

Management Report Compliance with Regulation

PT Indosat Tbk

Indosat as Public Company

Public Company

Indosat had listed in :

1. Jakarta Stock Exchange (BEJ)
2. Surabaya Stock Exchange (BES)
3. New York Stock Exchange (NYSE)

Compliance with Regulations:

- Undang-Undang No.1/1995 tentang Perseroan terbatas
- Undang-Undang No.8/1995 tentang Pasar Modal
- Capital Market Supervisory Agency (Bapepam)
- BEJ
- BES
- Exchange Act 1934
- Sarbanes Oxley Act 2002 (SOX)
- NYSE.

Annual Report

As Public Company, Indosat should submit and distribute Annual Report and 20F Report



Compliance with Regulations:

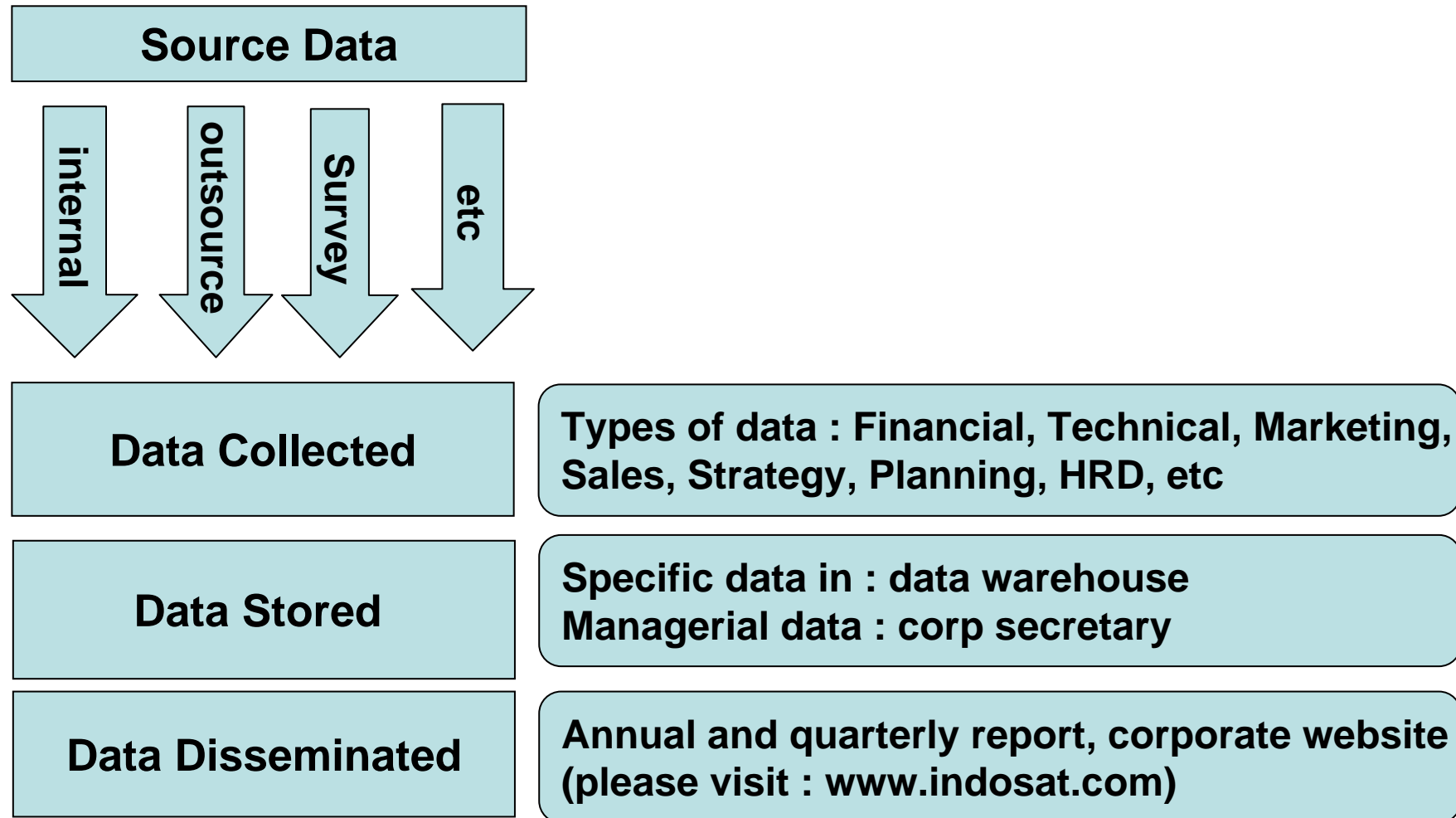
- **Capital Market Supervisory Agency (Bapepam) VIII.G.2 (Annual Report)**
- **Exchange Act 13 (a) dan 15 (d) (20 F Report)**

Insider Trading

Compliance with Regulations:

- Article 96, UU Pasar Modal no.85 tahun 1995
- Peraturan Bapepam XI.C.1
- Rule 10b-5 Exchange Act

Indosat's Data : How to maintain and publish



Indosat's Existing Report (sample)

