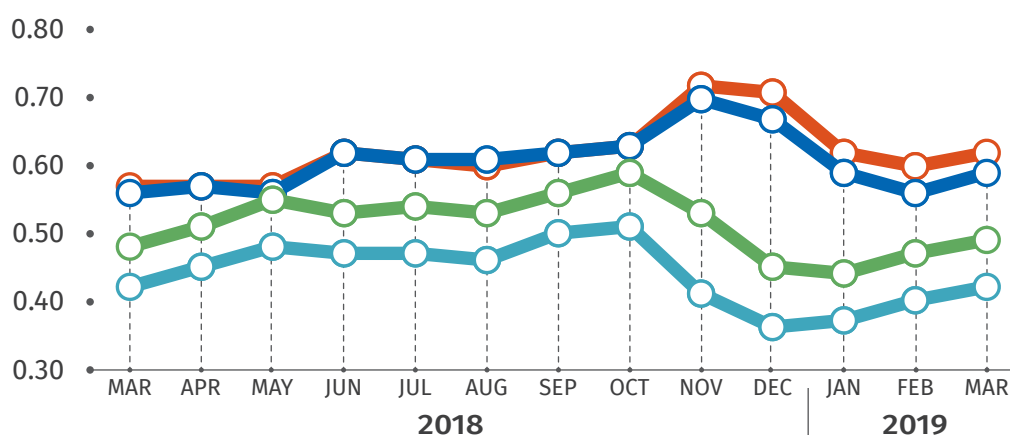


Hedging Disclosure

Maret 2019

PRICE COMPARISON

Source: Bloomberg, Maret 2019



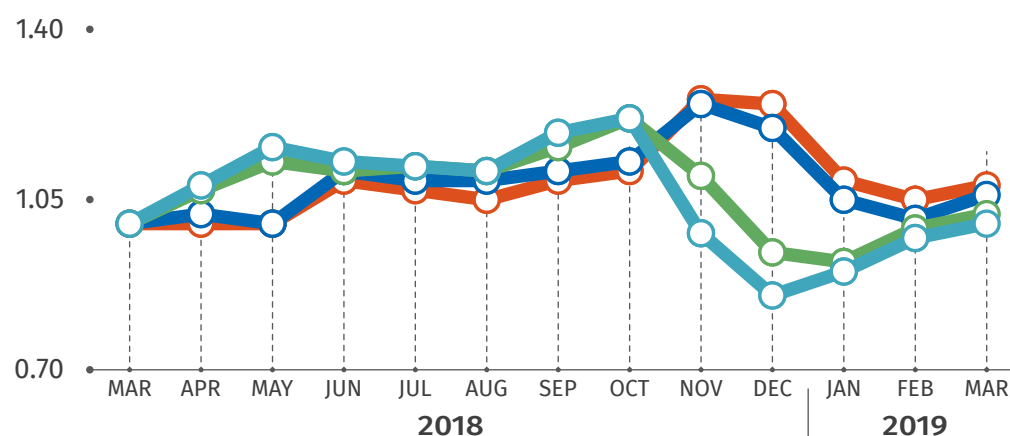
Pertamina	
HIGHEST NOV/2018	0.72
LOWEST MAY/2018	0.57

Garuda Indonesia Group	
HIGHEST NOV/2018	0.70
LOWEST MAY/2018	0.56

Singapore Jet Kerosene	
HIGHEST OCT/2018	0.59
LOWEST JAN/2019	0.44

Euro Brent	
HIGHEST OCT/2018	0.51
LOWEST DEC/2018	0.36

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



Pertamina	
1-YEAR % CHANGE	▲ 8.05%

Garuda Indonesia Group	
1-YEAR % CHANGE	▲ 5.66%

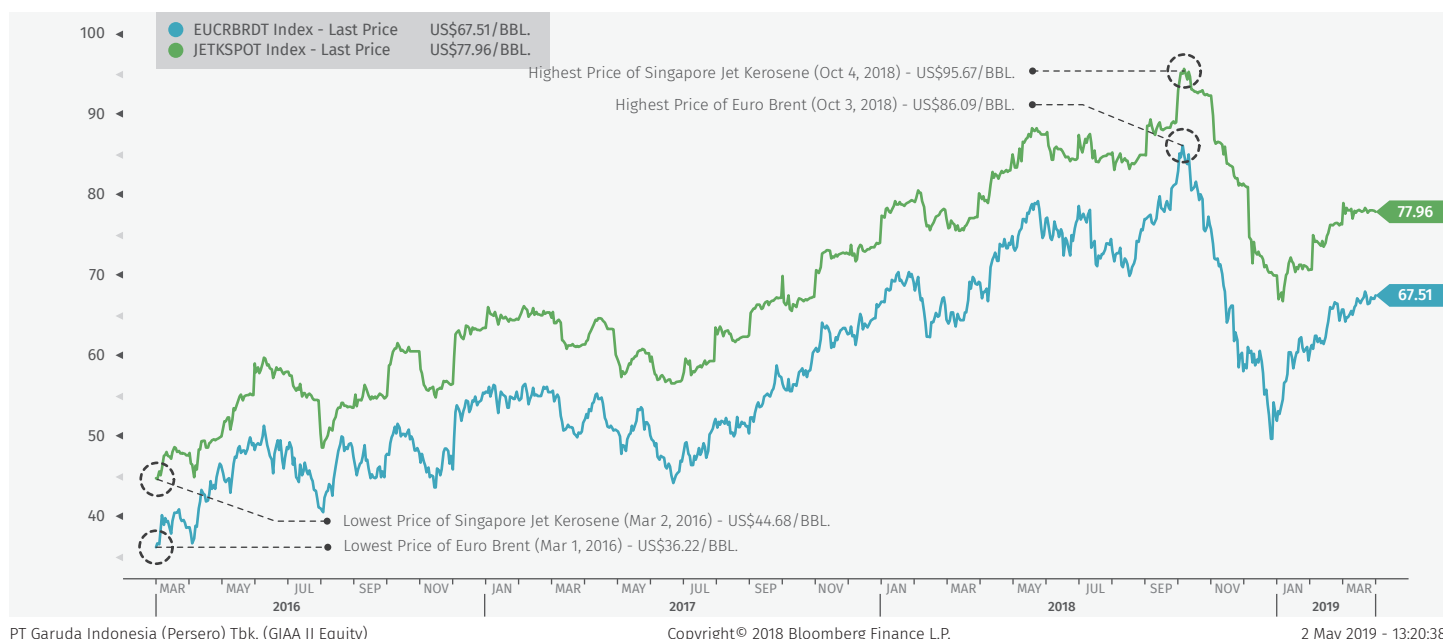
Singapore Jet Kerosene	
1-YEAR % CHANGE	▲ 2.11%

