

# Standing Strong into the Future

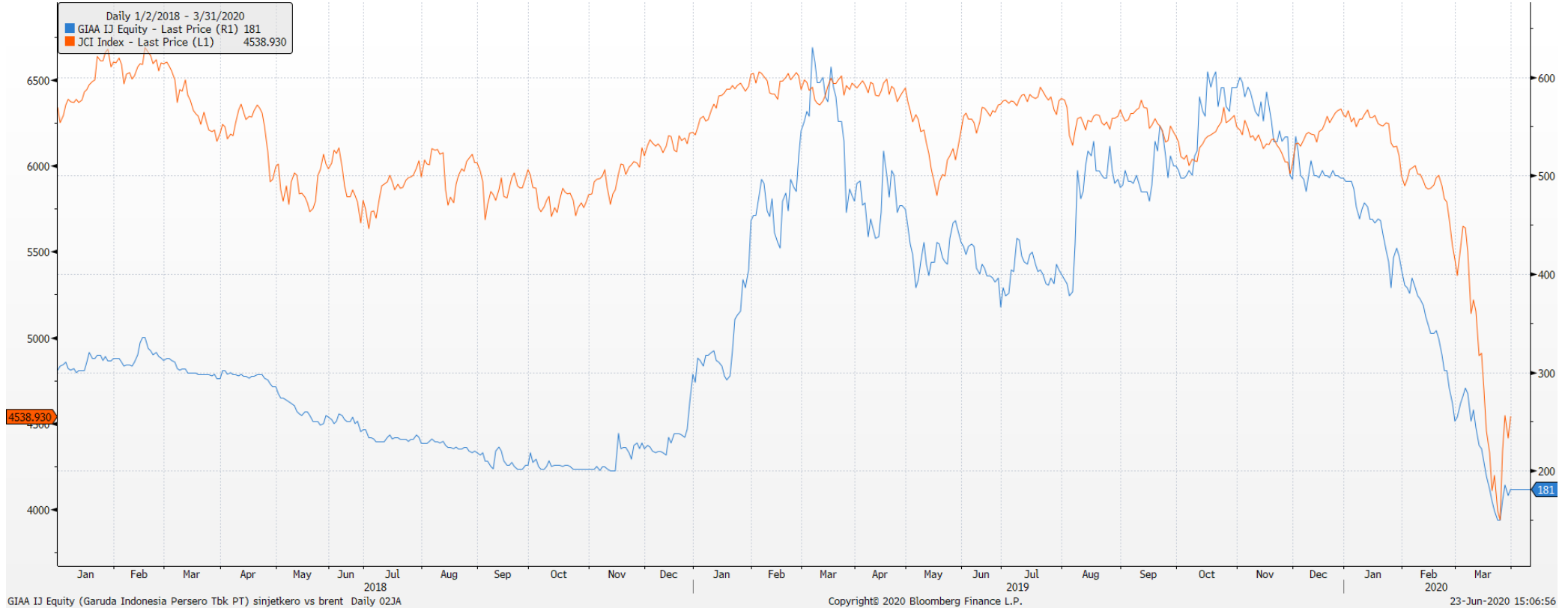
Kokoh Berdiri Menuju Masa Depan

## Corporate Presentation

1Q 2020



# Shares Information



INDICATOR	FY 2018	FY 2019	1Q 2020
Average Value (Billion IDR)	1.86	19.46	7.84
Average Volume (Million)	6.91	40.34	23.40
Last Price (IDR)	298	498	181
Market Capitalization (Trillion IDR)	7.71	12.89	4.69

# Garuda's Strategy to Mitigate COVID-19 Pandemic



## I. RENEGOTIATE LEASE COST

- Negotiating lessor to defer rental fee payment
- Extend aircraft leasing period to reduce monthly lease cost



## II. FINANCIAL RELAXATION

- Deferral due date payment & debt restructuring
- Convert non-cash facilities into cash loans
- Minimize cash out
- Renegotiate payment to vendor
- Bailout from Government



## III. PRODUCTION EFFICIENCY

- Review efficiency program within all the function to reduce pressure on operating cost
- WFH policy, utilize online meeting & Human Resource efficiency
- Postponed non critical expenses



