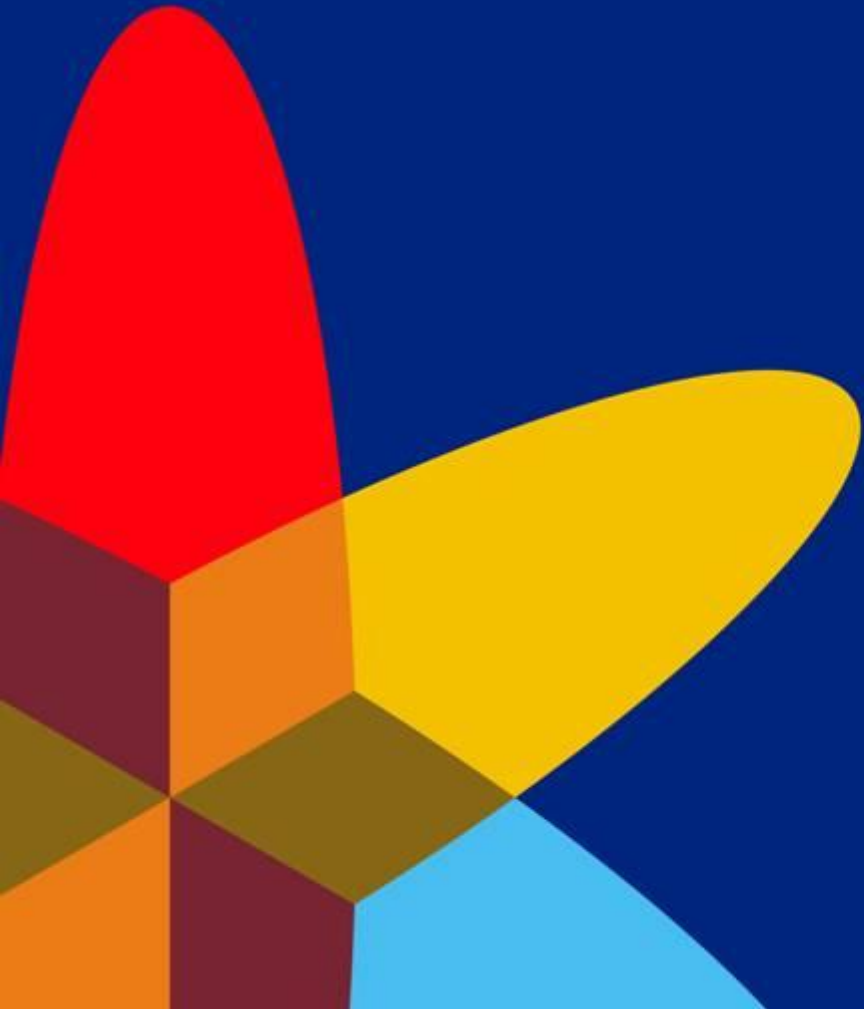


PT Indosat Tbk

1H 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**
- **1H Marketing Programs**
- **Indosat Transformation**
- **Segmented Review**

Indonesia Economic Outlook

Solid Economic Fundamentals

- **Indonesia's Q2 2011 GDP growth reached 6.5% YoY, supported by:**
 - Exports (+17.4% YoY);
 - Investments (+9.2% YoY) and;
 - Private consumption (+4.6% YoY)
- **By Sector, GDP growth is being driven from:**
 - Trade, Hotel and Restaurant (+8.7% YoY),
 - Construction (+6.4% YoY) and
 - Services (+6.3% YoY),
- **Domestic consumption accounts for 65% of GDP and is expected to shield the Indonesian economy from external shocks which are unlikely to be resolved anytime soon.**

Source: Bahana Securities

Key 1H 2011 Developments

Commitment to strategy and execution continues to improve operating and financial profile

- **Consolidated Revenue Growth** of 4% over 1H 2010 ; QoQ growth of 6%
- **Cellular Revenue Growth** of 6.3% over 1H 2010 ; QoQ growth of 7.5%
- **EBITDA Margin** of 44.8%
 - **Normalized EBITDA Margin** of 49.0%, net of Voluntary Separation Scheme (VSS) costs
- **Free Cash Flow** generation of IDR 1,346 billion, growth of 23.4% over 1H 2010 ; QoQ growth of 289.1%
- **Profit Attributable to Owners of The Company** of IDR 681.9 billion, growth of 137.5% over 1H 2010 ; QoQ growth of -49.8%
- **Organic de-leveraging of the balance sheet - Debt reduction** of 10.7% over 1H 2010

Key 1H 2011 Developments

Meeting the competitive threat

- Cellular customer growth maintained momentum and added 9.5 million net additions YoY
 - End of 1H 2011 GSM subscribers of 47.3 million

