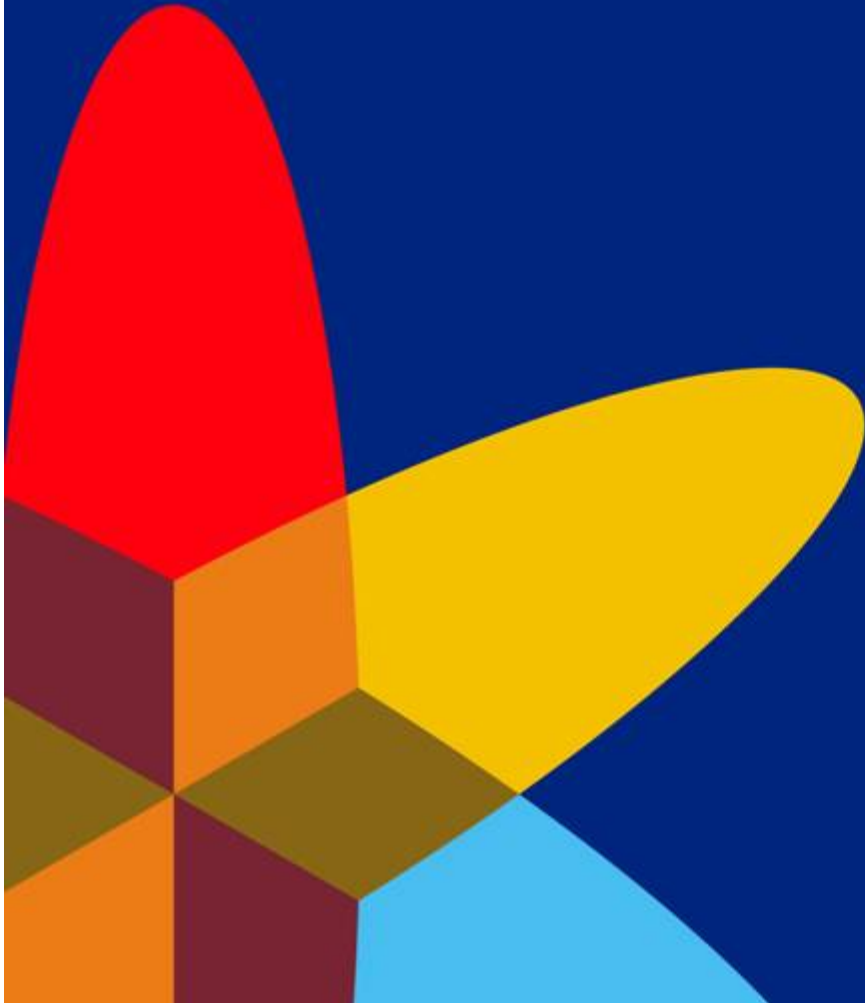


PT Indosat Tbk

9 Months 2008



Key Messages in 9M-08

Indosat 's strong network acquisition continued into Q3 in which we added 3.1 mio subscribers. Today our total subscriber base reached 35.5M and has almost reached the company full year guidance for 2008.

Continued sustainable growth of three lines of business (cellular, fixed data and fixed voice) in revenue and profits

Subscriber market share increased to around 29% - 30% in Q3 2008*

Margin pressures continue as price competition continues existence. This is the first quarter when Telkomsel, XL and Indosat were very competitive in the market

Network roll out plan is in line with the full year target. To stay competitive, we continue adding network capacity in our dominant areas

Financial downturn will impact Indonesian economy. However, our experience shows that the telecommunications industry is relatively stable.






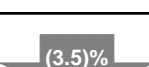

**Company Estimate*

Content

- **Review of 9M 2008 Results**
- QTel's Commitment and Strategy for Indosat
- M&A Transaction Update
- Update on Change of Control Tender Offer




Nine Months 2008 Results

- In 9M 2008, Indosat achieved Operating Revenues of Rp13,648.8 billion and EBITDA of Rp6,718.9 billion, reflecting year on year growth of 14.9% and 7.4%
- Cellular, fixed data (multimedia, data communication and internet) services and fixed voice services contributed 75%, 16%, and 9% to consolidated operating revenues respectively
- Net income grew by 1.9%, reaching Rp1,473.1 billion in 9M 2008

