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Indosat Signs Multi-Transponder Deal with Intelsat to Support Growth of Networks

Satellite-based platform expected to accelerate Indosat's reach into Indonesia cellular market

London, U.K., 18 January 2005 – Intelsat today announced that PT Indosat Tbk. (Indosat) has signed a four-year, multi-transponder contract for leased capacity with Intelsat in order to support the growth of its satellite-based, cellular and other telecommunications backhaul services within Indonesia. Indosat, which will utilize the IS-709 satellite located at 85°E to provide services, will begin using the Intelsat system during the first quarter and expects to have the entire network up and running within 18 months.

“Indosat, the first GSM and IDD operator in Indonesia, is leveraging Intelsat’s capabilities in Asia to allow us to grow our network quickly and flexibly so that we can increase our business while providing reliable and cost-effective service to customers,” said Wahyu Wijayadi, Director of Indosat. “The Intelsat fleet is reliable and we have confidence that this will enable us to continue to grow effectively, without worrying about infrastructure limitations.”

Intelsat currently supports over 50 GSM networks in Africa, Latin America, Asia and the Atlantic and Pacific Ocean regions by providing backhaul services to mobile networks through satellite. Intelsat cellular backhaul is a network infrastructure offering for mobile operators which enhances their ability to implement new services and reach underserved areas. Intelsat’s cellular backhaul services connect service providers’ network components, base stations to switching centers, and connect cellular networks to international networks, allowing regional service providers to expand their networks quickly domestically or internationally.

Ramu Potarazu, COO, Intelsat Ltd., stated, “There has been a significant rise in the uptake of mobile telephony in Asia, and a variety of mobile telephone operators choose Intelsat’s satellite-based cellular backhaul services to facilitate their local, regional and international growth. We are committed to working with in-region satellite operators like Indosat to facilitate the growth of mobile and other wireless services in areas where wireline telephony penetration is low.”

About Intelsat

As a global communications leader with 40 years of experience, Intelsat helps service providers, broadcasters, corporations and governments deliver information and entertainment anywhere in the world, instantly, securely and reliably. Intelsat's global reach and expanding solutions portfolio enable customers to enhance their communications networks, venture into new markets and grow their businesses with confidence. For more information, visit www.intelsat.com.

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About Indosat

Indosat is a leading telecommunication and information provider in Indonesia that provides: cellular, fixed telecommunication and multimedia, data communication and internet (MIDI). Until the third quarter of 2004, cellular business contributed 68.5% of company's operating revenues, IDD (16.4%) and MIDI & others (14.2%). Indosat's shares are listed in the Jakarta and Surabaya Stock Exchange (JSX:ISAT) and its American Depository Shares are listed in the New York Stock Exchange (NYSE:IIT). For more information, visit www.indosat.com.

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Safe Harbor Statement (Intelsat)

Some of the statements in this news release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. The forward-looking statements made in this release reflect Intelsat's intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside of Intelsat's control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Detailed information about some of the known risks is included in Intelsat's annual report on Form 20-F for the year ended December 31, 2003 on file with the U.S. Securities and Exchange Commission. Because actual results could differ materially from Intelsat's intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained in this news release with caution. Intelsat does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Safe Harbor Statement (Indosat)

This document contains certain financial information and results of operation, and may also contain certain projections, plans, strategies, and objectives of Indosat, that are not statements of historical fact which would be treated as forward looking statements within the meaning of applicable law. Forward looking statements are subject to risks and uncertainties that may cause actual events and Indosat's future results to be materially different than expected or indicated by such statements. No assurance can be given that the results anticipated by Indosat, or indicated by any such forward looking statements, will be achieved.

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