Transformation

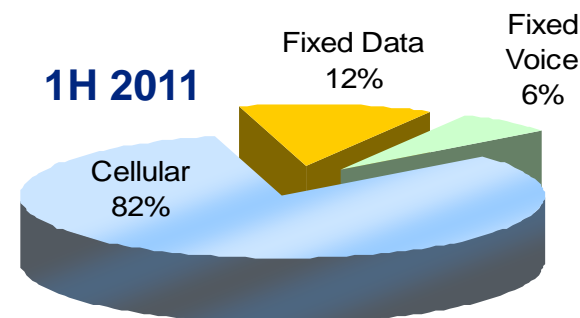
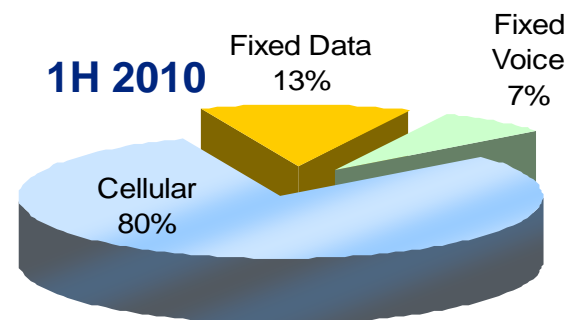
- Voluntary Separation Scheme (VSS) launched in Q1 2011 and finished in Q2 2011

Changes in Management

- Mr. Hans Moritz replaced Mr. Stephen Hobbs as Director & CTO, commencing from May 1, 2011
- Mr. Prashant Gokarn replaced Mr. Khaled El Goghel as Chief Strategy & Planning, commencing from July 1, 2011
- Mr. Stefan Carlsson will replace Mr. Peter Kuncewicz as Director & CFO commencing from September 1, 2011

1H 2011 Results

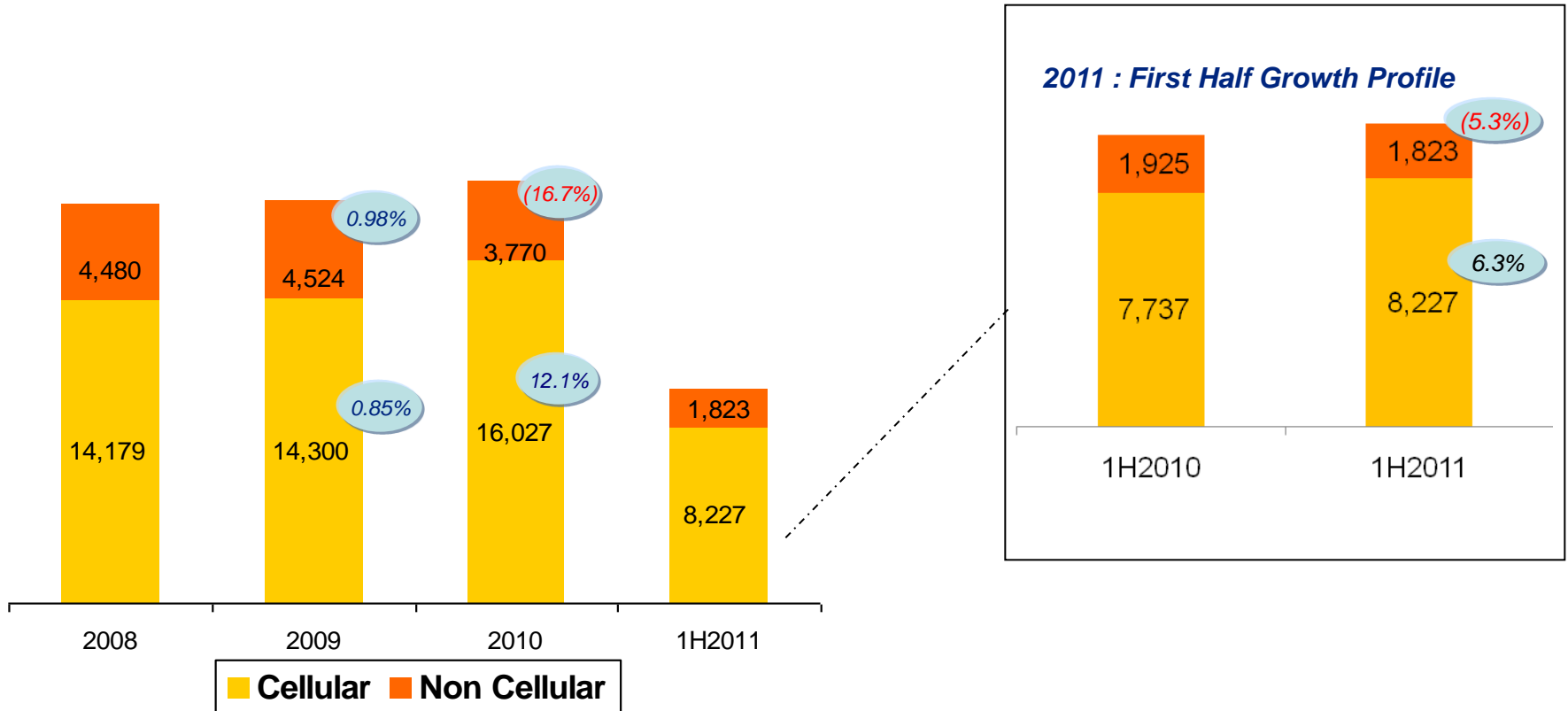
| | 1H 2010 (billion IDR) | 1H 2011 (billion IDR) | YoY |
|--|--------------------------|--------------------------|---------|
| Cellular | 7,737.1 | 8,226.7 | 6.3% |
| Fixed Data | 1,222.4 | 1,201.3 | (1.7%) |
| Fixed Voice | 702.3 | 621.5 | (11.5%) |
| Operating Revenue | 9,661.8 | 10,049.5 | 4.0% |
| EBITDA | 4,594.6 | 4,499.6 | (2.1%) |
| Normalized EBITDA* | 4,594.6 | 4,925.2 | 7.2% |
| EBITDA Margin | 47.6% | 44.8% | (2.8%) |
| Normalized EBITDA Margin* | 47.6% | 49.0% | 1.5% |
| Profit Attributable to Owners of The Company | 287.1 | 681.9 | 137.5% |