OUR PERFORMANCE HIGHLIGHTS
IKHTISAR KINERJA

FINANCIAL HIGHLIGHTS IKHTISAR KEUANGAN

Statement of Income	2006	2005	2004	2003	2002	Laporan Laba Rugi
Operating Revenues	12,239.4	11,589.8	10,430.1	8,229.6	6,767.0	Pendapatan Usaha
Operating Expenses	8,840.7	7,937.9	7,232.0	5,881.7	4,889.6	Beban Usaha
Operating Income	3,398.7	3,651.9	3,198.1	2,347.9	1,877.4	Laba Usaha
Other Income (Expenses) - Net	(1,375.8)	(1,299.2)	(876.8)	(795.0)	(599.4)	Penghasilan (Beban) Lain - Bersih
Equity in Net Income (Loss) of Associated Companies	(0.2)	0.1	61.5	33.8	72.3	Bagian Laba (Rugi) Bersih Perusahaan Asosiasi
Income Before Income Tax	2,022.7	2,352.8	2,382.8	1,586.7	1,350.2	Laba Sebelum Pajak Penghasilan
Income Tax Benefit (Expenses) - Net	(576.1)	(697.9)	(724.6)	17.8	(776.5)	Manfaat (Beban) Pajak Penghasilan - Bersih
Income Before Extraordinary Item, Minority Interest in Net Income of Subsidiaries and Preacquisition Income	1,446.6	1,654.9	1,658.2	1,604.5	573.8	Laba Sebelum Pos Luar Biasa, Hak Minoritas atas Laba Bersih Anak Perusahaan dan Laba Pra Akuisisi
Extraordinary Item*	-	-	-	4,499.9	-	Pos Luar Biasa*
Minority Interest in Net Income of Subsidiaries	(36.5)	(31.4)	(25.0)	(22.5)	(27.2)	Hak Minoritas atas Laba Bersih Anak Perusahaan
Preacquisition Income	-	-	-	-	(205.9)	Laba Pra Akuisisi
Net Income	1,410.1	1,623.5	1,633.2	6,082.0	340.7	Laba Bersih
Share Outstanding (In millions of shares)**	5,433.9	5,356.2	5,285.3	5,177.5	5,177.5	Modal Ditempatkan** (dalam jutaan lembar saham)
Basic Earning per Share (In Rp)**	260.9	309.0	313.9	1,174.7	65.8	Laba per Saham Dasar (dalam Rupiah)**
Dividend per Share (In Rp)**	-	149.3	154.2	145.6	29.2	Dividen per Saham (dalam Rupiah)**
EBITDA***	7,051.9	6,732.1	6,016.7	4,385.9	3,661.7	EBITDA***

Indosat's Existing Report (sample)

OUR PERFORMANCE HIGHLIGHTS IKHTISAR KINERJA

OPERATIONAL HIGHLIGHTS IKHTISAR OPERASIONAL

Cellular	Unit	2006	2005	% Change	Selular
Prepaid Subscriber	subscriber	15,878,780	13,836,046	14.8%	Pelanggan Prabayar
Postpaid Subscriber	subscriber	825,859	676,407	22.1%	Pelanggan Pascabayar
Total Subscriber	subscriber	16,704,639	14,512,453	15.1%	Total Pelanggan
ARPU Prepaid	Rp	52,713	58,054	-9.2%	ARPU - Prabayar
ARPU Post-paid	Rp	194,761	240,810	-19.1%	ARPU - Pascabayar
ARPU Blended	Rp	60,023	67,113	-10.6%	ARPU - Total
IDD	Unit	2006	2005	% Change	SLI
Incoming Traffic	000 minutes	980,471	808,048	21.3%	Trafik Incoming
Outgoing Traffic	000 minutes	153,824	156,633	-1.8%	Trafik Outgoing
Total Traffic	000 minutes	1,134,295	964,681	17.6%	Total Trafik
Incoming/Outgoing Ratio		6.4	5.2	23.1%	Rasio Incoming/Outgoing

Market Expectation on Corporation

Table 5: Indosat: Financials at a glance

Rp bn (year-end Dec)	2006A		
P&L highlights		Balance sheet highlights	
Revenue	12,239	Net debt	7,785
YoY	6%	Net debt-to-equity	54%
EBITDA	7,052	Net debt-to-EBITDA	1.1x
YoY	5%	RoE	12%
EBITDA margin	57.6%	Equity	14,315
EBIT	3,399	Cash flow highlights	
YoY	-7%	Operating cash flow	5,670
EBIT margin	27.8%	Capex	-6,054
Core net income	1,668	Free cash flow	-384
YoY	-12%	Operating highlights	
Dividend	750	Penetration (stated)	30%
Payout ratio	45%	ISAT subscribers	16,705
Val'n @ target px		ISAT net adds	2,192
P/E ratio	29.1x	Blended ARPU	49
PEG ratio (2-year)	1.1x	YoY	-18%
Dividend yield	1.5%	Capex-to-revenue	70%
EV/EBITDA	8.0x	Gross-fixed-asset turnover	25%
FCF yield	-0.8%		

Thank you

