











Connecting Diversity

2013 Annual Report



Garuda Indonesia 
The Airline of Indonesia

Garuda Indonesia in 2013

	Operating Revenue	USD 3,716 million
	Passenger Revenue	USD 2,955 million
	Destination	64
	Daily Departure	534
	Passenger	25 million
	Cargo (Mainbrand + Citilink)	345,923 tons
	Fleet	110 (Mainbrand) 30 (Citilink)
	Average Fleet Age	5.0 Years
	Hub Airports	5
	Lounges	43 (Domestic) 20 (International)
	Employee	7,861
	Seat Load Factor	74.1%
	On Time Performance	83.8%
	Fuel Burn / Blockhours	3,857

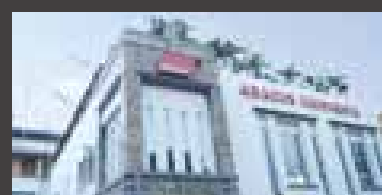
Subsidiaries

PT Aero Wisata (Aerowisata)



Line of Business: Tourism and hospitality industry, including hotels, catering, land transportation, agency services and tours & travel.

PT Abacus Distribution Systems Indonesia (Abacus DSI)



Line of Business: Provider of information technology services in computerized reservation systems.

PT Garuda Maintenance Facility Aero Asia (GMFAA)



Line of Business: Aircraft maintenance, repair and overhaul including aircraft engines and components.

PT Aero Systems Indonesia (Asyst)



Line of Business: Information technology systems consultation, engineering and maintenance services for airlines and other industries.

PT Citilink Indonesia



Line of Business: Low cost commercial airline.

2013 Annual Report

Connecting Diversity

2013 is the year of 'Network Expansion' in the 'Quantum Leap 2011-2015' strategy road map. In that year, Garuda Indonesia invested in additional numbers and type of aircraft, and in opening new destinations and flight routes. By the end of 2013, Garuda Indonesia has also completed the final preparations needed to join the SkyTeam global alliance early in 2014.

Through such a strategy, Garuda Indonesia has positioned itself solidly for continuing growth to dominate the full service carrier market in Indonesia and to become a truly global player.

By offering more destination choices for passengers, Garuda Indonesia is connecting the social, culture and economic diversity between Indonesia and the world.

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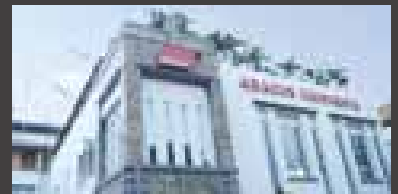
Subsidiaries

PT Aero Wisata (Aerowisata)



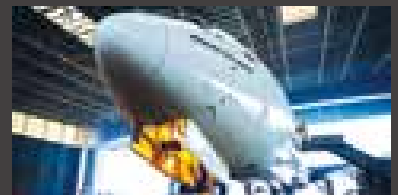
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PT Aero Systems Indonesia (Asyst)



Line of Business: Information technology systems consultation, engineering and maintenance services for airlines and other industries.

PT Citilink Indonesia



Line of Business: Low cost commercial airline.

Journey in comfort to see the diverse beauty of Indonesia

Garuda Indonesia provides access to the popular tourism destinations in the Indonesian archipelago of unique natural and cultural attractions.





In 2013, Garuda Indonesia started to operate a fleet of ATR72-600 turboprop aircraft to serve short-range flights and routes to remote areas in Indonesia. These “Explore” sub-brand flights complement the “Explore-Jet” sub-brand flights with Bombardier CRJ1000 NextGen aircraft in service since 2012.

By operating this aircraft type, Garuda Indonesia continues to improve connectivity within Indonesia and expand its service network to new growth centers and tourism destinations throughout Indonesia.

44 Domestic Destinations

5 Hub in Medan, Surabaya, Denpasar, Balikpapan, Makassar



Enjoy the choice of flying
to more destinations in
the world



Through international code share
flights, Garuda Indonesia brings
the various unique landmarks in
the world within easy reach.



As at December 2013, Garuda Indonesia flies to 20 international destinations in Asia, Australia, the Middle East, and Europe. In addition, Garuda Indonesia also offer flights to 26 international destinations in code share arrangements with a variety of global carriers, including Etihad Airways. Garuda Indonesia is set to formally join the SkyTeam global alliance as its 20th member on March 5, 2014. This will open the way to fly to 1,064 SkyTeam's destinations in 178 countries.

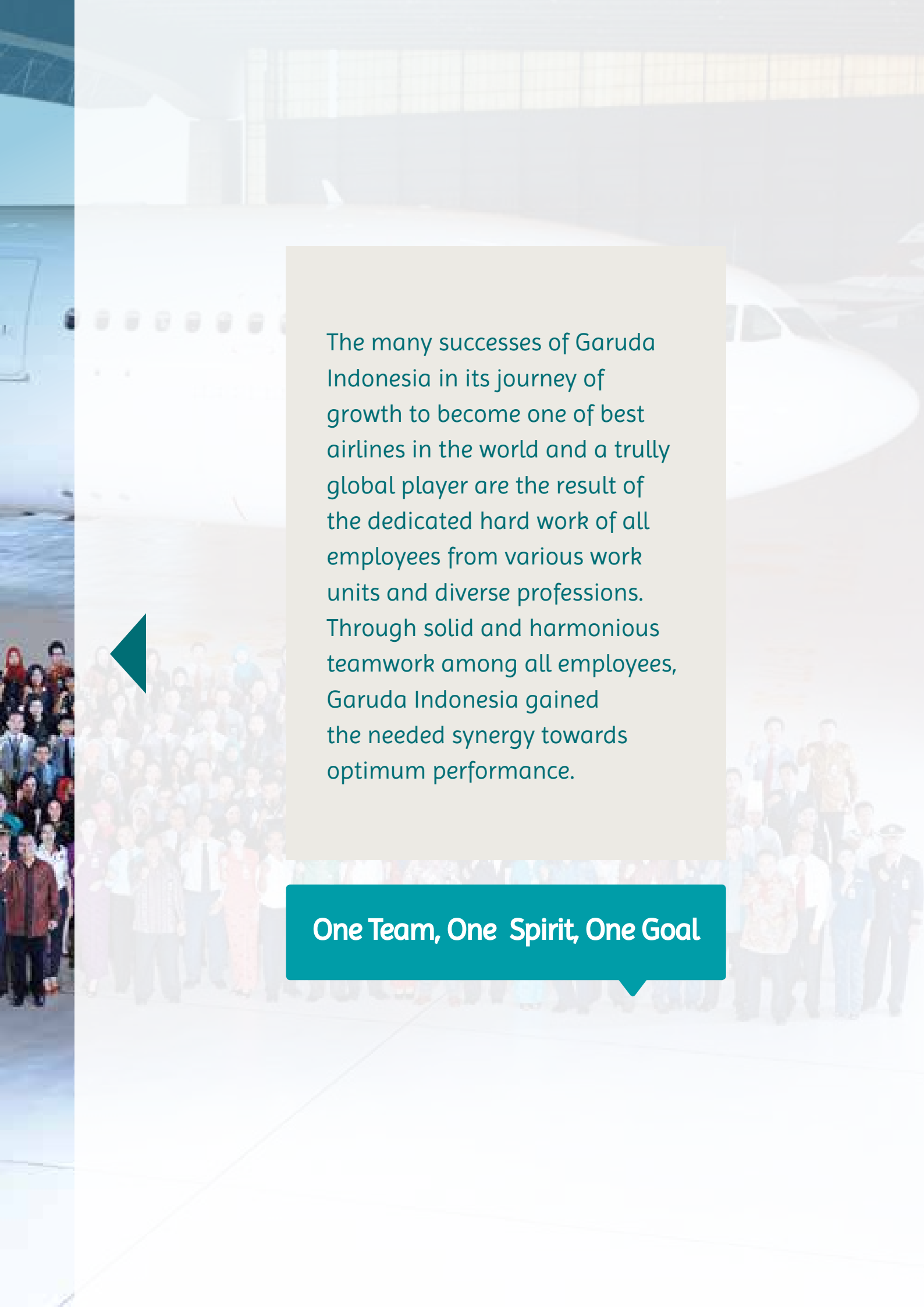
As part of the SkyTeam joining preparations, Garuda Indonesia since June 2013 has implemented the ALTEA Passenger Service System (PSS) which is fully integrated with the platforms used by alliance members and code share partners.

20 International
Destinations

14 Code Share
Agreement

Bringing together all
our diverse resources
to give you the best in
flying experience





The many successes of Garuda Indonesia in its journey of growth to become one of the best airlines in the world and a truly global player are the result of the dedicated hard work of all employees from various work units and diverse professions. Through solid and harmonious teamwork among all employees, Garuda Indonesia gained the needed synergy towards optimum performance.

One Team, One Spirit, One Goal



Garuda Indonesia





About Garuda Indonesia

Along with the increasing demand for air travel services, the Company continues to expand its network, reaching fast growing economic cities and new tourist destinations in the Western and Eastern region of Indonesia.

Indonesia's commercial aviation history began when Indonesian people was in struggle to defend their independence. The first commercial flight from Calcutta to Rangoon was made on January 26, 1949, using a DC-3 Dakota aircraft with the tail number of "RI 001" and the name "Indonesian Airways". In the same year, on December 28, 1949, another DC-3 aircraft registered as PK-DPD and painted with "Garuda Indonesian Airways" logo flew from Jakarta to Yogyakarta to pick up President Soekarno. This was the first flight made under the name of Garuda Indonesian Airways.

Then, in a year later, in 1950, Garuda Indonesia officially became a state owned company. During that period, the Company operated a fleet of 38 aircraft comprising 22 DC-3, 8 Catalina flying boats, and 8 Convair 240. Garuda Indonesia's fleet continued to grow, and eventually made its first flight to Mecca carrying Indonesian hajj pilgrims in 1956. In 1965, the first flight to European countries started was made with Amsterdam as the final destination.

Garuda Indonesia fleet and operations underwent large-scale revitalization and restructuring throughout the 1980s. This prompted the Company to develop comprehensive training programs for its air and ground crews and established a dedicated training facility in West Jakarta, named the Garuda Indonesia Training Center. In addition, the Company also built an Aircraft Maintenance Center at Soekarno-Hatta International Airport. Then in the early 1990s, Garuda Indonesia developed a long-term growth strategy which was applied until the year 2000. The Company also continued to expand its fleet placing Garuda Indonesia among the 30 largest airlines of the world.



Along with the initiatives in business development in 2005, a new management team took office and formulated new plans for the future of the Company. The new management undertook a comprehensive re-evaluation and overall restructuring with the objective improving operational efficiency, regained financial stability that involved efforts in debt restructuring, increased awareness among employees concerning the importance of service to customers and, most importantly, revived and revitalized the Garuda Indonesia spirit.

The successful completion of the Company's debt restructuring program opened the way for Garuda Indonesia to go public on 11 February 2011. The Company officially became a public company after the initial public offering of 6,335,738,000 shares. The Company's shares were listed on the Indonesia Stock Exchange on February 11, 2011 with code GIAA. This was one important milestone after the Company completed the transformation of its business through hard work and dedication of all parties. As of December 31, 2013, the share holding structure of Garuda Indonesia as the Issuer and public company is the Republic of Indonesia (69.14%), employees (0.4%), domestic investors (24.34%), and international investors (6.12 %).

About Garuda Indonesia

To support its operations, Garuda Indonesia established 5 (five) subsidiaries focusing on products/services that support the parent company's business. The subsidiaries were PT Abacus Distribution Systems Indonesia, PT Aero Wisata, PT Garuda Maintenance Facility Aero Asia, PT Aero Systems Indonesia, and PT Citilink Indonesia. In conducting its operations, the Company is supported by 7,861 employees, including 2,010 students spread across the Head Office and Branch Offices.

As of December 31, 2013, Garuda Indonesia group operates 140 aircrafts comprising 2 units Boeing 747-400, 7 units Airbus A330-300, 11 units Airbus A330-200, 7 units Boeing 737 Classic (300/500 series), 65 units Boeing 737-800NG, 12 units CRJ1000 NextGen, 2 units ATR 72-600, 4 units Boeing 777-300ER, and Citilink's fleet of 30 aircraft comprising 24 units Airbus A320-200, 5 units Boeing 737-300 and 1 unit Boeing 737-400.

Presenting a new standard of service quality in air travel industry, Garuda Indonesia currently flies to 64 destinations, consists of 44 cities in Indonesia and 20 cities abroad.

Along with the increasing demand for air travel services, the Company continues to expand its network, reaching fast growing economic cities and new tourist destinations in the Western and Eastern region of Indonesia. In addition to serve its own flight routes, Garuda Indonesia also entered into the agreement of "code share" with 14 international airlines.

Additionally, starting on March 5, 2014, Garuda Indonesia, officially joined the SkyTeam global alliance, as part of its international network expansion program. By joining the SkyTeam, Garuda Indonesia passengers are now able to fly to 1,064 destinations in 178 countries served by all SkyTeam member airlines with more than 15,700 flights per day

2013 Fleet

Garuda Indonesia		Citilink	
Fleet	Total	Fleet	Total
Boeing 747- 400	2	Airbus A320-200	24
Airbus A330-300	7	Boeing 737-300	5
Airbus A330-200	11	Boeing 737-400	1
Boeing 737 Classic (300/500 series)	7		
Boeing 737-800NG	65		
Bombardier CRJ1000 NextGen	12		
ATR72-600	2		
Boeing 777-300ER	4		
Total	110		30

and access 564 lounges worldwide. Moreover, by joining SkyTeam, Garuda Indonesia will further establish Indonesia firmly on the map of worldwide air travel.

As part of the Company's effort in continuously improving its services to passengers, Garuda Indonesia introduced the distinctive concept of service called "Garuda Indonesia Experience", which brings hospitality, culture, and everything best from Indonesia through five senses, namely



sight, sound, taste, scent, and touch, to be implemented in the service of pre-journey, pre-flight, in-flight, post-flight, and post-journey.

Garuda Indonesia is also listed as one of IATA Operational Safety Audit (IOSA) operators, applying safety and security standards equivalent to major international airline members of IATA. Garuda Indonesia received IOSA certification in 2008.

In line with improvements in various aspects of its performance and service, Garuda Indonesia has gained numbers of accolades and recognition from both national and international institutions. In 2012, Garuda was named as the "Best International Airline" by Roy Morgan Research Institutes Australia, as well as "The World's Best Regional Airline" by Skytrax, the airline rating agency based in London, during the aerospace exhibition "Farnborough Airshow".

Furthermore, during the "Paris Air Show" in June 2013, Garuda Indonesia also awarded with "The World's Best Economy Class" and "the Best Economy Class Airline Seat", and named as "The World's Top 10 Airlines". In addition, during the "Passenger Choice Awards 2013" held in September 2013 in Anaheim, California, United States, organized by the Airline Passenger Experience Association (APEX), the association for the increase in flight services based in New York, Garuda Indonesia was chosen as "Best in Region: Asia and Australasia".



In accordance with the Articles of Association of the Company, as outlined in the Deed No. 24 dated 16 November 2010, the main business activity of the Company is to carry out scheduled and non-scheduled commercial air transport for passengers, cargo and mails in the country and abroad; carry out repair and maintenance of aircraft either for internal needs or for third parties; provide operational support services for commercial air transport, including catering and ground handling, either for internal or for third parties; provide information systems services related to aviation industry, either for internal needs or for third parties; provide consulting services related to the aviation industry; provide education and training related to the aviation industry, either for internal or for third parties; and provide personnel health services, either for internal or for third parties.

In carrying out its core business, the Company may also carry out business support activities to optimizing the utilization of its resources, such as warehousing, offices, tourism facilities, and leasing and operation of facilities and infrastructure associated with the aviation industry.

Financial & Operational Highlights

PT Garuda Indonesia (Persero) Tbk. & Subsidiaries (In full amount of USD, except stated otherwise)

	2013	2012	2011*
Operating Revenues	3,716,076,586	3,472,468,962	3,096,328,405
Operating Expenses	3,659,628,311	3,304,396,858	3,003,980,817
Income from Operations	56,448,275	168,072,104	92,347,588
Total Non Operating Income (Expenses) - Net	(47,632,672)	(16,541,550)	4,585,680
Income Before Tax	8,815,603	151,530,554	96,933,268
Tax Benefit (Expenses)	2,384,777	(40,687,981)	(32,707,732)
Net Income Attributable to:			
Owners of the Parent Company	11,038,843	110,596,370	
Non Controlling Interest	161,537	244,203	
Other Comprehensive Net Income (Loss)	(10,634,860)	34,566,735	8,475,080
Total Comprehensive Income Attributable to::			
Owners of the Parent Company	966,308	133,523,947	
Non Controlling Interest	(400,788)	885,361	
Net Income	11,200,380	110,842,573	64,225,536
Total Comprehensive Income	565,520	145,409,308	72,700,616
Earnings per Share	0.00049	0.00488	0.00288
Total Current Assets	819,133,923	636,566,218	749,951,148
Total Non Current Assets	2,134,651,029	1,881,431,548	1,333,055,661
Total Assets	2,953,784,952	2,517,997,766	2,083,006,809
Total Current Liabilities	983,890,767	754,207,052	645,834,604
Total Non Current Liabilities	852,746,068	648,830,636	514,374,429
Bank and Financial Institution Loans	45,222,668	5,651,251	639,391
Lease Liabilities	191,750,944	206,352,598	194,259,709
Long-Term Loans	604,695,491	400,947,490	266,213,169
Total Liabilities	1,836,636,835	1,403,037,688	1,160,209,033
Authorized Capital Stock (Number of Shares)	30,000,000,000	30,000,000,000	30,000,000,000
Capital Not Subscribed (Number of Shares)	7,359,004,000	7,359,004,000	7,359,004,000
Issued and Paid-up Capital	1,146,031,889	1,146,031,889	2,291,936,892
Additional Paid-in Capital	4,548,037	4,548,037	113,067,035
Other Component of Equity	(161,593,912)	(149,237,597)	(100,010,418)
Stock Option	2,770,970	1,148,451	2,278,677
Retained Earnings (Deficit)	123,920,993	110,598,370	(1,385,459,977)
Non Controlling Interest	1,470,140	1,870,928	985,567

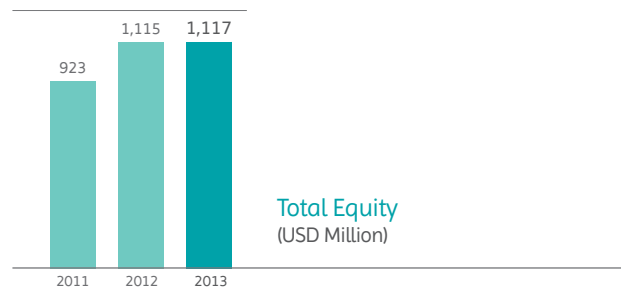
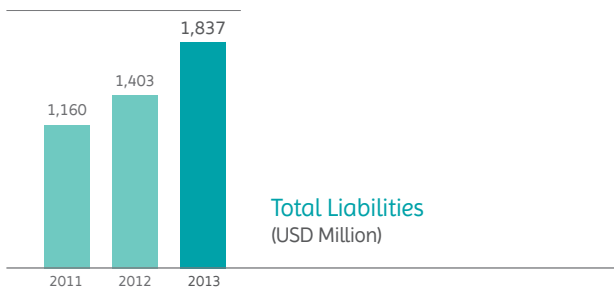
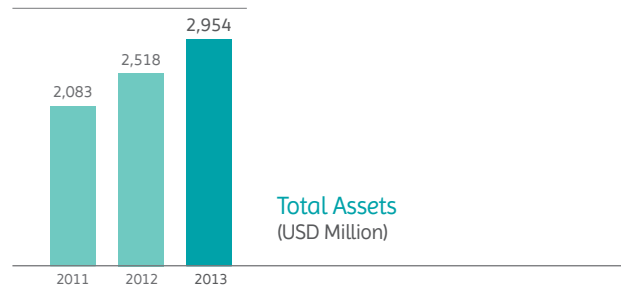
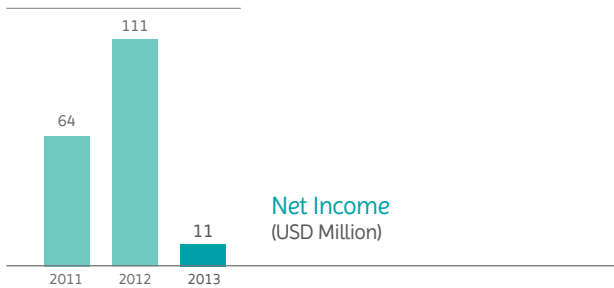
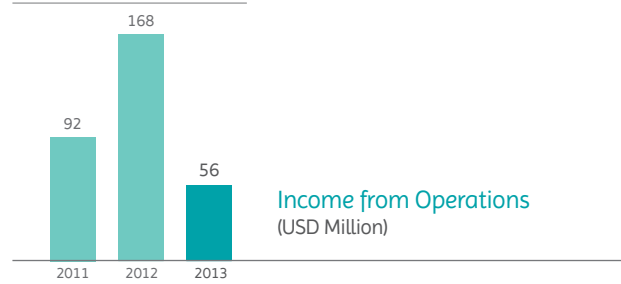
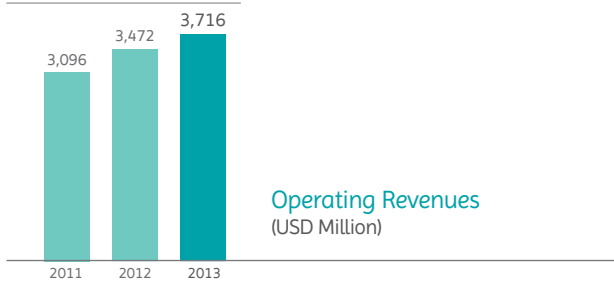
PT Garuda Indonesia (Persero) Tbk. & Subsidiaries (In full amount of USD, except stated otherwise)

	2013	2012	2011*
Total Equity	1,117,148,117	1,114,960,078	922,797,776
Total Liabilities and Equity	2,953,784,952	2,517,997,766	2,083,006,809
Total Investments	203,611,301	207,816,002	109,289,079
Total Investment in Other Entities	17,459,916	16,517,489	14,986,715
Net Working Capital	(164,756,844)	(117,640,834)	104,116,544
Cash Flows Provided from Operating Activities	139,025,923	364,685,555	244,265,953
Cash Flows Used for Investing Activities	(382,836,665)	(524,398,946)	(260,726,555)
Cash Flows Provided from (Used for) Financing Activities	432,274,934	75,457,955	292,674,875
Ratios			
EBITDA Margin **	5.86%	8.58%	7.30%
Operating Income Margin	1.52%	4.84%	2.98%
Net Income Margin	0.30%	3.19%	2.07%
Return on Assets	0.38%	4.40%	3.08%
Return on Equity	1.00%	9.94%	6.96%
Current Ratio	83.25%	84.40%	116.12%
Liabilities to Equity Ratio	164.40%	125.84%	125.73%
Liabilities to Total Assets Ratio	62.18%	55.72%	55.70%
Interest Bearing Liabilities/Equity	0.54x	0.36x	0.29x
Information related to Passenger Revenue			
Number of Passengers (thousand)	24,965.2	20,415.3	17,074.0
Revenue Passenger Kilometer (million)	31,950.0	27,342.1	24,434.7
Available Seat Kilometer (million)	43,133.0	36,013.8	32,473.7
Passenger Load Factor (%)	74.1	75.9	75.2
Information related to Cargo Revenue			
Cargo (million kilogram)	345.9	280.3	229.4
Cargo Load (million tonne-kilometer)	630.7	532.9	465.0