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

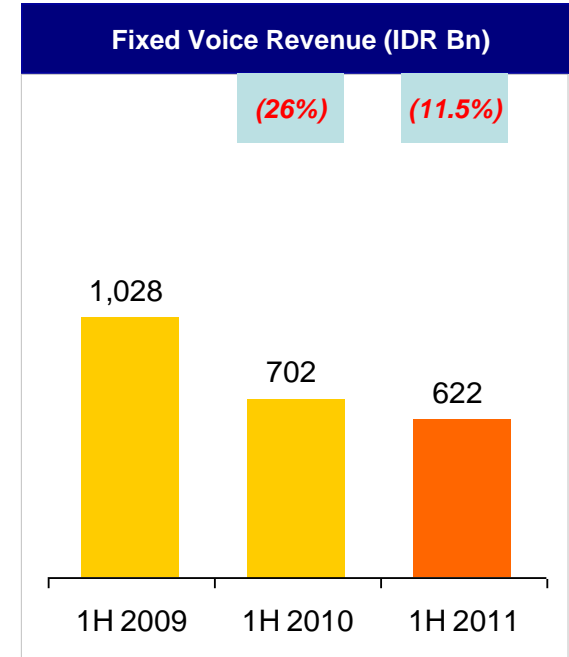
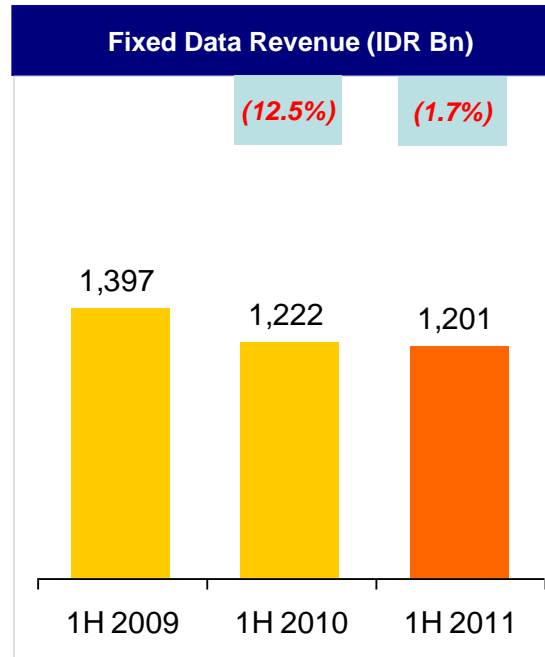
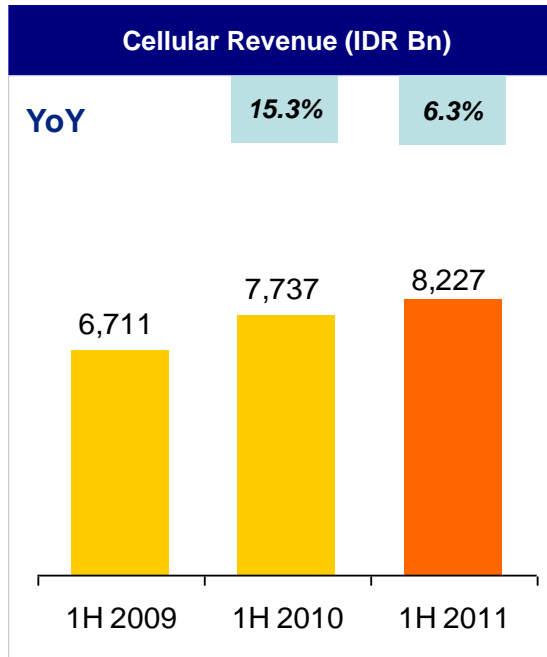
Cellular Revenues continue to dominate the revenue mix and drive consolidated growth for the business

