



INDOSAT FULLY REPAID THE PRINCIPAL AND INTEREST OF INDOSAT BOND III SERIES A YEAR 2003

Jakarta, 23 October 2008, Today, PT Indosat Tbk. ("Indosat" or the "Company") announced that it has fully repaid the principal and interest of Indosat Bond III Series A of Year 2003 amounting to Rp 1,860,000,000,000 (one trillion eight hundred and sixty billion rupiah).

"Consistent with our commitment to the investors, we always aim to meet all obligations to the bondholders since the issuance until the repayment. The repayment of our Indosat Bond III Series A in full today demonstrates such commitment. This shows Indosat is in strong liquidity position despite the challenging macro economic conditions We thank all parties involved namely the bondholders, PT Bank BRI Tbk as the Trustee, BAPEPAM, the Indonesia Stock Exchange and KSEI for their support and cooperation since the issuance until the completion of payment today.", said Johnny Swandi Sjam, President Director of Indosat.

Indosat demonstrates a solid revenue and earnings performance until nine months 2008. This contributes the ability of the Company to fund its capital expenditure and to repay its obligations. In addition, Indosat's liquidity profile remains adequate following the successful tender offer of its USD bonds of total US\$ 205.8 million triggered by the Change of Control. Recently, rating agency, Moodys, also reconfirms the Company's rating of Ba1 for local currency and Ba2 for foreign currency ratings with stable outlook showing the Company's strong liquidity profile.

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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