* Prior to Quasi-Reorganization

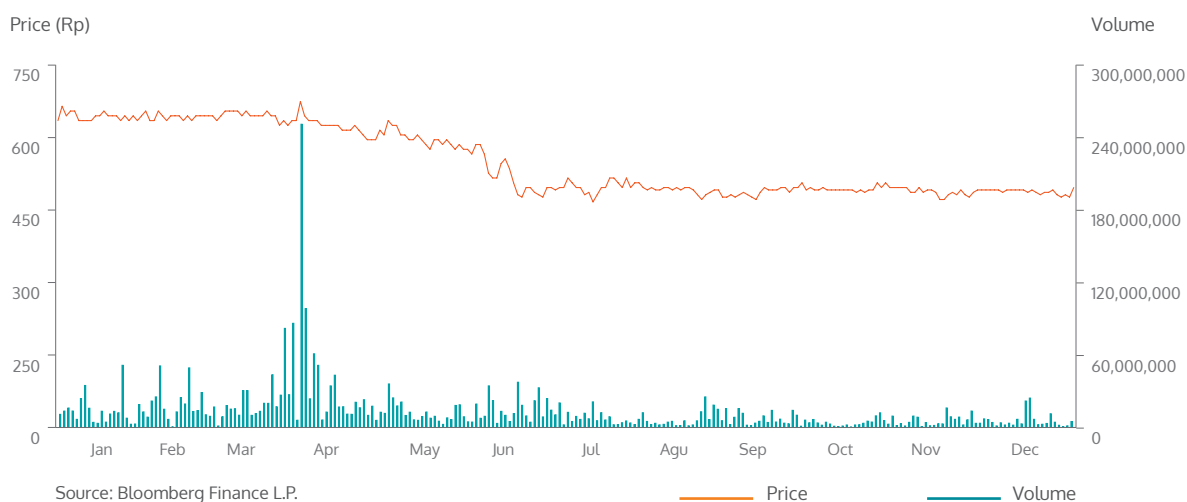
** EBITDA Margin is calculated from the sum of Operating Income (Loss) and Depreciation Expenses, divided by Operating Income

Financial & Operational Highlights



Stock Highlights

Share Performance of Garuda Indonesia (GIAA) on the Indonesia Stock Exchange



Price, Volume Shares - Quarterly (Rupiah, except stated otherwise)

	Q 1		Q 2		Q 3		Q 4	
	2013	2012	2013	2012	2013	2012	2013	2012
Opening	660	480	660	620	520	710	500	620
Highest	690	660	660	740	530	780	510	740
Lowest	610	465	465	600	460	580	470	620
Closing	650	620	520	710	500	620	500	660
Transaction Volume (Million Shares)	1,476	1,916	1,016	1,517	419	1,298	306	1,149
Total Number of Shares (Million Shares)	22,640	22,640	22,640	22,640	22,640	22,640	22,640	22,640
Free Float (Million Shares)	6,987	6,987	6,987	6,987	6,987	6,987	6,987	6,987
Market Capitalization (Rp Million)	14,716,647	14,037,418	11,773,318	16,075,107	11,320,498	14,037,418	11,320,498	14,943,057

Share Performance (Rupiah, except stated otherwise)

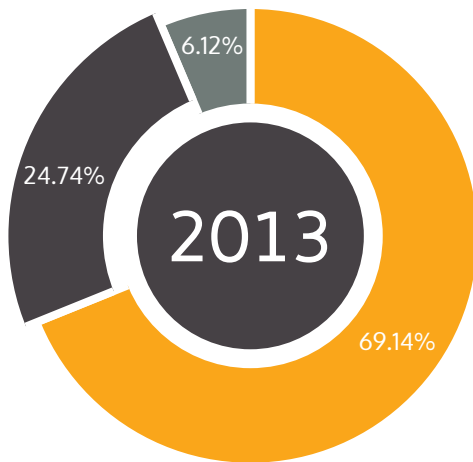
	2013	2012	2011
Highest Price	690	780	700
Lowest Price	465	465	390
Transaction Volume (Million Shares)	3,217	5,880	4,230
Total Number of Shares (Million Shares)	22,640	22,640	22,640
Price at Year End	500	660	475
Net Income per Shares (USD)	0.00049	0.00488	0.0029
Book Value per Shares (USD)	0.0493	0.0492	0.0407

Stock Highlights

Shareholders Composition

(per December 31, 2013)

Government, Domestic & International Ownership



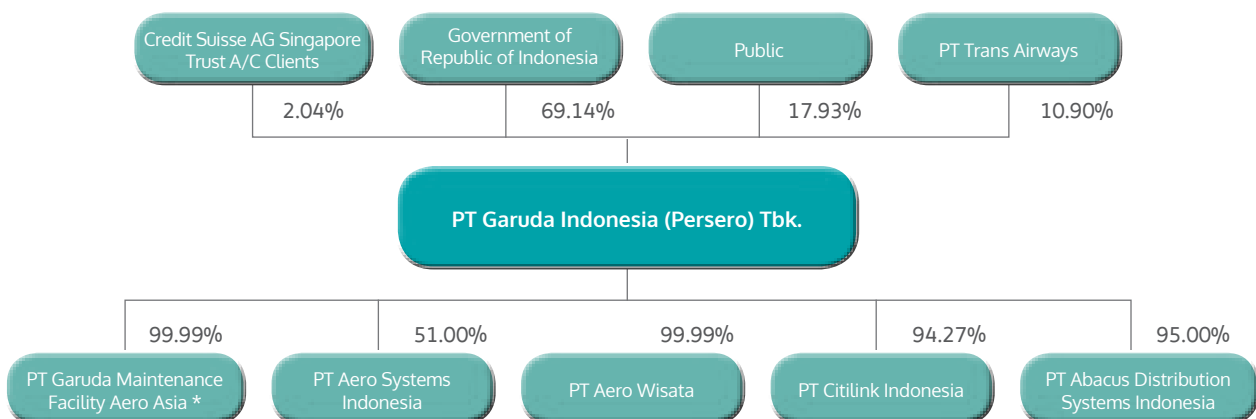
- Government of the Republic of Indonesia (RI)
- Domestic Investor
- International Investor

Domestic & International Share Ownership

	Number of Shares	%
DOMESTIC		
Government of RI	15,653,128,000	69.14%
Retail	1,027,304,731	4.54%
Employees	90.467.044	0.40%
Institutional (Trans Airways)	2,466,965,725	10.90%
Institutional (less than 5%)	2,017,366,235	8.91%
Total Domestic	21,255,231,735	93.88%
INTERNATIONAL		
Retail	4,241,500	0.02%
Institutional	1,381,522,765	6.10%
Total International	1,385,764,265	6.12%
TOTAL	22,640,996,000	100%

Share Ownership

(per December 31, 2013)



* Direct and indirect ownership

Chronology of Share Listings

	Date
Filling/Registration	
Registration to IDX and KSEI	November 18, 2010
Mini Expose IDX	November 26, 2010
BAPEPAM-LK 1st filling of Registration Statement	December 6, 2010
BAPEPAM-LK 2nd filling of Registration Statement	December 27, 2010
BAPEPAM-LK – Pre-effective Letter	January 10, 2011
BAPEPAM-LK – Effective Statement Letter	January 31, 2011
Marketing	
Public Expose - Jakarta	January 12, 2011
Domestic Roadshow	January 15, 2011
International Roadshow / Book Building	January 13-21, 2011
Final Pricing (January 24, US Time)	January 25, 2011
Allotment & Payment	
Retail Offer	February 2,4,8, 2011
Allotment	February 9, 2011
Distribution & Refund	February 10, 2011
Listing in Indonesia Stock Exchange	February 11, 2011

Chronology of Bonds Listing

Rating: A (idn) PT Fitch Ratings Indonesia	Date of Listing	Amount (Rp)	Interest / Tenor
Garuda Indonesia Sustainable Bond 1 Phase 1 Year 2013	July 8, 2013	2,000,000,000,000	9.25% p.a. / 5 years

Coupon Payment of Sustainable Bonds I Garuda Indonesia Phase 1 Year 2013 up to December 31, 2013

Notes	Payment Date	Amount (Rp)
1st Coupon Payment	October 5, 2013	46,250,000,000

Analyst Comments

YingYing Hou - BoA Merrill Lynch

We expect revenues to continue to grow in 2013 dan 2014, driven by progress in the Quantum Leap strategy, a positive pricing environment, rapid growth of secondary airports, and membership in the SkyTeam global alliance from first quarter 2014.

Paul Yong CFA - DBS Vickers Securities

Indonesia is the primary market for airline passenger in ASEAN. An archipelagic country with 235 million population and a rapidly growing middle class, Indonesia is a star attraction for regional airlines. We recently started our coverage of Garuda Indonesia stock with a BUY recommendation at Target Price (TP) of Rp 650, in line with growing market demand in Indonesia.

Matthew Wibowo – RHB OSK

Garuda Indonesia (GIAA) has successfully transformed into one of the best airlines in the world through code share agreements and global alliance. We started our coverage on GIAA with a BUY recommendation at Target Price of Rp 800, or on 8 x EV/EBITDAR

2013 Event Highlights



January 20

Garuda Indonesia won "Skyscanner Asia Pacific Airline Food Awards"

Skyscanner, a leading global travel search site, has unveiled that Garuda Indonesia won 2012 Asia Pacific Airline Food Awards, the best for in-flight meals by a panel of international travellers. More than 200 bloggers and international travellers from Asia Pacific gave their opinion over in-flight meals. For the category of long distance flight, Garuda Indonesia won the first place, outshone airlines from neighbouring countries.



January 30

GMF is Appointed as Maintenance Centre for BE Aerospace Products

GMF AeroAsia, a subsidiary of Garuda Indonesia providing Maintenance Repair Overhaul (MRO) services, is appointed by BE Aerospace, the leading producer of aircraft interior and cabin in USA, to become the Approved Service Centre (ASC) for their products. The appointment as Approved Service Centre upgraded the capabilities and capacities of GMF AeroAsia in conducting cabin and interior maintenance, as well as manufacturing seat, galley, and cabin interior.



February 25

Garuda Indonesia Officially Open "Garuda Indonesia and Liverpool FC Experience"

Garuda Indonesia and "Liverpool Football Club (LFC)" officially opened "Garuda Indonesia and Liverpool Experience", witnessed by Liverpool's legend of 1989-1990 era, Ian Rush, at Garuda Indonesia Gallery, Senayan City, Jakarta. The opening of this gallery is part of Garuda Indonesia efforts to bring Liverpool FC closer to soccer enthusiast in Jakarta, and Indonesia in general. This is also part of improving services for customers, particularly to the community of Soccer enthusiast in Indonesia.



March 7

Garuda Indonesia Received "Contact Centre Service Excellence Award 2013"

As recognition to its continuing efforts in providing the best services, Garuda Indonesia received "Contact Centre Service Excellence Award 2013" from Service Excellence Magazine and Carre Centre for Customer Satisfaction and Loyalty (Carre-CCSL). Winners were decided based on 'Mystery Customer' survey who make contact with the Company through call centre or email centre. The aspects assessed were practicality, promptness in giving response to customers, as well as personalized service to customers that is supported by technology.



February 14

Garuda Indonesia Received Appreciation as "The Best Airline" during Hajj Operation

Garuda Indonesia named as "The Best Airline" during the hajj operation bestowed by General Authority of Civil Aviation/ GACA of Saudi Arabia and King Abdul Aziz International Airport, Jeddah, for showing best performance throughout the hajj pilgrimage flights in 2013. The award was bestowed based on assessment on three aspects, namely "hajj flight planning", "operational and service, and On-Time Performance (OTP)".



February 17

Garuda Indonesia Expanded Network to 6 New Code Share Destinations

As part of network expansion program, Garuda Indonesia through Code share Agreement with Etihad Airways added flight service to 6 new destinations in Europe and Middle East namely Frankfurt, Brussels, Milan, Dusseldorf, Munich, and Bahrain. Currently, total code share destinations served by Etihad rose to 13 destinations, adding Abu Dhabi, London, Paris, Manchester, Moscow, Athens, and Muscat. Flight served through Abu Dhabi hub.



March 15

Garuda Indonesia Launched "Wheelchair Transporter" Service for Difables and Wheelchair Users

Garuda Indonesia launched the "Wheelchair Transporter" service at Soekarno-Hatta International Airport, Cengkareng to improve services for difables and any passengers who use wheelchair. This specially designed car facilitates wheelchair users in boarding, particularly when the aircraft was parked far from passengers terminal.



March 23

Garuda Indonesia Again Support Earth Hour 2013

Garuda Indonesia conducted switch off campaign during Earth Hour 2013 at Garuda Indonesia Management Building, Cengkareng, attended by EVP Operations, Director of Conservation of WWF and employees of Garuda Indonesia, as part of Garuda Indonesia's concern towards environment conservation, and commitment to help reducing the impact of climate change. 2013 is the fifth year of Garuda Indonesia participation in this campaign since 2009.

2013 Event Highlights



April 4

"Garuda Indonesia Gallery", the Largest and the Most Complete in Surabaya

Garuda Indonesia officially opened "Garuda Indonesia Gallery", the largest and the most complete facility of services in Indonesia situated in the first floor of Ciputra World Shopping Centre, Surabaya. It is a one stop service facility to facilitate customers of Garuda Indonesia in making reservation and purchasing ticket, city check-in and self check-in, Garuda Indonesia Holiday package, "Garuda Frequent Flyer" service, group passenger services, and many more.



April 22

Garuda Indonesia and ALAFICO Signed MoU on Collaboration for Procurement of 2 Boeing 777-300ER with Sharia Principles

Garuda Indonesia signed MoU on agreement for the procurement of 2 units of Boeing 777-300ER with a Kuwait based leasing and financing company, namely Aviation Lease and Finance Company (ALAFICO) under sharia principles. This marked one of the milestones in Garuda Indonesia history, being the first airline in Indonesia entering into agreement on procuring aircraft under sharia principles.



May 3

Garuda Indonesia Inaugurated Medan as the New Hub in West Indonesia

To support "national connectivity" in air transportation in west of Indonesia, Garuda Indonesia inaugurated Medan, North Sumatera, as the fourth Hub, after Jakarta, Denpasar and Makassar, is a network development program and a commitment to support the Government's "Master Plan for the Acceleration and Expansion of Indonesian Economic Development (MP3EI)" to improve the economy, trade and business in the cities in the said region.



May 5

Garuda Indonesia Introduced "Immigration on Board" to the Shanghai-Jakarta Route

Garuda Indonesia introduced "Immigration on Board" service to the Shanghai – Jakarta route in line with the effort to improve its services and to support the promotion of tourism from China to Indonesia in general and Shanghai to Jakarta in particular. The "Immigration on Board" service in the Shanghai-Jakarta route complements the same service that has been applied previously in six other routes: Tokyo (Narita)–Jakarta, Seoul–Jakarta, Sydney–Jakarta, Tokyo (Narita)–Denpasar, Osaka–Denpasar and Sydney–Denpasar.



April 25

Garuda Indonesia Launches Garuda Orient Holidays (GOH) Taiwan

In an effort to promote foreign tourist visit to Indonesia, through its subsidiary, Aerowisata, Garuda Indonesia launched Garuda Orient Holidays (GOH) Taiwan in Taipei, Taiwan. GOH is an "inhouse wholesaler" or units that develop holiday package to Indonesia for tourists from that country. The products offered by Garuda Orient Holidays will be complementary to the existing products in Taiwan.



April 26

Garuda Indonesia Held the 2013 Annual General Meeting of Shareholders

Garuda Indonesia held Annual General Meeting of Shareholders (AGM) at the Ritz Carlton, Pacific Place, Jakarta. This third AGM since IPO in February 2011 resulted in several important resolutions, including ratifying the Company's 2012 Annual Report, changes in the composition of the Board of Commissioners and Board of Directors, as well as the approval of the Limited Public Offering (LPO) through the Right Issues and/or loan instruments for business development.



May 11

"Garuda Indonesia World Photo Contest (GAWPC) 2013"

Following its success in the previous year, Garuda Indonesia again held "Garuda Indonesia World Photo Contest (GAWPC) 2013", an event of international scale with the first commencing in 2007. Participating in this event were photographers from home and abroad, such as ASEAN, Australia, China, Japan, Middle East and Europe. The theme of 2013 GAWPC was "My Enchanting Town" with entry amounted to 15,000 photos from 10,000 participants and 45 countries.



May 28

Garuda Indonesia Received "Indonesia Service Quality Award 2013" and "Indonesia Most Admired Companies 2013"

Owing to the accomplishments achieved by the Company, in line with its transformation program, Garuda Indonesia was named as "Indonesian Most Admired Companies" from Warta Ekonomi, and also received award during the "Indonesia Service Quality Award 2013" for the category of Domestic and International Airline – from Service Excellence Magazine and Carre - Centre for Customer Satisfaction & Loyalty, a service and customer satisfaction consultant.

2013 Event Highlights



June 7

Garuda Indonesia Cargo and Jan de Rijk Logistics Collaborate on Road Feeder Services in Europe

Garuda Indonesia through its Strategic Business Unit (SBU) Garuda Indonesia Cargo signed agreement on Road Feeder Services (trucking) with a Dutch based trucking company, Jan de Rijk in Munich, Germany. Under this collaboration agreement, Garuda Cargo can serve cargo delivery to more than 30 destinations in Europe. Cargo delivery will be carried by plane from Jakarta to Amsterdam, to be distributed by Jan de Rijk to destination cities in Europe.



June 11

Garuda Indonesia Issued Phase I/2013 Sustainable Bond

Garuda Indonesia held "Due Diligence Meeting & Public Expose" as part of "Sustainable Public Offering for Garuda Indonesia Phase I/2013 Sustainable Bond" absorbing up to Rp 2 trillion and is offered with a tenor of 5 years. The bonds are rated A(idn) (Single A) by PT Fitch Ratings Indonesia.



June 23

Garuda Indonesia Implemented New Passengers Services System

Along with the preparation to joining SkyTeam Global Alliance, Garuda Indonesia improves its reservation and passengers service system by adopting "The Altéa Passenger Services System" (PSS) developed by Amadeus. This new system replaced the old system adopted by Garuda Indonesia, "Automatic Reservation Garuda Indonesia" (ARGA), which has been used since 1987 and has provided the best services for the convenience of users.



July 2

Garuda Indonesia and the Ministry of Transportation Held International Green Aviation Conference 2013

In collaboration the Ministry of Transportation of Republic Indonesia, Garuda Indonesia held "International Green Aviation Conference 2013" in Benoa, Bali. Under the theme of "Indonesia Green Aviation Initiatives for Sustainable Development of Air Transportation", this conference is the first forum held in Asia Pacific carrying the theme "Green Aviation Initiatives" in conjunction with *Sustainable Air Transportation*. A number of topics related to the development in aviation industry will be the focus of discussion in this conference; such as the development of airport infrastructure in supporting flight efficiency, as well as efforts to achieve the target of reducing greenhouse gas emissions.



June 18

Garuda Indonesia was Named as "World's Best Economy Class 2013" from Skytrax in Paris Airshow

Gaining more international recognition, Garuda Indonesia was named as the "World's Best Economy Class 2013" by Skytrax, a London based independent rating agency, during the Paris Airshow 2013. Garuda Indonesia outshone other candidates, such as Singapore Airlines and Asiana Airlines. During the same event, Garuda Indonesia also received "Best Economy Class Airline Seat 2013" award from Skytrax.



June 22

Garuda Indonesia Now is the Full Partner of Bali Beach Clean Up

In 2013, Garuda Indonesia has become the full partner of Bali Beach Clean Up (BBCU) program initiated by Coca-Cola Amatil Indonesia and Quiksilver to support environmental conservation and trees replanting in a number of Bali tourist destinations. Through a close partnership with Bendesa Adat Kuta, Legian, Seminyak, Jimbaran, and Kedonganan, BBCU has evolved into a daily program, with 74 crew cleaning 9.7 km long beach every day, at most visited beaches in Bali.



July 2

Garuda Indonesia Welcomes Boeing 777-300ER and Launches "First Class" Service

Garuda Indonesia inaugurated its new state-of-the-art Boeing 777-300ER, and launched "First Class" premium services, combined with the Indonesian hospitality concept, "Garuda Indonesia Experience". The arrival of Boeing 777-300ER and the launching of "First Class" is part of the expansion of international network, especially for the long distance route, and also as part of the Company's initiatives to become "Global Player".



July 4

Garuda Indonesia and Bali Safari & Marine Park Inaugurated the Conservation and Preservation of Jalak Bali

As part of CSR program and concern towards the preservation effort of the endangered species Jalak Bali (Bali Mynah), Garuda Indonesia and Bali Safari & Marine Park organize Jalak Bali Conservation Program. Through this program, Garuda Indonesia aims to increase the population of jalak Bali by donating for the construction 1 unit of aviary and breeding population of 18 Jalak Bali, expected to help the Jalak Bali conservation.

2013 Event Highlights



July 19

Garuda Indonesia and Liverpool FC Launched "Garuda Frequent Flyer – Liverpool FC Edition Card"

As part of "Global Partnership" between Garuda Indonesia and Liverpool Football Club, the Company launched "Garuda Frequent Flyer – Liverpool Football Club (GFF – LFC) Edition Card", specially designed for Garuda Indonesia customers and Liverpool FC fans. Like in GFF regular, this card has four level of membership, namely Blue, Silver, Gold, and Platinum. GFF – LFC Edition Card also gives its holders various interesting offers.



July 31

Garuda Indonesia Received 2 Awards for Environmental Conservation

Garuda Indonesia's effort to minimize negative impact on environment gained public recognition with the award "Indonesia Green Company Achievement 2013" and "Sri Kehati Award" due to its commitment towards environment conservation and sustainable growth. The awards was bestowed from SWA Magazine marking its first time event.



September 11

Garuda Indonesia was Named as The Best Airlines in Asian and Australasian Region in the Passengers 2013 Choice Awards in Anaheim, USA

Garuda Indonesia was named as winner for the category of "Best in Region: Asia and Australasia" in the event of "Passenger Choice Awards 2013" held by "Airline Passenger Experience Association" (APEX) – an association for the improvement of aviation services based in New York, USA. Garuda Indonesia outshone five other airlines who were also finalists in the "Best in Region: Asia and Australasia" category, namely Singapore Airlines, Qantas Airways, Cathay Pacific Airways, Air New Zealand, and Pakistan International Airlines.



