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INFORMATION DISCLOSURE TO THE SHAREHOLDERS
In the framework of compliance with Bapepam and LK Regulation No.IX.E.1 concerning Affiliated Transaction and Conflict of Interest of Certain Transaction

**THE INFORMATION AS CONTAINED IN THIS ANNOUNCEMENT IS
IMPORTANT TO BE NOTICED BY THE SHAREHOLDERS OF PT
XL AXIATA TBK. (the "Company")**

If you find any difficulties in understanding the information as contained in this announcement or are uncertain in making a decision, it is advisable that you consult with the stockbroker, investment manager, legal advisor, public accountant or other professional advisors.



PT XL AXIATA Tbk.

Line of Business:

Engaging in providing telecommunication services and/or telecommunication network and/or multimedia

Principal Office:

grhaXL

Jl. Mega Kuningan Lot.E 4-7 No.1
Jakarta – 12950

Telephone: (62-21) 576 1881

Fax: (62-21) 579 59928

Website: www.xl.co.id

The Board of Directors and the Board of Commissioners of the Company, whether severally or jointly, shall be fully responsible for the accuracy and completeness of the information as disclosed in this Information Disclosure, and after conducting a prudent examination, confirm that to the best of our knowledge and belief there is no important fact that is not disclosed or omitted which may result in the information contained herein being incorrect and/or misleading.

DEFINITION

Bapepam and LK	:	the Capital Market and Financial Institution Supervisory Board as set forth under Finance Minister of the Republic of Indonesia Decree No. KMK 606/KMK.01/2005 dated 30 December 2005 concerning Organization and Operational of The Capital Market and Financial Institution Supervisory Board.
Director	:	Incumbent Member of Directors of the Company at the time the Information Disclosure is made.
Information Disclosure	:	Informations as set forth in the Information Disclosure.
Commissioner	:	Incumbent member of the Board of Commissioners at the time the Information Disclosure is made.
Shareholders	:	The Shareholders of the Company whose names are listed under Company List of Shareholders issued by the Securities Administration Bureau.
Regulation No. IX.E.1	:	Bapepam and LK Regulation No. IX.E.1 attachment of Chairman of Bapepam and LK Resolution No. Kep-412/BL/2009 dated 25 November 2009 concerning Affiliated Transaction and Conflict of Interest of Certain Transaction.
The Company	:	PT XL Axiata Tbk., a limited liability company duly established and existing under and by virtue of the laws of the Republic of Indonesia domiciled in South Jakarta.
Public Independent Appraiser Office or "KJPP RSR"	:	Public Appraiser Agency Service Office of Ruky, Safrudin & Partners, independent appraiser listed in Bapepam and LK which delivered a fairness opinion on the proposed assistance granted by the Company to Indocel (as defined herein) as one of the shareholder of the Company and a subsidiary of Axiata (as defined herein) in connection with the proposed sell of shares of the Company owned by Indocel which will be done through a Private Placement within or outside the territory of the Republic of Indonesia by observing the prevailing laws and regulations.
Affiliated Transaction	:	Transaction carried out by the Company or the controlled company with the affiliate of the Company or the affiliate of the member of Directors, member of the Board of Commissioners, or principal shareholders of the Company as set forth under Regulation No.IX.E.1 Number 1 letter d.

I. INTRODUCTION

The information set forth in this Information Disclosure is made in the framework of the compliance of the Company's obligation to announce the information disclosure of the Affiliated Transaction which was conducted by the Company in relation to the assistance granted by the Company to Indocel Holding Sdn Bhd ("**Indocel**"), as one of the shareholders of the Company (a subsidiary of Axiata Group Berhad (formerly known as TM International Berhad) ("**Axiata**") which owns approximately 86.492 % (eighty six point four nine and two percent) of the Company's issued capital in relation to the sale of shares owned by Indocel in the Company and also the assistance granted by the Company to Axiata related to Private Placement (as further described here below). The Company's plan to assist Indocel as well as Axiata as stated herein will be referred to as the ("**Transaction**").

