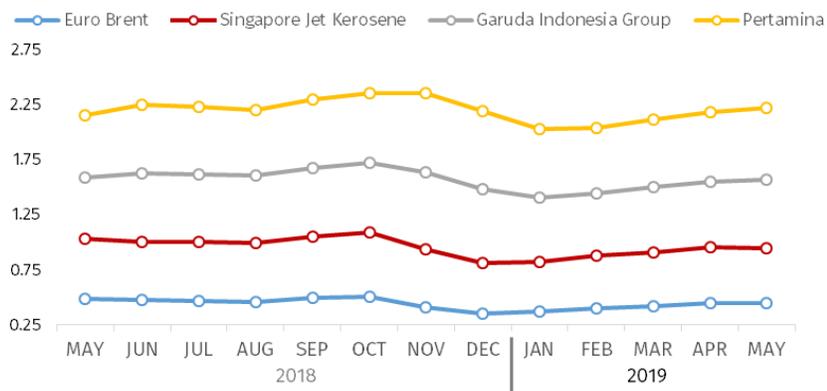


Hedging Disclosure

May 2019



PRICE COMPARISON



HIGHEST (Nov 2018) USD0.72
 LOWEST (May 2018) USD0.57

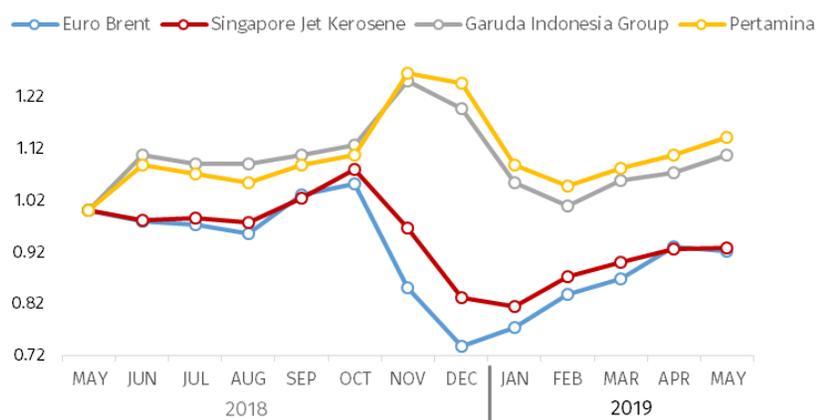
HIGHEST (Nov 2018) USD0.70
 LOWEST (May 2018) USD0.56

HIGHEST (Oct 2018) USD0.59
 LOWEST (Jan 2019) USD0.44

HIGHEST (Oct 2018) USD0.51
 LOWEST (Dec 2018) USD0.36

INDEX	UNITS	2018										2019				
		MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY		
Euro Brent	US\$/L	0.48	0.47	0.47	0.46	0.50	0.51	0.41	0.36	0.37	0.40	0.42	0.45	0.44		
Singapore Jet Kerosene	US\$/L	0.55	0.53	0.54	0.53	0.56	0.59	0.53	0.45	0.44	0.47	0.49	0.50	0.51		
Garuda Indonesia Group	US\$/L	0.56	0.62	0.61	0.61	0.62	0.63	0.70	0.67	0.59	0.56	0.59	0.60	0.62		
Pertamina	US\$/L	0.57	0.62	0.61	0.60	0.62	0.63	0.72	0.71	0.62	0.60	0.62	0.63	0.65		

Source: Company Data & Bloomberg, May 2019



1 YEAR % CHANGE +14.04%

1 YEAR % CHANGE +10.71%

1 YEAR % CHANGE -7.33%

1 YEAR % CHANGE -7.96%

PERIODE	PERTAMINA		VS. BRENT		VS. SIN JET KEROSENE		
	US\$/L	US\$/L	Δ (US\$)	Δ (%)	US\$/L	Δ (US\$)	Δ (%)
May 2019	0.65	0.44	20.64	46.52	0.51	14.49	28.69
Average YTD May 2019	0.62	0.41	20.85	50.38	0.48	14.33	29.92
Average 2018	0.61	0.45	16.41	36.72	0.52	8.97	17.22

Source: Company Data & Bloomberg, May 2019

Notes:
 "Pertamina" is the average value of domestic in to plane fuel prices paid to Pertamina, meanwhile "Garuda Indonesia Group" is the average value of domestic and international in to plane fuel prices paid to suppliers.



INDEX	UNITS	May-19	Δ 1-MONTHS		Δ 3-MONTHS		Δ 6-MONTHS		Δ 12-MONTHS	
		Average	Average	% Chg.	Average	% Chg.	Average	% Chg.	Average	% Chg.
Singapore Jet Kerosene	US\$/BBL.	80.16	78.02	2.75	70.62	13.51	93.37	(14.14)	81.84	(2.05)
Euro Brent	US\$/BBL.	70.53	71.20	(0.94)	64.13	9.98	65.17	8.22	76.63	(7.96)

Source: Bloomberg, May 2019

FUEL HEDGING

Price moved around US\$70/bbl throughout May 2019 as OPEC and its partners once again cut production in their effort to steady the oil market and a heightened US-Iran tension following Trump's threatening tweets. However, Brent price slumped on the last three days of May 2019 and closed at US\$64.49/bbl as the US-China trade war put downward pressure on oil and the additional Trump's trade fight with Mexico only added to that sentiment.

Utilizing the market timing, and to allow flexibility and access to a more transparent market, Garuda Indonesia entered into Prepaid Swap Crack. Garuda locked the crack at a strike price of US\$ 15.85/bbl for six months period (Jul-Dec 2019) with the volume of 400,000 bbl each month. As Hence, to be fully hedged and due to Brent market backwardation, Garuda decided to enter Brent hedging for the total of 450,000 bbl spread throughout October 2019 to March 2020, and an additional 100,000 bbl Jet Kerosene hedge for April and May 2020 each. Therefore, the total hedged volume in 2019 per May was 3,160,000 bbl.

As trade tensions weigh on investors' outlook on the global economy and oil demand, the more extended period is predicted to be in more backwardation rather than contango. Going forward, Garuda will closely monitor the market movement to give the right timing in adding more hedged volumes, particularly Brent hedge to match the Prepaid Swap Crack.

FX HEDGING

USD exchange rate against Asia's emerging currencies strengthen amid concerns over further escalation in trade conflict between the US and China. While internally, Indonesia central bank's decision to stay at current interest rate level added to that sentiment, triggered more funds leaving the country. The political violence added to investor anxiety and raises challenges for IDR. Wider-than-expected trade deficit and seasonal dividend outflows amid trade tensions continued to weigh on IDR. The Indonesia's local currency was peaked at 14,513 in May.

While during the last week of May, S&P's upgrade of Indonesia's sovereign credit rating to BBB (investment grade) gave relief for Indonesian assets as the country's rating moves further away from junk status, supporting IDR's exchange rate against USD.

Hence Garuda Indonesia took advantage of weakening IDR during the first three weeks of the month by executing *forward* contracts in total of US\$75 million with Bank Panin and BNI, locking low USD/IDR rates. Further, Garuda entered into *cross currency swaps* amounting IDR864.58 bio in total to switch IDR rate of 8.00%-8.25% to US\$ interest rate of 3.00%-3.38%.