1H 2011 Revenue Profile



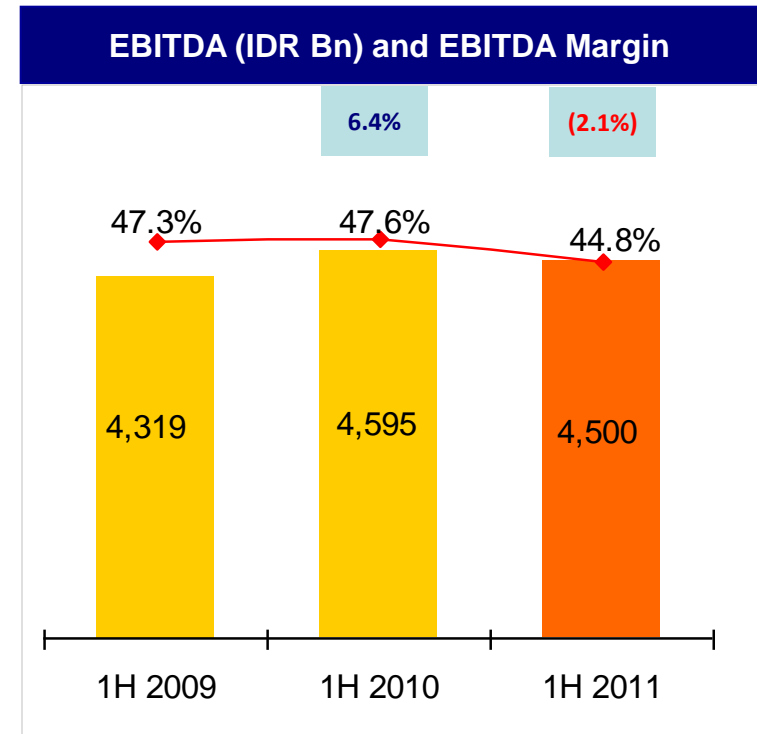
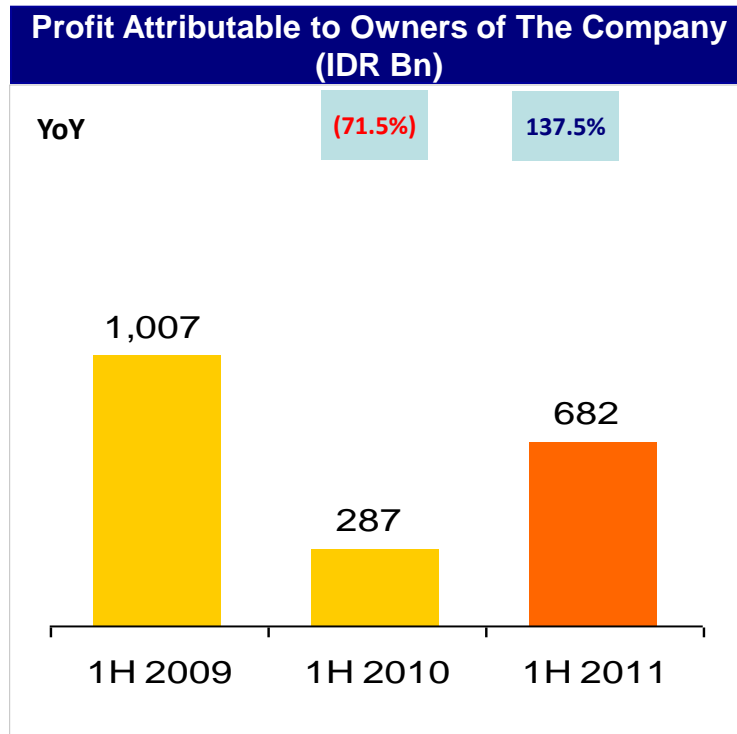
Cellular Revenues increasingly important - now 82% of Revenue Mix

1H 2011 Segmented revenue



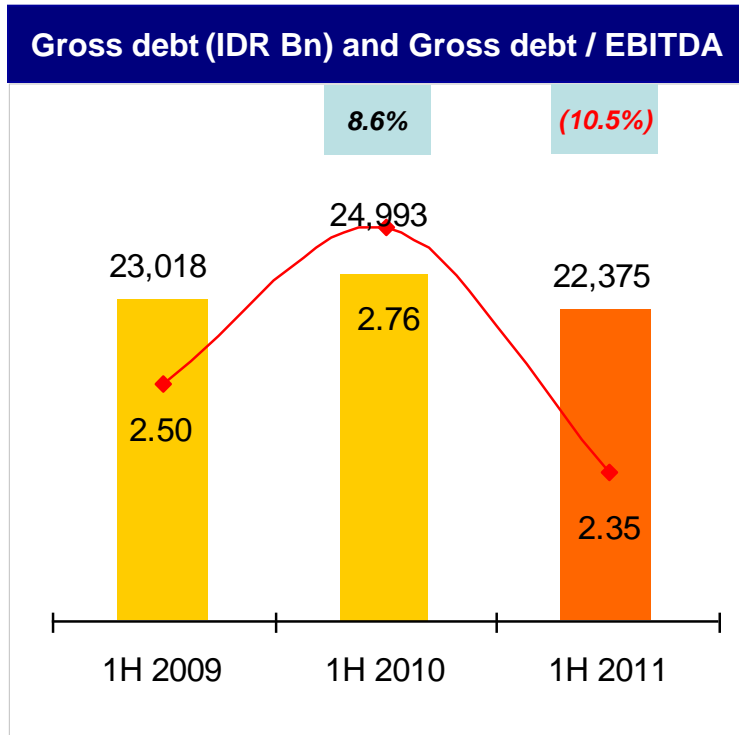
Fixed and MIDI continue to see competitive and FX pressure, albeit at a slower pace than prior periods