In relation to the aforementioned matters, and in accordance with the prevailing laws and regulation, in particular provision Number 2 item (a) of Regulation No.IX.E.1, the Board of Directors announces the Information Disclosure for the implementation of the Transaction (as defined herein), to give explanations, to provide considerations as well as to give rationale to the Shareholders of the Company with regards to the Transaction as part of the Company's compliance with the Regulation No.IX.E.1.

II. INFORMATION REGARDING THE TRANSACTION PLAN

A. DESCRIPTION OF THE TRANSACTION

1. Reason and Background

As of the date of this Information Disclosure, the amount of the total shares of the Company registered at the Indonesia Stock Exchange ("**BEI**") are 8,508,000,000 (eight billion five hundred eight million) shares, which from such shares, approximately only 16,793,210 (sixteen million seven hundred ninety three thousand two hundred and ten) shares or equivalent to 0.197% (zero point one nine seven percent) shares owned by the public. The small amount of shares owned by the public has resulted in the trading of shares of the Company in BEI becoming illiquid. Based on the data at the BEI, during the last 12 months (March 2009 – March 2010) the average trading volume of the Company's shares in BEI only amounts to 25,438. With regards to such matter, capital market authority has requested the Company to increase the number of the Company's shares owned by the public.

Based on the above consideration, the Company had a discussion with Axiata which, through Indocel, as the majority shareholder of the Company, to increase the number of shares floating in public. Since the Company currently does not require any additional funds for the development of its business activities, one of the alternatives which was discussed was a plan to sell the Company's shares owned by Indocel which will be done through a private placement within or outside the territory of the Republic of Indonesia by observing the prevailing laws and regulations, including obtaining the approvals required in order for Axiata and/or Indocel to be able to sell a portion of the Company's shares owned by Indocel (hereinafter shall be referred to as the "**Private Placement**").

Furthermore, in relation to the preparation and implementation of the Private Placement, Indocel among others has obtained assistance from the Company to

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ensure the accuracy of the data in the Offering Circular prepared in connection with the implementation of the particular Private Placement. Such matter may be unable to be obtained by Indocel if Indocel or Axiata has not received assistance from the Company.

Whereby, the proposed scheme for the implementation of the Private Placement above is conducted by way of a Private Placement, whereby the Company's shares owned by Indocel will be offered to the investors whose identity may be known after the book building process. For avoidance of doubt, the implementation of the Private Placement carried out in the framework of the Private Placement thereof is not a Shareholders Public Offering as stipulated under Bapepam Regulation No.IX.A.12, Attachment of Chairman of Bapepam Resolution No. KEP-05/PM/2004 concerning Shareholders Public Offering.

With regards to the implementation of the Private Placement, Axiata Board had earlier approved to sell the Company's shares owned through Indocel up to amount not exceeding 20% of the total issued and paid-up share capital of the Company.

With regards to the implementation of the Private Placement and to comply with the provisions of information disclosure required by capital market regulations outside the territory of the Republic of Indonesia, Axiata intends to request assistance from the Company to carry out certain matters as stated under item 2 herebelow.

2. The Assistance Required To Be Provided by the Company to Axiata

To achieve the objective and purpose of the Private Placement, which are to increase the amount of the Company's shares outstanding in public; to expand the investor base of the Company; and to increase liquidity, Indocel and Axiata require Company's assistance to provide the latest data and information which are true and accurate. Expectantly, the Private Placement will result to a positive impact, not only to the Company, but also to the stock exchange and the public shareholders.

