

PT Indosat Tbk

Q1 2011 Results



Disclaimer

- **PT Indosat Tbk cautions investors that certain statements contained in this document state management's intentions, hopes, beliefs, expectations, or predictions of the future are forward-looking statements**
- **Management wishes to caution the reader that forward-looking statements are not historical facts and are only estimates or predictions. Actual results may differ materially from those projected as a result of risks and uncertainties including, but not limited to:**
 - Our ability to manage domestic and international growth and maintain a high level of customer service
 - Future sales growth
 - Market acceptance of our product and service offerings
 - Our ability to secure adequate financing or equity capital to fund our operations
 - Network expansion
 - Performance of our network and equipment
 - Our ability to enter into strategic alliances or transactions
 - Cooperation of incumbent local exchange carriers in provisioning lines and interconnecting our equipment
 - Regulatory approval processes
 - Changes in technology
 - Price competition
 - Other market conditions and associated risks
- **The company undertakes no obligation to update publicly any forward-looking statements, whether as a result of future events, new information, or otherwise**

Today's agenda

- **Results review**
- **Q1 Marketing Programs**
- **2011 Guidance**
- **Segmented review**

Key Q1 2011 Developments

Steady Growth and Continued Improvements in Operating Profile

- Consolidated revenue growth of 3% over Q1 2010
 - Cellular revenue growth of 6.2%
- Normalized EBITDA Margin of 48%, net of Voluntary Separation Scheme (VSS) costs
- Free cash flow generation of IDR 258 billion Q1 2011
- Profit Attributable to Owners of The Company of IDR 454 billion
- Year on year reduction of debt by 3.9% to IDR 23.955 trillion

Meeting the competitive threat

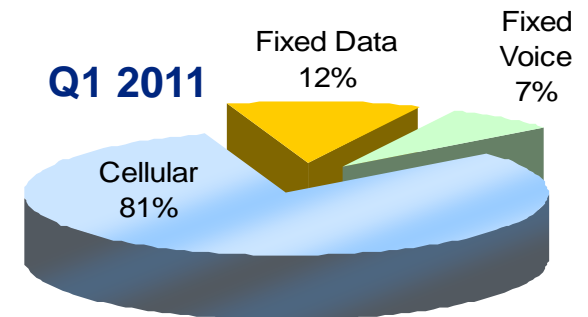
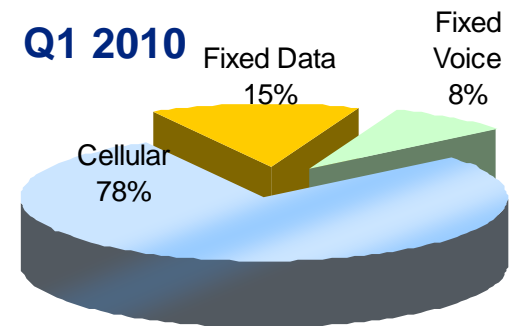
- Cellular customer growth maintained momentum and added 8 million net additions on year
 - End of period GSM subscribers of 45.7 million