September 13

Garuda Indonesia and BNI Held 2013 Garuda Indonesia Travel Fair

Garuda Indonesia and Bank Negara Indonesia held Garuda Indonesia Travel Fair (GATF) in Jakarta. GATF is the largest travel fair in Indonesia. Before, GATF also held in 15 cities namely Makassar, Manado, Padang, Surabaya, Yogyakarta, Bandung, Balikpapan, Denpasar, Medan, Semarang, Banjarmasin, Jayapura, Palembang, Pekanbaru and Pontianak.



August 3

Garuda Indonesia Serves Jakarta–Tanjung Pinang (Bintan)

In the effort to expand its domestic network, Garuda Indonesia opened a new route Jakarta–Tanjung Pinang (Pulau Bintan), flying daily once a day using Boeing 737-500 with 96 passengers. The opening of this new route is expected to facilitate passengers, particularly business and leisure travellers, as well as increasing the potential of tourism and investment in Tanjung Pinang, by providing direct flights from Jakarta.



September 9

Garuda Indonesia Carried 90,108 Hajj Pilgrims

Garuda Indonesia flew the first group of Hajj Pilgrims simultaneously in 7 embarkation from 10 embarkation served by Garuda, namely Padang, Solo, Balikpapan, Makassar, Lombok, Jakarta, Medan, Palembang, Banjarmasin and Banda Aceh. The phase of departure took place between 10 September 2013 to 9 October 2013, while the phase of arrival took place between 20 October 2013 to 19 November 2013.



2 October

Garuda Indonesia Launched "Inflight Connectivity" in B777-300ER

Garuda Indonesia presented "Inflight Connectivity" commercially in all Boeing 777-300ER so that all of its passengers, from First Class, Executive Class, and Economy Class, can get connected with internet through WiFi during flights. This service is expected to provide added value for customers giving them a chance to proceed with their business activities during the flight.



October 18

Garuda Indonesia Named as "The Rising Star Carrier of The Year" for Cargo Services in Payload Asia Award 2013

Garuda Indonesia named as "The Rising Star Carrier of The Year" for cargo services during Payload Asia Award 2013 held by Contineo Media from Singapore. Garuda Indonesia was named a winner for the category based on survey involving users, assessing the aspect of "Network Growth and Development Strategy", "Operational Performance in Year 2012", "Customer Service Product Innovations" and "Market Responsiveness/Adaptability".

2013 Event Highlights



November 20

Garuda Indonesia–Jet Airways Signed MoU on Code Share

Garuda Indonesia and Indian airlines, Jet Airways, signed MoU on "Code Share Agreement" where Garuda will act as "marketing party" for Jet Airways on routes between Singapore and Mumbai, Delhi, and Chennai. While Jet Airways will act as "marketing party" for Garuda Indonesia on route Indonesia - Singapore. This collaboration also covers full fledged frequent flyer partnership between the two airlines, namely Jet Airways JetPrivilege and Garuda Indonesia Frequent Flyer (GFF).



November 20

Garuda Indonesia Stops Shipping Shark Products

Garuda Indonesia stopped shipping shark products out of concern and as a proof of commitment towards environment preservation, applied to all kinds of shipping and transportation of shark fins and other shark products, pursuant to "Embargo On Shipment All Kind Shark Fin". Previously, Garuda also supported the campaign against shark trading #SOSharks, initiated by WWF-Indonesia, and contributed in the effort to ban shark fins trading in global market.



December 16

Garuda Indonesia Won "Indonesia Sustainable Business Awards 2013" for the Category Logistic and Transportation

Garuda Indonesia was named as the "Industry Champion Indonesia Sustainable Business Awards 2013" for the category of logistic and transportation business during the event End of Year Press Conference Indonesia Business Council for Sustainable Development (IBCSD). Garuda Indonesia implements program that aims to achieve sustainable growth, as manifested in "CSR and Sustainability Program" covering various aspects, including economy, community development, and environment on continuous basis.



December 17

Improving Service, Garuda Indonesia Launched "Mobile Ticketing Counter"

Garuda Indonesia launched "Mobile Ticketing Counter" (MTC) services to facilitate mobile reservation and ticketing using one specially designed bus available on certain location, to serve customers living or working at locations far from ticketing/sales office of Garuda Indonesia. With Mobile Ticketing Counter, Garuda Indonesia customers can purchase ticket, make reservation, and city check-in, "Garuda Indonesia Frequent Flyer" (GFF) services, and many more.



November 25

Garuda Indonesia Introduced the Sub-Brand “Explore” ATR72-600 to Serve Flight Routes in Remote Areas

Garuda Indonesia introduced sub-brand “Explore” after receiving the turboprop ATR72-600 and introduced sub-brand “Explore Jet” with Bombardier CRJ1000 NextGen to serve Garuda Indonesia’s routes in east and west part of Indonesia. The use of both sub-brand is in line with the advantage of ATR72-600 and Bombardier CRJ1000 NextGen which can serve new destination with limited runway.



November 28

The International Tournament “Garuda Indonesia Tennis Open 2013” and “Garuda Indonesia Tennis Junior Masters 2013” Are Opened

Garuda Indonesia held the international tournament “Garuda Indonesia Tennis Open 2013” and “Garuda Indonesia Tennis Junior Masters”, a development from the GITM tournament which held annually since 2008. GITM is an international tournament contested by 32 male tennis players and 16 female tennis players based on ITF and PNP ranking with total prize of USD 25,000 for male and USD 12,500 for female.



December 19

Garuda Indonesia Developed “Inflight Connectivity” Service in Airbus A330

After presenting “Inflight Connectivity” on Boeing 777-300ER, Garuda Indonesia will develop these service in Airbus A330, for both Executive Class and Economy Class, so that passengers can be connected to the Internet via WiFi connection during flight. Garuda Indonesia will gradually implement this service on any domestic and international flights served with A330-200 and A330-300.



December 19

Garuda Indonesia – ANA (All Nippon Airways) Signed the MoU of Strategic Partnership

Garuda Indonesia and ANA (All Nippon Airways) signed the MoU of strategic partnership, which covers code share agreement and Frequent Flyer program. With this partnership, passengers of ANA who fly to Indonesia via Jakarta, can proceed on connecting flight with Garuda to other major cities in Indonesia. While passengers of Garuda Indonesia who fly to Japan via Tokyo (Narita and Haneda) and Osaka (Kansai), can proceed on connecting flight with ANA to major cities in Japan.

- Opening
- Corporate Profile**
- Corporate Strategy
- Management Report
- Management Discussion & Analysis of the Company's Performance
- Business Support Review
- Corporate Governance
- Corporate Social Responsibility
- Consolidated Financial Statements
- Corporate Data

Awards & Certifications



PASSENGER CHOICE AWARDS 2013
BEST IN REGION : ASIA AND AUSTRALASIA
 Top 5 Best Overall Passenger Experience
 Top 5 Best Ground Experience
 Top 5 Best Inflight Publication



ASIA PACIFIC AIRLINE FOOD AWARDS 2012
 The Best Long-haul Airline Food
 Top 5 Short-haul Airline Food



ASEAN PREMIUM AIRLINE OF THE YEAR
 Frost & Sullivan



CUSTOMER SATISFACTION AWARD
 Domestic Airline Of The Year 2012
 Roy Morgan

SKYTRAX AWARDS 2013

The World's Best Economy Class
 Best Economy Class Airline Seat

No.	Awards & Certifications	From	Date
1	Asia Pacific Airline Food Awards 2012 The Best Long-haul Airline Food Top 5 Short-haul Airline Food	Skyscanner	14 January 2013
2	Indonesia Inhouse Magazine Award 2013 Gold Winner – The Best of State Owned Enterprise Inhouse Magazine (InMA) 2013 Award for VIEW Edition No.3/2012 Internal Magazine of Garuda Indonesia	SPS	8 February 2013
3	Top Brand Award 2013 "Category: Airlines"	Marketing Magazine & Frontier	8 February 2013
4–7	2011/2012 Vision Awards Annual Report Competition <ul style="list-style-type: none"> • First Rank Top 100 Annual Reports Worldwide • First Rank (Platinum Award) category Aerospace & Defense • First Rank (Platinum Award) category Transportation & Logistics • Special Achievement Award : The Most Engaging Annual Report (Platinum) worldwide 	League of American Communications Professionals (LACP)	25 February 2013
8	Indonesia Most Admired CEO 2013	Warta Ekonomi	26 February 2013
9	Call Center Award 2013 "Contact Center Service Excellence Award 2013"	Service Excellence, Carre	7 March 2013
10	Recognition for the participation of Garuda Cargo SBU in promoting the implementation of National Single Window (NSW) Airportnet system at Soekarno-Hatta International Airport in support of Indonesia National Single Window (INSW)	Minister of Transportation of the Republic of Indonesia	13 March 2013
11	Indonesia Service To Care Award 2013	Marketeers, MarkPlus Insight	18 March 2013
12	Award 'Aksi untuk Bumi' 2013 Business category	WWF Indonesia & EARTH HOUR Community Indonesia	23 March 2013
13	ASEAN Premium Airline Of The Year	Frost & Sullivan	28 March 2013
14	Customer Satisfaction Award Domestic Airline Of The Year 2012	Roy Morgan	28 March 2013
15	CEO Innovative for the Country	GATRA	15 April 2013
16	National Award for Intellectual Property Right 2013	Ministry of Law and Human Rights of the Republic of Indonesia Directorate General of Intellectual Property Right	26 April 2013
17	The 20 Best Airlines In The World Ranking at #7 In-Flight Experience: 80 On-Time Performance: 74	Business Insider	26 April 2013

Awards & Certifications

No.	Awards & Certifications	From	Date
18	Fortune Most Admired Companies 2013 "The First Winner in Infrastructure, Utilities and Transportation Industry"	Fortune Indonesia	2 May 2013
19	Fortune Most Admired Companies 2013 "The Third Winner in Cross-Sector Industry"	Fortune Indonesia	2 May 2013
20	The Best CEO 2013 "The 1 st Rank of The Best CEO 2013"	SWA, Ipsos and Dunamis Organization Services	13 May 2013
21	Award for Performance and Breakthrough in "BUMN Penyambung Nusantara"	Ministry of SOE	19 May 2013
22	Award for Performance and Breakthrough in the Implementation of "BUMN Peduli" Program	Ministry of SOE	19 May 2013
23	Indonesia Most Admired Companies 2013	Warta Ekonomi	28 May 2013
24	Service Quality Award 2013 "Category: International Airline"	Service Excellence, Carre	28 May 2013
25	BUMN Best PR Program	SOE Public Relation Forum	5 June 2013
26	BUMN Best PR Officer	SOE Public Relation Forum	5 June 2013
27	Web BUMN Awards 2013	BERITASATU.COM	10 June 2013
28	Corporate Image Award 2013 "Category: Airlines"	Bloomberg Businessweek, Frontier Consulting Group	12 June 2013
29-30	Skytrax Awards 2013 "The World's Best Economy Class" "Best Economy Class Airline Seat"	Skytrax	18 June 2013
31-33	Indonesia Green Awards 2013 Category: <ul style="list-style-type: none"> • Forest Preservation • Pioneer in Pollution Prevention • Earth Preservation Leader (for Emirsyah Satar) 	The La Tofi School of CSR	25 June 2013
34	BUMN Innovation Expo & Award 2013 "Second Place - Best Booth"	Debindo, Ministry of SOE	30 June 2013
35	The 1st Champion of Indonesia Original Brand 2013 "Product Category: Airline Service"	SWA	4 July 2013
36-39	2012 Vision Awards Annual Report Competition <ul style="list-style-type: none"> • First Rank (Platinum Award) category Transportation & Logistics • Ranking at #6 Top 100 Annual Reports Worldwide • Ranking at #4 Top 50 Annual Reports In The Asia-Pacific Region • Best In-House Annual Report – Platinum – Worldwide 	League of American Communications Professionals (LACP)	15 July 2013
40	The Indonesia Brand Champion Award 2013	Marketeers, MarkPlus Insight	25 July 2013
41	Indonesia Most Favorite Women Brand 2013 "Category: Airline"	Marketeers, MarkPlus Insight	25 July 2013
42	Indonesia Green Company Achievement 2013	SWA	31 July 2013

No.	Awards & Certifications	From	Date
43	A Listed Company In Sustainable Responsible Investment (SRI) Kehati Index	Indonesian Biodiversity Foundation	31 July 2013
44	ARC Awards International XXVII SILVER in the category/classification Traditional Annual Report: Airline	Mercomm	31 July 2013
45	International Business Awards (IBA) Bronze Stevie Winner Best Annual Report (Print)	Stevie Awards	14 August 2013
46	Senayan City Infinite Merit Award 2013 Presented to Mr. Emirsyah Satar	Senayan City	18 August 2013
47	BUMN Marketing Award 2013 Special Corporate Marketing Recognition Award 2013	BUMN Track	27 August 2013
48	BUMN Marketing Award 2013 Bronze Winner, Category Strategic	BUMN Track	27 August 2013
49	Word of Mouth Marketing Most #1 Recommended Brand First Winner In Flight / Airline Service Category	SWA, onbee	29 August 2013
50	Indonesia's Top 50 "Company Excellent Achievement"	Koran SINDO	27 August 2013
51	Passenger Choice Awards 2013 "Best in Region : Asia and Australasia" "Top 5 Best Overall Passenger Experience" "Top 5 Best Ground Experience" "Top 5 Best Inflight Publication"	Airline Passenger Experience Association (APEX)	9 September 2013
52	Indonesia Best Brand Platinum 2013 Product Category: Airline Service	SWA, MARS	20 September 2013
53	Anugerah Business Review 2013 "The Best Corporate Communication of The Year 2013"	Business Review	24 September 2013
54-55	GKPM Awards 2013 CSR Best Practice for MDG's Category by: MDGs Goal-1, MDGs Goal-7	Coordinating Minister of People Welfare of the Republic of Indonesia	2 October 2013
56	Best In Travel 2013 Best Cabin Service	Asia Smart Travel	3 October 2013
57	Payload Asia Award 2013 The Rising Star Carrier of The Year Presented to SBU Garuda Cargo	Contineo Media Pte Ltd	17 October 2013
58	Travel Rave Leaders GALA Travel Business Leader Award in Asia Pacific (TBLA) "The 2013 Travel Business Leader of the Year"	Singapore Tourism Board, CNBC	22 October 2013
59	Indonesia Most Favorite Netizen Brand 2013 Category: Airline	Marketeers, MarkPlus Insight	28 October 2013
60	4th Infobank BUMN Awards 2013 SOE in Non-Financial Industry Category with "Excellent" Citation	Infobank	30 October 2013

Awards & Certifications

No.	Awards & Certifications	From	Date
61	The 5th IICD Corporate Governance Conference And Awards "Best Right of Shareholders 2013"	The Indonesian Institute for Corporate Directorship (IICD)	30 October 2013
62	Digital Marketing Award 2013 "Great Performing Website" Category: Airlines	Survey One, Marketing Magazine	7 November 2013
63	PR Program & People Of The Year 2013 "Best of the Best Marketing Public Relations Program 2013" Program: Garuda Indonesia & Liverpool FC Experience	MIX	7 November 2013
64	Economic Challenges Awards 2013 Category: Airline Industry Sector	Metro TV	15 November 2013
65	Indonesian Customer Satisfaction Award (ICSA) 2013 "The Best in Achieving Total Customer Satisfaction" Category: Airline	Frontier Consulting Group, SWA	20 November 2013
66	2013 Strategy Into Performance Execution Excellence (SPEX2) Award "The Best in Airline Industry"	GML Consulting, Fortune Indonesia Magazine	25 November 2013
67	Indonesia Sustainable Business Awards 2013 "Logistic & Transportation"	Sustainable Business Awards (SBA)	28 November 2013
68-70	Recognition from Serikat Perusahaan Pers (SPS) Indonesia Public Relations Awards & Summit (IPRAS) 1. Favorite Corporation SPS 2013 2. Favorite CEO SPS 2013 3. Favorite PR Figure SPS 2013	SPS	29 November 2013
71	Award "A Company that Care for People with Disability - in connection with International Disability Day (HDI) DKI Jakarta Year 2013"	Head of Social Agency - DKI Jakarta Province	5 December 2013
72	Anugerah BUMN 2013 "First Place Winner - Non-Financial Services SOE with Best Competitiveness"	BUMN Track	5 December 2013
73-76	Indonesia Human Capital Study (IHCS) 2013 1. The Best For Human Capital Initiative - Industrial Relationship 2. The Best For Human Capital Initiative - Culture Development 3. The Best For All Criteria 4. The Best For CEO Commitment	Business Review, Dunamis Human Capital	5 December 2013
77	43rd Creativity International Awards 2013 - Gold Magazine Design – Complete Award for Garuda Indonesia In-flight magazine Colours, March 2013 Agency Fish	Creativity International Awards	December 2013

No.	Awards & Certifications	From	Date
78	Accountant Award 2013 "Accountant of The Year 2013"	Indonesia Accountant Association (IAI)	12 December 2013
79	Good Corporate Governance Award 2013 Most Trusted Company Based on Corporate Governance Perception Index (CGPI)	SWA, IICG	16 December 2013
80	Indonesia Travel & Tourism Awards 2013/14 Category: Indonesia Leading International Airline	ITTA Foundation	16 December 2013
81	Customer Loyalty Award 2013 Net Promoter Leader The Net Promoter Score (NPS) Leader for Airlines Category	SWA, Net Promoter, Hachiko	18 December 2013
82	"The Best Airline" Hajj Season 1434H/2013	General Authority of Civil Aviation (GACA) King Abdul Aziz International Airport	December 2013

Vision, Mission, and Corporate Values

Vision

A strong distinguished airline through providing quality services to serve people and goods around the world with Indonesian hospitality.

Mission

The flag carrier of Indonesia that promotes Indonesia to the world, supporting national economic development by delivering professional air travel services.

Corporate Values

Corporate Value called 'Fly-Hi' consisting of: **e**Fficient & effective, **L**oyalty, Customer Centricit**Y**, **H**onesty & openness, and **I**ntegrity.

Vision & Mission have been approved by the Board of Directors and the Boards of Commissioners on 23 April 2009 and periodically evaluated by the Board of Commissioners every 3 (three) years.



eFficient & effective

Work in an accurate, efficient and timely manner to produce high-quality result.

Loyalty

Carry out duties with full dedication and responsibility.

Customer CentricitY

Serve with sincerity and focus on customer satisfaction.

Honesty & openness

Uphold honesty, sincerity, openness and caution.

Integrity

Maintain dignity and refrain from improper conduct that may damage Company image and profession.

2013 Strategy

To ensure future growth, the Company focused its strategy on network expansion, as part of the Quantum Leap strategy 2011-2015.

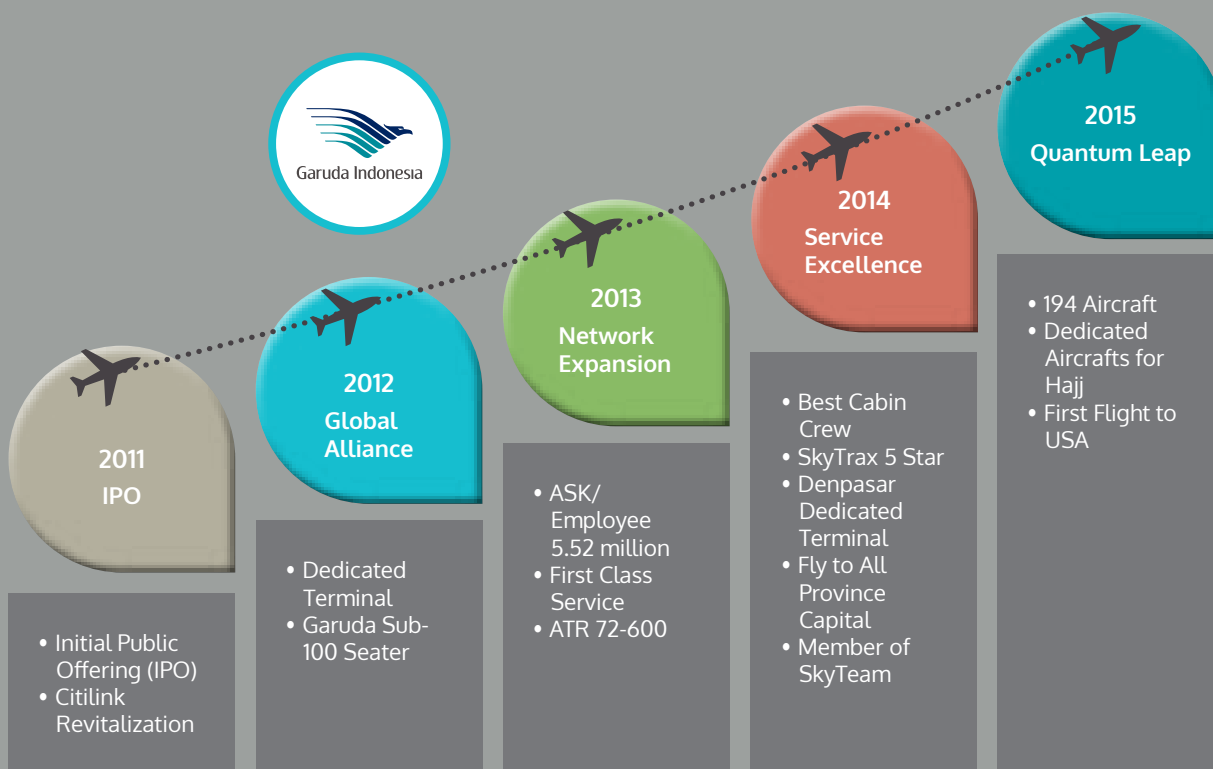
Garuda Indonesia developed a Quantum Leap strategy to secure a sustainable business growth that will support a sustainable profitable growth.

In 2013, the Company focused its strategy on network expansion, which became part of the Quantum Leap strategy 2011-2015. In addition to focusing on network development, the Company also had three strategic indicators to achieve, including the productivity (measured by ASK/Employee) of 5.52 million, the introduction of First Class services, Rights Issue and the operation of new aircraft ATR72-600.

In addition, the Company also recorded other achievements as follows:

- The fulfilment of minimum 90% requirement to become a member of Global Alliance SkyTeam. All processes are expected to complete in the first quarter of 2014, hence Garuda Indonesia will become a member of Global Alliance SkyTeam within that quarter. Even though the process has not yet been completed, Garuda Indonesia already recognized higher competitive advantage being a candidate member of SkyTeam following the successful bilateral agreement with some members of SkyTeam.
- The establishment of flight network to several provinces in Indonesia using CRJ aircraft, which was a narrow body aircraft with less than 100 seats capacity, and has the ability to serve low density market. Garuda Indonesia's commitment to develop network to eastern part of Indonesia by using the CRJ will further strengthen its presence as Indonesia's flag carrier.
- The arrival of Boeing B777-300 ER which also strengthened Garuda Indonesia's fleet in wide body and long haul aircraft category, which highlighted Garuda Indonesia's commitment to meet Quantum Leap's target.

