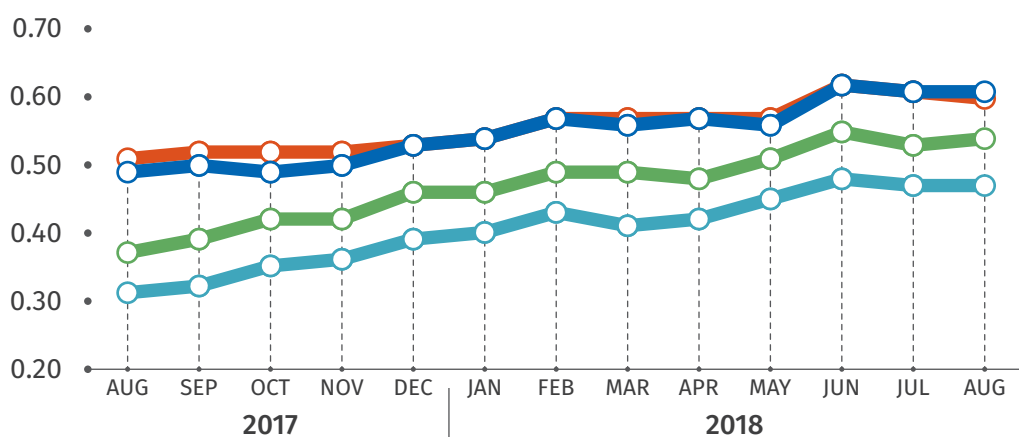


Hedging Disclosure

August 2018

PRICE COMPARISON

Source: Bloomberg, August 2018



Pertamina

HIGHEST 0.62 JUN-18
LOWEST 0.51 AUG-17

Garuda Indonesia Group

HIGHEST 0.62 JUN-18
LOWEST 0.49 AUG-17

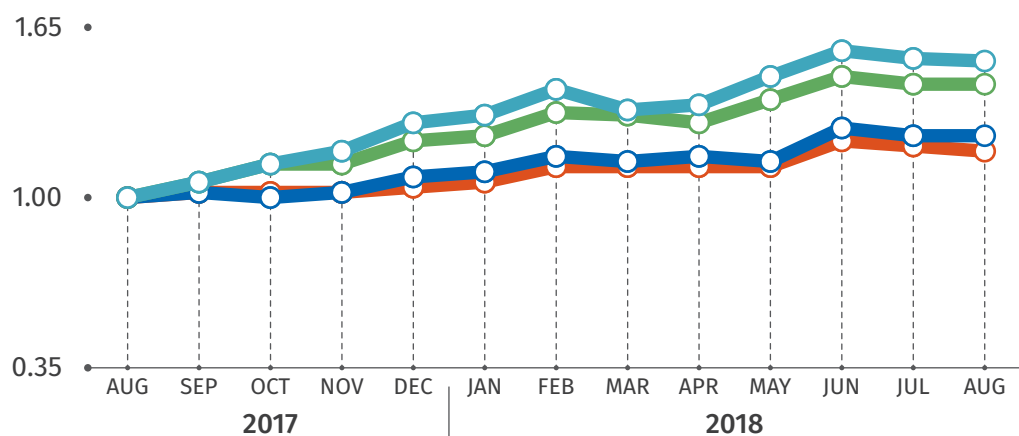
Singapore Jet Kerosene

HIGHEST 0.55 JUN-18
LOWEST 0.37 AUG-17

Euro Brent

HIGHEST 0.48 JUN-18
LOWEST 0.31 AUG-17

INDEX	UNITS	2017												2018		
		AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG		
Euro Brent	US\$/L	0.31	0.32	0.35	0.36	0.39	0.40	0.43	0.41	0.42	0.45	0.48	0.47	0.47		
Singapore Jet Kerosene	US\$/L	0.37	0.39	0.42	0.42	0.46	0.46	0.49	0.49	0.48	0.51	0.55	0.53	0.54		
Garuda Indonesia Group	US\$/L	0.49	0.50	0.49	0.50	0.53	0.54	0.57	0.56	0.57	0.56	0.62	0.61	0.61		
Pertamina	US\$/L	0.51	0.52	0.52	0.52	0.53	0.54	0.57	0.57	0.57	0.57	0.62	0.61	0.60		