	9M2007 Rp.bn	9M2008 Rp.bn	YoY	Highlight
Operating Revenue	11,880.0	13,648.8	 14.9%	supported by the growth in three lines of business
Cellular	9,146.4	10,226.0	 11.8%	higher mobile customer adds offset the decline in ARPM
Fixed Data	1,568.2	2,121.2	 35.3%	Growth in wholesale and IPVPN
Fixed Voice	1,165.3	1,301.5	 11.7%	growing in incoming traffics and StarOne subscriber number
EBITDA	6,258.3	6,718.9	 7.4%	growing but slower due to higher competition. pressure from competition leads to lower EBITDA margin
EBITDA Margin	52.7%	49.2%	 (3.5)%	
Net Income	1,445.1	1,473.1	 1.9%	Net Income slightly increase as the impact of Financing Cost and Forex.

Business Segment Performance

Cellular

9M08 Net Addition	11mm	
Sept 30, 08 Subscribers:	35.5 mm	
Blended ARPU (Rp):	39.5k	
Data % of ARPU:	36%	
Blended MOU:	99.6 mnt	

Fixed Data

Revenue Contribution and Growth:



- Internet 
- IPVPN 
- World Link & direct link 
- Others

Fixed Voice

IDD

Total Traffic:	1,393mm mnt	
Outgoing:	345mm mnt	
Incoming:	1,048mm mnt	

Starone

9M08 Net Additions:	267k	
Sept 30, 08 Subscribers:	896k	
Blended ARPU (Rp):	24.9k	

Segment Revenue (Bn)

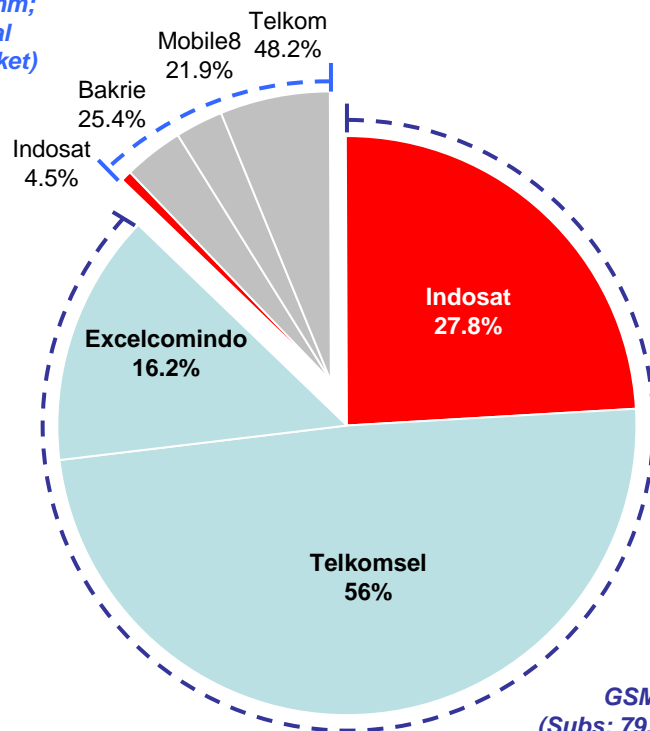


Wireless Competitive Landscape

(Company's Estimate)

9M 2007

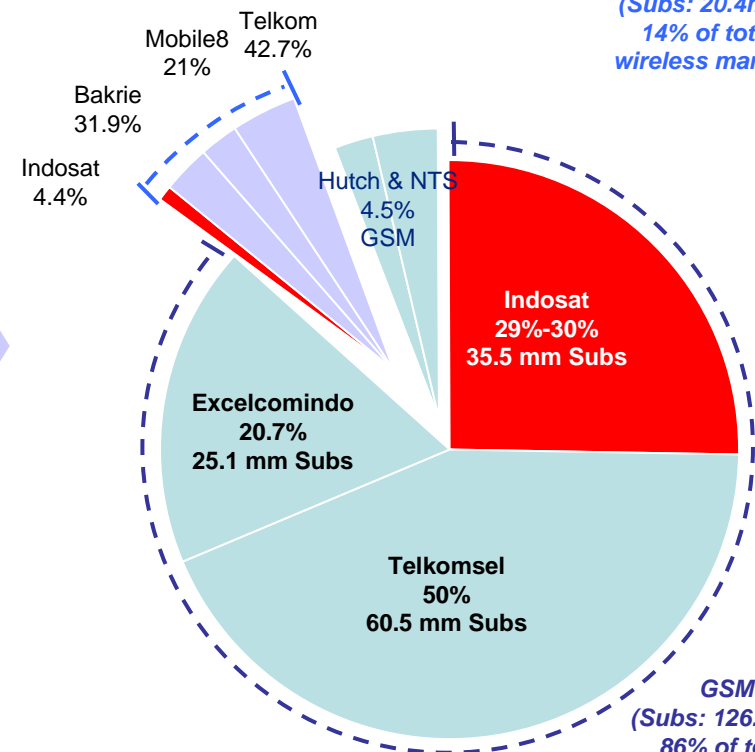
CDMA
(Subs: 11.6 mm;
13% of total
wireless market)