1H 2011 Profit Attributable to Owners of The Company and EBITDA

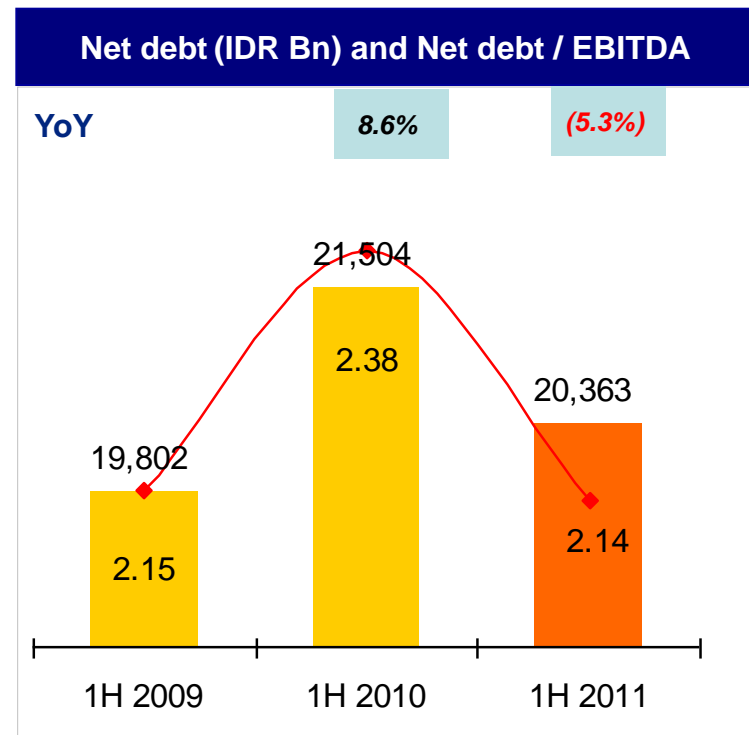


Profit Attributable to Owners of The Company gains driven primarily through FX and lower absolute debt service expenses. Normalized margins stable – decline attributable to VSS

1H 2011 Debt Summary



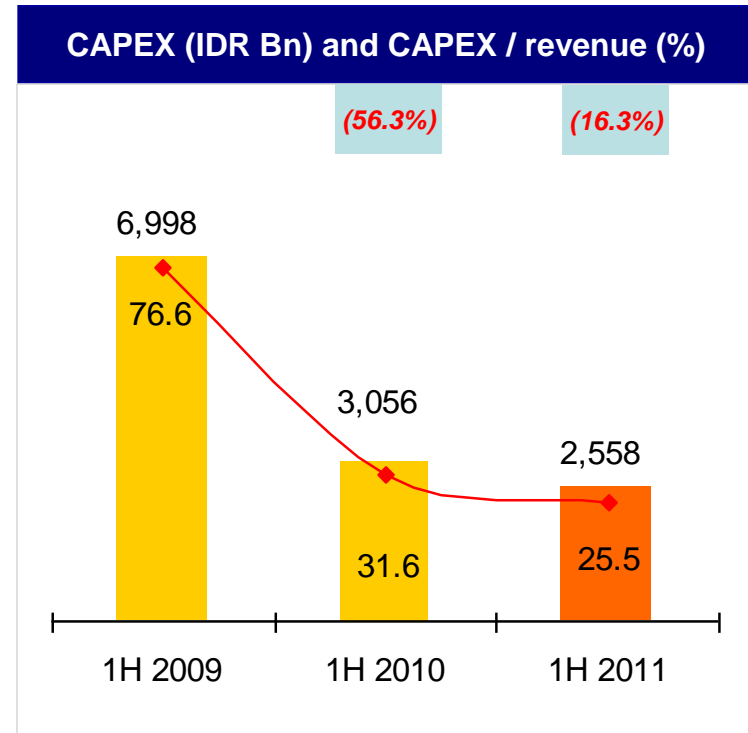
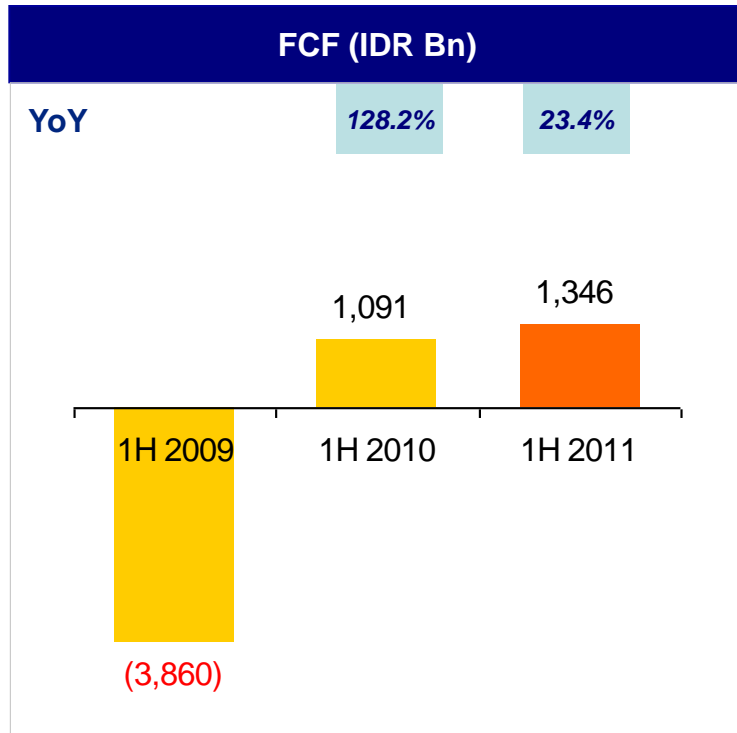
Note:
 Gross debt defined as: total loans payable, bonds payable and unamortized issuance cost (loans, bonds and notes), unamortized consent solicitation fees (loans and bonds) and unamortized discounts (loans and notes).