Strategic Milestones Quantum Leap 2011-2015



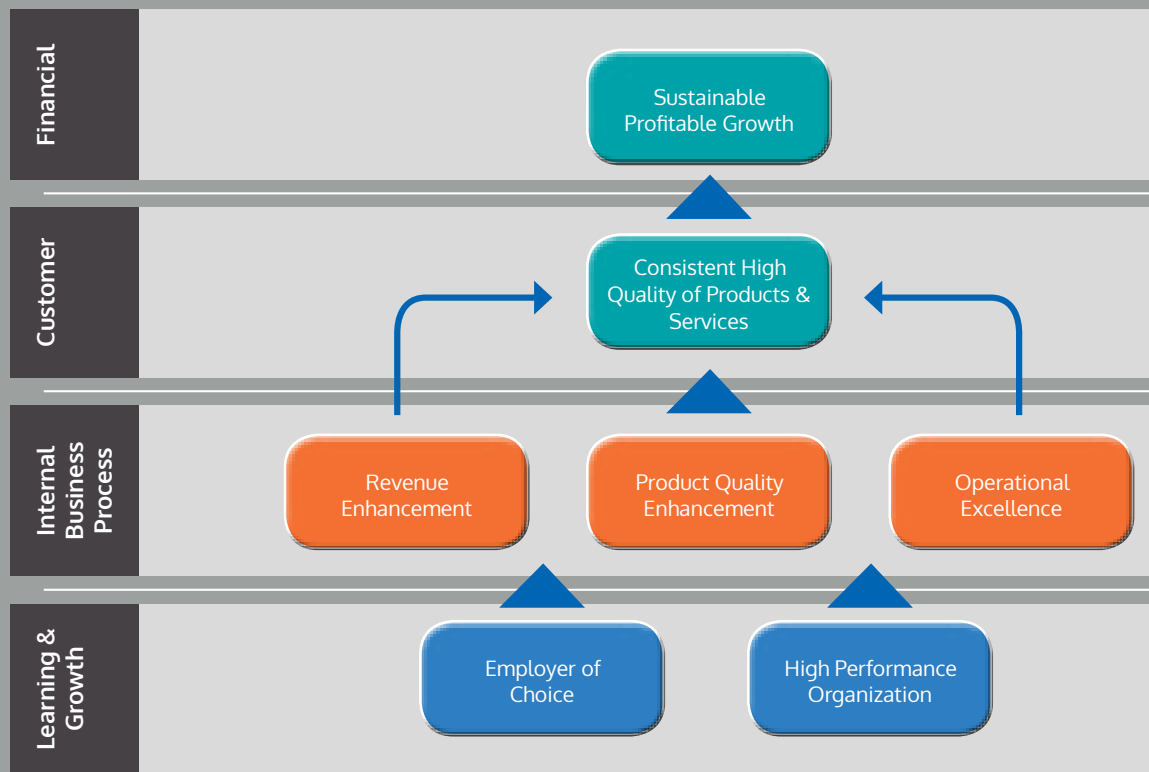
In implementing its strategy, the Company uses Balance Score Card (BSC) approach and determined strategic objectives which were grouped into 4 perspectives, i.e. Financial perspective, Customer perspective, Internal Process, and Learning & Growth perspective. The relationship of all strategic objectives is described on the following strategic map. Based on this approach, the Company could obtain several benefits from the implementation of the strategic management, as follows:

1. It can provide full picture on the strategy to achieve the Company's vision/goals
2. It can serve as a tool to ensure that all Company's vision/goals are supported by each individual within the Company (support the strategy description process).
3. It can assist the formulation of individual's performance indicator hence can support the Company's performance management system.

The Company's strategic initiatives are then translated into the seven drivers of Quantum Leap strategy. The seven drivers are as follows:

1. Domestic
The Company is committed to grow consistently and dominate the Full Service Carrier market in Indonesia. The strategy adopted is improving the service quality as part of an initiative to meet the Skytrax rating target, to become a 5 star airline as well as to prepare for ASEAN free market in 2015 as well as to strengthen its position in the premium class in the domestic market. In addition, product improvement is also conducted through the utilization of new ATR72-600.
2. International
In the international market, the Company has a high potential of growth. In order to improve the competitiveness particularly compared with regional competitors in Asia Pacific, several strategy implemented were:
 - Having code share agreement with reputable international airlines under mutually benefit principle. Some code share cooperation has been established, the latest one with Etihad Airways. Such cooperation is developed based on mutually benefit principle and as a result, Garuda Indonesia moved its transit point for European flight from Dubai to Abu Dhabi in December 2012. This code

Strategy Map



share cooperation allowed the Company to expand its flight network through Abu Dhabi and to be connected with Etihad Airways network, vice versa.

- Preparation to join global SkyTeam alliance. SkyTeam currently consist of 19 large airlines. The benefit of this alliance is Garuda Indonesia's connectivity to wider route network with 15,000 flights daily covering 1,064 destinations in 178 countries and an average 569 million passengers served per year as well as 530 Airport Lounges around the world.
3. LCC
 The Company would satisfy the Low Cost Carrier (LCC) segment through its Citilink. The existence of Citilink in the industry will further strengthen Garuda Indonesia's position as a premium airline. Strategy implemented for Citilink were as follows:

- Spin off Citilink management from Garuda Indonesia with Corporate Culture: Simple, On Time, and Convenient.
- Expand fleet under simple fleet principle (a similar type and suitable for LCC market).
- Maximize the aircraft maintenance and ensure the flight safety.
- Focus on short and medium route flight, for both domestic and international flight
- Maximize aircraft utilization to achieve higher flight hours.
- Efficient Service concept without additional charges.
- Low cost of distribution. The Company will continue developing Citilink to become independent and profitable

4. Fleet

Garuda Indonesia's strategy for fleet expansion was to ensure a balance between the number of fleet and the necessity to have various types of aircraft in order to support the Company's business growth.

As a result, the available fleet can be operated efficiently and has the flexibility to meet Garuda Indonesia's various route networks. The arrival of Boeing 777-300ER in 2013 strengthened Garuda Indonesia's fleet for long haul category and would enable the Company to introduce new product, First Class cabin services. In addition, the Company also acquired new aircraft ATR 72-600 to serve remote areas in the domestic market.

5. Brand

Similar to that in 2012, Garuda Indonesia's strategy for brand development aspect was to continue "Garuda Experience" concept. This strategy tried to offer premium proposition to Garuda Indonesia's product, which was achieved through the development of 4 main components, i.e.:

- Indonesian hospitality
- Outstanding customer service quality
- Modern cabin interior
- New fleet

6. Cost Discipline

The Company's strategy in 2013 for cost discipline aspect was to focus on initiatives to reduce cost

consistently without sacrificing the quality of services.

This strategy was implemented through 2 initiatives, i.e.:

- Conversion from Indirect sales model (e.g agent) to direct sales model (e.g: internet, call center) to reduce selling expenses.
- The operation of new fleet which can reduce maintenance cost and fuel cost.

7. Human Capital

The Company's strategy in 2013 for human capital development aspect was to focus on the internalization of Fly-Hi culture, which was implemented through various initiatives as follows:

- Developing organization
- Improving Performance Management System
- Developing leadership capability
- Developing Human Resource strategy that is consistent with Garuda Indonesia's strategy
- Developing culture, sales, service, high performance organization as well as learning culture.

By implementing all the above strategies, greater employee's productivity can be achieved hence can support the Company's higher profitability.

In the end, this can bring positive impact to the revenue per employee.

7 Drivers



Report from the Board of Commissioners

The commissioning of new domestic routes was part of the support for the Master Plan Program for the Acceleration and Expansion of Indonesia Economic Development (MP3EI).

The Indonesian economy faced several challenges in 2013. Pressure toward the current account and the government's budget had forced the government to escalate the price of subsidized fuel by an average 33% on June 21, 2013, which triggered high domestic inflation throughout the year. Pressure towards the current account led to a sizeable depreciation of the Rupiah, which was around 23% against US Dollar in 2013; the highest depreciation when compared against other ASEAN currencies.

Among the Gross Domestic Product's components, the transportation sector recorded the highest growth in 2013, of around 10.2%, which was reflected in the growth of both domestic and international passenger traffic. The domestic and international passenger traffic grew by 15% and 5.1%, respectively.

Meanwhile, domestic inflation was recorded at 8.4% in 2013, much higher when compared to inflation in 2012 which was 4.3%. In order to ease the inflation, Bank Indonesia adjusted the policy rate on a gradual basis since June 2013, which led to an escalating interest rate in the banking sector. The Gross Domestic Product (GDP) growth decelerated to 5.8% in 2013 from 6.3% in 2012.



Bambang Susantono
President Commissioner

Report from the Board of Commissioners

In general, the total number of airline passengers in 2013 reached 93.6 million passengers, which consisted of 82.1 million domestic passengers and 11.4 million international passengers, an increase from the total 81.3 million passengers in 2012.

Assessment on Directors' Performance

Throughout 2013, the management of Garuda Indonesia continued the implementation of the ongoing Quantum Leap strategy, which focuses more on flight network expansion.

Consistent with such a goal, The Board of Directors applied several programs and initiatives to expand the flight network; such as increasing the number of aircrafts and establishing code share cooperation with international airlines like Jet Airways to extend the international flight network. Apart from that, the preparation to join the SkyTeam had reached the final stage and hence Garuda Indonesia officially became the newest member of the global SkyTeam alliance by the first quarter of 2014.

In the domestic sector, Garuda Indonesia launched the sub-brands; "Explore" ATR 72-600 and the "Explore-Jet" Bombardier CRJ1000 NextGen, to provide services to the remotest areas of Indonesia. We believe the strategy to open several new routes to the new center of economic activities will strengthen Garuda Indonesia's position in the Western and Eastern Indonesia. This strategy is also part of Garuda Indonesia's support to the Government's Master Plan Program for the Acceleration and Expansion of Indonesia Economic Development (MP3EI). By developing inter-city connectivity in the six economic development corridors throughout Indonesia.

Meanwhile, investment was allocated not only at the parent level but also at the subsidiaries in order to enhance competitive advantages of the subsidiary entities in their respective industries. Although the investment triggered significant spending in 2013, the results will support the business growth of Garuda Indonesia and the subsidiaries in the medium and long term horizon.

The unfavorable economic climate and stiffer competition in the airline industry had affected the Company's performance and led to only a 7.0% increase in operating revenues in 2013 to USD 3.72 billion.

Furthermore, due to fleet expansion, operating expenses increased sizably by 12.6% to USD 3.71 billion in 2013. Nonetheless, the Company was still able to generate an operating profit of USD 56.4 million. The Company hence still booked a net profit of USD 11,2 million in 2013, but decreased from the USD 110,8 million recorded in 2012. The decrease in the bottom line was not only caused by the previously mentioned factors but also the loss being recorded by the subsidiary, Citilink.

Besides a weakened financial performance, the Board of Commissioners would like to extend the highest appreciation to the management for all of their efforts to escalate the Company's reputation in the international market. All of the initiatives and ideas have gained the appreciation and recognition from many stakeholders, some of which were the "The World's Best Economy Class 2013" and "The Best Economy Class Airline Seat 2013" from Skytrax and ranked number 8 in "The World's Top 10 Airlines".

Opinion on Company Prospects

Considering the achievement in 2013, particularly in the fleet and network expansion, Garuda Indonesia will have a strong foundation to further enhance its position in the global airline industry.

The improvement in the connectivity of inter-city routes in the domestic and international market served by Garuda Indonesia will bring a wider opportunity for the Company to improve its performance whenever the national economy recovers. Overall, inflation and exchange rate pressures are projected to ease in 2014. Therefore, despite political uncertainty in 2014 due to the general election, the transportation sector is projected to perform better. This will provide a conducive climate for Garuda Indonesia to continue growing in 2014.

The Board of Commissioners expects the management can continue the ongoing Quantum Leap program in 2014. The Board of Commissioners will enhance monitoring in 2014 to ensure improvement in the financial performance of Garuda Indonesia. Nonetheless, special attention is still needed for the Strategic Business Unit (SBU) and subsidiaries in order to enhance their performance, which will eventually ensure a positive impact for the Company on a consolidated basis.

Committees within the Board of Commissioners

In order to follow up regulations stipulated by SOE (State Owned Enterprises) Minister on the managing and monitoring of state owned enterprises, the Board of Commissioners streamlined the numbers of the BOC Committee from three to two, which consists of the Audit Committee and the Business Development and Risk Monitoring Committee. The tasks and responsibilities of the previous Remuneration Nomination and Corporate Governance Committee that assisted the Board of Commissioners, has been transferred to the Audit Committee.

In compliance with the latest regulations issued by the Financial Service Authority (OJK, previously Bapepam-LK) and the State Owned Enterprises Ministry, the Audit Committee accomplished the new Audit Committee Charter in 2013, and which was signed by the Board of Commissioners and effective since June 25, 2013.

Changes in the Board of Commissioners Structure

The Annual General Meeting of Shareholders (AGMS) of Garuda Indonesia dated April 26, 2013 accepted the resignation of Sonata Halim Yusuf and Bambang Wahyudi as the members of the Board of Commissioners.

On behalf of the Board of Commissioners, I wish to extend our appreciation and gratitude to Sonata Halim Yusuf and Bambang Wahyudi for their contribution during their tenure as members of the Board of Commissioners.

The AGMS also appointed Bagus Rumbogo as the new member of the Board of Commissioners and Chris Kanter as the new independent member of the Board of Commissioners. We welcome both Bagus Rumbogo and Chris Kanter as the new members of the Board and believe their expertise and experience would strengthen the monitoring function of the Board of Commissioners.

On December 2, 2013, Bagus Rumbogo tendered his resignation as a member of the Board due to his new assignment, which was effective from November 26, 2013.

On behalf of the Board of Commissioners, I would like to thank all of the shareholders for the continuous support towards Garuda Indonesia, the Management and also all of the staff of Garuda Indonesia for the efforts, initiatives and hard work that enabled the Company to record a good performance amidst challenging domestic economic climate in 2013.

We also wish to extend our gratitude and appreciation to all the customers, business partners, and other stakeholders of Garuda Indonesia throughout 2013. We hope to receive continued support and cooperation in the years to come.



Bambang Susantono
President Commissioner

Board of Commissioners



Wendy Aritenang
Commissioner

Chris Kanter
Independent Commissioner



Bambang Susantono
President Commissioner

Betti Setiastuti Alisjahbana
Independent Commissioner

Peter F. Gontha
Independent Commissioner

Report from the Board of Directors

Equipped with a new high-tech and economical fuel efficient fleet, Garuda Indonesia will be able to significantly enhance operating efficiency in the years to come.

2013 was a year full of challenges for Indonesia's economy. An increase in the price of subsidized fuel in the middle of the year triggered higher domestic inflation to rise to 8.4% and a higher current account deficit, which led to a steep depreciation of the Rupiah against several other foreign currencies, particularly the US dollar. Higher inflation and a weakening Rupiah caused a declining demand for air transport services, particularly full service airlines like Garuda Indonesia. The declining demand was not only evident in the retail segment, where individuals had to adjust their expense habits and patterns, but also from the corporate segment, where most of enterprises

Garuda Indonesia brought in 36 new aircraft in 2013; 10 of which were under the Citilink brand. The total number of aircraft in operation during 2013 was therefore 140 units; including 12 Bombardier CRJ-1000 NextGen and 2 ATR 72-600 to serve remote areas in Eastern and Western Indonesia, with an improved average fleet age of 5 years from the 5.8 years in 2012.

had to reduce their budgets for transportation expenses. These adversely affected the Company's performance in general. Despite experiencing an increase of 22.3% on the passengers carried, it was still lower than the market growth in general, which brought a decreasing market share in both domestic and international markets.



EmirSyah Satar
President & CEO

Report from the Board of Directors

Meanwhile, in order to further develop business in the future, Garuda Indonesia allocated sizeable investments in 2013 particularly for fleet expansion to support operations. Not only at the parent level, the investment was also allocated to the subsidiaries with the aim to sharpen the competitive advantages in each respected industry. These investments led to significant expenses in 2013, but it is expected to generate results that can support the business of Garuda Indonesia and its subsidiaries in the medium and long run.

During this situation and with these conditions, Garuda Indonesia put consistent effort into improving efficiency. Some indicators have shown improvement, such as declining fuel burn to block hours to 3,857 in 2013 from 3,981 in 2012, as well as cost per ASK to USDc 7.6 from previously USDc 7.9.

In accordance with the Quantum Leap strategy, in 2013 the Company focused more on network expansion and intensifying preparations to fulfill the requirements to become an official member of SkyTeam in 2014, and transform Garuda Indonesia into a global player.

Company Performance in 2013

Strategic Policy

An unfavorable economic climate and tighter competition in the airline industry significantly affected the Company, which eventually booked a growth of only 7.0% in operating revenue during 2013 which totalled USD 3.72 billion. Meanwhile, operating expenses increased significantly by 10.8% to USD 3.66 billion, mostly caused by the fleet expansion. However, the Company was still able to record an operating profit of USD 56.4 million.

Although the Company had to bear sizeable costs due to the expansion and significant loss booked by the subsidiary Citilink, the Company still recorded a net profit of USD 11.2 million in 2013. It was lower than compared to that recorded in 2012 of USD 110.8 million. Meanwhile, the comprehensive income dropped to USD 565.5 thousand in 2013 from USD 145.4 million in 2012.

Despite recording a lower profit, the Company repaid both the syndicated loan of USD 55 million from Citi Club Deal in the second quarter of 2013, as well as the USD 75 million loan from Indonesia Exim Bank in third quarter of the year. On the other hand, the Company also managed to raise Rp 2 trillion funds through bonds issuance in July 2013.

From an operational aspect, Garuda Indonesia brought in 36 new aircraft in 2013, which consisted of 2 Airbus A330-200, 1 Airbus A330-300, 4 Boeing 777-300ER, 10 Boeing 737-800 NG, 7 Bombardier CRJ1000 NextGen, 2 ATR 72-600 and 10 Airbus A320-200 for Citilink, while 2 aircrafts were disposed. Therefore, during 2013 the fleet contained 140 modern aircraft with average age of 5 years, an improvement from 5.8 years in 2012. Following the arrival of the ATR 72-600 aircrafts and the operation of sub-100 seater Bombardier CRJ1000 NextGen fleet since October 2012, Garuda Indonesia launched a new sub brand; "Explore" and "Explore Jet", to serve routes to remote areas in the Eastern and Western Indonesia.

With a new high-tech and economical fleet, the Company will be able to continue improving operating efficiency in the years to come.

From a commercial aspect, the Company continued further developing routes and networks in both the domestic and international market. In 2013, the Company commenced 30 new routes, of which 25 were domestic (including 1 reinstated route) and 5 international routes. The new routes serve 11 destinations; namely Bengkulu, Tanjung Pinang, Tanjung Pandan, Berau, Sorong, Manokwari, Bima, Labuan Bajo, Ende, Penang, and Brisbane. The Company also intensified code share cooperation with several international airlines like Jet Airways of India.

From a service perspective, we introduced a "New Service Concept" and "First Class" service in the new Boeing 777-300ER aircraft as well as an improved "Executive Class" and "Economy Class". This improvement was part of our preparation towards service excellence in 2014.

After continuous improvement and development, Garuda Indonesia was granted awards from several international organizations. In 2013, the Company obtained 82 recognitions, of which 23 were international awards; including "The World's Best Economy Class 2013" and "The Best Economy Class Airline Seat 2013" from Skytrax and ranked 8th on the list of "The World's Top 10 Airlines", as well as 59 domestic acknowledgements, including aspects like transformation, management, services, financial, Good Corporate Governance, branding, and human capital.

Through implementation of the continuously developed FLY HI corporate culture and supported by the spirit of "One Team, One Spirit, One Goal", the staff productivity improved in 2013. This is expected to bring the Company further as a high performance organization in the future.

Performance of Subsidiaries and Strategic Business Units (SBU)

In line with the enhancement of Garuda Indonesia's performance, all of the subsidiaries and SBU have been encouraged to become both independent and profitable. In 2013, most of the SBU and subsidiaries showed improvement. Citilink however, still lagged behind and posted a comprehensive loss of USD 48 million as it was still in development stage of serving the prospective LCC market.

We will persist to strengthen the performance of the SBU and subsidiaries in the future to enable them to have the capability to become independent and therefore provide positive support to the overall financial performance of Garuda Indonesia on a consolidated basis.

Comparison Between Targets and Results

As explained earlier, an unfavorable economic climate and tighter competition made it difficult for the Company to achieve their 2013 targets, both financially and operationally. Other factors like the depreciation of the Rupiah against the US dollar also weakened the overall demand, which eventually affected the Company's revenues.

Meanwhile, in relation to the plan to operate a "dedicated terminal", although not fully finished in 2013, Garuda Indonesia will continue to explore the option and complete the finishing stage.

Our Challenges

Air traffic congestion and airport infrastructure facilities are challenges that need to be managed as they will affect our service quality to the customers and flight operational particularly the accuracy of flight schedule (On-time Performance) and fuel efficiency.

Report from the Board of Directors

Meanwhile, aligned with business expansion, the Company has also focused on the quality of human resources and continuously provided training to enhance the staff's capability in executing the Company's plans.

Prospects in 2014

With the expectation of a recovery in the Indonesian economy in 2014 as well as an improvement in the global economy, the Company is optimistic to be able to revamp performance. In 2014, the Company will emphasize more on the achievements of service excellence, as well as continuing growth momentum. Garuda Indonesia is scheduled to be an official member of SkyTeam by March 5, 2014, which will further strengthen the Company as a global player. The Company will continue to develop Garuda Indonesia to become an organization with "world class processes, systems and human capital".

Meanwhile, the Company will continue to provide support to the management of Citilink to take the strategic actions needed to recover its performance in 2014 after it posted a negative contribution in 2013.

Implementation of GCG in 2013

Review on Good Corporate Governance for 2013 will be the last stage in the "Good Garuda Citizen" in order to achieve an organization with a strong work ethic and responsible to develop a Good Corporate Governance culture. In 2013, the Company implemented the results of GCG practice into one of the Key Performance Indicators (KPI) of the Company.

The next stage of implementing Good Corporate Governance will be "Garuda Group Governance", which is scheduled in 2014 and 2015. In this stage, Garuda Indonesia will implement and develop GCG guidance for subsidiaries. Therefore, Garuda Indonesia and its subsidiaries as a group, will have a strong commitment and always implement Good Corporate Governance principles.