Pertamina

1-YEAR % CHANGE ▲ 17.65%

Garuda Indonesia Group

1-YEAR % CHANGE ▲ 24.49%

Singapore Jet Kerosene

1-YEAR % CHANGE ▲ 44.38%

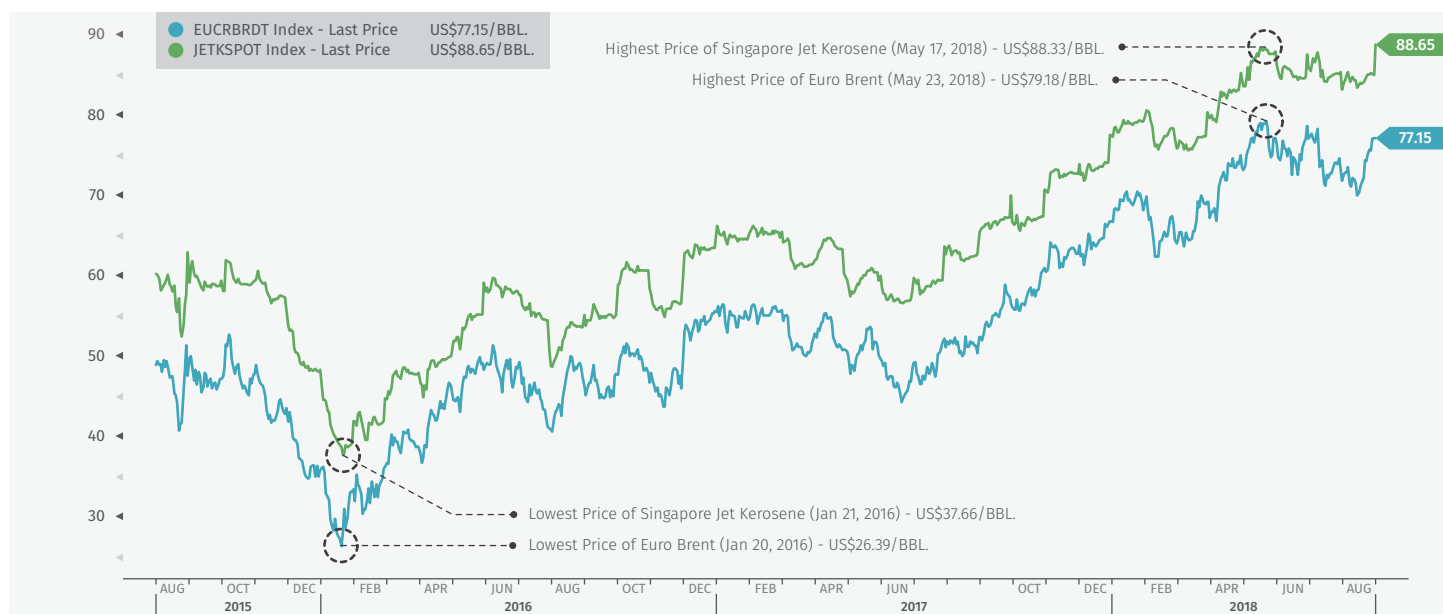
Euro Brent

1-YEAR % CHANGE ▲ 52.89%

PERIODE	PERTAMINA		VS. EURO BRENT		VS. SINGAPORE JET KEROSENE		
	US\$/L	US\$/L	Δ (US¢)	Δ (%)	US\$/L	Δ (US¢)	Δ (%)
August 2018	0.60	0.47	13.18	28.15	0.54	6.30	11.74
Average YTD August 2018	0.58	0.45	13.20	29.37	0.52	6.53	12.65
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	AUG-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.	85.37	85.00	0.44	81.84	4.31	78.69	8.49	59.13	44.38
Euro Brent	US\$/BBL.	74.44	75.02	(0.77)	71.63	3.92	68.99	7.90	48.69	52.89

FUEL HEDGING

Oil prices were strongly influenced by movement in FX markets during August 2018. Although sentiment remains bullish and took prices to almost 80 USD/bbl affected by IEA latest report shows total demand will increase on 2018 up to 99.2 Mb per day, oil prices in USD fell heavily as Turkish Lira imploded specifically in mid-August and US crude inventories increased by 6.8 million bbl.

Given such condition, Garuda Indonesia decided to execute hedging transaction on the day when the price correction occurred. The transaction was in a total of 600,000 bbl to cover fuel consumption on March until August 2019. Therefore, as per August 2018, the hedged volumes of Garuda Indonesia was 5.89 million bbl. This amount consists of 4.49 million bbl. which equivalent to 28.78% ratio from the estimated total fuel consumption in 2018 with the average hedging price is at 46.07 US\$/liter or 73.24 USD/bbl. The other 1.4 million bbl. will be due in 2019 with an average hedging price is at 53.00 US\$/liter or 84.27 USD/bbl.

In the future, the intraday price is predicted to be at high volatility range which affects distillate price especially premium for a shorter period. So that a prudent consideration will be the main focus of Garuda Indonesia to execute next transactions.

FX HEDGING

US economy remained to accelerate along August 2018 proved by the increase in US GDP growth by 1% QoQ. As political tension with Turkey eased, USD kept stronger against global currencies. This affected the domestic market as USD/IDR traded on the bullish range. With Bank Indonesia continued to intervene in FX and bond markets with few strategies to shore up FX reserves, Garuda Indonesia decided to grab the correction timing and utilize value today to fulfill the needs of USD.