Transformation

- Voluntarily Separation Scheme (VSS) launched in Q1 2011

Q1 2011 Results

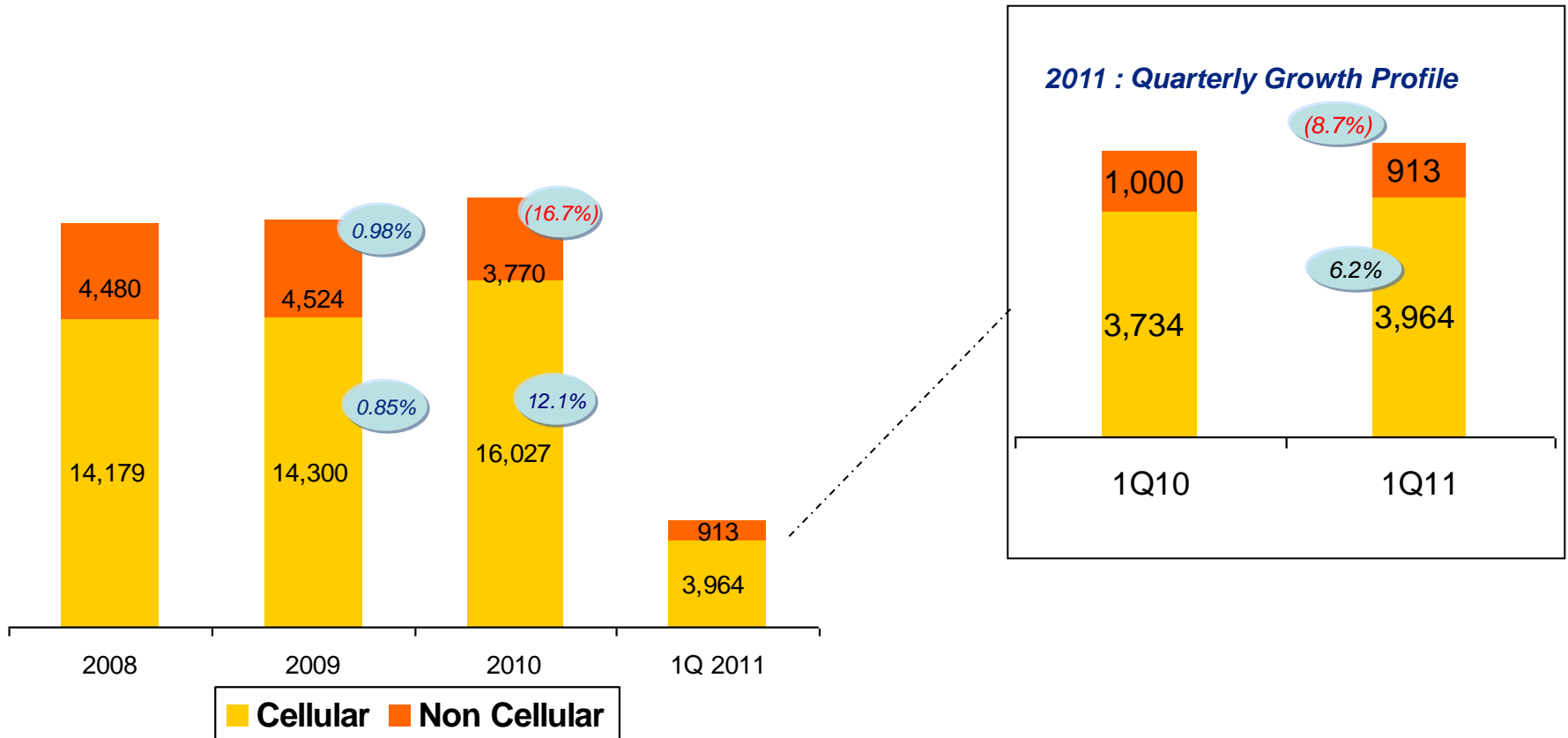
	Q1 2010 (billion IDR)	Q1 2011 (billion IDR)	YoY
Cellular	3,734.3	3,964.4	6.2%
Fixed Data	641.2	591.0	(7.8%)
Fixed Voice	359.2	322.4	(10.2%)
Operating Revenue	4,734.7	4,877.8	3.0%
EBITDA*	2,227.6	2,223.7	(0.2%)
EBITDA Margin*	47.0%	45.6 %	(1.4 %)
Profit Attributable to Owners of The Company	278.0	453.9	63.3%



* Inclusive of charges associated with the Voluntary Separation Scheme (VSS)