Garuda Indonesia performed a GCG assessment for the year ending December 31, 2013 with Ernst & Young Indonesia as the independent assessor. The assessment was done based on the GCG indicators and parameters stated in the guidance letter No. SK-16/S.MBU/2012 from the State-Owned Enterprise Ministry. Given that the GCG assessment is still on going at the time this annual report is being published, the Company is therefore unable to provide the GCG assessment scores for the year 2013.

In the meantime, in 2013 Garuda Indonesia took part in research to rank the GCG implementation for the year 2012, held by The Indonesian Institute for Corporate Governance (IICG) with the main theme; "Good Corporate Governance from a Knowledge Perspective". Garuda Indonesia gained a score of 85.93 and was classified into the "Most Trusted Company" category.

Furthermore, the ASEAN Capital Market Forum established the ASEAN GCG Scorecard, which was adopted from several international standards and best practices, as a basis to assess public companies' GCG practices in ASEAN. The Indonesian Institute Corporate Directorship (IICD), the independent GCG practice appraiser that implements ASEAN GCG Scorecard, announced Garuda Indonesia as the best state-owned Company for "Best Rights of Shareholders" category on October 30, 2013.

Appreciation

As a closing statement, I would like to extend my gratitude to our customers, business partners, working partners, and other stakeholders for their close cooperation and support for Garuda Indonesia throughout 2013. Gratefulness and appreciation must also awarded to all the staff for their hard work and dedication to enable Garuda Indonesia to record a positive performance amidst challenges in the airline industry, as well as in the domestic and global economy. I also wish to show my appreciation to the shareholders for all the support that enabled the Company to develop further in 2013 and continue the growth momentum to become a global player.



Emirsyah Satar
President & CEO

Board of Directors



Handrito Hardjono
EVP Finance

Batara Silaban
EVP Maintenance &
Fleet Management

Frederik Johannes Meijer
EVP Marketing & Sales

Emirsyah Satar
President & CEO



Novianto Herupratomo
EVP Operations

Faik Fahmi
EVP Services

Judi Rifajantoro
EVP Strategy, Business
Development & Risk
Management

Heriyanto Agung Putra
EVP Human Capital &
Corporate Affairs

Management Discussion & Analysis of the Company's Performance

In 2013, Garuda Indonesia Group served 25 million passengers, both domestic and international routes, up from 20.4 million passengers in 2012.



Industry

Traffic of international passengers from Indonesia grew by 9.5%, while domestic passenger grew by 2.1%.



Global Condition

In early 2013, global economic crisis still poses serious threat mainly arises from the recovery process in Europe and the weakening of the U.S. economy due to tightening of public spending program. But eventually, the previously faltered global economic recovery has recently progressing forward with Asia and the U.S. itself as the driving force. Positive indication of the recovery of the European crisis and the economic growth in major Asian countries, namely Japan, China and India also empowering the global economic recovery. These improvements continue until 2014 so as to stimulate the recovery of global economic stability.



Production & Traffic (Mainbrand + Citilink)

	2013	2012
Freight Tonne Kilometer (000)	3,772,759	3,124,107
Available Freight Tonne Kilometer (000)	6,243,907	5,153,394
Passenger Traffic	24,965,239	20,415,285
Revenue Passenger Kilometer (000)	31,949,989	27,342,093
Available Seat Kilometer (000)	43,133,085	36,013,832
Passenger Load Factor (%)	74.07	75.92

Primary Indicators

	2013	2012
On-Time Performance - Mainbrand Flights (%)	83.8	84.9

The World Bank has projected a global economic growth of 3.2% in 2014, higher than estimated in June 2013, which was 3%, and higher than that of 2013, which was 2.4%. Developing economies also projected to grow about 5.3% this year, an increase from 4.8% in 2013. (source: Cabinet Secretariat of the Republic of Indonesia).

An indication of a bright prospect provided momentum for Indonesia to maintain its economic growth, mainly based on trade and finance.

Domestic Condition

Indonesia's economy posted a Gross Domestic Product (GDP) growth of 5.8%, lower than 2012 which stood at 6.3%. GDP growth occurred at all sectors, with the highest growth recorded by transportation and communications sector by 10.2%. The less stable macroeconomic condition in 2013, marked with rising inflation, weakening currency and current account deficit, has affected the performance of the Company in 2013.

The aviation industry in Indonesia in 2013 is still considered prospective, in line with the economic growth and the increase in purchasing power. The increasing demand for air travel has prompted many airlines companies to join the competition in Indonesian aviation industry. More affordable ticket prices, as well as more choice of airlines, have made more and more Indonesian people choose flight as the main mode of transportation. The Ministry of Transportation of Republic of Indonesia has noted that competition in the airline industry will be increasingly fierce and accompanied by the increased number of users. In 2013, the number of foreign airlines companies entered Soekarno Hatta Airport was 37, namely Air Asia, Air China, All Nippon,

Industry

Royal Brunei Airlines, Cathay Pacific Airways, Cebu Pacific, China Airlines, China Southern Airlines, Emirates, Etihad Airways, Eva Air, Japan Airlines, Jetstar, KLM, Korean Air, Kuwait Airways, Mihin Lanka, Malaysia Airlines, Philippines Airlines, Qantas Airways, Qatar Airways, Saudi Arabia Airlines, Sinchuan Airlines, Singapore Airlines, Thai Airways, Tiger Airways, Turkish Airways, Value Air, Vietnam Airlines, Yemenia Airways, Business Air, Malindo Airways, Asiana Airlines, National Air, Xiamen Airlines, China Eastern, Thai Lion Air. (Source: Airport Authority).

Passenger Market

For international passenger market, Revenue Passenger Kilometers (RPK) posted an increase of 5.2%, as reported by IATA. Such increase was consistent with the global economic recovery and was supported by 4.8% increase in Available Seat Kilometers (ASK). Average Seat Load Factor for international flights was recorded at 79.5%, which was an increase from 78.9% in 2012. Traffic of international passengers in the Asia Pacific services, as reported by member airlines of Association of Asia Pacific Airlines (AAPA), reached 219 million passengers in 2013, an increase of 6% over the previous year. Furthermore, RPK also grew

Tourism
 Destination



Tana Toraja

Tana Toraja means, literally, the 'Land of Kings'. Situated in the northern highlands of the province of South Sulawesi, paddy fields and lush forests lie secure amidst high mountain range and granite cliffs. The people of Toraja today, while practicing Christianity as a formal religion, still observe some of their traditional and ancient rituals and beliefs. Toraja is mostly well-known for its unique burial ceremony, involving whole villages in long and intricate ceremonial processes.

To get to Tana Toraja, one can fly first with Garuda Indonesia to Makassar, the capital city of South Sulawesi. From Makassar, proceed by air using the so-called pioneer flight, or make an overland journey using bus transportation.



by 5.8% to 813 billion in 2013. The growth reflected strong demand for regional routes triggered by the economic growth in the Asia Pacific region and the 4.8% increase in ASK capacity. Average Seat Load Factor for the Asia-Pacific services was recorded at 78.2%.

In 2013, Garuda Indonesia served 15.85 million passengers in 65,131 flights in 76 domestic routes, and 3.77 million passengers in 13,566 flights in 31 international routes of its own.

The number of outgoing international passengers from Indonesia grew by 9.5% from 11.9 million people in 2012 to 13 million people in 2013 (Source: BPS). The growth in international passenger traffic from Indonesia was driven by the growing economic activity and the increasing number of middle-class population. The number of domestic

passengers grew by 2.1% from 54.5 million people in 2012 to 55,7 million people (Source: BPS). The increase in domestic passengers from Indonesia was a result of improved domestic economic activities, rising income per capita for Indonesian people, fleet expansion, more affordable airfare ticket, and better service quality and safety standard.

Air Cargo Market

As reported by IATA, global air cargo traffic recorded an increase in Freight Tonne Kilometer (FTK) by 1.4% while Available Freight Tonne Kilometer (AFTK) grew by 2.6%. Average cargo load factor in international flights was 45.3%. Increase in FTK and AFTK mainly occurred in the Middle East, which was 12.8% and 11.8% respectively. But the rate for global cargo shipments decreased by 4.9% impacting a decline in global cargo revenues by 3.2%.

Commercial

In 2013, Garuda Indonesia flight network expanded with the addition of 30 new routes on both domestic and international routes.



To enhance connectivity between regions in Indonesia, Garuda Indonesia continues to expand its network. This network expansion is not only focus on big cities in Indonesia, but also extends to remote areas in the country. However, less favorable domestic economic condition led to an imbalance result between production and revenue in the year 2013.

Network Management

Policy on flight network development in 2013 remained in line with the Quantum Leap 2011 – 2015 policy, which focused on network expansion. In addition, the Company also plays active role in supporting Government program MP3EI (Master Plan Program for the Acceleration and Expansion of Indonesia Economic Development) in effort to optimize growing resources.



Network expansion in 2013 was channeled through the addition of 26 new aircraft, which were 4 Boeing 777-300ER aircraft, 2 Airbus A330-200 aircraft, 1 Airbus A330-300 aircraft, 10 Boeing 737-800NG aircraft, 7 Bombardier CRJ1000 NextGen aircraft, 2 ATR 72-600 aircraft. Furthermore, Garuda Indonesia also opened 30 new routes, consisting of 24 Domestic routes (include 1 re-instated route) and 4 International routes. The new route would serve 11 new destinations, namely Bengkulu, Tanjungpinang, Tanjungpandan, Berau, Sorong, Manokwari, Bima, Labuan Bajo, Ende, Penang, and Brisbane.

Domestic Flight Network Strategy

Strategy on domestic flight network is focused on expansion through opening of several new routes and new destinations. Routes Bengkulu, Tanjung Pandan, and Tanjung Pinang are served with B737 classic, routes

Berau, Sorong and Manokwari are served with CRJ1000, while destinations such as, Bima, Labuan Bajo and Ende are served with new ATR72-600 aircraft. ATR72-600 is an aircraft with capacity of 70 seats functioning as a feeder route connecting supporting cities. Two units of ATR72-600 have begun operating in December 2013, out of 25 units ordered by the Company. Domestic market growth for 2013 was 13.2% which was complemented by the 15.8% growth of ASK production.

In line with the Government's program of MP3EI, the Company participated in economic development through opening of new hubs, such as Medan and Balikpapan which to complement existing hubs at Cengkareng, Denpasar, Surabaya, and Makassar. With opening of more new hubs, it is expected that utilization of Company resources will become more optimal.

In effort to accelerate the execution of business process, primarily to achieving the sales target, the Company formed 4 Domestic Regions, with head offices in Medan, Jakarta Surabaya and Makassar.

International Flight Network Strategy

Strategy on International Flight Network is channeled through strengthening international routes by adding frequency and opening of new routes. Through this expansion, the Company managed to achieve 7.7% growth from the international market for 2013 on flown routes, as well as recording a 5.1% increase in number of passengers carried. This was accommodated by the 13.5% increase from ASK production, which still leave room for improvement.

In 2013, to accelerate business execution process in order to achieving sales targets, the Company opened 2 new international destination, namely Penang and Brisbane. At the same time, Company also restructured the regions and classified them into 5 International Regions, with head offices in Singapore, Tokyo, Shanghai, Sydney and Amsterdam.

Aside from managing strategy of domestic and international network, the Network Management unit is also responsible for the following:

Commercial

1. EU-ETS: European Union–Emissions Trading Scheme

Year 2013 was the second year of the EU ETS Trading Period, Garuda Indonesia however has already fall into 'de minimis' category, whereby flight operator requires no monitoring period in the EU ETS scheme. 'De minimis' is a criteria where flight frequency is less than 243 flights in 4 consecutive months period (January-April, May-August, September-December), or has total annual emissions to less than 10,000 tonnes per year.

Total frequency of Garuda Indonesia flights in Europe for 2013 was as follows:

January-April : 148 Flights

May-August : 194 Flights

September to December : 210 Flights

Due to frequency of flights did not exceed 243 flights during four months period in 2013, the Company need not be in the 2013 EU ETS scheme. As a result, the Company was not required to compensate for emissions output in that year even though total emissions output of Garuda Indonesia exceeded 10,000 tonnes.

2. Cooperation with Airline Partners

In order to improve performance, Garuda Indonesia cooperated with additional 14 airlines during the year 2013, which were China Airlines (CI), China Eastern Airlines (MU), China Southern Airlines (CZ), Etihad (EY),

Tourism
 Destination

Yogyakarta

Yogyakarta is a favourite destination for overseas as well as domestic tourists, with several ancient temples and other Javanese historical places of interest, cultural attractions, and beautiful natural scenery. In fact, Yogyakarta is the second most popular tourism destination in Indonesia after Bali.

To facilitate travelers wishing to visit Yogyakarta, Garuda Indonesia in 2013 operates 10 flights daily in Jakarta - Yogyakarta vv route, with plans to open new direct routes from Makassar and Medan to Yogyakarta.





Jet Airways (9W), KLM, Kenya Airways (KQ), Korean Air (KE), Philippines Airlines (PR), Singapore Airlines (SQ), Royal Brunei (BI), Silk Air (MI), Turkish Airlines (TK) and Xiamen Airlines (MF).

With this cooperation in place, the Company has now owned about 846 scheduled flights operated by Airlines partners with 26 new destinations which were not operated by Garuda Indonesia.

3. Global Alliance with SkyTeam

As continuation of participation in the SkyTeam Global Alliance program, Garuda Indonesia has formed a Team that would oversee the Company's progress in the SkyTeam membership milestone:

1. TST (Transition Support Team), whose members comprise of Airlines that has already had bilateral agreement with Garuda Indonesia (Airline Partners Sponsor) and SkyTeam Office. As member of SkyTeam (Airline Partners Sponsor), the task of TST is to assist Garuda Indonesia to become eligible

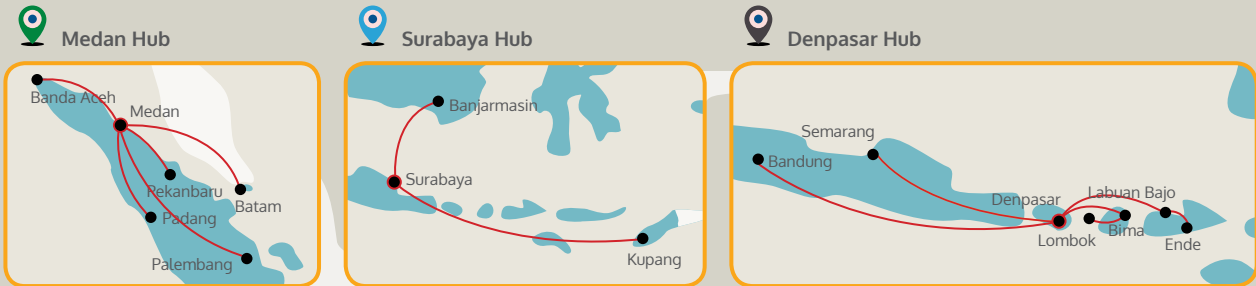
member of SkyTeam. SkyTeam Office on the other hand put more emphasis on progress (the extent to which the Company has complied with the terms of membership). Such evaluation by TST is conducted quarterly in Jakarta.

2. IT2 (Information IT 2 (Information System Integrated Team)

The task of this team includes: conducting monthly conference call with all SkyTeam airline partners. Time difference between SkyTeam partners is a notable issue. The objective of this call is to synchronize perception and overseeing system integration of Garuda Indonesia with each member.

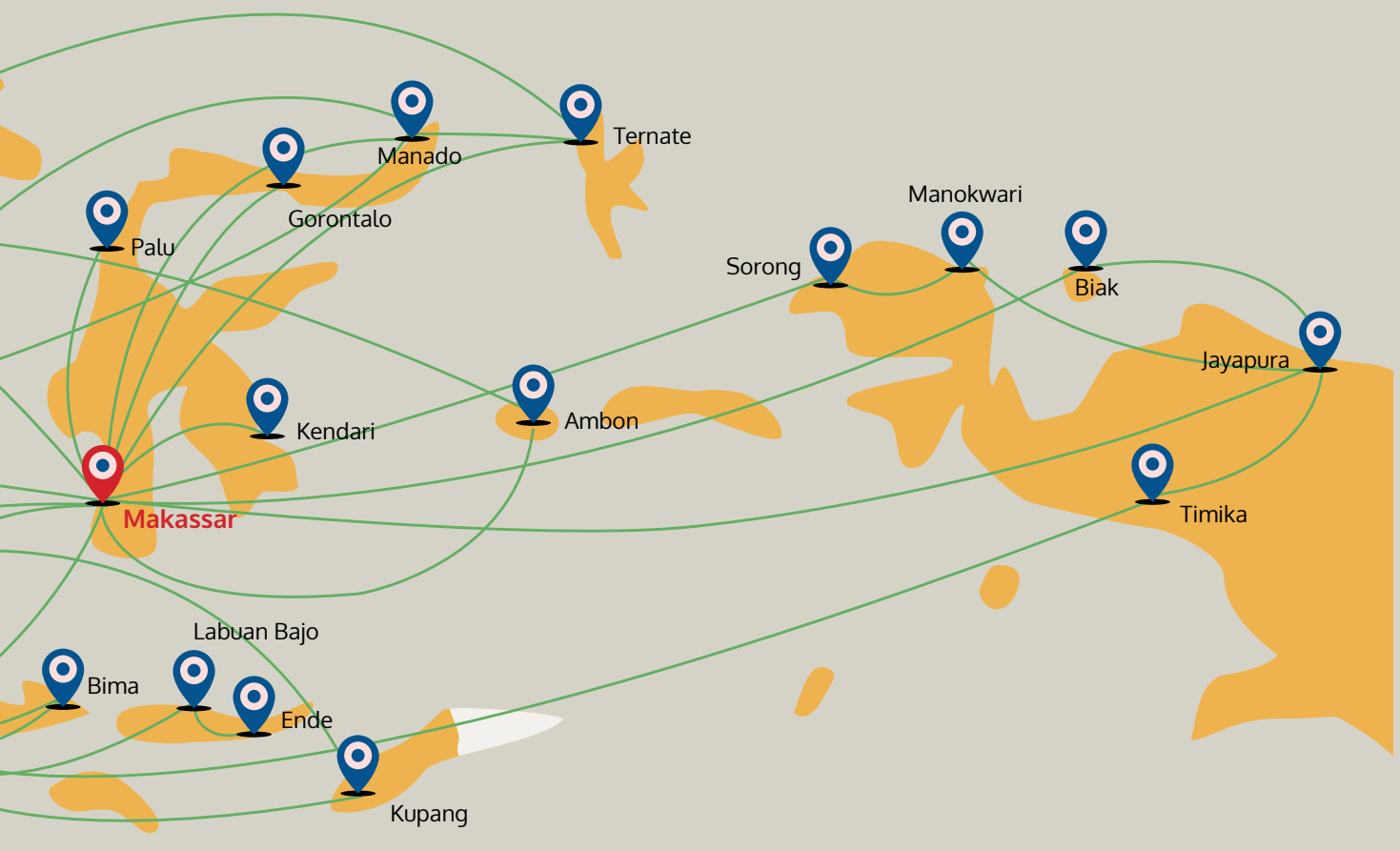
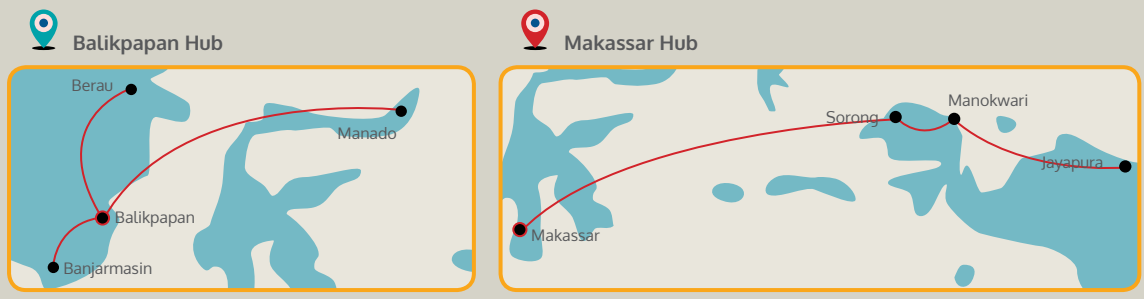
Aside from the 2 teams above, each month a "Big Conference Call" is conducted with several members of SkyTeam as platform to raise issue regarding the time difference between SkyTeam partners. The goal is to monitor progress of Company's business and assist Company in achieving membership requirements.

