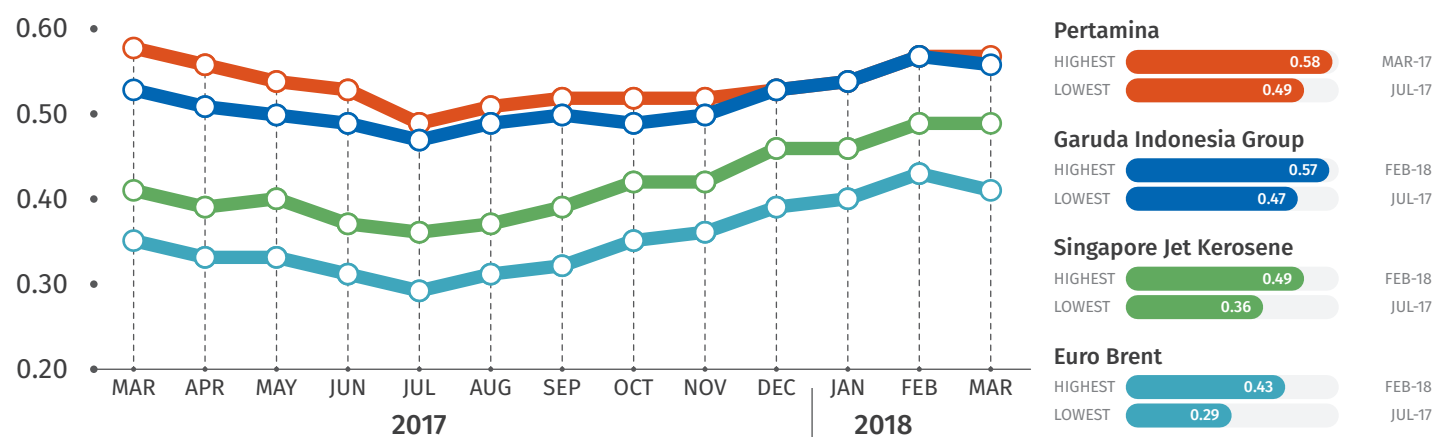


Hedging Disclosure

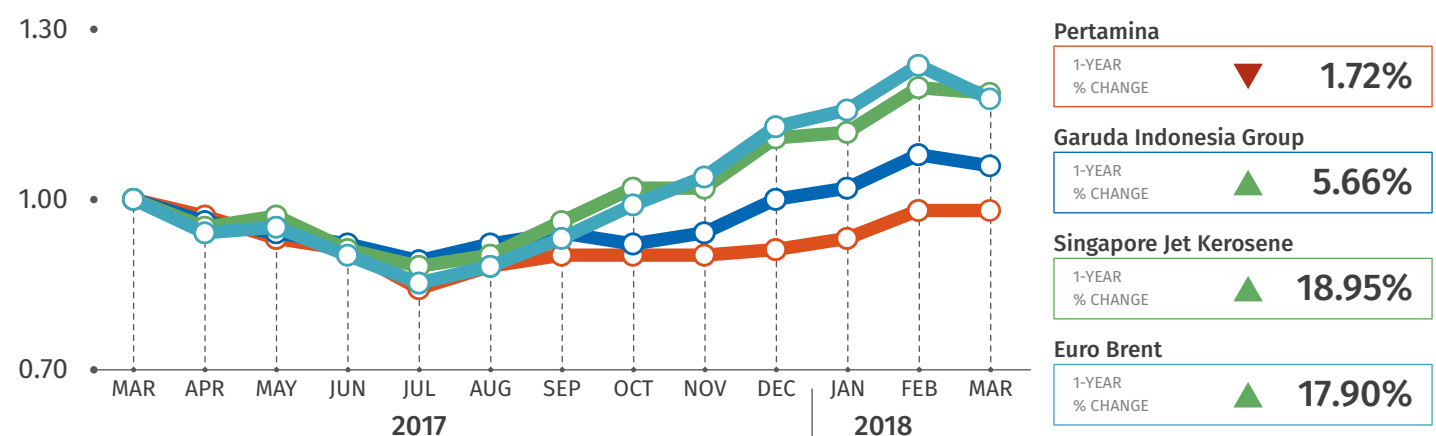
March 2018

PRICE COMPARISON

Source: Bloomberg, March 2018



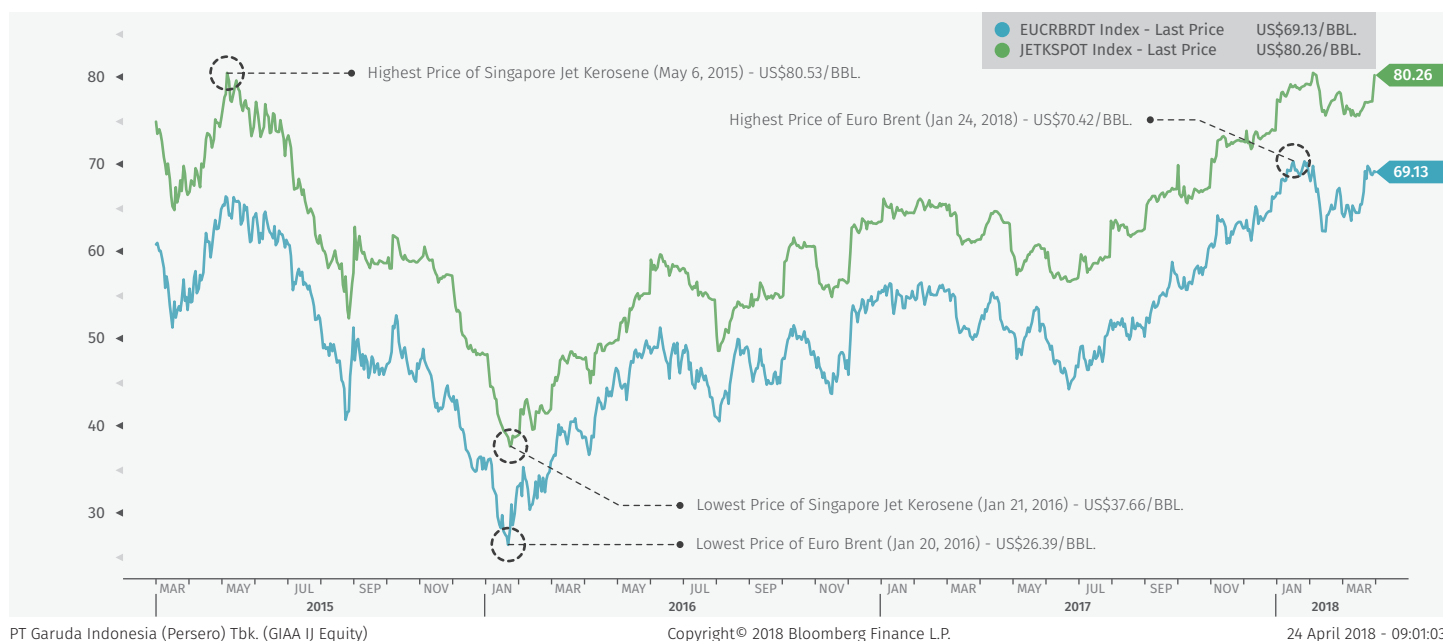
INDEX	UNITS	2017												2018		
		MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR		
Euro Brent	US\$/L	0.35	0.33	0.33	0.31	0.29	0.31	0.32	0.35	0.36	0.39	0.40	0.43	0.41		
Singapore Jet Kerosene	US\$/L	0.41	0.39	0.40	0.37	0.36	0.37	0.39	0.42	0.42	0.46	0.46	0.49	0.49		
Garuda Indonesia Group	US\$/L	0.53	0.51	0.50	0.49	0.47	0.49	0.50	0.49	0.50	0.53	0.54	0.57	0.56		
Pertamina	US\$/L	0.58	0.56	0.54	0.53	0.49	0.51	0.52	0.52	0.52	0.53	0.54	0.57	0.57		



PERIODE	PERTAMINA		VS. EURO BRENT		VS. SINGAPORE JET KEROSENE		
	US\$/L	US\$/L	Δ (US¢)	Δ (%)	US\$/L	Δ (US¢)	Δ (%)
March 2018	0.57	0.41	15.85	38.52	0.49	8.08	16.51
Average YTD March 2018	0.56	0.42	13.95	33.16	0.49	7.17	14.69
Average 2017	0.54	0.34	19.50	57.06	0.41	13.10	32.30

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. And due to Pertamina's one-month late price adjustments, Euro Brent and Sin Jet Kerosene prices used are adjusted one-month behind.



INDEX	UNITS	MAR-18	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.	77.78	78.69	(1.16)	72.40	7.43	62.70	24.05	65.39	18.95
Euro Brent	US\$/BBL.	65.42	68.99	(5.17)	62.58	4.54	51.37	27.35	55.49	17.90

FUEL HEDGING

In March 2018, global crude stock decreased compared to the past five years. Based on EIA report, at the last week of March 2018, crude stock fall even stronger than expected with limited crude production, considering the agreement to cut the production between OPEC and non-OPEC members still takes place. US Oil exports strongly up and imports down lead to dropped of net imports. Aggravated with a limited growth of production and a very high seasonal level especially from Asian countries, commercial crude stocks in the US posted significant losses.