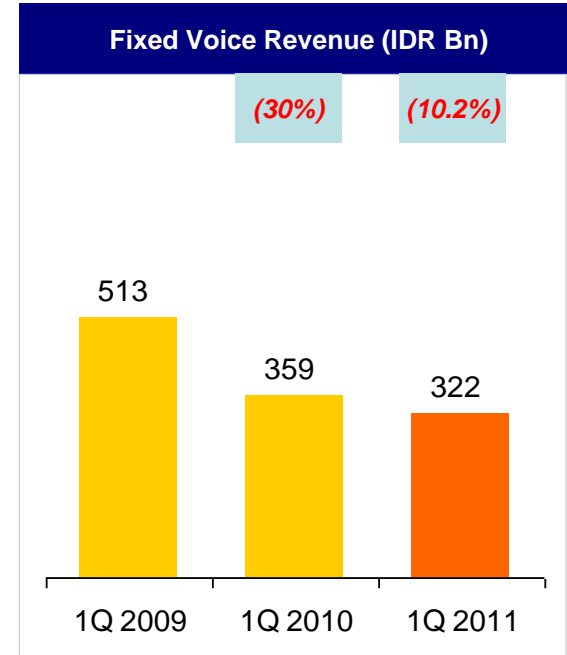
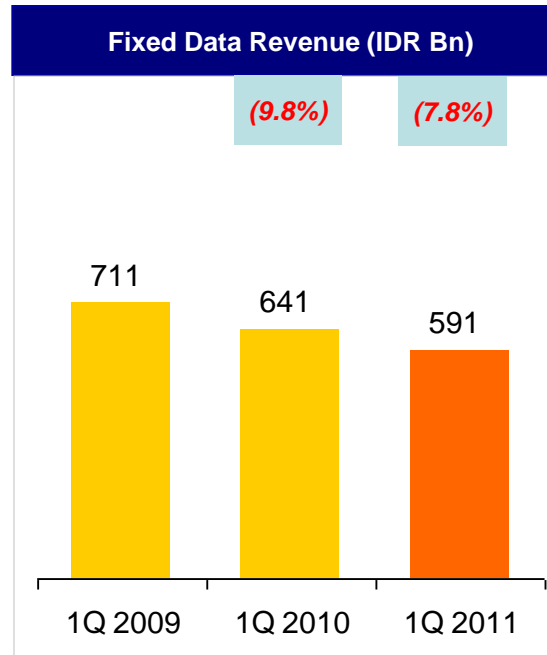
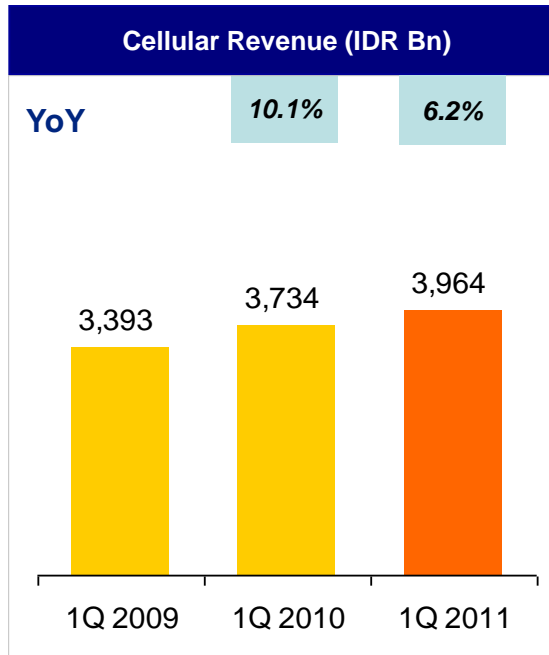
Solid on year growth in Cellular continues to drive overall growth – Margins impacted by Voluntary Separation Scheme