Domestic Routes



New Domestic Routes

- Medan–Batam–Medan • Medan–Padang–Medan • Medan–Palembang–Medan • Padang–Pekanbaru–Padang
- Batam–Pekanbaru–Batam • Medan–Aceh–Medan • Jakarta–Aceh–Jakarta • Jakarta–Tanjung Pinang–Jakarta
- Jakarta–Bengkulu–Jakarta • Jakarta–Tanjung Pandan–Jakarta • Medan–Pekanbaru–Medan
- Medan–Batam–Tanjung Karang–Batam–Medan • Denpasar–Bandung–Denpasar • Surabaya–Kupang–Surabaya
- Denpasar–Semarang–Denpasar • Denpasar–Kupang–Denpasar • Jakarta–Ternate–Jakarta • Surabaya–Banjarmasin–Surabaya
- Balikpapan–Banjarmasin–Balikpapan • Balikpapan–Berau–Balikpapan • Balikpapan–Manado–Balikpapan
- Jakarta–Ambon–Jakarta • Makassar–Sorong–Manokwari–Jayapura–Manokwari–Sorong–Makassar



ATR72-600 Routes

- Denpasar–Bima–Lombok–Denpasar
- Denpasar–Labuan Bajo–Ende–Labuan Bajo–Denpasar

5

Hub
Medan
Surabaya
Denpasar
Balikpapan
Makassar

44

Domestic Destinations

2013 New Destinations:
Bengkulu, Tanjung Pinang,
Tanjung Pandan, Berau,
Sorong, Manokwari, Bima,
Labuan Bajo, Ende.

International Routes



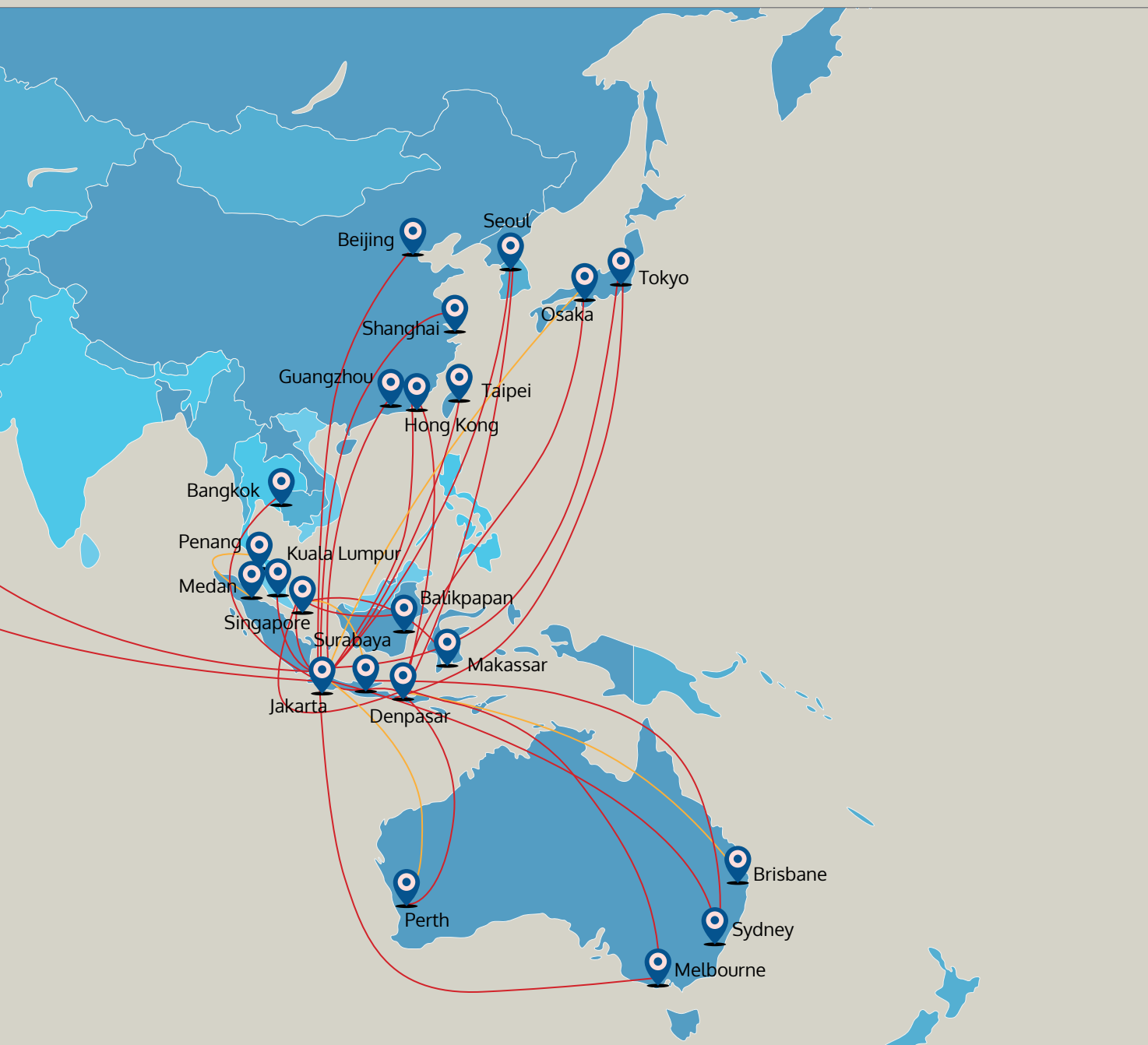
- 2012 Routes
- Code Share
- 2013 New Routes

5 New International Routes

- Medan–Penang–Medan
- Surabaya–Singapore–Surabaya
- Jakarta–Osaka–Jakarta
- Jakarta–Brisbane–Jakarta
- Jakarta–Perth–Jakarta

13 Code Share Destinations with Etihad

Frankfurt, Brussels, Milan, Dusseldorf, Munich, Bahrain, Abu Dhabi, London, Paris, Manchester, Moscow, Athens, Muscat.



One of the requirements of Skyteam is to also include provision of Frequent Flyer Module. This module serves as a tool to improve performance of GFF so complaints can be significantly reduced.

Expected result for 2013 from this SkyTeam Project was for Garuda Indonesia to be prepared in dealing with Skyteam Audit as major step to becoming a SkyTeam member. This requires complete commitment and co-operation from all personnel and stakeholders to take advantage of this opportunity in making Garuda Indonesia as the largest airline member of SkyTeam to capture the rapid growth of Asian and Indonesian market.

When all requirements are met, target to become full member in early 2014 is expected to materialize.

Revenue Management

With expansion of Company business and increasingly demand on performance improvement, the Company has managed to implement a new Passenger Service System (PSS) called Altea that able to accommodate demands of growing global business. With PSS, Garuda Indonesia is expected to weather through tougher competition. At the beginning of 2013, Company removed outdated Revenue Management System and replaced it with a new system called PROS, a support system for Revenue Management

Commercial

decision makers to maximizing revenues. The Company has adopted Fare Management System as a deal management in determining price distribution in which is also a centralized price database. The presence of this system would not only improve efficiency but also ensuring the practice of Good Corporate Governance.

In order to improve quality of the service to customers, since beginning January 2013, the Company started to charge "Passenger Service Charge" (PSC) directly on plane tickets as previous PSC payment mechanisms at the airport was deemed incapable of giving smooth service to passengers. Most countries in the world have adopted this practice and only Garuda Indonesia that has implemented PSC on the ticket for domestic flights.

Programs that were run well and succeeded in 2013 will still be carried on and further refined in the execution. Early Birds program, Advanced Purchased, special rates through direct channel and special rates for partnership and sponsorship will be continued. Current granting of special rates for corporate is still practiced and perfected.

To improve flight network and to meet customer needs, the Company has cooperated with more than 50 airline partners so that travel destinations can be expanded at competitive price and with allocation of price into the system, it ensures

Tourism Destination



Komodo Island

As one of the "New Seven Wonders of Nature", Komodo Island is a tourist destination that has been attracting worldwide attention, since it is the natural habitat of Komodo dragon, the world's largest living lizard with average length of 2-3 meter. Nowadays is easy to take a trip to Komodo Island with the opening of the new daily flight route from Denpasar to Labuan Bajo, the gate of adventure at Komodo National Park.

The opening of Garuda Indonesia's new destinations aims to expand and strengthen its network in the domestic market, especially in eastern Indonesia which has great economic and marine tourism potentials.



smooth process of auto pricing when issuing tickets. The process of auto pricing played an important role as it would improve efficiency and reduce human error.

In order to support cost efficiency program, the Company has also negotiated with Global Distribution System (GDS) to provide reservation and ticketing system for travel agents so sales through indirect channel would be improved. As the result, in 2013 the Company managed to save 29.30% of total budget on GDS cost.

Passenger Yield – Price

Overall yield declined from USc 9.99 in the year 2012 to USc 9.1 in 2013 along with the weakening of Rupiah to the US dollar and increasingly intense competition in the industry.

Marketing

Garuda Indonesia actively engaged in promotions in 2013. One of marketing activities conducted by the Company is the Garuda Indonesia Travel Fair (GATF). GATF is Garuda Indonesia's annual exhibition held in various regions with its peak in Jakarta. The 2013 GATF was simultaneously held

in 15 cities, namely Makassar, Manado, Surabaya, Padang, Yogyakarta, Medan, Denpasar, Balikpapan, Semarang Bandung, Banjarmasin, Pontianak, Pekanbaru, Palembang and Jayapura. Aside from acting as marketing strategy and corporate communication strategy of Garuda Indonesia, the GATF 2013 exhibition is intended to communicate the development of products and services.

Garuda Indonesia as well as Garuda Indonesia Group deemed it necessary to communicate to business partners and general public. Relationship with the tourism industry and business partners in each of 15 cities would be improved through this GATF event, which also can serve as learning tool for Garuda Indonesia's business partners in the regions.

The peak of GATF was held in Jakarta on September 13-15, 2013. More than 50 Travel Agents, 20 Hotels, 8 National Tourism Offices (NTO), 19 Corporations, 13 Hotel & Park and 22 Media Partners as well as 15 SMEs and Garuda Indonesia's assisted SMEs participated in the event. During the event, GATF displayed miniature of Boeing 777-300ER aircraft with new First Class service.

During the 2013 GATF, in addition to introducing new fleet and service, it was also announced the membership of Garuda Indonesia to SkyTeam global alliance, represented by a catch word "Joining in March 2014" embedded alongside with Garuda Indonesia logo in the wall of fame.

The 2013 GATF managed to generate revenue of more than Rp 70 billion, higher than last year figure of Rp 54 billion.

Sales Distribution

In line with advancement in the field of technology and communications, the distribution channels of Garuda Indonesia were also evolving and increasingly diverse. Through the two main sales channels, direct and indirect, the Company strived to engage closer with customers. Direct Channel consists of Call Center, Sales Office & Ticketing Office, Garuda Online Sales (GOS), Interline Travel Staff Agreement (ISTA), whilst Indirect Channel comprises of IATA-BSP Agents, GSA (General Sales Agent), and IBSCS (IATA BSP Consolidator System).

To improve ease of public access to Garuda Indonesia, the Company enhanced and opened more branch offices, sales office and applied new distribution concept across Indonesia region. In 2013, the Company has established 9 new branch offices and 8 sales offices.

Garuda Indonesia also re-launched its previous direct sales channel Mobile Ticketing Counter (MTC) in November 2013. MTS is a concept of service with ability to make reservations as well as other services using mobile vehicles. There are currently 2 MTC operating in Jakarta and is planned to add more for other regions throughout Indonesia.

Other sales distribution channel developed by Garuda Indonesia is Kiosk Counter which is a moveable sales counter and managed by third parties. Generally Kiosk Counter was located at hotel lobby, mall and office building. The first counter was launched in Tangerang City Mall on September 2012.

In 2013, the Company teamed up with third-parties in building 14 outlets in Wamena, Bulukumba, Maros, Tambolaka, Ende, Labuan Bajo, Bima, Pekanbaru, Tasikmalaya and Jakarta. Garuda Indonesia is planning to expand this outlet to several other cities in Indonesia in the future.

Commercial



During the year 2013, revenue portion contributed by travel agents (IATA BSP agent) was the highest among all distribution channels, with the number of active agent recorded as many as 673 Domestic IATA-BSP agents and 8.306 International IATA-BSP agents while the number of Garuda Online System (GOS/business entities other than travel agent) has reached to 7.829 members. In 2013, General Sales Agent (GSA) were added in 3 countries, namely India, Malaysia (Penang) and Srilanka in addition to current operating GSA in USA, Canada, Vietnam, Philippines, Qatar, Saudi Arabia, United Arab Emirates, Brunei, Kuwait, Frankfurt, London Belgium, Abu Dhabi and Auckland.

Corporate Sales

Considering its potential magnitude, Corporate Sales became one of priorities undertaken by the Company in order to increase revenue. Sales potential from corporate market is still wide open and will continue to be developed by the Company along with the continuously increasing number of corporate customers and their revenue generation. Garuda Indonesia is actively continued to cultivate this market by having partnership with various companies, both domestically and abroad.



Benefits offered to corporate customers were special corporate price and other tailored—advantages, such as crediting of VAT, additional 10 kg baggage allowance and much more.

For Garuda Indonesia, the gain from increased corporate sales was to have sustainable captive market, aside from reduction of distribution cost and expansion of market. In the coming years, Garuda Indonesia will focus on large companies that have many branches and have high potential in travelling for business or family purposes.

For overseas markets, the Company has embarked a partnership concept of “Global Contract” with world class multinational companies. This cooperation contract would be valid in all countries where the Company has representative office. Global contract that already in place were Shell International Ltd., Standard Chartered Bank, Citibank N.A., Microsoft, Total, Caterpillar, IBM, UBS and HSBC. The Company is also in the process of engaging with other firms such as Merck and the World Bank.

By end of 2013, the number of corporate customers has reached to 1,981 companies, with revenue rise in average of 46.8% from 2007 until 2013. Revenue for 2013 was recorded at Rp 2.01 trillion.

E-Commerce

In 2013, Garuda Indonesia also continued to improve the performance of E-Commerce distribution channel. Total passengers (passenger traffic) from these distribution channels reached to 4,132,790 passengers in 2013, which accounted for approximately 16.6% from the total passengers of Garuda Indonesia. This in turn boosted the Company’s E-Commerce revenue from USD 308 million in 2012 to USD 401.3 million in 2013, or an increase of 30.4%.

The e-commerce (EC) working unit overseeing the 5 channel distribution are: B2C (www.garuda-indonesia.com); B2T (gosga.garuda-indonesia.com); B2B (corga.garuda-indonesia.com); mobile/aps (m.garuda-indonesia.com) and call center (08041807807 or 021-2351999).

Operational

Overall, operational performance indicators were well maintained amid flight network and fleet expansion.



Unfavorable economic condition during 2013 had significant effect on the Company's operation. Sizeable fleet expansion in 2013 brought less optimal results given high domestic inflation and weakening of Rupiah against other global currencies. Nonetheless, the Company put tremendous efforts to improve efficiency to support gradual growth in the future. The Company also continued to enhance its competitive advantages in the domestic and international airline industry.

Fleet

Total fleet in operation throughout 2013 reached 140 units, improved from 106 units in 2012. In 2013, the Company brought about 36 new aircrafts consisted of 2 Airbus A330-200, 1 Airbus A330-300, 10 Boeing 737-800NG, 4 Boeing 777-300ER, 7 Bombardier CRJ1000 NextGen and 2 ATR72-600, all to serve the mainbrand Garuda Indonesia, as well as 10 Airbus A320-200 for the subsidiary low-cost carrier Citilink.



Garuda Indonesia received Boeing 777-300ER aircraft in June 2013 while the ATR72-600 aircraft were brought in by November 2013 and commenced its operation on 3 December 2013.

Routes and Networks

Garuda Indonesia introduced 28 new routes in 2013, of which 24 routes to serve domestic market (included one reinstate route) and 4 international routes. The new routes cover 11 new destinations namely Bengkulu, Tanjung Pinang, Tanjung Pandan, Berau, Sorong, Manokwari, Bima, Labuan Bajo, Ende, Penang and Brisbane.

Apart from route expansion, the Company also increased flight frequency for both domestic and international routes to strengthen its position and expand market share particularly in the domestic market.

Total flight frequency of Garuda Indonesia in 2013 increased by 21.9% to 78,697 flights. The flight frequencies of domestic routes were 65,131 flights, or 83% of total mainbrand. The increase was a result of the Company assessment on demand for air transportation. The Company always conducts feasibility study before establishing new route or increasing the flight frequency to ensure it will bring positive impact to the operational performance.

Aircraft Maintenance Management

In accordance to Garuda Indonesia's vision to become a reliable airline that provides quality services to customers through Indonesia hospitality, the Aircraft Maintenance Management under Technical Directorate is responsible to support operational of Garuda Indonesia in both domestic and international markets by providing reliable aircraft and excellent cabin condition. Aircraft Maintenance Management Division ensures the aircraft management and maintenance are conducted in accordance with the Company Maintenance Manual (CMM) and the Continuing Airworthiness Maintenance Program (CAMP) that is approved by the Authority, as well as flight safety and other flight test requirements for each aircraft.

Well planned and managed aircraft maintenance have to be performed to fulfill daily requirement for number and type of aircraft aligned with flight plan from Operation and Business unit, for both domestic and international market. Flight delay due to aircraft breakdown or other technical issues have to be minimized to support flight schedule accuracy target. Adequate ground time for maintenance is crucial to ensure proper maintenance procedure and activities being done properly hence the aircraft is always in "ready-for-operation" condition.

Cabin, interior and exterior of the aircraft have to be maintained, cleaned and refreshed to give comfort for the passengers. The aircraft equipments like seat, passenger entertainment system or PES, cabin light, lavatory, galley, luggage bin have to be in good condition. Cleanliness and tidiness of the carpet, seat cover, curtain, sidewall, cabin partition, and ceiling have to be maintained to meet interior standard for five-star airline. So does the aircraft exterior, which is also the parameter for creating passenger comfort. All of the efforts and activities are aligned with the Company's target to achieve Five-Star Airline from Skytrax by 2015.

Operational

Achievement of the Aircraft Maintenance unit in general included aircraft availability, cabin functionality, cabin interior appearance and aircraft exterior.

Aircraft Availability

Aircraft availability in 2013 reached 99.54%, slightly declined from 99.65% in 2012. This was due to several events of aircraft on ground during 2013, especially for Airbus A330-300.

Cabin Functionality

Performance of cabin functionality reached average 99.81% in 2013, improved from 99.38% in 2012. Several actions were taken to achieve this improvement such as increasing number and type of material stocks in Cengkareng and other locations, request for free of charge material for roll over program, and accelerating delivery of material stock consignment.

Cabin Interior and Exterior Appearance

Average achievement for interior appearance indicators was recorded at 95.01% in 2013, improved from 94.83% in 2012. This was mostly supported by full implementation of Aircraft Interior Maintenance Program (AIMP), which had been started since 2012.

In 2014, Garuda Indonesia will develop ability for cabin maintenance in five major locations namely Medan, Balikpapan, Surabaya, Denpasar, and Makassar as effort to maintain functionality and appearance of the aircraft cabin.

Operational Performance

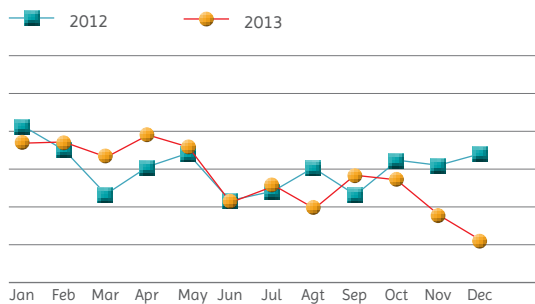
Operating performance in general improved in 2013 except the On Time Performance indicator, which was weaker partly due to airport facilities factors.

On Time Performance

Indicator for On Time Performance (OTP) of Garuda Indonesia was recorded at 83.79%, declined from 84.9% in 2012. Some factors causing the decline in OTP score were airport facilities factor by 9.71%, technical issues by 1.77%, and climate factor by 1.16%. Improvement in OTP can be done through tightening operational monitoring and control as well as by station management control. Garuda Indonesia continues the OTP enhancement and monitoring programs toward two major causes for flight delay.

Looking at OTP per station throughout 2013, Perth airport appeared to have the highest OTP, which was 96.5%. On the flip side, Jeddah airport has the lowest OTP of only 53.08%. Meanwhile, among domestic stations, the highest was Banda Aceh airport with 94.13% and the lowest was Sorong airport with 46.34% score.

On Time Performance



Aircraft Utilization

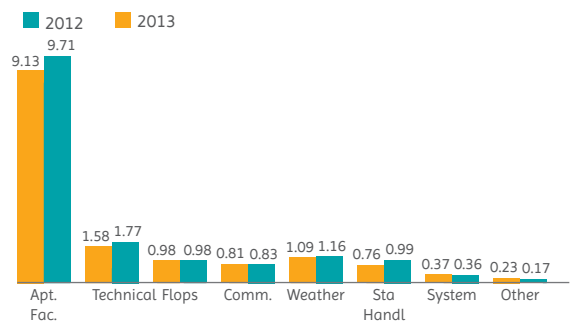
The average utilization rate of the mainbrand fleet was stable at 10 hours 44 minutes per day in 2012 and 2013. Significant increases were recorded for Boeing 737-800 and other wide-body aircraft while Boeing 737-300 experienced a decline due relocation of the operation and stand by policy. Garuda Indonesia will continue the route and flight networking expansion to all provinces in Indonesia in order to increase the aircraft utilization in the years to come.

Productivity of Cockpit and Cabin Crew

Productivity of the crew based on total block hours over total numbers of productive crew declined in 2013 from that in 2012. It was mainly caused by greater numbers of cockpit and cabin crew recruitment than required for increase in flight frequency. This intense crew recruitment was aimed for preparation to further increase in flight frequency in the near future considering relatively long time span for crew training process.

Cabin crew productivity in 2013 weakened to 84 hours 34 minutes from 86 hours 39 minutes in 2012. The decline was mainly recorded at Cengkareng and Tokyo airports. Cockpit crew productivity also dropped to 66 hours 51 minutes from 67 hours 01 minutes, mainly occurred at Boeing 737-800 and Boeing 737.

Cause of Delays



Intensified recruitment led to sizeable increase in numbers of cabin crew to 3,332 crews in 2013 from 2,376 crews in 2012, aligned with increasing numbers of aircraft and flight frequency.

Cost Efficiency

Cost efficiency program implemented in 2013 by Operational Directorate was a continuation of the same program in 2012 but with additional module of e-Learning DG & AVSEC to accelerate optimal results. The efficiency program was executed through implementing Economical Tanking, Optimizing the use Ground Power Unit (GPU), flight fuel conservation, centralized flight planning, crew transport and zero flight time training. Economical tanking for instance, is a fuel cost saving program through implementation of tankering procedure to gain benefit from difference in fuel prices between two stations (departure and arrival). During 2013, this program was applied in some stations like Balikpapan, Cengkareng, Jayapura, Denpasar, Manado, Medan, Surabaya, Makassar, Kuala Lumpur, Penang and Singapore.

Optimizing use of GPU is conducted by replacing the Auxiliary Power Unit (APU) with GPU in domestic and international airports for aircraft with RON (Remain Over Night) status, first flight after RON, and for aircraft in transit for more than 2 hours. Some domestic stations applied the optimizing use of GPU in 2013 such as Ambon, Banjarmasin, Balikpapan, Batam, Cengkareng, Denpasar, Yogyakarta, Mataram, Manado, Medan, Padang, Pekanbaru, Palembang, Pontianak, Semarang, Surabaya, Solo and Makassar, as well as international stations like Amsterdam, Guangzhou, Korea, Osaka, Tokyo, Sydney, Beijing and Shanghai.

Flight fuel conservation is a fuel consumption saving derived from the difference between flight plan trip fuel (plan fuel) with fuel burn (actual fuel). Saving can be achieved when the actual fuel is less than the plan fuel. Several actions taken for fuel saving were "Potable Water Management", "Optimum Centre of Gravity", nearest alternate, implementation of "Cost Index", intensified coordination with ATC to obtain optimum flight level and direct routes, CANPA (Constant Angle Non Precision Approach) and "IFP Cat.D", "ETOPS" for Airbus A330, "PBN" (RNP, STAR CGK), optimizing Jeddah-Cengkareng route, and conservation in the maintenance program. "Zero Flight Time" training is the replacement of actual aircraft with flight simulator for

Operational

training purposes. "E-Learning DG" and "AVSEC", "Recurrent Dangerous Good" and "AVSEC", which are mandatory for "Flight Operation Officer" (FOO) on annual basis, had been held through e-learning. In general, cost saving included transportation expenses, accommodation, "SPPD", costs for instructor, and in-class expenses.

Total cost efficiency in 2013 amounted to Rp 124 billion, significant increase of 41% from Rp 88 billion in 2012.

