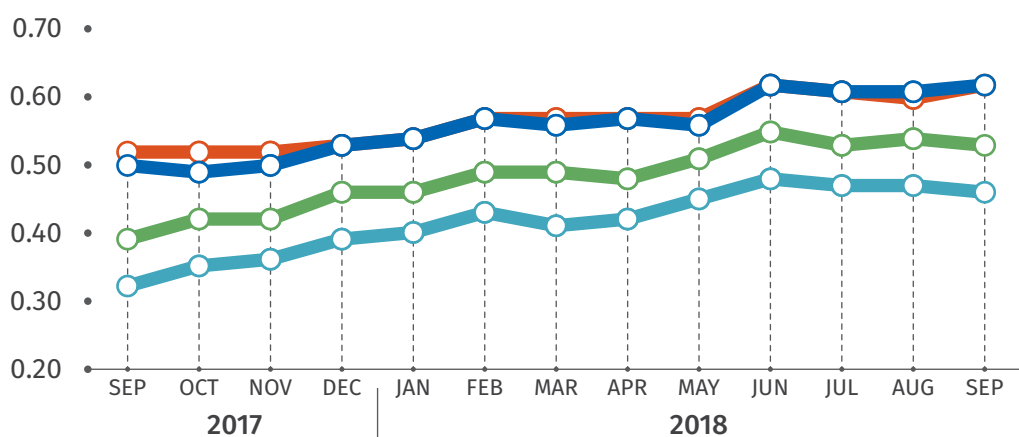


Hedging Disclosure

September 2018

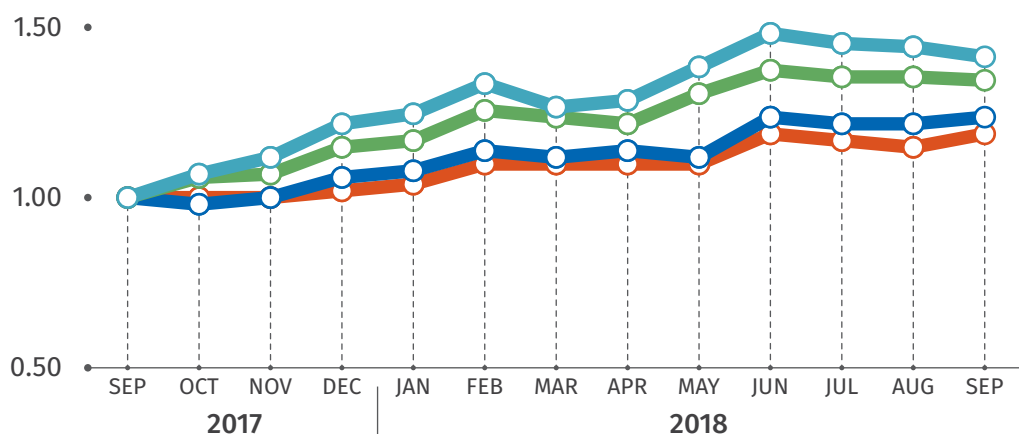
PRICE COMPARISON

Source: Bloomberg, September 2018



Category	HIGHEST	Lowest	Period
Pertamina	0.62	0.52	SEP-18 / SEP-17
Garuda Indonesia Group	0.62	0.49	SEP-18 / OCT-17
Singapore Jet Kerosene	0.55	0.39	JUN-18 / SEP-17
Euro Brent	0.48	0.32	JUN-18 / SEP-17