The scope of the requested assistance in the framework of the Transaction shall be as follows:

1. to assist Indocel, our parent company namely Axiata, and other appointed parties involve in the Private Placement in their due diligence investigation of the Company, and otherwise cooperate with the said parties and participate in the implementation of Private Placement thereof, in each case in accordance with applicable laws and regulations;
2. to assist the said parties in the preparation of offering circular to implement Private Placement (the "**Offering Circular**");
3. to participate (as necessary) in non-deal roadshows on Axiata and the Company and/or roadshows on the Private Placement;
4. To enter into or acknowledge such agreements as are customary for a transaction of this nature, including without limitation an International Purchase Agreement, and to provide therein or in connection therewith such agreements, representations, warranties, undertakings and indemnities as are customary for a transaction of this nature; and

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5. to do any and all acts necessary, including without limitation obtaining all necessary corporate and regulatory approvals, in order to carry out all matters in relation to the implementation of Private Placement including points 1 to 4 above.

3. The Objectives and Benefits of the Private Placement to the Company

The objectives and benefits of the Private Placement to the Company, among others are as follow:

- a. to increase the amount of shares outstanding in public;
- b. to expand Company's investor base; and
- c. to increase the liquidity of the Company's shares.

4. Information Regarding the Company, Axiata and Indocel

a. The Company

i. Brief History

The Company is a limited liability company which was established under the laws of the Republic of Indonesia, domiciled in South of Jakarta, pursuant to the Deed of Limited Liability Company No. 55, dated October 6, 1989, as amended by the Deed of Amendment No. 79, dated January 17, 1991, both made before Rachmat Santoso, S.H., the Notary in Jakarta. The deed of establishment and amendment thereof have been ratified by the Minister of Justice of the Republic of Indonesia pursuant to Decree No. C2-515.HT.01.01.TH.91, dated February 19, 1991, registered at the Office of the South Jakarta District Court each under the No. 670/Not/1991/PN.JKT.SEL and No. 671/Not/1991/PN.JKT.SEL, both dated August 21, 1991, and has been announced in the Supplement No. 4070, State Gazette of the Republic of Indonesia No. 90, dated November 8, 1991. The Article of Association of the Company has been amended in the framework of adjustment with Law No. 40 Year 2007 on Company Law and Bapepam and LK Regulation No. IX.J.1 Attachment to the Chairman of Bapepam and LK Decree No. 179/BL/2008 dated May 14, 2008 on Articles of Association of Companies Conducting Public Offering and Public Companies pursuant to Deed No. 229, dated July 29, 2008, made before Sutjipto, S.H., Notary in Jakarta, which deed has been approved by the Ministry of Law and Human Rights of the Republic of Indonesia pursuant to Decree No. AHU-83359.AH.01.02 Year 2008, dated November 10, 2008, and has been registered in the company register No. AHU-0106524.AH.01.09 Year 2008 dated November 10, 2008. The latest amendment of the Company's articles of association is as set forth in the Deed No. 17, dated December 3, 2009, made before Aulia Taufani, S.H., substitute of Sutjipto, S.H., the Notary in Jakarta, which deed has been approved by the Minister of Law and Human Rights of the Republic of Indonesia pursuant to the Decree No. AHU-62353.AH.01.02 Year 2009 dated December 22, 2009, and has been registered in the company register No. AHU-0085404.AH.01.09 Year 2009 dated December 22, 2009.

The Company is domiciled at grhaXL, Jl. Mega Kuningan Lot. E 4-7 No. 1, Jakarta – 12950, Indonesia. Telephone : (62-21) 5761881; Facsimile : (62-21) 57959711.

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ii. Objective and Purposes and Business Activities

Pursuant to Article 3 of the Company's Article of Association as set forth under the Deed of Declaration of Resolution of the Meeting of the Amendment to the Articles of Association No. 17, dated December 3, 2009, made before Aulia Taufani, S.H., substitute of Sutjipto, S.H., the Notary in Jakarta, the Purpose and Objective of the Company is to engage in the field of telecommunication service and/or telecommunication network and/or multimedia. To achieve such purposes and objectives, the Company may carry out core business activities which are as follow:

- a) to arrange, engineer, construct, facilitate, develop and operate, lease, maintain, as well as procure telecommunication facility including procurement of resources to support the Company's business in relation to the implementation of telecommunication service and/or network;
- b) to enhance, at the utmost, the implementation of the telecommunication service and/or network business, henceforth achieving the capacity aimed and required by society in relation to the enhancement of the service to the society;
- c) to carry out business and operational activity (including marketing and sale network and/or telecommunication services carried out by the Company), to conduct maintenance, research, development of telecommunication facility, educational and non-formal training in the telecommunication business either domestic or overseas; and
- d) to carries out other telecommunication service and/or network business.

iii. The Capital Structure and Shareholding of the Company

As of the date of this Information Disclosure the capital structure of the Company is as follow:

Authorized Share Capital: Rp2,265,000,000,000 (two trillion two hundred sixty five billion Rupiah), divided into 22,650,000,000 (twenty two billion six hundred fifty million) shares, each having a nominal value of Rp100 (one hundred Rupiah);

Issued Share Capital : Rp850,800,000,000 (eight hundred fifty billion eight hundred million Rupiah), divided into 8,508,000,000 (eight billion five hundred eight million) shares; and

Paid-up Share Capital : Rp850,800,000,000 (eight hundred fifty billion eight hundred million Rupiah) or 100% (one hundred percent) of nominal value of issued shares in the Company.

The shareholder composition and shareholding of the Company pursuant to the register of shareholders of the Company dated February 28, 2010, issued by PT Datindo Entrycom, as Securities Administration Bureau of the Company are as follow:

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No.	Name of Shareholders	Amount of Shares	Nominal Amount of Shares (Rp) @Rp100,00	%
1.	Indocel Holding Sdn. Bhd.	7,358,709,290	735,870,929,000	86.492
2.	Emirates Telecommunications Corporation (ETISALAT) International Indonesia Ltd.	1,132,497,500	113,249,750,000	13.311
3.	Public (less than 5% of ownership)	16,793,210	1,679,321,000	0.197
Total		8,508,000,000	850,800,000,000	100,000

iv. Management and Supervision

As of the date of this Information Disclosure the composition of the incumbent Board of Directors and Board of Commissioners of the Company, are as follows:

Board of Commissioners:

President Commissioner : Tan Sri Dato' Ir. Muhammad Radzi Haji Mansor
 Commissioner : Dato' Sri Jamaludin Ibrahim
 Commissioner : Dato' Yusof Annuar Yaacob
 Commissioner : Ahmad Abdulkarim Mohd. Julfar
 Independent Commissioner : Dr. Ir. Giri Suseno Hadihardjono
 Independent Commissioner : Peter John Chambers
 Independent Commissioner : Elisa Lumbantoruan

Board of Directors

President Director : Hasnul Suhaimi
 Director : Joris De Fretes
 Director : P. Nicanor V. Santiago III
 Director : Joy Wahjudi
 Director : Willem Lucas Timmermans
 Director : Dian Siswarini

b. Axiata

i. Brief History

Axiata was established under the laws of Malaysia and domiciled in Kuala Lumpur, Malaysia.

Axiata's registered office is at Level 5, Axiata Centre, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral 50470, Kuala Lumpur, Malaysia Telephone +603-22638911, Facsimile +603-22638903.

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ii. Objectives and Purposes

Objectives and purposes of Axiata are investment holding and consultancy services on an international scale where it has investments in subsidiaries and associates.

iii. Capital Structure and Shareholding of Axiata

As of February 28, 2010 the shareholding shareholder composition and shareholding of Axiata are as follows:

Name of Shareholders		Amount of Shares	Nominal Amount of Shares	%
Khazanah Nasional Berhad		3,759,158,639	RM 3,759,158,639	44.51
Employees Fund Board	Provident	1,383,171,831	RM 1,383,171,831	16.38
Amanah Nominees Sdn Bhd-Skim Saham Bumiputera	Raya (Tempatan)	603,862,300*	RM 603,862,300	7.15
Sub Total		5,746,192,770	RM 5,746,192,770	68.04
Other Shareholders		2,698,961,685	RM. 2,698,961,685	31.96

iv. Board of Directors

As of the date of this Information Disclosure the composition of the incumbent Board of Directors of Axiata is as follows:

<i>Chairman, Non-Independent Non Executive Director</i>	:	Tan Sri Dato' Azman Hj. Mokhtar
<i>Managing Director/President and Group Chief Executive Officer</i>	:	Dato' Sri Jamaludin Ibrahim
<i>Executive Director and Group Chief Financial Officer</i>	:	Dato' Yusof Annuar Yaacob
<i>Independent Non-Executive Director</i>	:	Tan Sri Ghazzali Sheikh Abdul Khalid
<i>Independent Non-Executive Director</i>	:	David Lau Nai Pek
<i>Independent Non-Executive Director</i>	:	Datuk Azzat Kamaludin
<i>Independent Non-Executive Director</i>	:	Juan Villalonga Navarro
<i>Non-Independent Non Executive Director</i>	:	Dr. Farid Mohamed Sani

c. Indocel

i. Brief History

Indocel was established under the laws of Malaysia and is domiciled in Kuala Lumpur, Malaysia pursuant to the Certificate of Incorporation dated October 25, 1995 and Company Registration No. 364736-V.

Indocel's registered office is at Level 5, Axiata Centre, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral 50470, Kuala Lumpur, Malaysia Telephone +603-22638911, Facsimile +603-22638903.

ii. Objectives and Purposes

Objective and purpose of Indocel is to conduct the business of investment holding.

iii. Capital Structure and Shareholding of Indocel

As of February 28, 2010 the shareholding shareholder composition and shareholding of Indocel are as follows:

Name of Shareholder	Amount of Shares	Nominal Amount of Shares	%
TM International (L) Limited	100.000	RM. 100.000	100,00

iv. Board of Directors

As of the date of this Information Disclosure the composition of the incumbent Board of Directors of Indocel is as follows:

Director : Dato' Sri Jamaludin Ibrahim
Director : Dato' Yusof Annuar Yaacob
Director : Mdm Suryani Hussein

B. RELATIONSHIP AND NATURE AFFILIATED RELATIONSHIP

The implementation of the assistance granted by the Company in relation to the Transaction which is carried out in the framework of the Private Placement, as described in this Information Disclosure, involves either directly or indirectly the affiliated parties, considering that the Company gave the Provided Assistance to Indocel, which is a majority shareholder of the Company, and/or Axiata which is a parent company of Indocel in relation to the Private Placement.

Further, there exist a management and supervisory relationship between the Company and Indocel and Axiata, which will be described below:

Dato' Sri Jamaludin Ibrahim and Dato' Yusof Annuar Yaacob both are Commissioners in the Company as well as the Managing Director/President and Group Chief Executive Officer and Executive Director and Group Chief Financial Officer in Axiata respectively, both of whom are Directors in Indocel.

III. ASSIGNED INDEPENDENT PARTIES IN THE TRANSACTION

The independent parties who are assigned by the Company are as follows:

- a. Makes & Partners Law Firm as the legal consultant which is assigned by Axiata to assist the Company in connection with the Private Placement;
- b. Tanudiredja, Wibisana & Rekan Public Accountant Office (formerly known as KAP Haryanto, Sahari & Rekan prior to 8 March 2010) which conduct audit on the Company consolidated financial statement for date and years that ended on 31 December 2007, 2008 and 2009 which is a public accountant assigned by the Company in connection with the implementation of the Transaction pertaining to Private Placement; and
- c. Public Independent Appraiser Office Ruky, Safrudin dan Rekan as the Independent Appraisal which gives fairness opinion of the Transaction.