GSM
(Subs: 79.3 mm;
87% of total
wireless market)

9M 2008

CDMA
(Subs: 20.4mm;
14% of total
wireless market)



GSM
(Subs: 126.7mm;
86% of total
wireless market)

Note: Compared among three incumbent operators

Sound Balance Sheet to support growth

leverage

Sound

total debt

19.1Tr

net debt

12.5Tr

•Gross debt to equity

112%

•Net debt to equity

73%

•Debt to Ebitda*

278%

•Interest Coverage

499%

•Fixed rate

100%

•Float rate

0%

•USD

32%

•Rupiah

68%

•Bonds

60%

•Loans

40%

*Covenant ratio

Marketing Program

IM3

punya indosat

Senangnya... :)
bisa nelpon di jam sibuk

**Nelpon
Rp 0,1
per detik
seharian**

Gampang nelpon kapan aja!

sinyal kuat **indosat**

Kompas 1 hal (352x540mm)

punya indosat

BlackBerry Bold™

GO BOLD NOW!

Even Bolder and Faster with Indosat 3.5G Network

41th

sinyal kuat **indosat**

BlackBerry

3.5G

Enhanced user interface

MATRIX

MENTARI

mudik
punya indosat

Ribuan Kali Nelpon

Rp 1.000 per hari

mentari murahnya berarti dia!

Untuk pelanggan Mentari Sakti, pas-pasan ribuan kali nelpon sehari hanya Rp 1.000 per hari*. Tarif nelpon murah tetap Rp 5-jetix dan Rp 99/SMG ke sesama operator se-Indonesia.

MENTARI **indosat**

indosat

Marketing Program

3.5G

punya indosat

Indosat 3.5G Broadband
layanan akses internet
kini hingga **18 Mbps*!**

Paket ECONOMY
300 MB Indosat 3.5G Broadband, kecepatan akses 18 Mbps.

Paket LIGHT
1.2 GB Indosat 3.5G Broadband, kecepatan akses 18 Mbps, kuota internet 1 bulan pertama dan Rp. 100.000. Paket untuk pemrosesan dokumen & browsing, kecepatan akses 18 Mbps.

Paket MEDIUM
3 GB Indosat 3.5G Broadband, kecepatan akses 18 Mbps, kuota internet 1 bulan pertama dan Rp. 200.000. Paket untuk pemrosesan dokumen & browsing, kecepatan akses 18 Mbps.

Paket HEAVY
6 GB Indosat 3.5G Broadband, kecepatan akses 18 Mbps, kuota internet 1 bulan pertama dan Rp. 400.000. Paket untuk pemrosesan dokumen & browsing, kecepatan akses 18 Mbps.

Indosat Broadband 3.5G

indosat
SARANAGATI, LAYANAN KEMUDAHAN DAN KESEHATAN. www.indosat.com

*Paskabayar
By Indosat*

IM2 *connected anywhere*

2 lebih memuaskan

UNLIMITED CLASSIC

Yakin berkecukupan panggilan ke dalam negeri? Misi IM2 adalah menghadirkan unlimited panggilan ke dalam negeri. Unlimited panggilan ke dalam negeri, unlimited SMS ke dalam negeri, unlimited panggilan ke dalam negeri, unlimited SMS ke dalam negeri, unlimited panggilan ke dalam negeri, unlimited SMS ke dalam negeri.

