

PRESS RELEASE



Joint Commitment between PT Elnusa Tbk and University of Gadjah Mada Regarding the 'Solutions and Innovation of National Energy Needs'

Yogyakarta, 9th March 2015 - PT Elnusa Tbk (ELNUSA), one of the leading national providers of oil & gas and energy services, has signed a memorandum of understanding (MoU) with the University of Gadjah Mada (UGM) in an effort to find solutions and innovations of national energy needs. Having signed the MoU, the event continued with a workshop related to the theme of the MoU and were held at the University Club of Gadjah Mada University - Yogyakarta. Elnusa involved in the event as a form of concern in supporting the education in Indonesia, especially in the development of research related to energy and national oil and gas industry.

"Research involving experts and senior researcher at UGM is expected to be the beginning of cooperation between PT Elnusa Tbk and University of Gadjah Mada in developing the research as a contribution to the nation and to make the results of these studies as one of the solutions and innovations in the fulfillment of national energy needs in accordance with the theme of this workshop," said Tony H. Soetoro, Business Development Director of PT Elnusa Tbk represent President Director of PT Elnusa Tbk.

Hafid Mulyadi, President Director of PT Elnusa Petrofin (subsidiary of PT Elnusa Tbk) added, "The oil and gas industry today become slow because of the situation in world oil prices plummeted, so the upstream oil and gas industry really gets the impact, but on the other hand, downstream sector have more open opportunities, for example, the distribution of oil products, utilization and marketing of innovative solutions and technologies that can meet national energy needs. Synergies between Elnusa with UGM can be an example of good collaboration within the oil and gas industry players and the academic".

Meanwhile, Vice Rector of Cooperation and Alumni of UGM, Mr. DR Plenary Sugarda, SH, M. Hum, LL.M., "The signing of the MoU with PT Elnusa Tbk as the national oil and gas industry is an honor for us, followed by Business Meeting and Workshop which aims to strengthen the University's commitment to build cooperation with strategic partners, in particular solutions and technological innovation in energy gas for national energy independence and needs. The output of this cooperation is expected to be co-operation further research, joint research & development, as well as product technology innovation".

Policy transferred of energy utilization from oil to gas for domestic needs should be carried out considering the condition of our oil and gas potential that has shifted from oil to gas. Natural gas is the most appropriate source of energy and ready to be a substitute for petroleum energy. Some also consider natural gas as a 'bridge' utilization of the dominance of fossil energy to renewable energy. In addition, high demand of natural gas made because natural gas combustion products are environmentally friendly, with air pollution levels are very low.

Along with the industrial revolution in the world, especially in Asia, the supply and demand for energy has increased very sharply. Seeing the demand trends by type of fuel, natural gas needs are also expected to continue to rise. Referring to the government's policy as outlined in the Presidential Decree No. 5 of 2006 on National Energy Policy which is the target of the role of natural gas in the energy mix will increase from 20.4% in 2011 to 30% in 2025. The target of course have consequences for the government to increase the production and the using of natural gas in the country with high growth rate, as well as reduce dependence on petroleum energy.

By the government policy, economic growth is expected to be better than today and the state finances would be more efficient with reduced fuel subsidies (BBM) and the energy that must be borne by the government in the state budget from year to year, so that the allocation can be utilized for financing development of infrastructure especially outside Java in achieving equitable development.

UGM has a research associated with oil and gas industry namely the Micro LNG Plant which is a research conducted by the nation and fully supported to be developed and implemented in the oil and gas industry in meeting national energy needs as one of the programs in supporting government policy for the industry oil and gas.

Thus, PT Elnusa Tbk expressed its seriousness by signing the MoU with the University of Gadjah Mada regarding the 'Solutions and Innovation of National Energy Needs' that can be applied to various industries in Indonesia.

Shareholder composition of PT Elnusa Tbk consists of 41% by PT Pertamina (Persero), 19% by the Pertamina Pension Fund and the remainder is owned by the public.

Elnusa at Glance

Elnusa is an integrated energy services company, with core competencies in the upstream oil and gas such as seismic services (geoscience services: land, transition & marine zone and as well as data processing) and drilling & oilfield services. Currently Elnusa is serving both national and international oil company among others Pertamina Group, Total E & P Indonesia, Chevron, and Vico Indonesia. ELNUSA has six subsidiaries that engaged in the business of upstream oil & gas support services and downstream oil & gas services.

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