IV. INDEPENDENT APPRAISAL OPINION

KJPP RSR, a Public Independent Valuer that has a business license from the Ministry of Finance No. 2.9.0058 dated August 13, 2009 and registered as Capital Market Supporting Professional in Bapepam and LK No. 01/PM/STTD-P/B/2006, to provide fairness opinions as stated in the fairness opinion report on the Plan to assist Indocel Holding Sdn. Bhd. in Selling A Portion of Its Ownership in PT XL Axiata Tbk., No. TC/CF/R-0103/10 dated March 11, 2010.

A. SUMMARY OF FAIRNESS OPINION

1. Parties in the Proposed Transaction

The parties involved in the proposed Transaction are the Company, Indocel and Axiata.

2. Objects of Fairness Opinion

Object of the fairness analysis with regard to the proposed Transaction is the assistance granted by the Company to Indocel / Axiata.

3. Purposes of Fairness Opinion

Purpose of the fairness opinion is with regard to the implementation of proposed Transaction and to comply with the paragraph 2 point a. (2) (g) of Regulation No. IX.E.1. The Company has appointed KJPP RSR as an independent valuer to provide an opinion on the fairness of the proposed Transaction (hereinafter referred to as "*Fairness Opinion*").

4. Assumptions Used in the Fairness Opinion

KJPP RSR assumed that since the date of this opinion until commencement of the proposed Transaction, no significant changes occurred and materially influenced the proposed Transaction.

The opinion herein should not be read in isolation but should be read in conjunction with the rest of the report and the appendices thereto, and the partial use of the analysis and information without considering the entirety of the analysis and information can produce a misleading conclusion or point of view. This opinion has been through a complex process and might not be done without a comprehensive analysis

This opinion is also based on general business and financial condition, monetary, regulation and current market conditions. Fairness opinion was also analyzed by considering the principle of arm's length transaction.

We have no responsibility to update our opinion for events and circumstances occurring subsequent to the date of this report

5. Fairness Approach and Analysis

In analyzing the fairness of the proposed Transaction, KJPP RSR uses the following analysis:

- 1) Analysis of the transaction which includes the identification and analysis of the relationship between parties involved, brief identification of the parties including the nature of business activities, and assessment on the benefits and risks of the proposed Transaction plan;
- 2) Qualitative analysis consist of industry analysis, SWOT analysis and quantitative analysis by analyze the performance of the Company's historical financial statements for the period of 6 (six) years and also a fundamental analysis of the telecommunications sector shares and stock liquidity analysis;
- 3) Analysis of the fairness of the Transaction plan

Aside from the limited number of shares available in the markets, the very small percentage of current public ownership (0.197%), has made the markets discouraged from actively trading the Company's stock so that its movement is limited and its liquidity is very low.

The plan to sell the Company's shares up to 20% (twenty percent) to public investors through a private placement can provide benefits to the Company because as the public shares ownership increases, its liquidity of shares will potentially increase. Besides, this action facilitates the Company to raise the funds when needed and it also gives the potential for improvement in internal control processes and corporate governance of the Company. Moreover, it will provide incentives for the management to continuously improve the quality and performance of the Company to meet the demand of its stakeholders.

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Regarding to this selling plan, in order to draw more attention of the prospective investors, a disclosure and clear information to the investors is required, about the Company's shares, and the Company's performance and prospects. And the party that can clearly explain such detailed information as mentioned above, is the management of the Company itself.

6. Conclusion of Fairness Analysis

Based on the scope of work, the assumptions and data acquired and used and other factors presented in this report including all assistance which are provided by the Company as required under the Request Assistance Letter, in KJPP RSR opinion the proposed Transaction as disclosed above, in terms of economic and financial aspect, is considered to be fair for the Company and its shareholders. And, the proposed Transaction will potentially beneficial to its shareholders.

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V. ADDITIONAL INFORMATION

Shareholders of the Company who requires further information about the Private Placement set out in the Information Disclosure may contact:

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Telephone: (62-21) 576 1881
Facsimile: (62-21) 579 59928
Website: www.xl.co.id

Attention: Corporate Secretary

Jakarta, March 15, 2010
Board of Directors of the Company