Q1 2011 Revenue



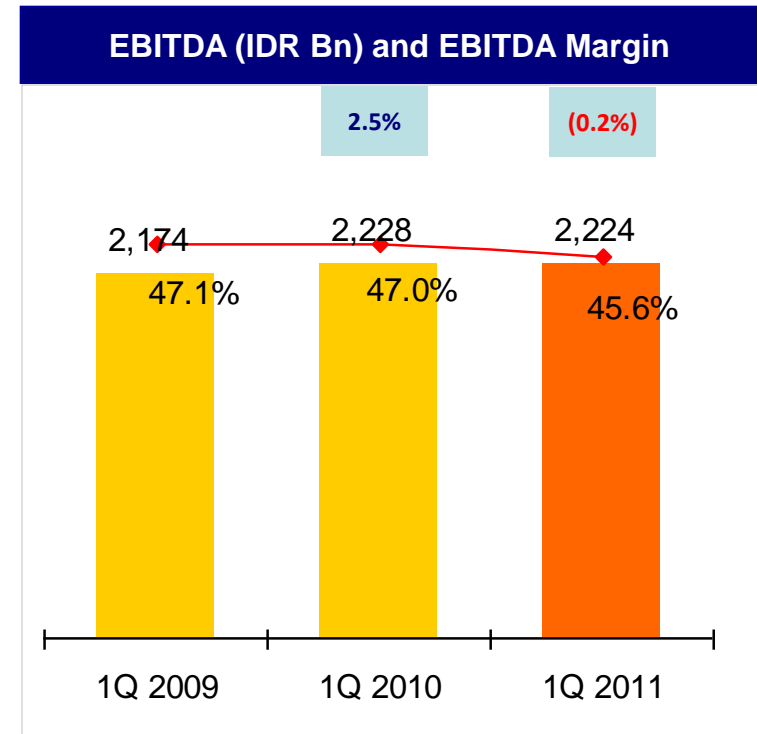
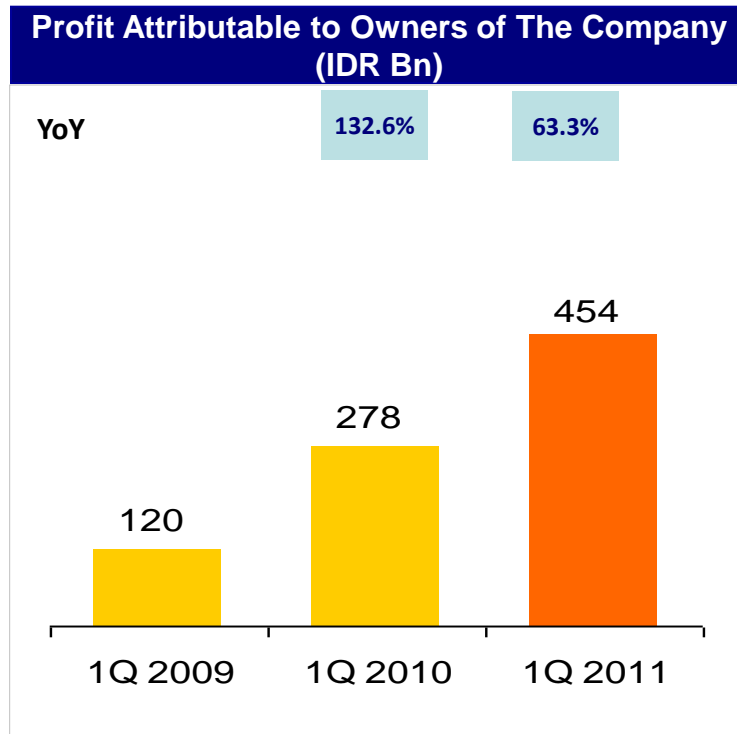
Cellular revenues dominate the revenue mix, and continue to out-grow other segments