## IV. NETWORK RESTRUCTURING

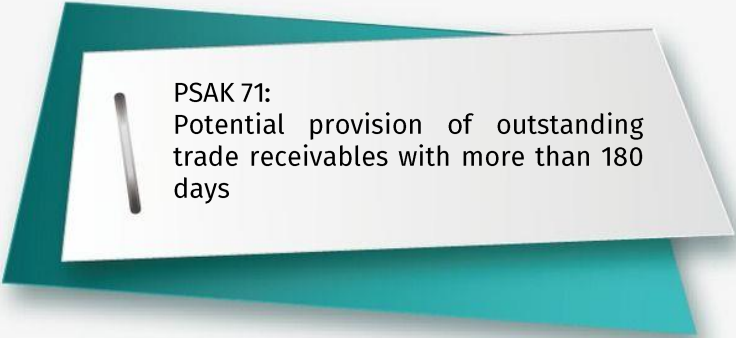
- Close unprofitable routes
- Reducing the number of routes & flight schedules
- Repatriation and evacuation flight
- Supporting government to transport medical supplies
- Charter & Cargo revenue enhancement

Through these various efforts, Garuda Indonesia shows strong commitment to support Indonesia government in this difficult situation as well as adapting to the new condition to mitigate Covid-19 impact, such as preparing a better cost structure, implementing a more efficient way of work, targeting a more low-impacted business, and reviewing the whole business in Garuda to prepare for a new era after COVID-19.

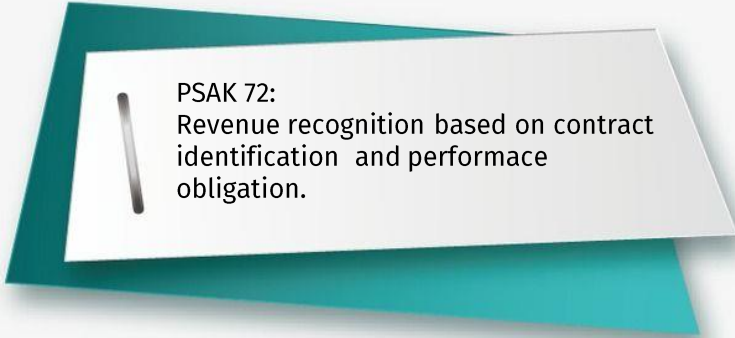
# Significant New Standards

## Effective 1 January 2020:

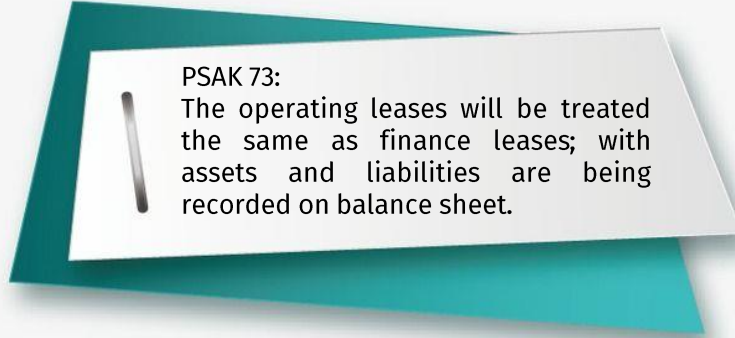
- PSAK 71 “Financial Instruments”
- PSAK 72 “Revenue from Contracts with Customers”
- PSAK 73 “Leases”



PSAK 71:  
Potential provision of outstanding trade receivables with more than 180 days



PSAK 72:  
Revenue recognition based on contract identification and performance obligation.



PSAK 73:  
The operating leases will be treated the same as finance leases; with assets and liabilities are being recorded on balance sheet.

# An Extremely Challenging Business Environment for Airlines Globally

(currency in million USD, except stated otherwise)