Note:
 Net debt is Gross debt less cash and cash equivalents.

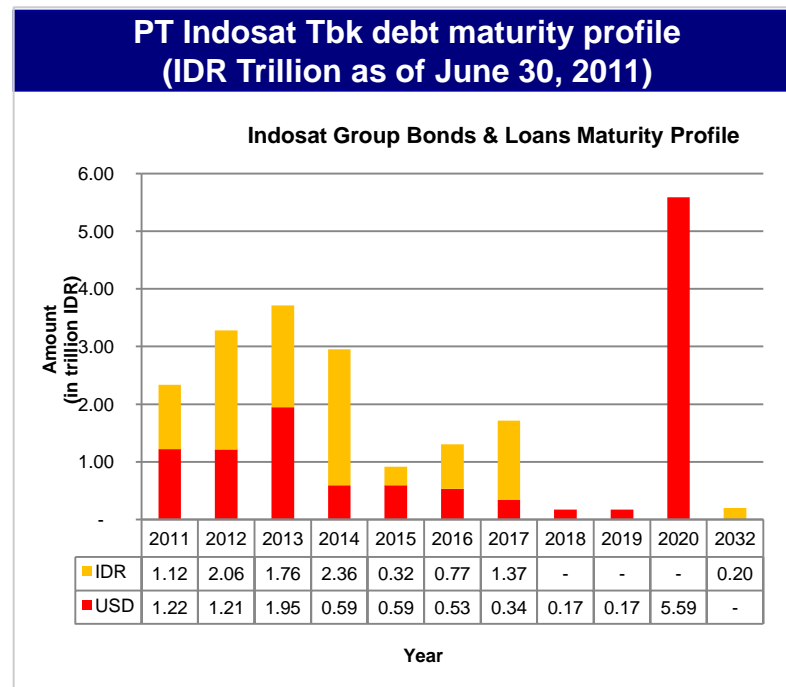
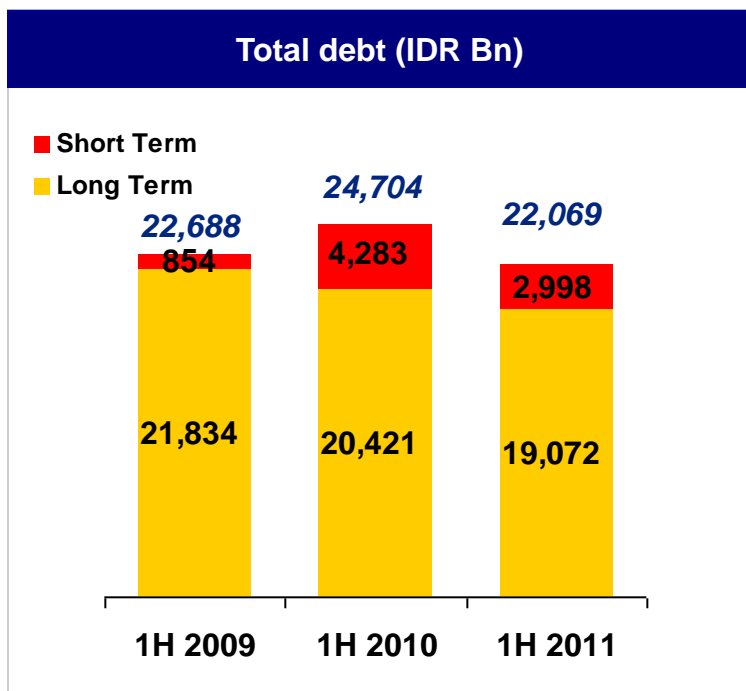
Organic deleveraging of Balance Sheet continues as FCF generation accelerates

1H 2011 FCF and CAPEX



Sustainable FCF generation continues to accelerate, CAPEX to Sales profile 'flattening' out

