



News Release

PT Telekomunikasi Indonesia and MEASAT Announce Satellite Cooperation

Kuala Lumpur, 24 August 2006 – PT Telekomunikasi Indonesia Tbk (“TELKOM”) Indonesia’s leading telecommunications provider, and MEASAT Satellite Systems Sdn. Bhd. (“MEASAT”), a regional satellite operator based in Malaysia, announced today the signing of a Memorandum of Understanding laying out plans for cooperation in the future development of their respective satellite businesses.

“Cooperation between TELKOM and MEASAT is part of wide ranging cooperation between Malaysia and Indonesia,” said Mr. Arwin Rasyid, CEO, TELKOM. “By working with MEASAT and leveraging our combined skills, capabilities, and assets we believe we have an opportunity to strengthen our respective satellite businesses to better compete in an industry dominated by European and North American firms.”

Initial cooperation between TELKOM and MEASAT will be focused on the joint marketing of satellite capacity, joint development of an expanded portfolio of value added services (“VAS”), sharing operational experience, and improving the connectivity between each organization’s satellite and fibre optic networks. Both organizations have also committed to explore opportunities for the joint development of new satellites to meet future satellite capacity requirements to better serve the future needs of the Indonesian, Malaysian, and regional communications and broadcasting markets.

“TELKOM operates a strong satellite business,” said Y.A. Bhg Tun Hj. Mohammed Hanif bin Omar, Director of MEASAT. “We look forward to developing opportunities to work with PT Telkom closely moving forward to better serve customer needs in Indonesia, Malaysia, and across the wider Asia-Pacific market.”

About TELKOM

TELKOM is the principal provider of fixed-line services in Indonesia. TELKOM's majority-owned subsidiary Telkomsel is also the largest Indonesian mobile cellular operator, as measured by subscribers and revenues. TELKOM also provides a wide range of other telecommunication services including interconnection, network, data and internet services, and other telecommunications services. TELKOM's shares are listed in the Jakarta and Surabaya Stock Exchange (JSX/SSX: TLKM) and its American Depository Shares are listed in the New York Stock Exchange (NYSE:TLK) and London Stock Exchange (LSE:TKIA).

For more information, please visit TELKOM's website at www.telkom.co.id

About MEASAT

MEASAT is a premium supplier of satellite communication services to Asia's leading broadcasters, DTH operators and telecom providers. Currently operating a two satellite network, MEASAT provides video distribution services across East and South East Asia, Indochina, South Asia and Australia. The launch of MEASAT-3 and MEASAT-1R, will extend the reach of the MEASAT fleet, providing customers with satellites able to reach Pay-TV operators in over 100 countries, representing more than 70% of the world's population.

Leveraging facilities at the MEASAT Teleport and Broadcast Centre, and working with a select group of world-class media partners including Astro, Pacific Century Matrix and STT, MEASAT provides a complete range of broadcast services including video playout, up-linking, and video turnaround to and from the key European and North American markets.

For more information, please visit the MEASAT website at www.measat.com

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