INDICATOR	3M 2019	3M 2020	Chg (%)	PoC (%)
<b>REVENUES</b>				
Scheduled Airline	924.9	654.5	▼ (29.2)	85.2
Non-Scheduled Airline	2.9	5.3	▲ 85.4	0.7
Others	171.8	108.3	▼ (37.0)	14.1
<b>Total Operating Revenue</b>	<b>1,099.6</b>	<b>768.1</b>	<b>▼ (30.1)</b>	<b>100.0</b>
<b>EXPENSES</b>				
Fuel	286.1	234.1	▼ (18.2)	24.8
Rental*	267.7	11.4	▼ (95.7)	1.2
Depreciation*	55.3	265.6	▲ 380.3	28.1
Maintenance And Repairs	118.6	128.5	▲ 8.4	13.6
Others	322.1	306.1	▼ (5.0)	32.4
<b>Total Expenses</b>	<b>1,049.8</b>	<b>945.7</b>	<b>▼ (9.9)</b>	<b>100.0</b>
Foreign Exchange	(7.4)	177.0	▲ 2,494.0	
Others Income	7.1	1.2	▼ (83.8)	
<b>PROFIT/(LOSS)</b>				
<b>EBIT</b>	<b>49.5</b>	<b>0.6</b>	<b>▼ (98.8)</b>	
<b>EBT</b>	<b>29.9</b>	<b>(143.8)</b>	<b>▼ (580.8)</b>	
Tax	(10.2)	20.3	▲ 299.7	
<b>Net Income</b>	<b>19.7</b>	<b>(123.5)</b>	<b>▼ (725.7)</b>	
<b>Comprehensive Income/(Loss)</b>	<b>61.6</b>	<b>(147.2)</b>	<b>▼ (338.8)</b>	
EBITDAR	372.5	277.6	▼ (25.5)	
EBITDA	104.8	266.2	▲ 154.1	

PoC: Percentage of Contributions

\*PSAK 73 – leases: The aircraft & engine rental costs are no longer recorded as expenses, but capitalized so that they become depreciation and Interest costs.

# Significant Impact During the Outbreak of COVID-19

(currency in million USD, except stated otherwise)

INDICATOR	1Q 2019	1Q 2020	Chg (%)
<b>OPERATIONAL</b>			
Utilization (Hour)	7:51	6:05	▼ -1:46
On-Time Performance (%)	92.0	93.7	▲ 1.7 pp
ASK (Billion)	15.2	12.4	▼ (17.9)
Seat Load Factor (%)	72.3	62.6	▼ (9.8 pp)
Passenger Carried (Million)	7.7	6.1	▼ (21.6)
Cargo Uplifted (K Ton)	90.6	69.4	▼ (23.4)
<b>FINANCIAL</b>			
Revenue Passenger (USD Million)	835.0	573.5	▼ (31.3)
Passenger Yield (US¢)	7.6	7.4	▼ (3.3)
Average Fares (US\$)	108.1	94.7	▼ (12.4)
CASK (US¢)	6.1	6.6	▲ 7.9
CASK – excl. Fuel (US¢)	4.2	4.7	▲ 11.8
Average Fuel Price (US\$/L)	58.1	57.7	▼ (0.8)
Cargo Yield (US¢)	42.6	43.6	▲ 2.5

