

- New and Renewables Energy projects (e.g., bioethanol, green diesel, etc.)

Our historical financing strategy

Currently Pertamina has a balanced financing profile – primarily tapping corporate loan and bond investors

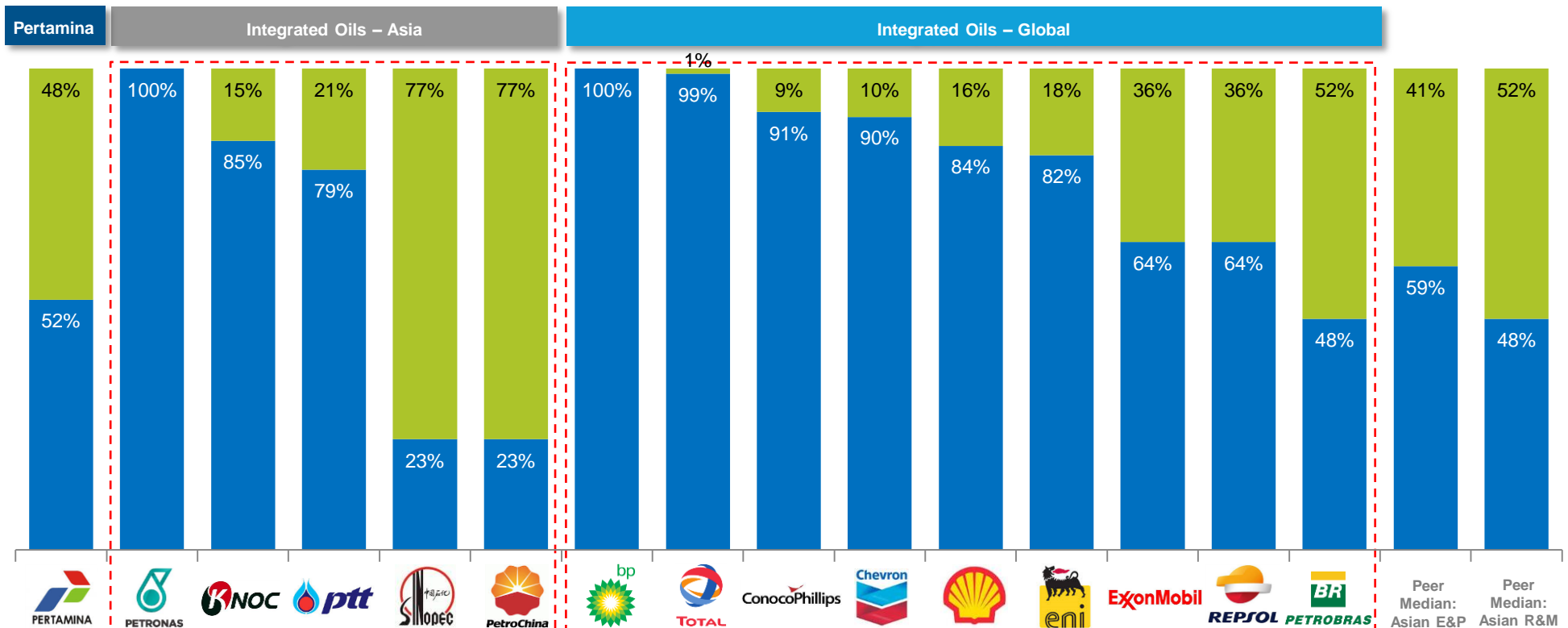
Pertamina's Debt Portfolio is Well Diversified

While Pertamina's debt portfolio is well diversified, refinancing upcoming loan maturities with bonds could help better align the debt-to-bond mix with peers.