1H 2011 Debt breakdown



• Net Debt to Equity

1.09X

Covenants

• Gross Debt to Equity

1.20X

< 2.5X

• Net Debt to EBITDA

2.14X

• Gross Debt to EBITDA

2.35X

< 3.5X

• Interest Coverage

4.95X

> 3.0X

• USD

55.1%

• Rupiah

44.9%

• Bonds

53.8%

• Loans

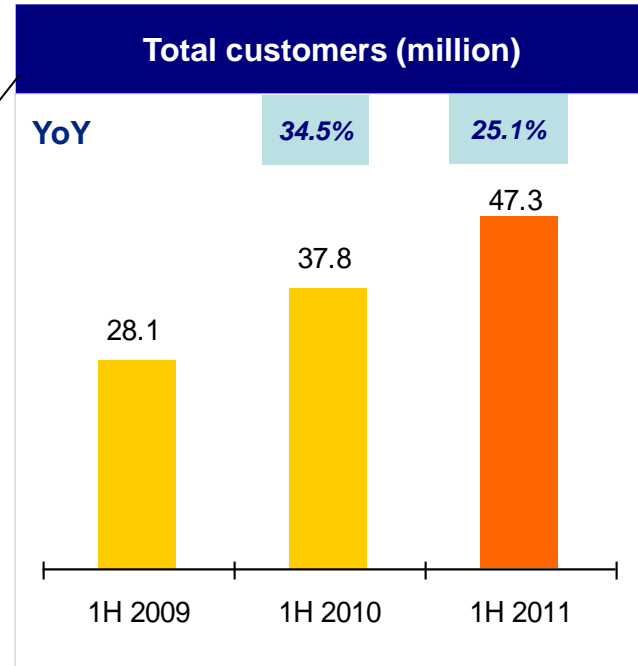
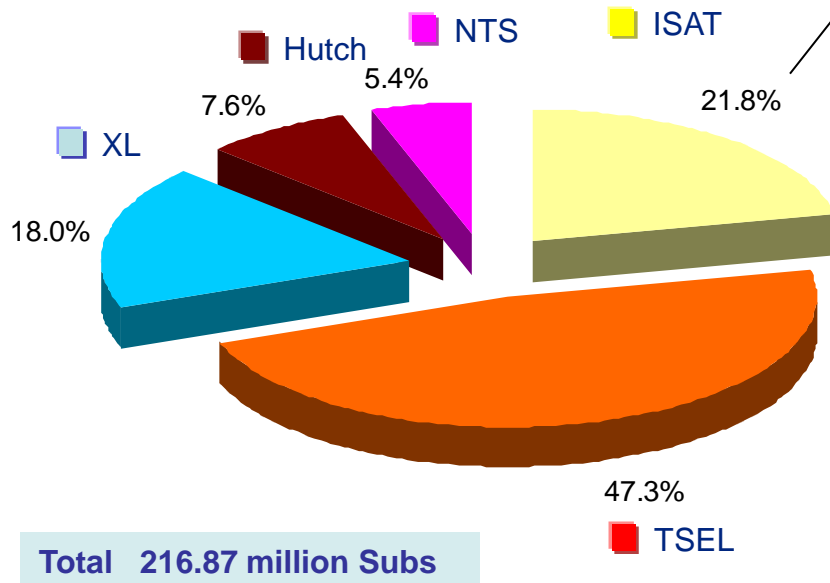
46.2%

• Hedge of USD Bonds & Loans

7.81%

As of July 2011, Indosat has entered into US\$124m additional derivative contracts and increased its hedge position to 17.29%. By the end of 3Q 2011 we expect the hedge position to be a minimum of 35%

1H 2011 Customer Market Share



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

Today's agenda

- Results review
- **1H Marketing Programs**
- Indosat Transformation
- Segmented Review

Marketing Campaigns 1H 2011

Powered by



IM3

- IM3 - Powered by Indosat 'Re-Launch'
- IM3 Package that offers "Bundled" Voice, SMS, Social Networking and Music
- Key product features include certain number of bundled SMS, short calls, and access to social network sites, after certain paid service thresholds are met



Hebat Keluarga

- Family and Friends based product which is designed to optimize network utilization during off-peak
- Registration based service that offers customers unlimited call between 00.00 - 17.00 to 4 Indosat numbers
- Family trace and i-chat features
- Attractive tariff for voice and SMS



Professional

- White-collar targeted product – Available as both post and prepaid
- Registration based service which allows customers to select preferred package, own phone number, with benefits of bundled voice and SMS to all operator at peak-hours
- Indosat World integrated portal service

Today's agenda

- Results review
- 1H Marketing Programs
- **Indosat Transformation**
- Segmented Review