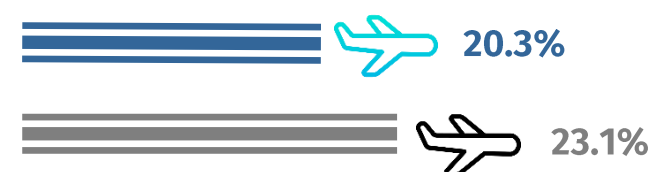
## Market Share Domestic



Garuda Indonesia Group

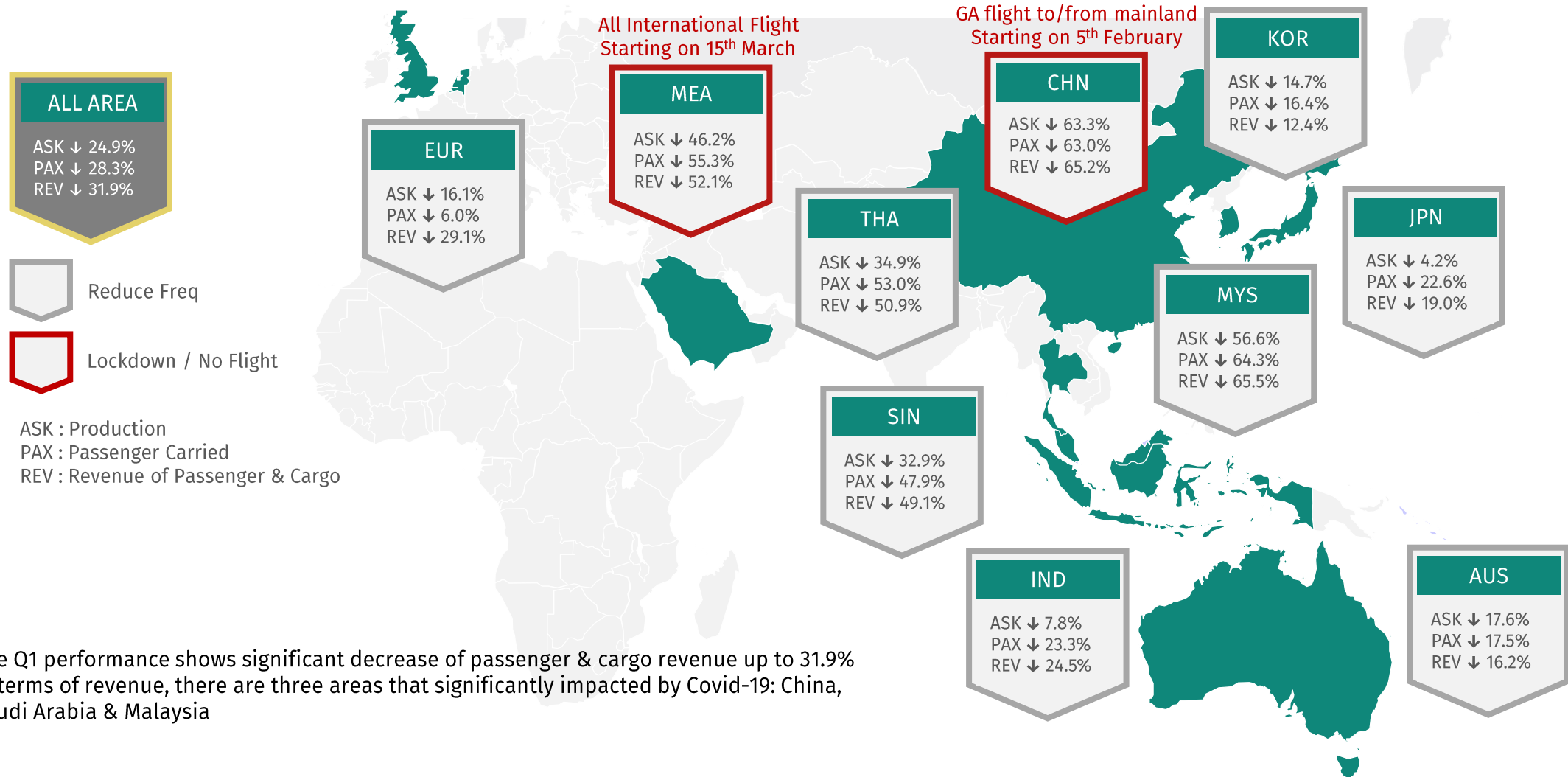
Source: Company Data YTD March 2020

## Market Share International



Garuda Indonesia

# The Impact of Covid-19 Pandemic on Garuda Indonesia



The Q1 performance shows significant decrease of passenger & cargo revenue up to 31.9%  
 In terms of revenue, there are three areas that significantly impacted by Covid-19: China, Saudi Arabia & Malaysia

# Lockdowns and Travel Bans Have Resulted Protracted Volatility in Domestic and International

Note: All numbers and figures represent only for Garuda Indonesia (Main Brand)

INDICATOR	1Q 2019	1Q 2020	Chg (%)
<b>DOMESTIC</b>			
Passenger Carried (Million)	3.5	2.7	▼ (23.3)
ASK (Billion)	4.2	3.9	▼ (7.8)
Seat Load Factor (%)	73.3	61.9	▼ (11.4 pp)
Revenue Passenger (USD Million)	333.1	247.6	▼ (25.7)
Passenger Yield (US¢)	10.8	10.3	▼ (4.6)
Average Fares (US\$)	95.8	92.9	▼ (3.1)
Cargo Uplifted (K Ton)	46.6	35.6	▼ (23.7)
CASK (US¢)	8.1	8.7	▲ 7.5
CASK – excl. Fuel (US¢)	5.9	6.5	▲ 10.7
Cargo Yield (US¢)	86.1	92.4	▲ 7.3
<b>INTERNATIONAL</b>			
Passenger Carried (Million)	1.2	0.7	▼ (43.3)
ASK (Billion)	7.7	5.1	▼ (34.3)
Seat Load Factor (%)	69.7	62.2	▼ (7.5 pp)
Revenue Passenger (USD Million)	315.2	188.5	▼ (40.2)
Passenger Yield (US¢)	5.9	6.0	▲ 1.9
Average Fares (US\$)	270.3	285.3	▲ 5.5
Cargo Uplifted (K Ton)	25.7	18.8	▼ (26.7)
CASK (US¢)	5.3	6.0	▲ 12.1
CASK – excl. Fuel (US¢)	3.6	4.2	▲ 17.7
Cargo Yield (US¢)	16.2	12.6	▼ (22.1)