Such market conditions support a crude price on the bullish range along March 2018. Garuda carefully monitors the market and given the uncertainty and bullish sentiment in the market will prudently assess further decisions to enter the market. Therefore at the end of March 2018, Garuda Indonesia still hedged for 4.3 million bbl. This amount is consist of 4.1 million bbl. which equivalent 26.28% of the estimated total fuel consumption along 2018. Thus the average hedge price per March 2018 is 45.19 US\$/liter or 71.85 USD/bbl. The other 200,000 bbl. will be due in first quarter of 2019 with average hedge price 46.01 US\$/liter or 73.16 USD/bbl.

Going forward, geopolitical risk is still considered as the key factor to hold the price on the bullish range and the next good timing to enter the market may be given by price correction on market price.

FX HEDGING

In March 2018, the FED hike rate was responded insignificantly by market participants towards the appreciation of USD. This has an impact on USD rate which stayed on the sideways range towards global currencies, especially Asian. However, USD strengthening exists at the fourth week of March due to positive performance on US manufacturing and consumer confidence data.

By taking into account market condition and how stable the USD/IDR in March 2018, Garuda Indonesia use value today as the instrument to enter the market to meet the needs of USD. In addition as the fulfillment of Peraturan Bank Indonesia No. 16/21, Garuda Indonesia entered into the market with a call option as an instrument. Garuda believes the amount of transaction entered to meet the regulation shall comply in term of the hedging ratio and the liquidity ratio.