Indosat Transformation

Mid 2009

Mid 2010

Mid 2011

Top Management

Completed

Strategy Refresh

Branding

Ongoing

*Restructure
Organization*

VSS

Completed

Continue with Talent Management

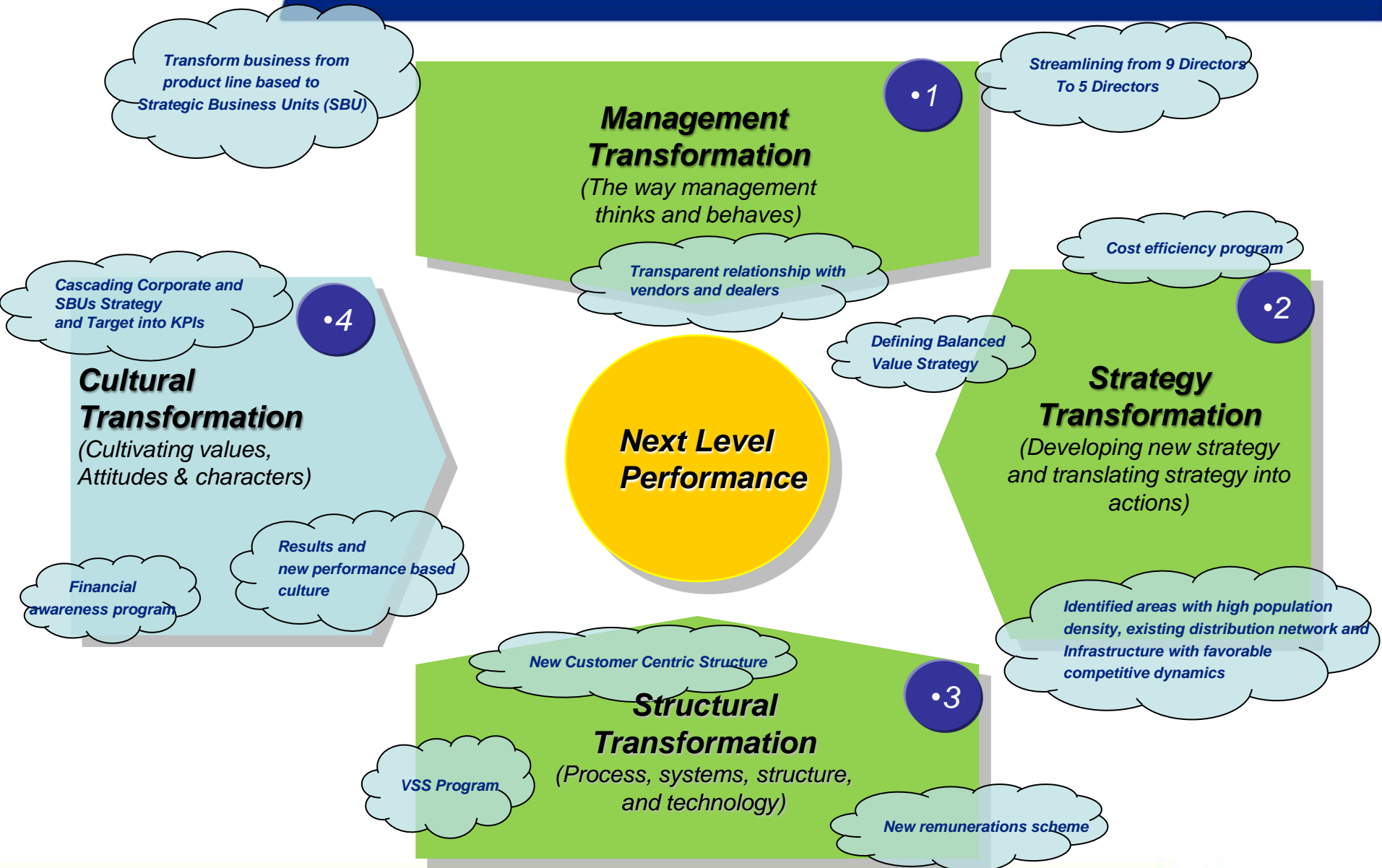
Restructuring of Commercial Directorate

Ongoing


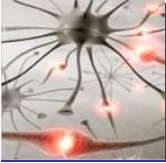



People & Culture

Ongoing

Indosat Transformation



Transformation Roadmap

| | 2010-11 <i>Earn the right to success</i> | 2012-2013 <i>Accelerate impact</i> | Scorecard KPIs and examples |
|--|--|--|---|
|  Customers | <ul style="list-style-type: none"> Better Understanding of Customer needs Excellence in delivering attractive products to market | <ul style="list-style-type: none"> Enhance Customer Experience | Revenue, EBITDA and Profit Market Share |
|  Expansion | <ul style="list-style-type: none"> Expand into new high growth markets | <ul style="list-style-type: none"> Innovation | New Business From Tower Optimization |
|  People | <ul style="list-style-type: none"> Strengthen Culture, Structure, Execution Capability and Talent Management | | Benchmark against global best in class |
|  Asset Utilization | <ul style="list-style-type: none"> Further Sweating of Assets | <ul style="list-style-type: none"> Network Sharing, Opex Reduction, Lighten Balance Sheet | FCF Generation and EBITDA and Net Profit Margins |
|  Technology | <ul style="list-style-type: none"> Technology & Spectrum Strategy, Regulatory Relationship | | Data take-up rates, Network data throughput |
| Excellence in Execution | <ul style="list-style-type: none"> Alignment and KPIs | | Best in class execution – Rev/BTS etc. |

Today's agenda

- Results review
- 1H Marketing Programs
- Indosat Transformation
- **Segmented Review**

1H 2011 Results - Segmented review

Cellular

| | | YoY |
|---------------------|------------|---------|
| Net Additions: | 9.5M | |
| Subscribers: | 47.3M | 25.1% |
| Blended ARPU (IDR): | 29.3 K | (15.6%) |
| Blended MOU: | 95 minutes | (15.4%) |

Fixed Data

Revenue Contribution and Growth:

| | | |
|-----------------------------|-------|---------|
| ▪ Global Corporate Services | 73.9% | 4.4% |
| ▪ Satellites Lease | 5.1% | 0.0% |
| ▪ Multimedia | 20% | (18.3%) |
| ▪ Others | 1.0% | (27.9%) |

Fixed Voice

| | | YoY |
|------------------|--------------------|--------|
| IDD | | |
| • Total Traffic: | 1,164.5 mn minutes | 9.17% |
| • Outgoing: | 227.7 bn minutes | (0.5%) |
| • Incoming: | 936.8 bn minutes | 11.8% |

StarOne

| | | |
|------------------------|---------|---------|
| • 1H 2011 Subscribers: | 350.5 K | (49.7%) |
| • Blended ARPU (IDR): | 29.35K | 59.8% |

Thank You

Indosat Investor Relations
Jl. Medan Merdeka Barat No. 21
Jakarta - 10110
Tel: +62 21 3869615
Investor@indosat.com

**Any further
questions?**

3Q 2011 Results
TBC

**Upcoming
events**