## All Segments are in Decline During the Outbreak

<b>INDICATOR</b>	<b>1Q 2019</b>	<b>1Q 2020</b>	<b>Chg (%)</b>
<b>GARUDA INDONESIA</b>			
Passenger Carried (Million)	4.6	3.3	▼ (28.3)
ASK (Billion)	11.9	8.9	▼ (24.9)
Seat Load Factor (%)	71.0	62.1	▼ (8.9 pp)
Revenue Passenger (in Million)	648.3	436.1	▼ (32.7)
Passenger Yield (US¢)	7.7	7.9	▲ 2.4
Average Fares (US\$)	139.7	131.1	▼ (6.1)
Cargo Uplifted (K Ton)	72.3	54.4	▼ (24.7)
CASK (US¢)	6.3	7.2	▲ 13.5
CASK – excl. Fuel (US¢)	4.4	5.2	▲ 18.6
Cargo Yield (US¢)	36.8	36.5	▼ (0.7)
<b>CITILINK</b>			
Passenger Carried (Million)	3.1	2.7	▼ (11.4)
ASK (Billion)	3.3	3.5	▲ 7.5
Seat Load Factor (%)	77.4	63.9	▼ (13.5 pp)
Revenue Passenger (in Million)	186.7	137.4	▼ (26.4)
Passenger Yield (US¢)	7.4	6.1	▼ (17.1)
Average Fares (US\$)	60.6	50.4	▼ (16.9)
Cargo Uplifted (K Ton)	18.3	14.9	▼ (18.3)
CASK (US¢)	5.3	5.1	▼ (4.4)
CASK – excl. Fuel (US¢)	3.6	3.5	▼ (2.7)
Cargo Yield (US¢)	106.1	111.9	▲ 5.5

# The Group's Fleet Structure

AIRCRAFT TYPE	FINANCE LEASED/ OWNED	OPERATING LEASED	1Q 2020
<b>Operated by Garuda Indonesia:</b>			
<b>Narrow Body</b>			
Boeing 737-800NG		73	73
Boeing 737 Max 8		1	1
Bombardier CRJ1000 Nextgen	6	12	18
ATR72-600		13	13
<b>Total Narrow Body</b>	<b>6</b>	<b>99</b>	<b>105</b>
<b>Wide Body</b>			
Boeing 777-300ER		10	10
Airbus 330-200		7	7
Airbus 330-300	6	11	17
Airbus A330-900 Neo		3	3
<b>Total Wide Body</b>	<b>6</b>	<b>31</b>	<b>37</b>
<b>Total Fleets Operated by Garuda Indonesia</b>	<b>12</b>	<b>130</b>	<b>142</b>
<b>Operated by Citilink:</b>			
<b>Narrow Body</b>			
Boeing 737-300	5		5
Boeing 737-500	3		3
Airbus 320-200		41	41
Airbus 320-200 Neo		10	10
ATR72-600		7	7
<b>Total Narrow Body</b>	<b>8</b>	<b>58</b>	<b>66</b>
<b>Wide Body</b>			
Airbus A330-900 Neo		2	2
<b>Total Wide Body</b>	<b>0</b>	<b>2</b>	<b>2</b>
<b>Total Fleets Operated by Citilink</b>	<b>8</b>	<b>60</b>	<b>68</b>
<b>Total Fleets Operated by Garuda Indonesia Group</b>	<b>20</b>	<b>190</b>	<b>210</b>

**7.8 Years\***  
Garuda Indonesia

**7.4 Years\***  
Citilink

\*Average Age

## With the Worsening Condition, Equity Decreased by 30.5%

(currency in million USD, except stated otherwise)