Bond and Loan Mix

■ Bond ■ Loan

Peer Average (Integrated Oils – Asia): 62% Bond, 38% Loan
Peer Average (Integrated Oils – Global): 80% Bond, 20% Loan



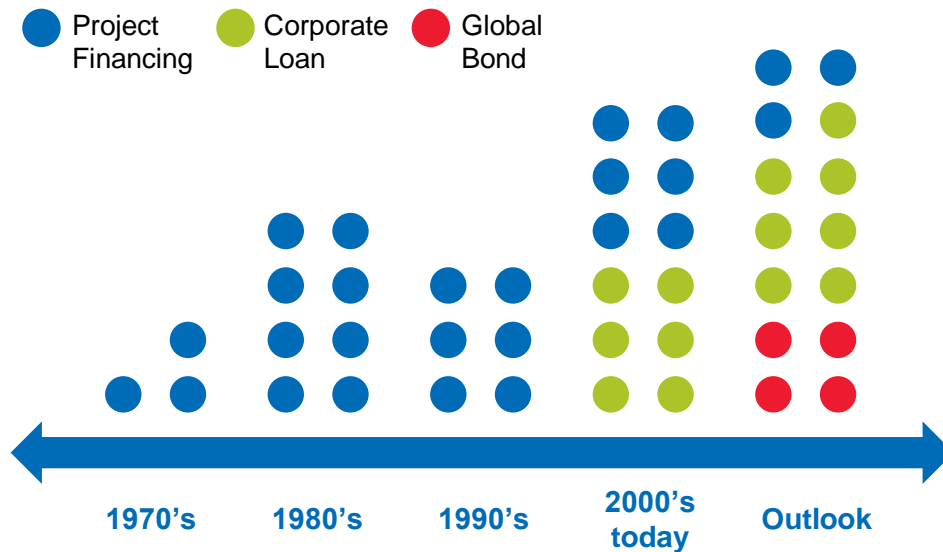
Note: The information presented is based solely on publicly available data and may not be accurate or comprehensive as any new issuances or retirements registered between now and the last filing date may not be captured.

Source: Bloomberg. Data as of April 15, 2015.

Our financing gesture going forward

Diversification of financing sources and matching the right financing with the different needs of our businesses

Historical Financing Schemes



- Initially resorting to project finance
- In the past decade moved towards corporate loan and global bond leveraging overall corporate balance sheet

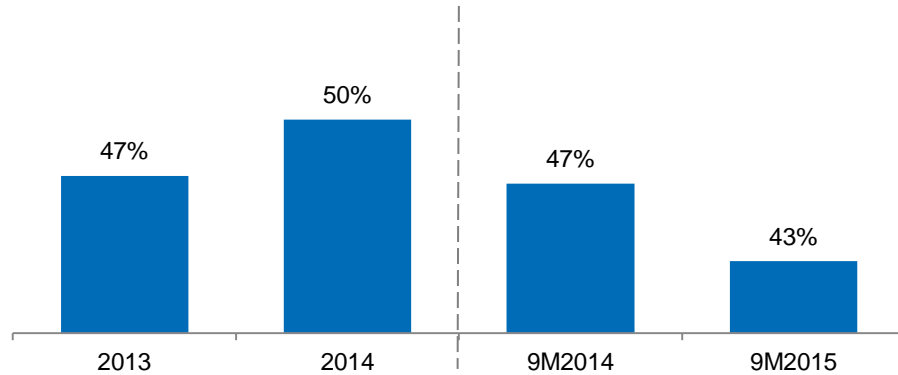
Selection of Financing Scheme Going Forward

- Continuing diversification of financing base while continuing to maintain the commitment to existing lender and investor base
- Matching of financing with different project profiles (recently amended covenant to enable them), e.g.,
 - Long maturity instruments for long-tenured investments (e.g., upstream investments)
 - Project/structured financing for large downstream projects based on respective assets (e.g., refinery upgrades, grass root refineries)
- Exploring different sources of financing as it permits
 - Asset based financing, e.g., Reserve Based Lending
 - Joint venture equity participation for large scale projects
 - Possible equity financing for select subsidiaries, e.g., non core subsidiaries