Q1 2011 Segmented revenue



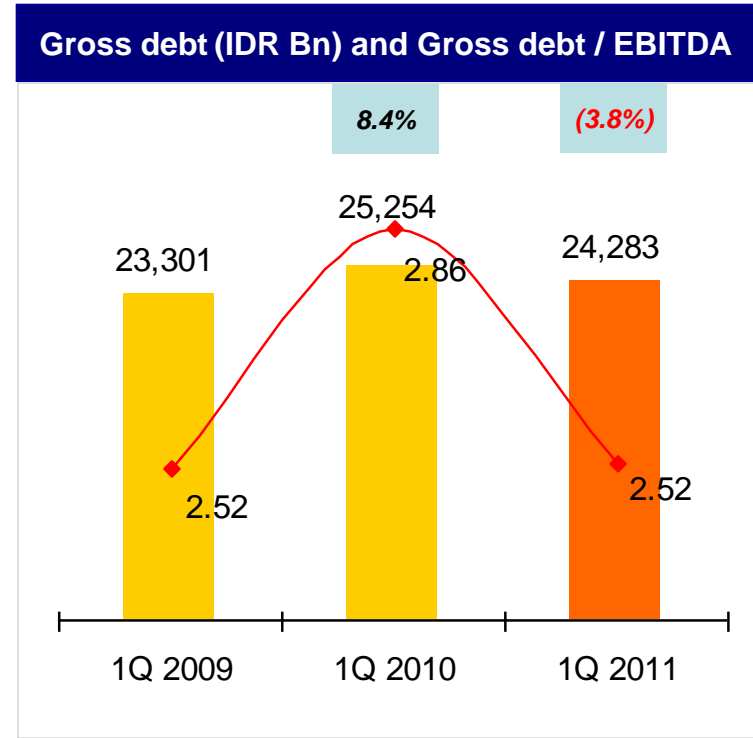
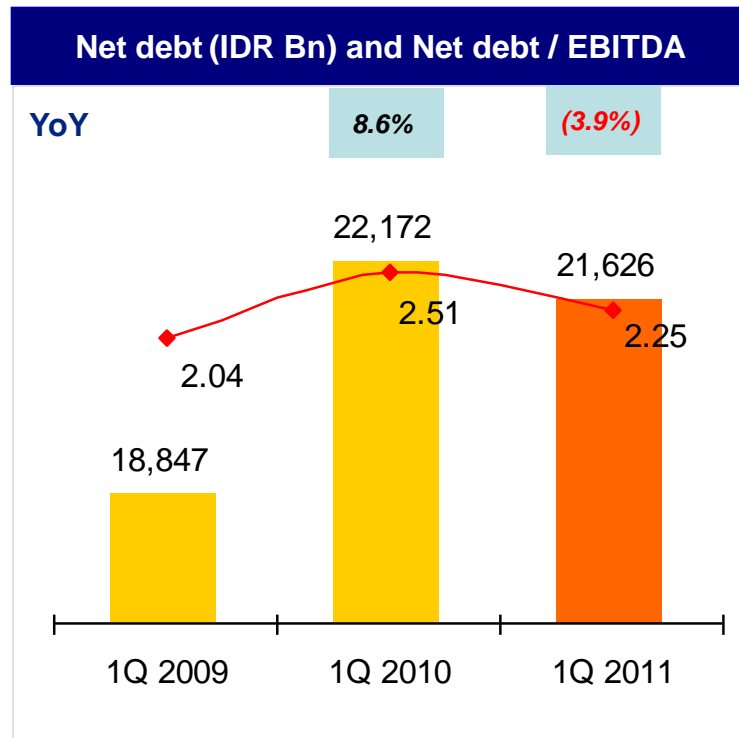
Continued growth in Cellular has supported consolidated growth, while Fixed and MIDI have been pressured by the appreciating IDR and competitive pressure