INDICATOR	4Q 2019	1Q 2020	Chg (%)
<b>ASSET</b>			
Current Assets	1,133.9	772.8	▼ (31.8)
Non-Current Assets*	3,321.8	8,372.6	▲ 152.1
<b>Total Assets</b>	<b>4,455.7</b>	<b>9,145.4</b>	<b>▲ 105.3</b>
<b>LIABILITY</b>			
Current Liability	3,257.8	3,678.1	▲ 12.9
Non-Current Liability*	477.2	4,966.5	▲ 940.7
<b>Total Liabilities</b>	<b>3,735.1</b>	<b>8,644.6</b>	<b>▲ 131.4</b>
<b>EQUITY</b>			
<b>Equity</b>	<b>720.6</b>	<b>500.8</b>	<b>▼ (30.5)</b>
<b>Total Liability &amp; Equity</b>	<b>4,455.7</b>	<b>9,145.4</b>	<b>▲ 105.3</b>

New standard issued that is relevant to the Group's operations:

\* PSAK 73 – leases: The aircraft & engine rental costs are no longer recorded as expenses, but capitalized so that they become depreciation and interest costs.

## The Pandemic Adversely Impacted the Group's Cash Flows

(currency in million USD, except stated otherwise)

<b>INDICATOR</b>	<b>1Q 2019</b>	<b>1Q 2020</b>	<b>Chg (%)</b>
<b>CASH FLOW</b>			
Operating Activities	211.8	269.9	▲ 27.5
Investing Activities	(1.7)	(40.2)	▲ (2,230.8)
Financing Activities	(125.1)	(355.2)	▼ (183.9)
Increase/(decrease)	84.9	(125.5)	▼ (247.8)
<b>Beginning Cash</b>	<b>251.2</b>	<b>299.3</b>	<b>▲ 19.2</b>
Foreign Exchange	1.0	(10.5)	▼ (1,147.3)
<b>End Cash</b>	<b>337.1</b>	<b>163.3</b>	<b>▼ (51.6)</b>
Bank Overdraft	2.0	1.6	▼ (18.0)
<b>Cash and cash equivalent</b>	<b>339.1</b>	<b>165.0</b>	<b>▼ (51.4)</b>

# Negotiation on Debt Covenants In COVID-19 Pandemic

(currency in million USD, except stated otherwise)

INDICATOR	4Q 2019	1Q 2020	Chg (%)
<b>FINANCIAL DEBT</b>			
Short Term Debt	984.9	672.1	▼ (31.8)
Factoring Liabilities	54.6	49.6	▼ (9.1)
CPLTD	141.8	133.5	▼ (5.8)
Bonds/Sukuk	499.0	499.7	▲ 0.1
Asset-Backed Securitisation Loan	25.9	22.0	▼ (15.1)
<b>Total Short Term Debt</b>	<b>1,706.1</b>	<b>1,376.9</b>	<b>▼ (19.3)</b>
Long Term Debt	1.6	1.6	▲ 1.7
Asset-Backed Securitisation Loan	77.7	66.0	▼ (15.1)
<b>Total Long Term Debt</b>	<b>79.3</b>	<b>67.6</b>	<b>▼ (14.7)</b>
<b>Total Leasing</b>	<b>52.6</b>	<b>4,600.8</b>	<b>▲ 8,651.9</b>
<b>Total Financial Debt</b>	<b>1,838.0</b>	<b>6,045.3</b>	<b>▲ 228.9</b>
<b>COVENANT</b>			
Min Cash (5.0%)	6.7	3.9	**
DER (time)	2.6	12.1	
DER (3.0 time)*	2.6	2.9	**
Min Equity (USD500 million)	720.6	500.8	**
Net Gearing (time)	2.1	11.7	
Net Gearing (time)*	2.1	2.9	
Cash	297.4	163.3	

\*Exclude PSAK 73

**22.8%** Short Term Debt

**1.1%** Long Term Debt

**76.1%** Leasing  
(PSAK 73)

\*\* Waive and defer certain covenant as well as waive the dissolution events or potential dissolution events in relation to covenant breach by amending Term and Condition in Declaration of Trust and other Sukuk Certificates transaction documents.

# Sukuk Consent Solicitation – Extended by 3 Years, Coupon Remains The Same

The COVID-19 pandemic has created an extremely challenging business environment for airline globally, with the WHO declaring the outbreak a pandemic in March 2020. Lockdowns and travel restrictions imposed by various countries including Indonesia, as a measure to curb the spread of COVID-19. Compliance with these measures and the corresponding decreases in passenger and demand for air travel have resulted in a significant reduction in number of flights, which in turn has adversely impacted the Company’s operations, revenues, cash flow and profitability.