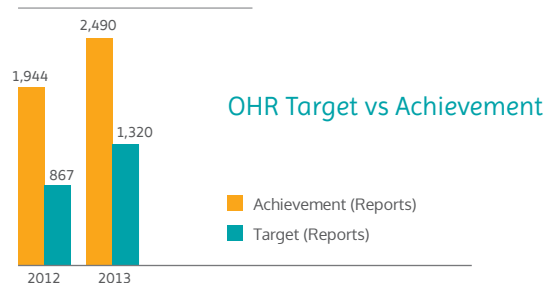
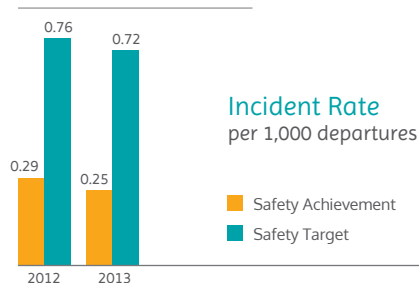
Meanwhile, through Flight Fuel Conservation the Company managed to save the use of fuel up to 18.5 million liters in 2013, 24% lower than that in 2012. The decline was due to longer flight time caused by heavy air traffic. Total fuel burn in 2013 was recorded at 1,371 million liters, increased by 16% of 1,183 million liters in 2012. The increase was triggered by intensified operation, of which flight frequency increased by 22% while "Available Tonne Kilometer" (ATK) also escalated by 16%.

Plan in 2014

In order to maintain consistency over product and service quality from operational stand point, Garuda Indonesia will continue to set 85% as the target for the "On Time Performance" (OTP). The strategy to achieve such target will be improvement in operational management through relocating "base" of several routes from Soekarno-Hatta Airport Cengkareng to Halim Perdana Kusuma Airport Jakarta, and placing base of the aircraft and the crews outside Cengkareng. This strategy is intended to avoid air traffic congestion at Soekarno-Hatta Airport Cengkareng. In addition, Garuda Indonesia will also operate dedicated gate at several domestic airports.

Improvement in technology as part of the operational management will be continued by inserting new technology to the aircraft like "Electronic Flight Bag" (EFB), and implementation of "Centralized Flight Planning.

Dispatch" (CFP/D). The CFP/D that was implemented in Australia, will be applied in Haneda, Taipei, and Halim



Perdana Kusuma Airport. Enhancement of operational management will also be carried out for domestic hub recently established in Makassar, Balikpapan, and Medan, while Surabaya and Denpasar will follow suit in 2014. In addition, cost efficiency will continue to be one of the main focuses. Apart from continuing the implementation of existing programs like Fuel Conservation Program, Centralized Flight Dispatch Document Service, Zero Flight Time Training and e-learning DG and AVSEC, Garuda Indonesia in cooperation with General Electric (GE) holds assessment toward aircraft fuel consumption management and seek for new initiative for fuel conservation program.

Flight Safety Aspect

Garuda Indonesia is fully committed to flight safety aspect by always in accordance with the SOP, international standard and best practices in every operation activity. Garuda Indonesia as IOSA (IATA Operational Safety Audit) operator has complied with IOSA standards for safety, which is the highest international standards and has been used as reference by other international airlines.

In 2013, Garuda Indonesia had made preparation for IOSA operator recertification in 2014 and maintained safety standard in accordance with the latest regulation by conducting Departmental Audit in July-December 2013 in the operational area. The recertification will be the third for Garuda Indonesia. IOSA is the highest international

standards from IATA for "Safety & Aviation Security" that has to be applied by all member-of-IATA airlines, and highly recommended for non-IATA airlines. As Garuda Indonesia complied with IOSA standards, it means the Company has international safety and security standards equal to the standards of other international airlines, both IATA members or non-members but with IOSA certificate. Garuda Indonesia is also consistently implement "Safety Management System" (SMS) to identify potential causes of accident, mitigation of risks potentially appear at the smallest level with aim to protect and improve flight safety performance, measured by incident rate, up to the ultimate level. The incident rate per 1,000 departures was 0.25 in 2013, lower than that of 0.29 in 2012.

This indicated more consistent implementation of operational management in the operational-related units of Garuda Indonesia and hence managed to reduce numbers of incident during 2013. The Hazard Operational Reports, which is one of tools to identify dangerous "things" that has potential risk for incident occurrence as well as reflection to consistency of staff awareness toward flight safety and security, reached 2,490 reports in 2013 and 1,944 in 2012.

Operational

Corporate management review by Corporate Safety Committee (CSC) led by the President Director and other directors as members is held once in two years to support the implementation of Garuda Indonesia's commitment toward flight safety and security.

2014 Plan

As an airline with safety and security as main priority, Garuda Indonesia will continuously take efforts and initiatives to always comply with IOSA standards for safety and security.

In 2014, the Company aims to reduce number of acceptable maximum incidents per 1,000 departures, increase the minimum numbers of Operational Hazard Report (OHR) per year, and accomplish the IOSA Certification audit in April 2014. The Corporate Safety Committee set 0.72 per 1,000 departures as the target for maximum incident rate for 2014 and 1,320 reports as target for minimum OHR.

Tourism Destination



Bunaken

Established in 1991, the Bunaken National Sea Park is one of the first sea parks in the world, and has been designated as a 'World Heritage Site' by UNESCO. There are some 20 diving sites at Bunaken, offering 13 different types of coral reefs and 91 species of fish. One the most sensational sight to see underwater is a vertical coral reef extending some 20-25 meters under water.

Already a world-famous destination, access to the Bunaken National Sea Park is easy, including from Manado. Garuda Indonesia offers regular flights from Jakarta to Manado twice daily, 7 days a week.

Health and Safety of the Passengers

Health and safety of the passenger and crews, as well as aircraft viability can be well achieved only when the overall flight operation complies with the regulation and international standards. It should be performed to make the flight operation safe, comfortable and efficient. This standardization is documented into Operation Manuals, which refer to several sources like:

- Annexes (several guidances from ICAO),
- CASR (Civil Aviation Safety Regulation), which is the guidance from The Directorate for Air Safety and Aircraft Operation (Direktorat Kelaikan Udara dan Pengoperasian Pesawat Udara) of the Transportation Ministry.
- IOSA (the best and highest recommended standards for airline industry practices)
- Internal policies.

Role of Flight Attendant in Assuring Passenger Safety

Some actions that reflect flight attendant engagement in assuring flight safety are as follow;

- An initial flight attendant is affirmed qualified only after accomplishing ground safety training and followed by flight training as well as passing the medical examination.
- Every 12 months, a flight attendant has to take recurrent safety training for capability reexamination in safety aspect, including rescuing passengers in emergency situation. For those who have not passed the recurrent training, have to accomplish a specific training named Requalification Training.
- Once in 12 months, flight attendant has to take medical examination to ensure "fit to fly" condition.
- While still active, flight attendant has to always applies all the procedures in the operation/safety manual, including to assure safety and comfort of passengers during the flight.

Hajj Flight

In 2013, the "On Time Performance" (OTP) level of hajj pilgrimage flight reached 94%, a significant improvement from 85% in 2012. The OTP of Phase-1 Departure was recorded at 97% while the OTP Phase-2 Arrival reached 91%. Improvement in OTP was supported by the use of dedicated gate at the East Terminal of King Abdulaziz Airport Jeddah, Saudi Arabia for returning of the hajj pilgrims to Indonesia.

Phase-1 of the hajj pilgrimage flights were carried out from 10 September to 9 October 2013 (10-24 September 2013 for Jakarta and Medan embarkation direct fly to Medinah). Phase-2 were conducted from 20 October to 19 November 2013 and for Jakarta and Medan embarkation bases, the back-home flights from Medinah were done from 4 to 19 November 2013.

Garuda Indonesia carried hajj pilgrims of 89,946 people in 2013, divided into 234 flight groups called Kloter from 10 embarkation bases in Banda Aceh, Medan, Padang, Palembang, Jakarta, Solo, Banjarmasin, Balikpapan, Makassar and Lombok. Total passengers declined from the previous year caused by lower hajj quota by 20% imposed to every country by the Saudi Arabia Government due to extension project of Masjidil Haram.

In 2014, Garuda Indonesia will utilize 12 aircrafts for hajj pilgrimage flight, nine of which are the Airbus A330, two Boeing 747-400 and one Boeing 777-300ER. The average age of aircrafts is considerably low, even there is an aircraft that was built in 2011.

As part of the hajj pilgrimage services, especially to overcome language barrier given the fact that some of the hajj pilgrims can only speak their mother-tongue language instead of Bahasa Indonesia, Garuda Indonesia assigned 492 cabin crews coming from similar origin with regions at the embarkation base.

Operational

Number of Embarkation, Hajj Pilgrim & OTP Hajj Flight

Embarkation	Number of Hajj Pilgrims	Aircraft Used	Passenger Capacity	Number of Group Flight	OTP - Phase 1 (%)	OTP - Phase 2 (%)
Banda Aceh	3,157	B-777	440	15	100	100
Medan	6,613	B-777	440	7	93	93.33
Padang	5,928	A330	374	16	100	81.25
Palembang	5,883	A330	360	17	100	88.24
Jakarta	17,873	B-744	455	40	95	97.5
Solo	26,457	A330	375	71	96	90.14
Banjarmasin	4,182	A330	325	13	100	100
Balikpapan	4,259	A330	360	12	92	91.67
Makassar	11,947	A330	375	32	100	90.63
Lombok	3,647	A330	325	11	100	63.64
	89,946			234	97*	91*

* OTP Average

During the hajj pilgrimage flight program in 2013, Garuda Indonesia also assisted the Government to carry home the overstay Indonesian citizens (WNIO) from Saudi Arabia by utilizing the empty flights.

The returning of WNIO were done in two times, using empty flights from Phase-1 of the hajj pilgrimage flight, carried in total of 716 passengers, 47 of which were infants. They were divided into.

- 1). 357 passengers including 24 infants were carried in GA 7119 flight on 6 October 2013
- 2). 363 passengers including 22 infants in GA6319 flight on 9 October 2013.

For this program, Garuda Indonesia gained additional revenues of USD 130,002.

2013 WNI Overstay

Group Flight	Flight Number	Date	Adult	Children	Infant	Total
1	7119	6 October	297	36	24	357
2	6319	9 October	329	12	22	363
3	982/983	9 November	404	49	31	484
4	980/981	16 November	427	26	45	498
5	980/981	24 November	403	50	42	495
6	980/981	27 November	414	38	40	492
7	982/983	1 December	403	50	40	493
			2,677	261	244	3,182



Hajj Special Flight

- The flight for hajj special phase-1 took place on 22 September to 10 October 2013, with a total frequency of 19 flights, comprising 18 regular flights and 1 extra flight. Total number of passengers reached 4,457 persons. Total revenue from phase-1 was USD 6 million. In phase-2, the flight for special hajj took place from 19 October to 4 November 2013 with a total frequency of 16 flights and total passengers of 4,738 passengers. Total revenue from phase-2 was USD 6.2 million.
- Contribution from Umrah Unit, Hajj Plus & Workers during special hajj operation in 2013, was:
 - Phase-1, with a total of 2,241 passengers or 50% of total passenger in Phase-1.
 - Phase-2, with a total of 2,177 passengers or 46% of total passenger in Phase-2.

Service Improvement

Garuda Indonesia always strives to improve service quality to customers. Some efforts being taken in 2013 to improve service quality to customers were:

- The Company launched www.haji-ga.com website that can be accessed on real-time basis to provide information regarding schedule on departure and arrival of hajj flights.
- Held events to socialize regulation on carry bag/luggage to the hajj, including spread the brochure/booklets, direct meeting with the hajjs and the Hajj Pilgrimage Coordinator called PPIH, distribution of CD/VCD that consist of information on carry bag/luggage, as well as posted banner at the hajj pilgrim dormitory.

- Conducting several body-search and sweeping for uncomplined luggages to the hajj pilgrims utilizing hand metal detector by the hajj officers of Garuda Indonesia at the Airport Plaza of KAIA Jeddah before the hajj pilgrims entering the airport. These activities were carried out to ensure not only for comfort, safety and security but also to avoid bottle necking during Xray security process by the Jeddah airport authority.
- Cabin crew recruitment program for specific hajj purpose, which focus on recruiting local talents from several provinces in Indonesia, is continued to carried out in order to avoid communication breakdown in serving the passengers during in flight service.
- During the flight, in flight meal is provided twice plus one time snack. The menu provided by Garuda Indonesia had been adjusted to local taste of the respective embarkation base with approval from the Provincial Governor.
- Garuda Indonesia provided extra insurance coverage for deceased hajj pilgrims during the flight. This service was provided in corporation with PT Jasindo, the insurance company. During 2013, the Company paid the insurance claim to beneficiaries of eight deceased hajj pilgrims.

Operational

- As part of the "Continual Improvement" in the hajj operation program during 2013, a series of audits on the management system quality ISO 9001-2008 certification had been performed. The events were done by Hajj Unit, WVIP & Charter as efforts to implement warranty on the service quality guarantee to the hajj pilgrims.
- In the application of safety and security, the Hajj Unit, WVIP & Charter always commit to implement Safety & Security program in accordance to IOSA program being set by the Company.
- The Marketing Research Unit carried out research to measure the hajj pilgrims satisfaction level. The approaches were through distribution of in-flight questionnaires to the hajj pilgrims as well as interview in the hajj pilgrim dormitory. The result of "Customer Satisfaction Index" (CSI) for 2013 was 81%, higher than the target of 79%.

Financial Performance

Total net revenues from hajj pilgrimage program in 2013, which carried 89,946 passengers, reached Rp 2.1 trillion or equivalent to USD 195.1 million. On top of that, Garuda Indonesia also booked other revenues from the Foreign Affair Ministry for the WNIO program of Rp 24.2 billion or equivalent USD 1.9 million.

Tourism
 Destination



Derawan

Derawan Islands in East Kalimantan consist of a number of small islands and coralbanks, and a popular destination for nature and diving lovers. The ecosystem contains a variety of unique fauna such as green turtle, scales turtle, whale, dolphins, giant clam, coconut crab, dugong, barracuda and others.

To make it even easier for tourists to go to Derawan, Garuda Indonesia recently increased the flight frequency in the Balikpapan - Berau route. Garuda Indonesia also invites a number of journalists and bloggers to Derawan in 2013 to promote the islands as a tourist destination.

Appreciation

For the operational of 2013 hajj pilgrimage program, the General Authority of Civil Aviation (GACA) Saudi Arabia rewarded the airlines being participated and contributed to the success of the hajj operational events in 2013 at King Abdulaziz International Airport Jeddah.

Meanwhile, Garuda Indonesia is also awarded as "The Best Airline Hajj Operation 2013" by GACA for planning, operations, service, and ontime performance. Apart from that, Dr. Anggito Abimanyu as Director General of Hajj and Umrah of the Ministry of Religious Affairs gave appreciation to the Company for hajj flight operations especially for the services and ontime performance of Garuda Indonesia flights.

Plan for 2014

- Total quota for hajj pilgrimage for 2014 is 90, 108 pilgrims referring to the government quota and tender within the Ministry of Religious Affair Republic of Indonesia.
- 12 wide-body aircrafts will be utilized.
- Garuda Indonesia will provide 1 gallon of "Zamzam" water to each hajj pilgrim if allowed by the Saudi Arabia government in the Phase-1 of hajj empty flights.

Services

To improve its quality service, Garuda Indonesia introduces 'New Service Concept' in its First Class service to the standard of Skytrax 5-Star.



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'New Service Concept' is a further refinement of Garuda Indonesia Experience, the concept of service initiated in 2009, to presenting best aspects of Indonesia to the passengers. Through the Garuda Indonesia Experience, Garuda Indonesia invented specific characteristic indulging the 5 senses (sight, sound, scent, taste, touch) and encompassing 24 "Customer Touch Points", starting from pre-journey, pre-flight, in-flight, post-flight and post-journey.

Quality of service during the flight (in-flight cabin services) consistently increased from year to year

84

2013 Customer Satisfaction Index

98.6

Customer Satisfaction Index to In-flight Cabin Crew service



Sight

Sight concept offers the beauty of Indonesia, including various traditional fabrics that offer bright color, beautiful pattern and unique texture. All these concepts can be found at new aircraft's interior design which combined natural colors and Indonesian exquisite traditional motives. This concept is also reflected on the attractive colors of cabin crews' uniform.

Sound

Music and traditional instruments is mirror of diversity of ethnic groups and cultures in Indonesia. Passengers can enjoy it through sophisticated entertainment device in the First Class, Business Class and Economy flight. Cutting edge Audio and Video On Demand (AVOD) device offers a variety of options to enjoy the entertainment, including traditional and contemporary music of Indonesia.

Scent

Diverse flower petals and aromatic herbs have been used since ancient times. This fragrance is a blend of oils from plants and spices native to Indonesia such as clove and nutmeg, to create refreshing and soothing fragrance that can be sensed in the Garuda Lounge and sales offices.

Taste

Indonesian Culinary Arts is influenced by various cultures and blended in the flavor of traditional foods. This tantalizing flavor of Indonesia is infused in the food and drink distinctive to Garuda Indonesia, such as assortment of satay, yellow rice and martebe juice, a mixture of passion fruit and tamarillo.

Touch

The Garuda Indonesia Experience is a new concept of service which presents best aspects of Indonesia to passengers. Starting from flight reservation until arrival at destination airport, passengers will be spoiled by courteous and friendly service which characterize Indonesian hospitality and symbolized by the 'Garuda Indonesia Greeting' of cabin crew.

In 2013, Garuda Indonesia executed a wide range of service programs that were expected to continuously provide added value to Garuda Indonesia. Programs that have been implemented were:

Pre Flight

One of the programs introduced by Garuda Indonesia for its First Class was the launch of 'First Class Lounge' where Garuda Indonesia became the only airline in Indonesia offering this service. In addition, Garuda Indonesia also opened New Business Class Lounge to enhance concept of service to Business Class passengers at the Soekarno-Hatta International Airport. This service will be extended to airports that are main Hub of Garuda Indonesia. This is in alignment with objective of Garuda Indonesia to be in the 5-Star rank of Skytrax version. In addition, service improvement is also called for Garuda Indonesia in order to join the SkyTeam alliance.

Services



First Class Lounge facilities at Garuda Indonesia offers a variety of five stars ala carte menus and luxurious waiting room best reflecting Indonesian characteristic. First Class customers can relax in pampering sofas complete with Smart TV, VIP Room, foot massage and worship space. The New Business Class Lounge also comes with the concept of comfort, modern, full of warmth and serves with a variety of buffet menus. Facilities provided includes VIP room and business center with friendly service.

Aside from Garuda Indonesia lounge services, customers awaiting for departure can also feel comfortable at the airport. Other facilities that can be enjoyed are Premium Check-in counters, a priority service for premium customers, and Personal Service Assistant.



In Flight

Various programs that were held in 2013, among which was the implementation of New Service Concept, a new concept of service formulated to provide a world class flight experience, which was initiated at the advent of First Class service in Boeing 777-300ER aircraft as well as adding new roles upon standard service of Cabin Crew, namely Chef on Board, Cuisine Manager and Maitre d'Cabin. Included in the new service concept were:

- Implementation of new First Class service in Boeing 777-300ER aircraft. The additions of Boeing 777-300 in 2013 were equipped with new service concept that is intimate, warm, and luxury.
- Implementation of new service for Executive Class in Boeing 777-300ER and Airbus A330-300 aircraft. At the same time with First Class services, Executive Class services were also enhanced in some types of aircraft. The philosophy of services rendered here is: Energetic, Authentic, and Dynamic.
- Implementation of new service for Economy Class. In line with service improvement program in all classes, the service of Economy Class was also imbued with new philosophy of: Dynamic, Positive and Warm.
- New equipment for all services. In adopting new service philosophy, new technical specifications of equipment were installed to support the new service, such as crockery, cutleries, pajamas, slipper, and amenity.

- IFE and IFC for Boeing 777-300ER
 Facilities that can be enjoyed are: Wifi Broadband, Real time live TV, IP TV. Internet service is provided free of charge for First Class customers and paid-basis for Business and Economy Class customers.
- Service improvement on CRJ1000 aircraft
 - Provision of hot meal for certain routes
 - iPad service for Business Class passengers.
- Food & Beverage
 Culinary philosophy of Garuda Indonesia is the provision of cuisine that are well-liked globally, presented in the format of "Globally Preferred Cuisines offered in a diverse format". There are 3 options to choose from, "an Indonesian regional festival degustation", "Japanese kaiseki" and "Modern European". It also offers a wide selection of exclusive beverages as well as a variety of best quality fresh juices. All First Class customers are served by the experienced Chef on Board.

Post Flight

In 2013, innovation carried out by Garuda Indonesia to improve customer service were introduction of "Premium Arrival Lounge and Baggage Collection" at the Soekarno-Hatta International Airport. This service will also be expanded to 6 Major Domestic Hub of Garuda Indonesia. As number of customers increasingly growing, Garuda Indonesia strives to continuously improve service to all customers, specifically the premium customers. These services offer comforts for customers on their arrivals and when waiting for their luggage.

Customer Satisfaction Index

One of parameter that is used by Companies to measure the level of success of its various implemented programs is by measuring level of customer satisfaction.

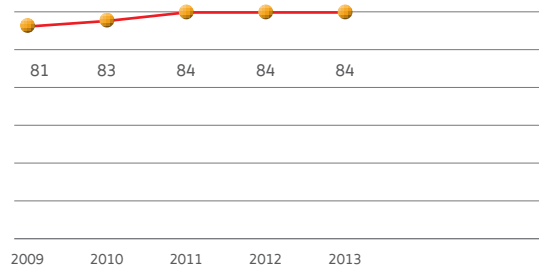
The Company regularly measure customer satisfaction index through onboard survey, provided in the Inflight Magazine. Passengers are able to give genuine assessment on the service performance based on 28 Customer Touch Point. Passengers also give assessment based on the level of importance on any customer point of services.

Based on 2013 assessment result, Garuda Indonesia managed to maintain its level of customer satisfaction Index at 84, similar to the achievement of 2012. With

Services

scale measurement of 100, the index showed that Garuda Indonesia customers were on the level of Satisfaction on overall service performance. This Customer Satisfaction Index is then used as information to establish development focus and future corporate strategy.

Customer Satisfaction Index



100 : Very Satisfied
 75 - 99 : Satisfied
 50 - 74.99 : Not Fully Satisfied
 25 - 49.99 : Dissatisfied

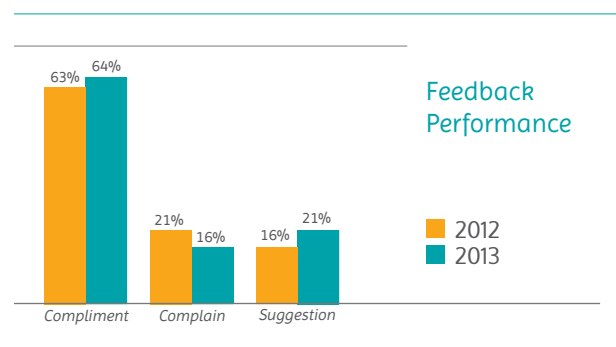
In terms of Cabin Crew service, the 2013 measurement results showed Garuda Indonesia has succeeded in achieving level of 98.6 in customer satisfaction index, an increase compared to the achievement in 2012. With scale measurement of 100, it suggested that customers of Garuda Indonesia were at the level of Satisfied at Cabin Crew service, which invariably noted as the most important attribute. This Customer Satisfaction Index is used as information in determining focus of development for Cabin Crew service and future corporate strategy.