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

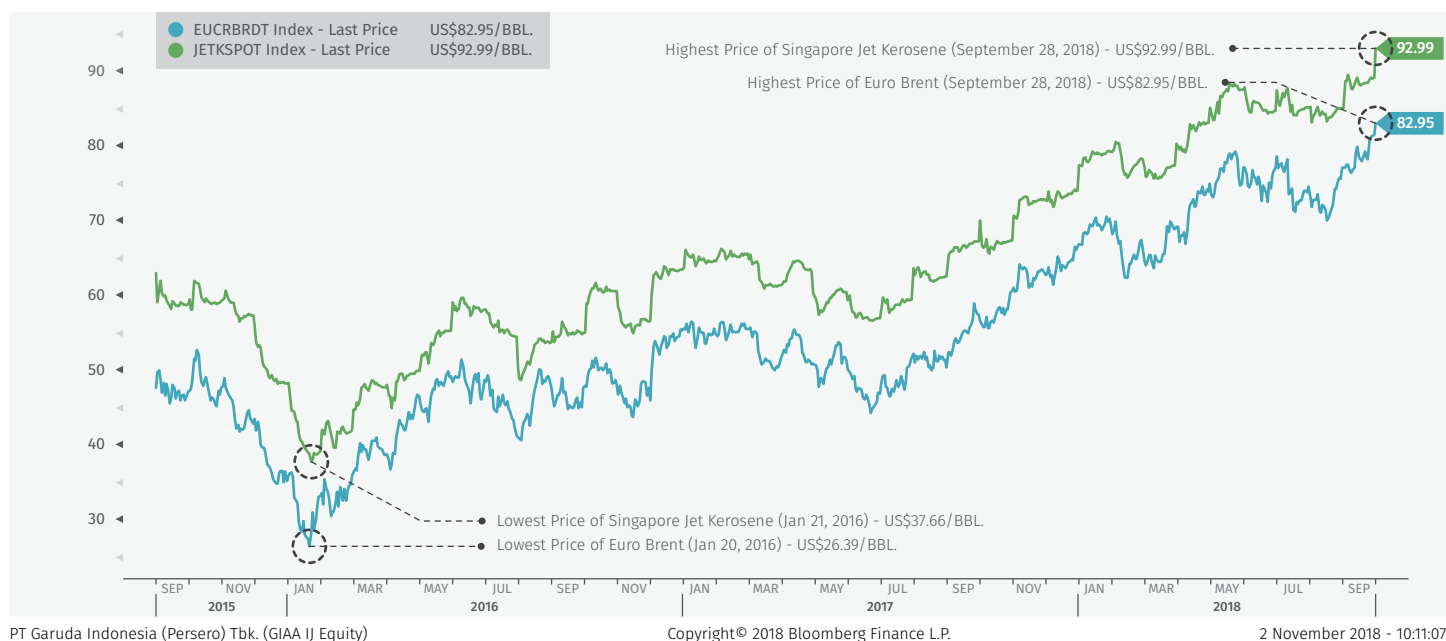


Category	1-YEAR % CHANGE
Pertamina	▲ 19.23%
Garuda Indonesia Group	▲ 24.00%
Singapore Jet Kerosene	▲ 34.83%
Euro Brent	▲ 42.36%

PERIODE	PERTAMINA	VS. EURO BRENT		VS. SINGAPORE JET KEROSENE			
	US\$/L	US\$/L	Δ (US¢)	Δ (%)	US\$/L	Δ (US¢)	Δ (%)
September 2018	0.62	0.46	16.00	34.79	0.53	8.83	16.60
Average YTD September 2018	0.59	0.45	13.11	28.84	0.52	6.49	12.46
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	SEP-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.	84.54	85.37	(0.97)	86.65	(2.44)	77.78	8.69	62.70	34.83
Euro Brent	US\$/BBL.	73.13	74.44	(1.76)	76.63	(4.57)	65.42	11.79	51.37	42.36

FUEL HEDGING

In September 2018 oil prices were up 6.23 USD/bbl on average caused by global crude inventories continued to draw despite higher than expected supply. US sanctions on Iran and uncertainties about spare capacities of major producers also indicated to be the main driver. And OPEC & Non-OPEC short term spare capacity down to historical lows. On distillates side, demand remained very solid despite early signs of economic slowdown.

Therefore, Garuda Indonesia decided to not enter the market to have additional hedged volumes along September 2018. As the result, hedged volumes of Garuda Indonesia remained 5.89 million bbl. This amount consists of 4.49 million bbl. Which equivalents to 28.78% ratio from estimated total fuel consumption in 2018 with average hedge price 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, global oil supply at the beginning of Q4 2018 is expected to be higher supported by estimated OPEC crude supply increased by 42Kb/d to 32.63Mb/d followed by Non-OPEC supply which up +2.01Mb/d year on year led by the US. The estimation is expected to be an initial indication for Garuda Indonesia to add more volume by executing hedging transaction on the right time with some precaution as well of any upcoming bearish event in the further period.

FX HEDGING

The FED increased its FED fund rate by 2-2.5% in September 2018. US economic growth was strong, unemployment extremely low and wages rate has accelerated significantly. USD index closed higher up to 0.75% at the end of September 2018. These positive events from the US have been affected by the depreciation of other currencies, including the IDR.

Along with the IDR remains depreciated towards USD in September 2018. Therefore Garuda Indonesia engaged in a forward transaction to fulfill needs of USD while to avoid further depreciation of IDR. The transaction was for the total amount of US\$20 million won by ANZ. In addition, Garuda engaged in call spread transactions to mitigate the exposure of Garuda's foreign exchange liability in compliance with Bank Indonesia's regulation at the last week of the month won by CIMB, BRI, and Mandiri.