



Indosat's Cellular Subscribers Reached 12.87 million by the end of First Half 2005

Jakarta, 25 July 2005. Consistent with its strategy to focus on the development of its cellular business, PT Indosat Tbk's ("Indosat" or the "Company") cellular service recorded continued growth in the number of cellular subscribers for the First Half 2005 with 12.87 million as of June 30, 2005.

"Our growth of cellular subscribers in the first half 2005 showed encouraging results with subscribers recorded around 12.87 million by end of June 2005," stated Hasnul Suhaimi, Indosat's President Director. "With our planned capital expenditures for 2005 and 2006, we expect that the service quality and coverage of our cellular service business will continue to improve", added Hasnul.

During the Indonesian Cellular Show, which was held from 21 to 24 July 2005, Indosat announced the launch of innovative cellular products such as "I Say" which allows customers to send voice messages via SMS and "I Memova" which will deliver "push mail services" for prepaid customers via MMS.

In addition, Indosat is scheduled to receive awards for *Indonesia's Best Managed Companies*, *Best Corporate Governance* and *Best Investor Relations* on Tuesday, 26 July 2005 following Finance Asia's 2005 Best Companies Polls which compile responses from over 200 leading fund managers and equity analysts in the Asia-Pacific region.

Indosat is a leading Indonesian telecommunications and information provider that offers: cellular services (Mentari, Matrix and IM3), IDD services (IDD 001, IDD 08 and FlatCall 016), fixed wireless services (StarOne) and Multimedia, Data Communication and Internet services (MIDI). Indosat's shares are listed on the Jakarta Stock Exchange and Surabaya Stock Exchange (JSX: ISAT), and its American Depositary Shares are listed on the New York Stock Exchange (NYSE: IIT).

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