Euro Brent	
1-YEAR % CHANGE	▲ 0.36%

PERIODE	PERTAMINA	VS. EURO BRENT		VS. SINGAPORE JET KEROSENE			
	US\$/L	US\$/L	Δ (US¢)	Δ (%)	US\$/L	Δ (US¢)	Δ (%)
March 2019	0.62	0.42	19.82	47.45	0.49	12.52	25.51
Average YTD March 2019	0.61	0.40	21.27	53.46	0.47	14.09	29.98
Average 2018	0.61	0.45	16.41	36.72	0.52	8.97	17.22

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	JAN-19		Δ 1-MONTHS		Δ 3-MONTHS		Δ 6-MONTHS		Δ 12-MONTHS	
		Average	% Chg.	Average	% Chg.	Average	% Chg.	Average	% Chg.	Average	% Chg.
Singapore Jet Kerosene	US\$/BBL.	75.46	70.62	6.85	83.75	(9.90)	84.54	(10.74)	77.78	(2.98)	
Euro Brent	US\$/BBL.	66.41	64.13	3.56	56.46	17.62	78.86	(15.79)	66.17	0.36	

FUEL HEDGING

In March 2019, barrel prices increased by approximately \$3.5/bbl. In particular Brent North Sea quality opened the listings at \$64.99/b and closed at \$68.36/b, while West Texas Intermediate crude started the quotations at \$56.2/b and closed at \$60.22/b. Both oil closing prices traded near their four-month high. Brent and WTI rose steadily until March 20th 2019 – respectively quoting \$68.3/b and \$60/b – due to U.S. oil stocks decreasing from 449,07 million barrels on March 8th 2019 to 439,48 million barrels on March 15th 2019. They then slightly retreated in response to the dollar appreciation (€/\$ 1.1218 on March 28th), before increasing again in the wake of Alexander Novak’s statements. Particularly, Russia Energy Minister said that his country would have reached its share of cuts by early April (-228K b/d).

Since the beginning of 2019, the European and Asian benchmark and the American blend have respectively rose by 25% and 30%, as a consequence of the OPEC+ cuts, as well as supply disruptions in Venezuela (-142K b/d in February 2019) and Iran, which have countered the growing American tight oil production (12,10 million b/d since February 2019). This situation may potentially be a perfect bullish storm unless next May U.S. President, Donald Trump, prolongs purchase waivers over the Iranian oil, which is currently under U.S. sanctions. In total of 2.86 million bbls have been hedged for 2019 volume. Hence, It gives almost 30% of the fuel consumption in 2019 have been locked with the average price higher than estimated budget consumption. Given this current circumstance, market is full with uncertainty with mix direction of price movement. Going forward, Garuda will continue to monitor market conditions so Garuda will get the best position to hedge.

FX HEDGING

The markets moved on March because of Fed decision and Brexit news. The U.S. data stand out for the upcoming week which also happens to be the last week of March. Indonesia’s economic prospects in 2019 are rather a mixed bag. In the short term, economic growth is expected to be modest given the Rupiah depreciation, capital outflows, the widening of the trade and current account deficits as well as the impact of the looming presidential elections. In the longer term, however, Indonesia’s current economic situation may well be the right time for investors to invest in the country, especially in its financial instruments.

Indonesian stocks and securities are highly undervalued amid the Rupiah depreciation and thus present a very interesting opportunity for investment. Going forward, the country continues to offer strong economic fundamentals which will continue to underpin the growth of the middle-class and fuel the consumer spending growth in the country. The presidential elections will create short-term headwinds amid the uncertainty created by the likelihood of another two-candidate race as we saw in the previous elections as well. As is usually the case with Indonesia, the medium and long-term present the best options for investors who are willing to hold their nerve and ride out short-term uncertainties. The rupiah exchange rate fell to Rp 14,244 per US dollar at the end of March 2019, more than 1 percent lower than its position at the end of February 2019. The majority of currencies in Asia also weakened against the US dollar, meanwhile, the US dollar index stood at 96.88 from 96.77 at market close. At the end of March 2019, Garuda Indonesia decided to enter into the derivative market by executing call spread transaction. The volatility of the FX market at that time was one of the consideration to mitigate any risks coming from the movement of the FX and together with the compliance of PBI 16/21. CIMB have been selected as winners for call spread transaction. Beside that, Garuda took a benefit from such uncertainty condition by execute FX Forward in total 15 mio USD with Mandiri Bank.