INDOSAT M2
connected anywhere

Salah satu nomor IM2
001-7846068

*Prabayar
By IM2*

StarOne

punya indosat

GRATIS 6 bulan nelpon dan sms sepuasnya!

indosat

SARANAGATI, LAYANAN KEMUDAHAN DAN KESEHATAN. www.indosat.com

punya indosat

FlatCall 011016

Bicara **ke luar negeri**
sesuka Anda.

hanya **Rp 48/6 detik**

USA, HONG KONG, CANADA, CHINA, SINGAPORE

indosat

ABAD KEBANGKITAN NASIONAL UNTUK KEJAYAAN INDONESIA

FA Media Indonesia (4) 199x270mm

FlatCall

Indosat - Sharia Certified



I-Phone



Sharia certification has been issued by National Sharia Board (DSN-MUI) for 10 of Indosat brands

Corporate Social Responsibility



INDONESIA BELAJAR (education) Plan for a new program “Multimedia School Programs”, continue the 3rd year National Workshop for Science and Mathematic Teachers, continue the 3rd year Archery Sport Education for Junior, Preparation the 3rd Annual Indosat Wireless Innovation Contest, Continue scholarship for students.



INDOSAT PEDULI (social & disaster supports) Kampung Siaga Indosat in Manggarai Jakarta, Ramadhan Donation for Orphanages and Muslim Group in High School



BERBAGI BERSAMA INDOSAT (marketing donation) SMS Donation Program during RAMadhan, Call donation during Independence Day



INDONESIA SEHAT (health for woman and children) 16 Mobile clinics are now ready to operate in 8 regions, with facilities of USG and inhalation equipments. The program until now has started since and now has served 27.000 woman, 42.300 children and 20.000 elderly people.



ENERGY ALTERNATIVE (using solar, winds & biodiesel BTS)

The trials is finalized and ready to implement for more BTS in East Indonesia

2008 Awards

The Best Contact Center 2008, 9 May

In Eleven Category as : The Best Operation, The Best Design Technology, The Best Infrastructure, The Best Contribution

The Asian Wall Street Journal Award 2008, 9 May
Indonesia's Top 10 Company in rank no.6 and
Innovation in rank no.5

Islamic Finance Award 2008 , 10 May
The Biggest and The Most Active Sukuk Issuer
2008

2007 Vision Award for Annual Report, 14 July (3Q-08)
League of American Communications Professional
(LACP) competition

Annual Report Award 2007 , 12 August (3Q-08)
The Best Private Non Financial Listed

Indonesia's Best Wealth Award 2008, 14 September (3Q-08)
Best Wealth Creator Award 2008



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Changes to the BOC

Indosat's Extraordinary General Meeting was held on August 25, 2008. Indosat's shareholders approved the new composition of the Board of Commissioners ("BOC"). The EGM has made no change to the Board of Directors of Indosat

The new composition of the Company's Board of Commissioners is as follows:

H.E Sheikh Abdullah Bin Mohammed Bin Saud Al Thani, President Commissioner

Mr. Jarman, Commissioner

Mr. Rionald Silaban, Commissioner

Mr. Dr Nasser Marafih, Commissioner

H.E Sheikh Mohamed bin Suhaim Hamad Al-Thani, Commissioner

Mr. Rachmad Gobel, Commissioner

Mr. Setyanto P. Santosa, Independent Commissioner

Mr. Soeprapto, Independent Commissioner

Mr. George Thia Peng Heok, Independent Commissioner

Mr. Michael Latimer, Independent Commissioner

Business Strategy Going Forward

- The cooperation with QTel is expected to bring substantial benefits to share sector expertise and leveraging economies of scale in areas
- The change in ownership is not expected to entail a material shift in the strategy of the company; Indosat remains committed to the communicated strategy, focused on:
 - Prudent network rollout,
 - Product and service innovation, and
 - Enhancing the distribution network
- Indosat remains strongly positioned to lever its offer across the full-spectrum of services, and to pursue growth in all of its three key segments: cellular, fixed data and fixed voice

Indosat's 2008 Guidance

The change in shareholding structure is not expected to have significant impact on the existing company targets. Indosat expect that all the guidance can be achieved.