<b>CONSENT SOLICITATION</b>	
Sukuk Description:	5.95% Trust Certificates Due 2020
Outstanding :	USD 500 Million
Proposal :	<ul style="list-style-type: none"><li>• 3-year maturity extension</li><li>• Covenant holiday until operations return to a level similar to a pre-COVID situation</li></ul>
Requisite Consent :	75.00%
Vote Result :	98.84%

# The Subsidiaries Performance





INDICATOR	1Q 2019	1Q 2020	Chg (%)
<b>Citilink</b> (USD million)			
Operating Revenue	206.6	167.9	▼ (18.7)
Operating Income	23.1	31.0	▲ 34.0
Net Income	15.1	1.9	▼ (87.4)
EBITDA	82.2	81.6	▼ (0.7)
INDICATOR	4Q 2019	1Q 2020	Chg (%)
Asset	588.6	1,905.1	▲ 223.6
Liability	568.9	1,883.4	▲ 231.1
Equity	19.7	21.6	▲ 9.6
Revenue Contribution to Group (%)			19.6

INDICATOR	1Q 2019	1Q 2020	Chg (%)
<b>GMF AeroAsia</b> (USD million)			
Operating Revenue	120.2	107.4	▼ (10.6)
Operating Income	8.3	(19.5)	▼ (334.9)
Net Income	3.0	(21.1)	▼ (800.5)
EBITDA	12.9	(13.3)	▼ (203.3)
INDICATOR	4Q 2019	1Q 2020	Chg (%)
Asset	756.4	690.7	▼ (8.7)
Liability	491.1	446.5	▼ (9.1)
Equity	265.3	244.2	▼ (7.9)
Revenue Contribution to Group (%)			12.5

INDICATOR	1Q 2019	1Q 2020	Chg (%)
<b>Aero Wisata</b> (IDR billion)			
Operating Revenue	823.1	751.0	▼ (8.8)
Operating Income	(10.0)	(32.9)	▼ (228.0)
Net Income	11.1	(45.6)	▼ (512.4)
EBITDA	16.0	8.7	▼ (45.9)
INDICATOR	4Q 2019	1Q 2020	Chg (%)
Asset	4,106.6	4,290.6	▲ 4.5
Liability	1,424.8	1,675.0	▲ 17.6
Equity	2,681.8	2,615.7	▼ (2.5)
Revenue Contribution to Group (%)			6.2





INDICATOR	1Q 2019	1Q 2020	Chg (%)
<b>Asyst</b> (IDR million)			
Operating Revenue	23,567.1	25,892.1	▲ 9.9
Operating Income	(10,724.9)	(11,364.0)	▼ (6.0)
Net Income	(2,932.4)	613.5	▲ 120.9
EBITDA	(9,153.8)	(6,674.3)	▲ 27.1
INDICATOR	4Q 2019	1Q 2020	Chg (%)
Asset	280,444.0	357,350.7	▲ 27.4
Liability	255,111.5	331,404.7	▲ 29.9
Equity	25,332.5	25,946.0	▲ 2.4
Revenue Contribution to Group (%)			0.2

INDICATOR	1Q 2019	1Q 2020	Chg (%)
<b>Sabre</b> (USD million)			
Operating Revenue	1.3	0.6	▼ (50.6)
Operating Income	0.3	(0.4)	▼ (224.2)
Net Income	0.2	(0.1)	▼ (129.7)
EBITDA	0.3	(0.2)	▼ (159.0)
INDICATOR	4Q 2019	1Q 2020	Chg (%)
Asset	12.4	13.2	▲ 6.0
Liability	1.6	2.4	▲ 52.5
Equity	10.9	10.8	▼ (0.7)
Revenue Contribution to Group (%)			0.1

INDICATOR	1Q 2019	1Q 2020	Chg (%)
<b>GIH</b> (USD million)			
Operating Revenue	185.9	0.8	▼ (99.5)
Operating Income	0.4	(0.3)	▼ (180.9)
Net Income	0.3	0.5	▲ 92.3
EBITDA	0.4	(0.3)	▼ (176.7)
INDICATOR	4Q 2019	1Q 2020	Chg (%)
Asset	1,047.4	4,755.2	▲ 354.0
Liability	1,039.8	4,747.1	▲ 356.5
Equity	7.6	8.1	▲ 6.4
Revenue Contribution to Group (%)			0.1

# Thank You

## **Investor Relations**

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