Q1 2011 Profit Attributable to Owners of The Company and EBITDA



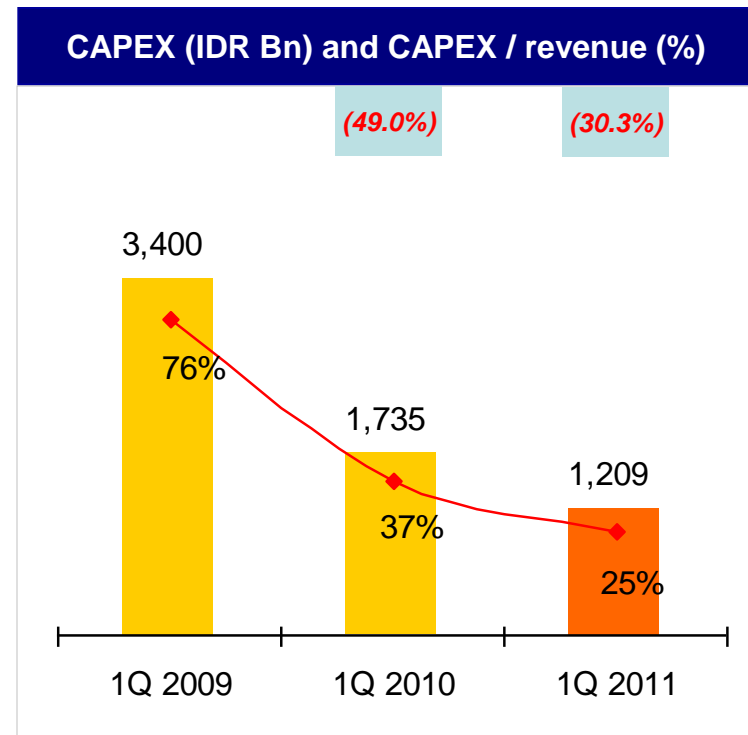
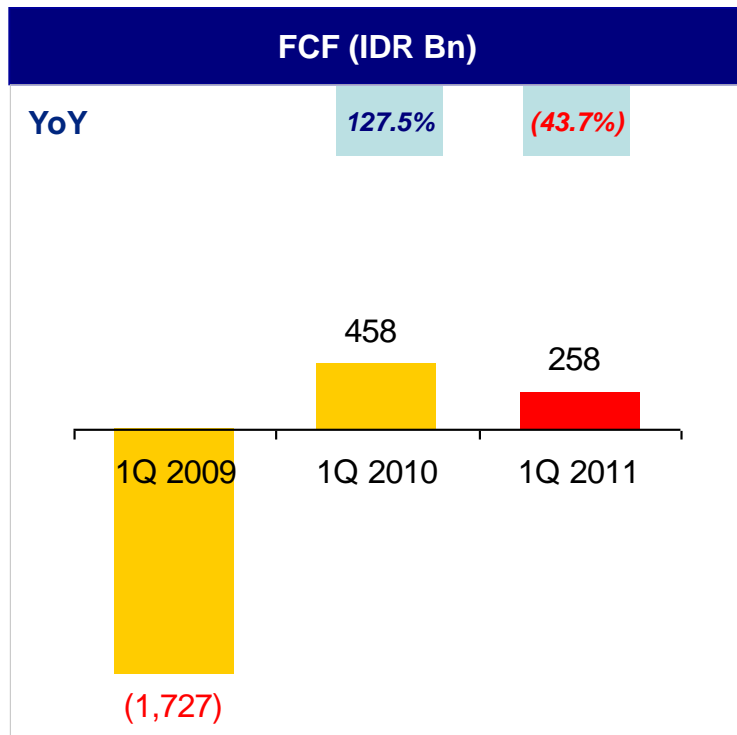
Profit Attributable to Owners of The Company gains driven primarily through FX and lower absolute debt service expenses. Normalized margins stable – decline attributable to VSS

Q1 2011 Debt Summary



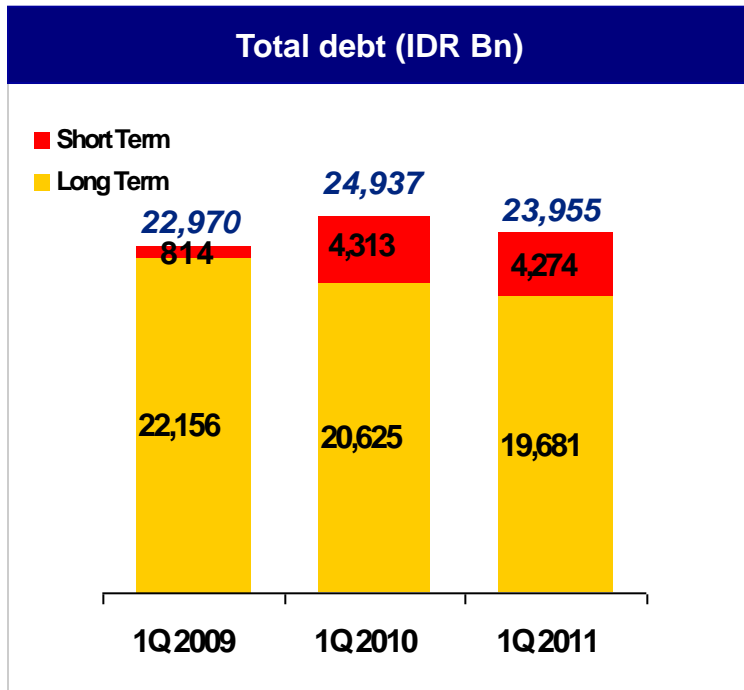
Gearing profile continues to improve as a result of accelerated FCF generation and lower absolute debt