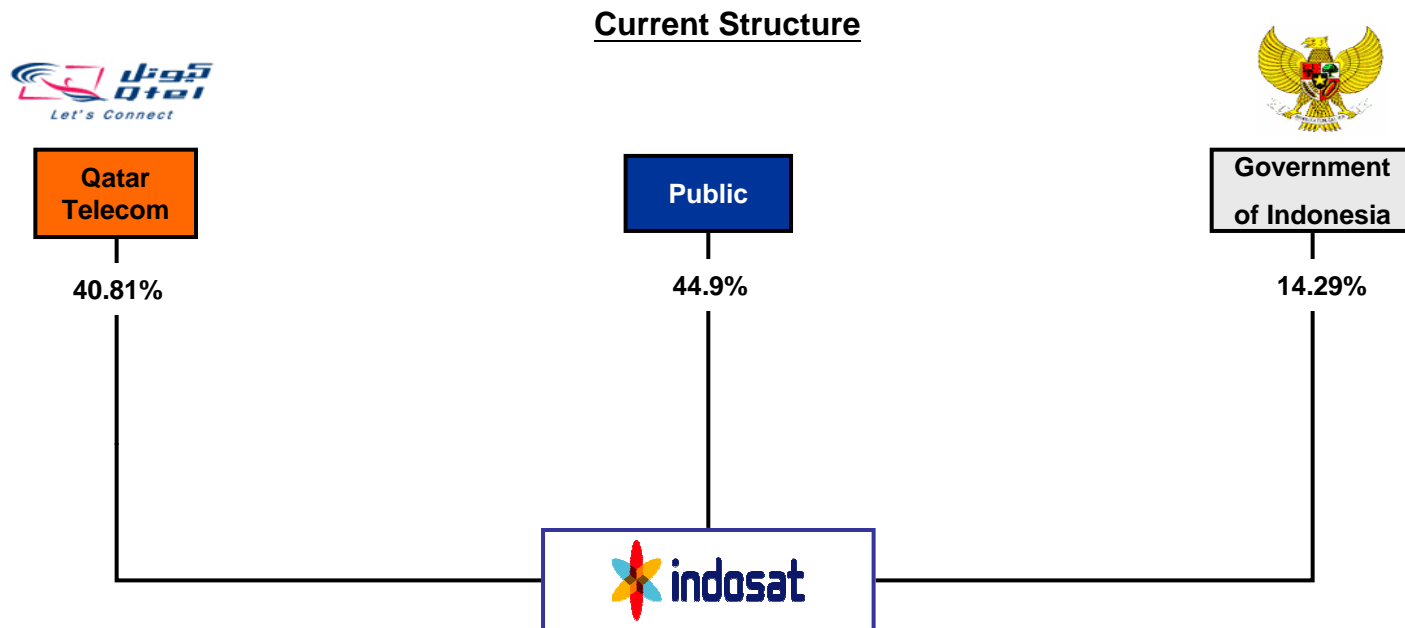
grow total revenue grow cellular revenue	13%-15% ; 10%-12%
target subscriber (net add)	At least 12 million subs
target EBITDA margin (over gross)	48%-50%
Fixed Data Revenue	30%-35%
Fixed Voice Telecom Revenue	8%-12%
ARPU decline	20%-25%
Capex Plan (85% will be dedicated for cellular expansion)	US\$ 1.4 billion

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M&A Transaction Update

- On June 6th, 2008, Qatar Telecom (QTel) signed a Share Purchase Agreement with STT to acquire Indosat
 - Qtel own 2,217,590,000 Series B shares of Indosat, representing 40.81% of the total issued and outstanding shares in Indosat
- On June 22nd, 2008, QTel completed the acquisition of Indosat



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Change of Control Offer Status/Outcome

Terms of the Change of Control (“COC”)

Bonds Targeted:	Indosat Finance Company B.V.’s 7.75% Guaranteed Notes due 2010	Indosat International Finance Company B.V.’s 7.125% Guaranteed Notes due 2012
Amounts Outstanding:	US\$300mm	US\$250mm
COC Purchase Price	101%	101%
<u>Significant Dates and Times (Eastern Standard Time)</u>		
June 22, 2008	Change of Control triggered	
July 22, 2008	Commencement Date of Change of Control Offer	
September 16, 2008	Expiration Date of the Change of Control Offer	
September 19, 2008	Settlement Date	

- In total, US\$65.3mm representing 22% of the 2010 bonds and US\$140.6mm representing 56% of the 2012 bonds were put. In total, US\$205.8mm representing 37% of both 2010 and 2012 US\$ bonds were put
 - The total redemption amount is US\$207.9mm, given the COC price at 101%
 - US\$234.7mm of 2010 bonds and US\$109.4mm of 2012 bonds remain outstanding
- Indosat has redeemed the existing bonds using existing cash and available liquidity facilities. Throughout the COC exercise, Indosat continues to maintain a robust liquidity profile
 - Existing liquidity sources adequately cover the cash outflow and allow Indosat to maintain adequate financial flexibility

Thank You

