



For immediate release:

**INDOSAT BOOKED NET INCOME OF Rp 2.0 TRILLION
OR GREW 45% IN 2007**

**In 2007, Indosat spent Rp. 11.9 trillion of its capital expenditure to build
telecommunication networks in Indonesia**

Indosat cellular customers was 24.5 million in 425 regencies & 3,150 districts

**Indosat fixed wireless services were available in 29 cities and Indosat wireless
broadband services 3.5G were available in 17 cities**

Jakarta, 31 March 2008. PT Indosat Tbk ("Indosat" or the "Company") announced its audited consolidated financial statements for the year ended December 31, 2007 with comparative figures of 2006 and 2005. Purwantono, Sarwoko & Sandjaja, a member of Ernst & Young Global is the Company's independent auditor.

The Company recorded consolidated operating revenues and operating income for the Full Year of 2007 amounting to Rp16,488.5 billion and Rp4,519.6 billion or grew 34.7% and 33.0% respectively. The Company recorded net income of Rp2,042.0 billion in Full Year 2007 or grew 44.8% compared to Full Year 2006. Cellular, fixed data (multimedia, data communication and internet) services and fixed voice services contributed 77%, 13%, and 10% to consolidated operating revenues respectively. And cellular, fixed data and fixed voice operating revenues grew positively in 2007.

**Financial Results Summary with Yearly Comparison
(for period ended 31 December 2007)**

<i>In Rp Billion</i>	FY -2006	FY -2007	(%) Change
Operating Revenues	12,239.4	16,488.5	34.7%
Operating Expense	8,840.7	11,968.9	35.4%
Operating Income	3,398.7	4,519.6	33.0%
Other Income (Expenses)	(1,375.8)	(1,590.0)	-15.6%
Net Income	1,410.1	2,042.0	44.8%
EBITDA ¹⁾	7,051.9	8,714.8	23.6%
EPS (in Rp)	260.9	375.8	44.0%

¹⁾ EBITDA: Earning before interest, tax, depreciation and amortization

Indosat has invested its capital expenditure to build telecommunication network all over Indonesia of amounted Rp11.9 trillion with 83.5% for cellular networks, Rp. 9.9 trillion.

As the consequences of our aggressive network roll out program, Indosat booked higher depreciation expenses and cost of services, while marketing expenses increased due to increase promotion and advertising. However Indosat is able to maintain its EBITDA margin of 57.7% in net revenue format or equal with 52.8% in gross revenue format.

With its prudent financial management, Indosat also could book gain on change in fair value of derivative-net of Rp. 68 billion in 2007 while Indosat booked lost of Rp. 439 billion in 2006. As of end 2007, Indosat debt was Rp16,692 billion with 67.4% in rupiah and 32.6% in USD while 28.4% in loans and 71.6% in bonds. Indosat has issued Indosat Bond V and Sukuk Ijarah II in 2007.

Operational Results Summary with Yearly Comparison.
(for period ended 31 December 2007)

Description	FY -2006	FY -2007	(%) Change
Cellular subscribers (million)	16.7	24.5	46.9%
FWA subscribers (thousand)	379	628	65.8%
BTS	7,221	10,760	49.0%

Indosat cellular revenues grew by 38.2% in Full Year 2007 compared to the same period of last year which is mainly driven by the increase of its cellular subscribers to 24.5 million subscribers or a total net add of 7.8 million subscriber from end of 2006. Prepaid customers using Mentari and IM3 products were 23.9 million or around 97.5% while postpaid customers using Matrix product were 599,991 or around 2.5% of total cellular customer based. Indosat cellular services are now available in 425 regencies and 3,150 districts. In 2007, Average Monthly Revenue per User (ARPU) Blended was Rp. 53,000 or decreased 12% due to increase of competition in cellular industry. While Indosat wireless broadband or Indosat 3.5G which offers customers with data communication speed up to 18 Mbps was now offered in 17 cities and in 2007 Indosat served 30 thousand customers.

Meanwhile, Indosat fixed data (multimedia, data communication and internet) services or MIDI services revenues also grew 14% from Rp1,902.6 billion in Full Year 2006 to Rp2,168.6 billion in Full Year 2007. The increase was primarily contributed by the growth of demand in internet, IPVPN services and leased lines. Indosat and its subsidiaries, PT Lintasarta and PT IM2, provide fixed data services for corporate and retail such as Indosat Corporate Solution, Internet and VPN.

Operating revenues from fixed voice services also increased from Rp1,109.3 billion to Rp1,567.4 billion or grew by 41.3% on a year-on-year basis due to increase demand of international call services (IDD 001, IDD 008 and Flat Call 01016) especially from incoming traffic and increase demand of fixed wireless services (Star One). Indosat offers fixed wireless services in 29 cities and served 628 thousand customers in 2007.

In the Full Year 2007, Indosat added additional more than 3,500 BTSs nationwide, so that total BTS operated are now 10,760

“Indosat achievements in 2007 were contributed by the aim in filling the increasing demand for our three lines of businesses namely cellular, fixed data and fixed voice services and our prudent financial management. We would like to thank our customers for their loyalty and all stakeholders for supporting our activities. Entering its 41st years of operation, in 2008, we are committed to provide world class quality telecommunication services and more values for our customers as well as our stakeholders. Despite increasingly competition in the wireless industry, we are optimist to increase our consolidated revenue growth by at least 18% and cellular revenue growth by at least 20% in 2008, “said Johnny Swandi Sjam, President Director of Indosat.

About Indosat

Indosat Tbk is a leading telecommunication and information service provider in Indonesia that provides cellular services (Mentari, Matrix and IM3), fixed telecommunication services or fixed voice (IDD 001, IDD

008 and FlatCall 01016, fixed wireless service StarOne and I-Phone). Indosat also provides Multimedia, Internet & Data Communication Services (MIDI) through its subsidiary company, Indosat Mega Media (IM2) and Lintasarta. Indosat also provides 3.5 G with HSDPA technology. Indosat's shares are listed in the Indonesia Stock Exchange (IDX:ISAT) and its American Depository Shares are listed in the New York Stock Exchange (NYSE:IIT).

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