Q1 2011 FCF and CAPEX

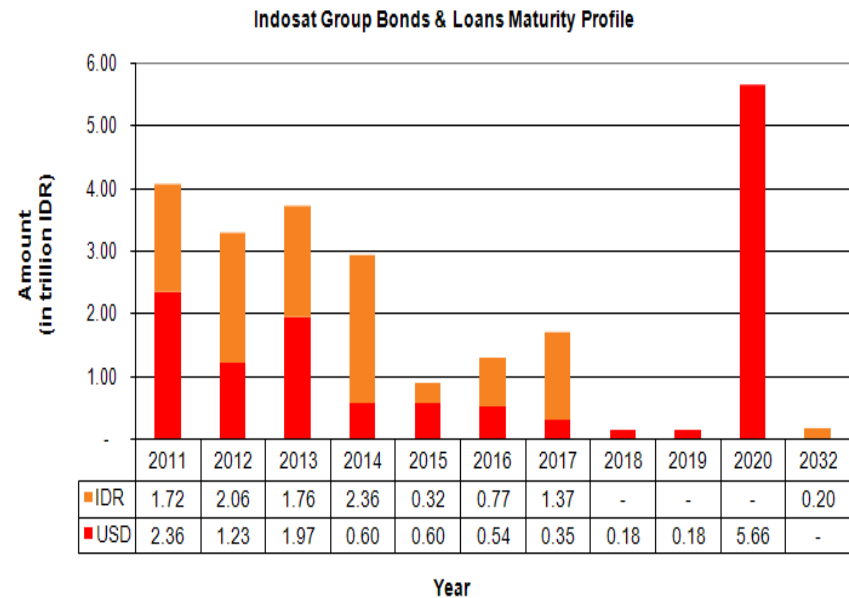


CAPEX to Sales continues to normalize, sustainable FCF generation expected to accelerate on a FY basis

Q1 2011 Debt breakdown



PT Indosat Tbk debt maturity profile (IDR Trillion as of March 31, 2011)



• Net Debt to Equity

1.16X

Covenants

• Gross Debt to Equity

1.30X

< 2.5X

• Net Debt to EBITDA

2.25X

• Gross Debt to EBITDA

2.52X

< 3.5X

• Interest Coverage

4.82X

> 3.0X

• USD

56.1%

• Rupiah

43.9%

• Bonds

54.4%

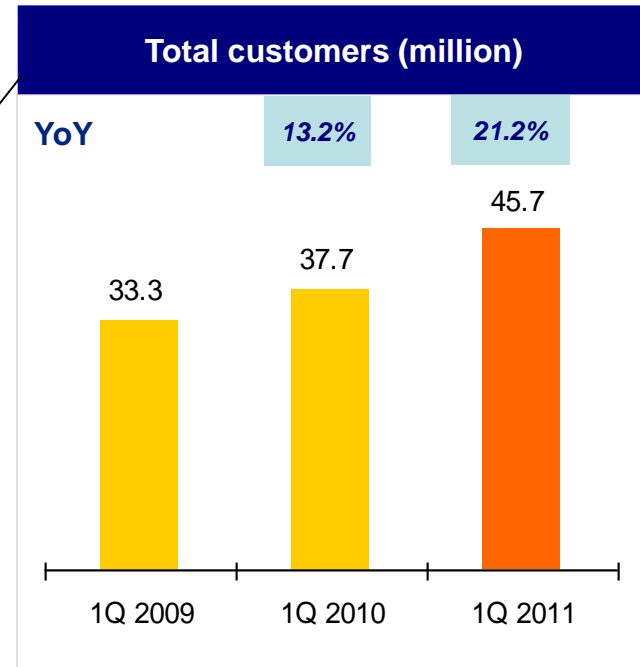
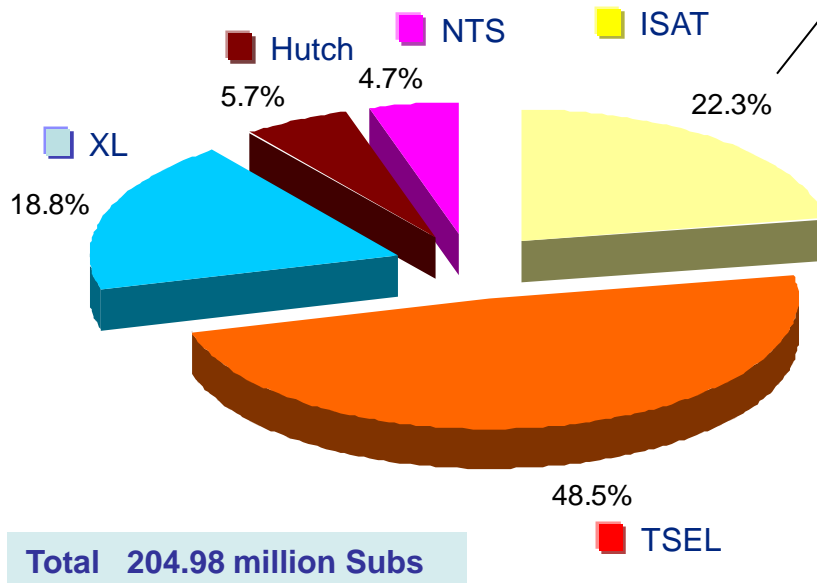
• Loans