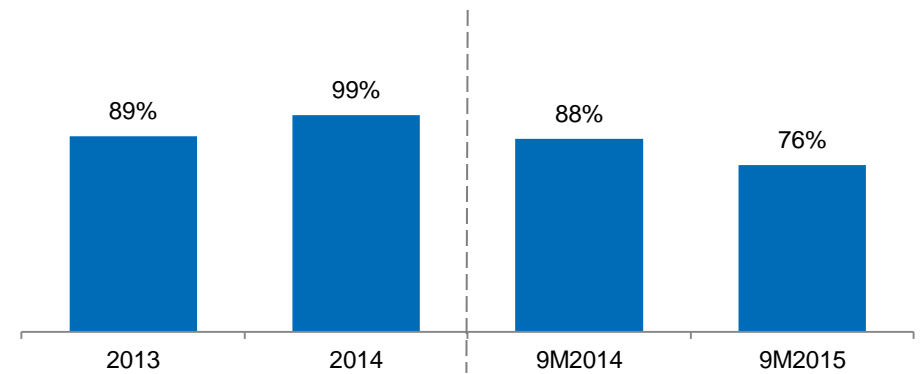
Key Credit Ratios

Pertamina continues to focus on its balance sheet strength as it grows

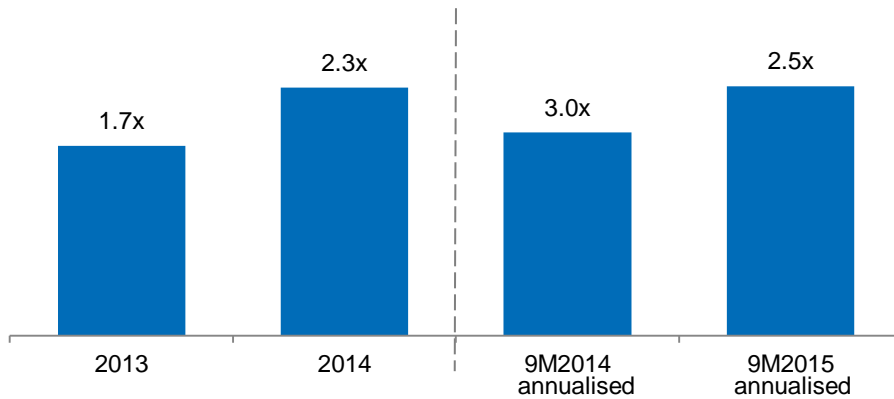
Total Debt / Capitalization⁽¹⁾



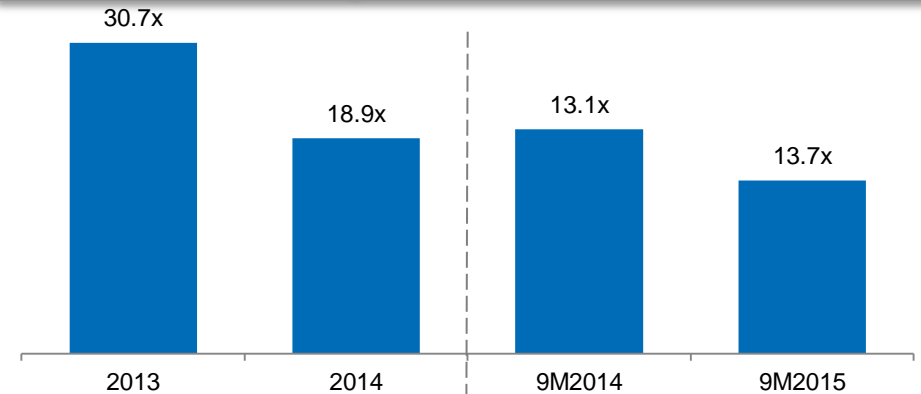
Total Debt / Equity



Total Debt / EBITDA



EBITDA / Net Interest Expense



(1) Capitalization includes debt and equity. Total debt comprises short-term loans, bank loans (including current portion), and bonds. Equity includes non-controlling interest
 Note: 3Q2014 and 3Q2015 figures unaudited. EBITDA calculated as income for the year - interest income + interest expense + income tax expense + DD&A
 Source: Pertamina.

Thank You



Refinery Unit VI Balongan