



**Indosat's Bond IV and Indosat's Syariah Ijarah Bond
were obtaining effective letter from Bapepam**

Jakarta, 14 June 2005. PT Indosat Tbk announced that on Monday, 13 June 2005, PT. Indosat Tbk ("Emiten") obtained effective statement letter from Bapepam for the public offering of its Bond IV Year 2005 worth of Rp 1,100,000,000,000.00 (one trillion and one hundred billion Rupiah) having a tenor of 6 (six) years with a call option at 4th year consisting of Indosat's Bond IV of 2005 with a flat coupon rate worth of Rp 815,000,000,000.00 (eight hundred and fifteen billion rupiah) and Indosat's Syariah Ijarah Bond 2005 worth of Rp 285,000,000,000.00 (two hundred and eighty five billion rupiah).

Indosat's public offering for its Bond IV and Syariah Ijarah Bond were initially having a total size of Rp 1,000,000,000,000.00 (one trillion rupiah), while the book-building results obtained by PT Andalan Artha Advisindo security was Rp 1,500,000,000,000.00 (one trillion and five hundred billion rupiah), or 150% oversubscribed compared to its initial offering.

The bond was offered with a flat coupon rate of 12%, while the Syariah Ijarah Bond was offered with a period ijarah return installment of Rp 8,550,000,000.00 (eight billion five hundred and fifty million rupiah) paid in every three months. The bond offerings period will commence on 14 June 2005 and will end on 16 June 2005, while the allotment period will be conducted on 17 June 2005.

Proceed obtained from these two bonds offering will be used by issuer for capital expenditures in relation with the issuer's business expansion through development of its cellular network.

PT. Pemeringkat Efek Indonesia ("PEFINDO") as the rating company appointed by the issuer, issued the rating of *idAA+*; (*Double A Plus; Stable Outlook*) for Indosat Bond IV and *idAA(sy)+* (*Double A Plus; Stable Outlook*) for Indosat Syariah Ijarah Bond.

Institutions and / or supporting professional advisors which support for this bond offering are PT Andalan Artha Advisindo Sekuritas as bond offering underwriter, PT Bank Rakyat Indonesia (Persero) Tbk as trustee, Assegaf, Hamzah & Partners as legal counsel, Ny. Poerbaningsih Adi Warsito, SH as notary, and Prasetio, Sarwoko & Sandjaja as independent auditor.

Indosat is a leading telecommunication and information provider that offers: cellular services (Mentari, Matrix and IM3), IDD services (IDD 001, IDD 008 and FlatCall 016), fixed wireless services (StarOne), and Multimedia, Data communications and Internet services (MIDI). Indosat's shares are listed on the Jakarta and Surabaya Stock Exchange (JSX:ISAT) and its American Depository Shares are listed on the New York Stock Exchange (NYSE:IIT).

For further information please contact:

Corporate Secretary
Telp : 62-21-3869614
Fax : 62-21-3804045
E-mail: investor@indosat.com
Website: www.indosat.com

Estira Tiyassih
PT Andalan Artha Advisindo Sekuritas
Tel : 61-21-5152640
Fax : 62-21-5152644
E-mail : estira@aaasecurities.com

Disclaimer :

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