45.6%

• Hedge of USD Bonds & Loans

17.5%

Q1 2011 Customer Market Share



Sources : Company data & IA Estimation
 Note : Excluding Sampoerna Telecom and Smart.

Today's agenda

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Marketing Campaigns Q1 2011

MAKIN DEKET KE TEMEN DEKET

GRATIS SMS & FACEBOOK-AN SEGOKILNYA

Gabung IM3 Ce eS an di ***777*3*1#**

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IM3

- IM3 Ce eS an is a Friends and Family program designed to build up on-net calling communities among the IM3 customer base
- Key product features include bundled SMS to 4 registered numbers, Facebook access and limited bundled minutes after certain paid service thresholds are met

Dengan Mentari Bicara Sepuas Hati

OBRAL OBROL POOL!

mentari

Mentari

- Obral Obral (Talk-Mania) offers customers different time bands or preferred on-net Friends and Family bundles of minutes which requires a daily registration.
- Packages include a peak minutes bundle, an off-peak minutes bundle and a Friends and Family bundle

DENGAN MATRIX KEISTIMEWAAN ANDA BERBEDA

tentukan nomor istimewa Anda

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Matrix

- SMS based premium service which allows post-paid customers to select own phone number

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2011 Annual Guidance

Key Metrics	FY 2010 Actual	2011 Guidance
Consolidated Revenue Growth	5.2%	7 - 11%
Cellular Revenue Growth	12.1%	8 - 12%
Non-Cellular Revenue Growth	(16.7%)	3 - 6%
EBITDA Growth	9.7%	Up to 9%
EBITDA Margin	48.6%	46 - 48%
Cash CAPEX (IDR tr)	IDR 6.5t	IDR 5.8 - 6.8t

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Q1 2011 Results - Segmented review

Cellular

		YoY
Net Additions:	8M	
Subscribers:	45.7M	21.2%
Blended ARPU (IDR):	28.8 K	(14.8%)
Blended MOU:	95.3 minutes	(10.5%)

Fixed Data

Revenue Contribution and Growth:

▪ Global Corporate Services	76.7%	1.5%
▪ Satellites Lease	4.1%	(32.4%)
▪ Multimedia	17.6%	(30.3%)
▪ Others	1.6%	1.8%

Fixed Voice

		YoY
IDD		
• Total Traffic:	570.4 mn minutes	9.4%
• Outgoing:	105.6 mn minutes	(7.1%)
• Incoming:	464.8 mn minutes	14.0%

StarOne

• Q1 2011 Subscribers:	424.8 K	(38.1%)
• Blended ARPU (IDR):	22.8 K	19.7%

Thank You

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**Any further
questions?**

1H 2011 Results
TBC

**Upcoming
events**