To support the implementation of new service concept in 2013, Garuda Indonesia implemented uplifting service training for Cabin Crew. This specially developed training is aimed to program cabin crew with five-star way of thinking. Garuda Indonesia also reformed its Cabin Crew standard service, such as mastering standard language of the country of origin and destination country when giving announcements on the plane and reformed the service procedures in order to fulfil the Skyteam Onboard Requirement in attaining five-star Skytrax version of service level.



Feedback Performance

High commitment to service forces the Company to install system for customer to be able to give feedback. In order to build a simultaneous communication with customers, Garuda Indonesia was pushed to find method that was most effective and creative to accommodate the aspiration of customers as well as having full commitment to translate those feedbacks into a series of improvements and new innovations. To endorse the ease of communication and commitment to Customer Centricity value, the Company provides several accesses for Customer to easily give their "Voices". The Company currently accommodates customer's feedback on service through Customer Voice, that can be conveyed through E-mail, Call Centre, Suggestion Form in the Inflight Magazine or post mail.



In addition to the Company's provided accesses, Garuda Indonesia also monitor all feedback received through online media and social media. Effort carried out to consistently improve the service, has showed positive results in 2013, as reflected in the increase of Compliment from 63% in the year 2012 to 64% in 2013. Meanwhile, the percentage of complaints declined to 16% from 21% in the year 2012. Customer's Suggestion is also up to 21% in 2013 compared to 16% in the year 2012.

Optimizing of Customer Feedback

These comprehensive feedbacks were then updated in the database. This Database produces various management reports and improvement programs, among others are:

- A. Management Report
 Any customer feedback is processed into information that is presented to management and related decision makers unit. Management reports that are available among others:
 - Monthly Management Report for the Board of Directors and Related Units.
 - Weekly Management Report for Directors.
- B. Reference for Related Department.
 This report serves as information for relevant departments to conduct business process continuation.
- C. Enhance Customer Intimacy Program
 Customer Voice database is also used to optimize customer relationship. The Company organized Attentive Customer program by awarding customer that has provided feedback during a period in a year. This program is intended to show the Company's serious commitment to value and examine every given feedback.
- D. Tools to Review Business Process
 Every received feedback is used as a review on completeness of the Standard Operation Procedure (SOP).

In line with the Company's continuous efforts to structure, improve and expand service to meet the customer expectation, a "Customer Need and Wants" program was introduced. This information is later managed as reference to related units in ascertaining corrective actions and improvement programs.

Services

Various feedbacks from customers have become point of reference for service improvement, specifically in narrowing the gap between level of importance and level of performance perceived by customers.

Garuda Frequent Flyer

Garuda Frequent Flyer (GFF) serves as a customer loyalty program of Garuda Indonesia. It continues to actively engage in various initiatives in order to maintain and improve the number of loyal customers to Garuda Indonesia. GFF members by the end of 2013 were recorded at 919,607 or an increase of 28.5% compared to 2012. Flight traffic of GFF members was up to 30.11% from 29.4% in 2012.

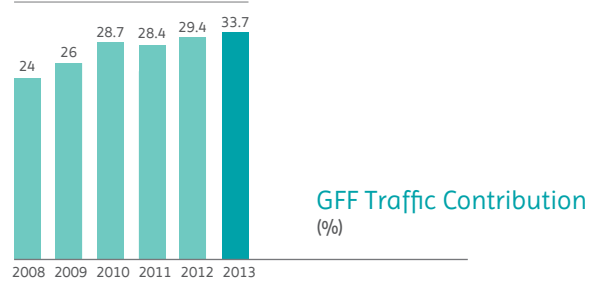
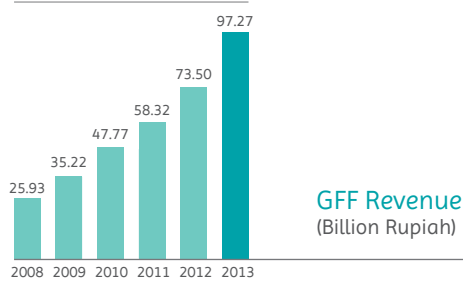
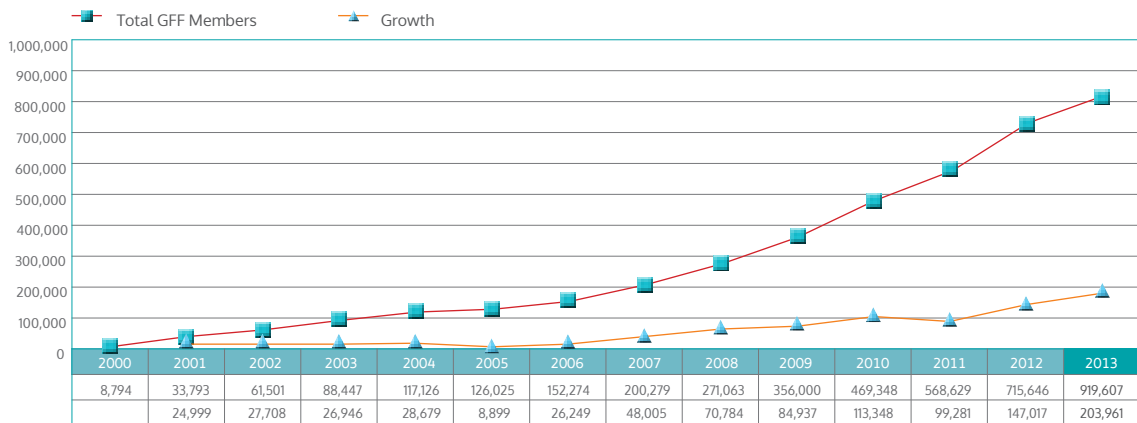
Garuda Indonesia's Frequent Flyer Program (FFP) offers additional benefit to GFF members when using partner airlines. Three new partner airlines were added in 2013, namely Etihad Airways, Air France/KLM, and Jet Airways.

In mid-2013, GFF engaged in number of new acquisition programs, namely GFF Instant Membership at the Premium Check-in Counters at the Soekarno-Hatta Airport. Passengers who have yet to become a GFF member would instantly get their GFF membership card upon check-in and earn mileage on their flight. In order to capture more new members in special segment, GFF issued a special edition card, co-branding with Liverpool Football Club since July 2013.

In the month of August 2013, GFF introduced a new service called Lounge Redemption. GFF Silver members can enjoy airport lounges that have cooperation with GFF by way of exchanging their mileage into a lounge voucher. This lounge voucher can be passed to family members and colleagues to also be able to enjoy airport lounge service. This is an improvement of service for GFF members, where previously can only be enjoyed by executive class passengers and members of GFF Platinum and GFF Gold.

The existence of GFF also contributes revenue for Garuda Indonesia, which derives from the selling of mileage from the Co-branding cooperation, the FFP Partnership airline and non-airline, the Buy Mileage program, and the ECPlus membership. The total GFF revenue in 2013 reached Rp 97,273,056,377, an increase of 32% over the previous year.

Total GFF Members & Growth



Services

Skytrax Cabin Staff Award

In 2013, Garuda Indonesia was ranked seven at the Best Cabin Staff category in Skytrax version, which was an improvement from its position in 2012. This achievement also suggested a consistent improvement to the standard of service of Cabin Crew.

The World's Best Airline Cabin Staff

2012	2013
1 Malaysia Airlines	1 Cathay Pacific Airways
2 Asiana Airlines	2 Asiana Airlines
3 EVA Air	3 Malaysia Airlines
4 Singapore Airlines	4 EVA Airlines
5 ANA All Nippon Airways	5 Singapore Airlines
6 Thai Airways	6 ANA All Nippon Airways
7 Qatar Airways	7 Garuda Indonesia
8 Garuda Indonesia	8 Qatar Airways
9 Cathay Pacific Airways	9 Hainan Airways
10 Hainan Airways	10 Thai Airways

Furthermore, Skytrax also reported improvements in the attribute of Cabin Crew services compared to previous audit result. In 2013, there were 86 attribute for Cabin Staff category.

2014 Plan

In 2014, in order to increase market share, Garuda Indonesia will continue to strive to improve services. Implementation of new service which previously focused on International routes will be also imposed on Domestic routes and enhancing content of the In Flight Entertainment. In addition, uplifting service training, international-standard initial training as well as development for instructors will be carried out to improve the quality of service and qualifications of Cabin Crew, which are expected to continuously generate added value to Garuda Indonesia, and in line with the goal to achieve Best Cabin Staff of Skytrax version in 2014.

Moreover, Garuda Indonesia will also focus in enhancing services on the Ground, which are services ranging from pre journey (Call Center, Airport/City Ticketing Office), Airport enhancement on pre/post flight and post journey (Customer Care). Garuda Indonesia will impose new standard of service on the Ground within the framework of achieving the five-star Skytrax version in 2015.

As for GFF, main initiatives to be executed is rebranding of GFF, which among others include changing of product name, new design for membership card and adding membership level. Beginning March 2014, Garuda Indonesia's FFP Brand will become "GarudaMiles". The objective of this rebranding is to increase brand awareness and brand equity of GFF so GFF is able to evolve much more than just a Frequent Flyer Program. With new brand, the Garuda Indonesia Frequent Flyer Program will transform into a loyalty program with business orientation and profit generation for Garuda Indonesia.

Plan that is equally important in 2014 will be the implementation of the new FFP system which will not only be used for customer loyalty program but also has capability to support Customer Relationship Management programs. The use of this new system is expected to support implementation of GFF innovations in the long term.

In line with development of the FFP world, GFF will continuously enhance its programs to match with other world-leading FFP. In 2014, GFF is planning to launch several new products that offer lots of benefits and attractive to members, such as the Online Redemption, GFF Mobile, and Corporate Mileage Program.

Furthermore, along with Garuda Indonesia's plan to be part of global alliance with SkyTeam, members of GFF will reap more benefits in earning mileage in all 19 SkyTeam airlines flight and also capability of exchanging the mileage to an award ticket throughout SkyTeam airlines flights. In addition, GFF Platinum and GFF Gold members will be recognized as member of SkyTeam Elite Plus and Elite which would enjoy more advantages when flying with SkyTeam airlines, such as additional baggage, priority reservation, priority check-in and priority boarding. Aside from cooperation with SkyTeam airlines, GFF members would also enjoy added values through FFP cooperation with other leading partner airlines. To increase revenue, GFF will also add more non-airline partners and cooperate more intensively through the launching of new programs that are attractive for partners and customers to transact with GFF.



SKYTEAM®
 Caring more about you™

Garuda Indonesia
 passengers now can fly
 to more destinations
 in the world using
 SkyTeam networks
 with optimal comfort
 and in convenient way.

Strategic Moves to Strengthen Growth

By joining SkyTeam, Garuda Indonesia has made a strategic decision that will provide the Company with strong foundation for its future growth.

On March 5, 2014, Garuda Indonesia will officially become the 20th member of the SkyTeam alliance, an alliance of global airlines. Garuda Indonesia has chosen to join SkyTeam, one of the world's three airline alliances, since the routes offered by SkyTeam airlines and Garuda Indonesia can complete each other.

The airline that joined SkyTeam can together develop their business in an integrated manner. Garuda Indonesia sees such great opportunities of growth by joining SkyTeam.

SkyTeam brings more than thousand new destinations around the world for Garuda Indonesia, thus the flight network that can be enjoyed by Garuda Indonesia customers is becoming increasingly widespread. But this is not the only benefit that can be achieved by Garuda Indonesia from SkyTeam.



On the other hand, passengers from other airlines in the SkyTeam alliance will be enjoying a more convenient way to travel to various domestic destinations served by Garuda Indonesia. This means that the opportunities for Garuda Indonesia to carry passengers from abroad will be even greater. Garuda Indonesia revenues is projected to increase between 10 to 15 percent upon joining the SkyTeam.

Apart from of the things mentioned above, there are other things that are equally important to the future of Garuda Indonesia.

First. The quality of customer service that can be enjoyed by Garuda Indonesia passengers will increase significantly, including through premium services provided by SkyPriority. SkyPriority offers convenient access in the airport for the high value customers which includes passenger from Elite Plus, First Class and Business Class. Such privileges can be enjoyed by high value customers on multiple touch points as follows: check-in baggage, baggage drop-off, ticket office queuing, passport control, security lines, boarding,

transfer desk and baggage handling. Related to this, Garuda Indonesia has to maintain its service at the best level of quality in the world to be able to continue as part of SkyTeam alliance.

Second. SkyTeam members can exchange knowledge and experience, so that together they can develop their services to its full potential.

Third. The synergy between the SkyTeam members will create significant cost efficiencies. For example, Garuda Indonesia can use the facilities at the airport jointly with other members.

Fourth. Garuda Indonesia will also gain essential intangible benefit for the sustainability of its business, namely the Brand Value. Garuda Indonesia as a brand will be stronger in the eyes of the world.

Broadly speaking, joining SkyTeam is in line with Garuda Indonesia's long-term strategy and will support its efforts to achieve the target of Quantum Leap 2011-2015.

SkyTeam

The Convenience of SkyTeam Network

By joining SkyTeam, Garuda Indonesia can provide more benefits to passengers in the form of network around the world that are designed to provide optimum comfort in transit, either before departure, during transit, until the arrival.

One of the services provided by SkyTeam members is the process of transferring passengers and baggage from one flight to the next flight in a fast and convenient way.

In addition to a more diverse choice of flight schedule and extensive network, as well as professional management, wherever the destination is, the passenger can rest assure that they will get a reservation service between connecting flights in a simple manner and put their comfort first.

All joint facilities of SkyTeam members provide check-in service, premium customer check-in, transfer desks and lounges. To expedite the transfer process, SkyTeam member airlines opens transfer service kiosk at several airports. In the event that the passenger missed the flight, the transfer service kiosk can help provide them with new boarding pass for alternatives flight, as well as provide other services required while waiting for departure.

SkyTeam Lounge

Since joining SkyTeam, there are lots of new facilities that can be enjoyed by passengers of Garuda Indonesia, one of which is a SkyTeam lounge.



SkyTeam continuously review its global network in an effort to discover new destinations and improve the quality of airports in the existing destinations. SkyTeam seeks to provide fast and convenient transfer and check-in process in every airport served by SkyTeam airlines member. Hence, Garuda Indonesia passengers can enjoy a pleasant flying experience wherever they fly and whenever they like.

There are more than 530 exclusive lounges all over the world available to passengers of Garuda Indonesia. All lounges owned by SkyTeam members provides standardized comfort and service features, among others, comfortable and calm atmosphere, friendly, courteous and professional staff, as well as other facilities as required by SkyTeam.

SkyTeam realizes that lounge is not merely a place to wait for departure but should also provide more benefits for passengers, for take a rest or to continue business activities. Therefore, in addition to providing food and beverage, lounges must provides service that supports business purposes, such as reliable wi-fi connection.

SkyTeam requires all members to mutually cooperate in the use of the lounge. Thus, SkyTeam passengers of any airline can use the lounge facilities of other SkyTeam member airlines.

Passengers entitled to use the lounge facilities, or Lounge Access, of SkyTeam member airlines are the holders of the SkyTeam Frequent Flyer Elite Plus, First Class and Business Class passengers.

About SkyTeam

SkyTeam was founded by four international airlines, namely Aeromexico, Air France, Delta Air Lines and Korean Air in June 2000. By 2013, the SkyTeam alliance grew into 19 member airlines, offering more than 1,000 destinations and higher flight frequency and wider connectivity. In the last ten years, while global airlines industry was in challenging times, SkyTeam members managed to double the number of flights and of destinations.

In developing its flight network, as evident from its diversity, SkyTeam focused on network growth which was not only more widespread but also complementary to each other. SkyTeam also designed a variety of exciting programs and facilities for passenger airline members. For business trip or personal trip, SkyTeam provides greater choice and



SkyTeam Lounge Access

SkyTeam Lounge Access facilities provided to premium passengers on the day of departure, both for the cost of transit in or out of the country that uses the SkyTeam member airlines. This facility can be enjoyed by passengers ranging from 24 hours before departure.

more convenient for passengers. In the future, along with its growth, SkyTeam will improve the quality of services provided, while still adhering to its motto: Caring more about you.

New Passenger Service System (PSS)

Amadeus ALTEA

Passenger Service System (PSS) is one of the critical systems used by airlines, in order to serve passengers from the stage of sales at reservation center, through ticketing and all the way to check-in at the airport. PSS is also utilized to set flight schedules, inventory, seats allocation, fare and pricing management, passenger baggage management, code share and interline management, and other services.

In general, PSS is integrated with other system and application, such as Revenue Management System, Revenue Accounting System, Scheduling System, Data Warehouse, Pricing Engine, Internet Booking Engine, Catering System, and many more, giving a mutual support in servicing passengers and optimizing revenues for the airlines. In addition, PSS is also connected with the third party system, namely with the Global Distribution System (GDS) for the sales processing at travel agent and with the PSS of other airlines in partnership for the purposes of code share, interline, and others.

In 2013, Garuda Indonesia has successfully migrated to the new PSS system called Altea developed by Amadeus, which has been used by 8 of the 19 airlines members of SkyTeam. Altea-Amadeus also used in more than 160 airlines around the world.

The Advantages of New PSS (Altea)

The PSS Altea was developed by Amadeus based on hosted community systems, in which the management, maintenance, development, and technical problem handling are the responsibility of the service provider (Amadeus). Moreover, Amadeus users have formed a community of PSS users, which helps fueling the development of the system in

order to build the best functioning system. The community facilitates the airlines to exchange ideas and work together to make the future development of the system in order to be more competitive. Therefore, users no longer have the need to invest for infrastructure systems since the PSS provider is aware of the needs of users and is able to respond promptly and comply with industry standards in a timely manner. On the other hand, the airlines can focus themselves on pursuing business development without having to bother with development of the systems or any technical problems now that they have become the obligation of the service provider. This will give airlines more opportunities to innovate with the functionally ready system to face the competition and to increase revenue.

Adopting a system that has gained a lot of users also means that any form of connection between systems with third-party system/applications have been ever created for one of the community members of PSS service users (both internal and external/partner owned systems), can also be used by other members of community without having to develop from zero. This provides considerable efficiency, not only in terms of cost but also in time and resources for development.

Garuda Indonesia do not have this kind of advantages since it still uses in-house system with any community to support. Despite some other airlines using the same platform with Garuda Indonesia, but due to the differences in the model, the Company has to settle it by itself to meet the international standard for aviation industry, or to adopt best practices, to seek for the development of future functionality and to build own connections and integration with other



system/applications, build their own connections with the PSS system and global alliance from the start, and had to make huge investment for building system infrastructure periodically in order to keep abreast of advances in technology.

Altea Implementation Process

The implementation of PSS will be carried out in two phases of cut over. First, cut over reservation, ticketing, and inventory systems carried out in one year and is targeted to be completed in June 2013. Second, cut over Departure Control system (DCS). DCS system is implemented in stages from September 2013 to November 2013. After the whole process of cut over was completed, then the Project entered the post-implementation support, to provide support and help desk following cut over.

The implementation involves all sales offices and destination airports. Training for transition purposes of this system began in February 2013 and attended by more than 40 instructors and 15,000 end-users consisting of inventory officers, front-liners, airport staff, call centers, and travel agents.

Post-Implementation of Altea

With the integration of the entire core system of the airline in one database, from inventory, reservation and ticketing, up to departure control, the Company has a better and more accurate synchronization of flight and passenger data, hence minimizing the problems of discrepancies in the data on the system. Apart of that, synchronization of data with GDS systems and airline partners can be done in a better fashion.

Altea also supports some of the requirements for joining SkyTeam Global Alliance in March 2014, among others:

- Alliance Display
- PNR View
- Share Frequent Flyer Profiles
- Real-time access to partners airline
- Redemption class availability
- Display for all partners
- Simple code share & through check-in

SBU & Subsidiaries

SBU and subsidiaries reported improvement in their performance during 2013, except for Citilink which still carried a loss due to its ongoing investment.

SBU Garuda Sentra Medika (SBU GSM)

SBU GSM supports Garuda Indonesia's Quantum Leap program through air crew management, starting from recruitment (for pilot and cabin crews), health monitoring and health coaching for air crew, until the implementation of case management program for air crew who suffered long period of illness.

In managing air crew's health care, SBU GSM follows regulation stipulated in the International Civil Aviation Organization (ICAO) Annex 1, Civil Aviation Safety Regulations (CASR) Part 67 and Part 183 about the health maintenance by airlines.

Serves as the personnel who manage air crew's health care are medical specialist for aviation (SpKP) and Flight Surgeon with more than 20 years experience and is supported by comprehensive health care facilities. In addition, medical doctor of SBU GSM plays a role in teaching Basic Medical Knowledge for cabin crew. To ensure continuity and effectiveness of health maintenance program for Garuda Indonesia's cabin crew, SBU GSM has recruited and sent some of its doctor to join Flight Surgeon Training program at Indonesian Air Force Health Care Institute (Lakespra) during 2013.

In managing Garuda Indonesia's air crew health care, SBU GSM has been entrusted by the Ministry of Transportation, the Directorate General of Air Transportation, in this instance represented by the Flight Medical Clinic (Hatpen), to perform the medical check up for Class II and Class III (cabin crews, flight operation officers and aircraft maintenance crews)

flight personnel, with reference to the stipulations of ICAO Annex 1 Chapter 6 on Medical Provisions for Licensing Standard, Civil Aviation Safety Regulations (CASR) Part 67, Ministry of Transportation Decree No. 25 Year 2000, and other relevant regulations. Besides Jakarta, SBU GSM has also conducted Medical Check Up & Licensing in several hubs, such as Denpasar and Makassar during 2013.

SBU GSM also coordinates with Hatpen to facilitate Medical Check Up examination for cockpit crew so that the health license can be issued within the targeted time.

SBU GSM performs examination for alcohol and drugs both regularly and randomly to prevent abuse of the use of alcoholic beverages or drugs by air crews and other related personnel so that flight safety can be maintained in accordance with stipulations of the Civil Aviation Safety Regulations (CASR) Part 120 subpart E issued by the Ministry of Transportation.

Health clinics owned by SBU GSM was appointed as the main provider of insurance Company to serve medical treatment for Garuda Indonesia's air crew based on the Service Level Agreement between Garuda Indonesia and insurance company. However, SBU GSM still performed its promotion and prevention action for air crews in order to reduce the occurrence of prolonged loss of work days so that productivity of the air crews can be maintained.

Promotion and prevention efforts undertaken by SBU GSM include individual health coaching programs for high risk air crews in order to minimize the risk of sudden incapacity. For air crews with a case of long illness, SBU GSM conducts case management program through coaching and monitoring on the air crew's illness so that the problem can be settled and the crew can continue its service. SBU GSM also coordinates with Hatpen in an advocacy function for

cockpit crews being grounded on health issues by Hatpen, by performing medical flight tests both at flight simulators and during flight operations, in order to assess the aero medical and flight readiness status of the respective cockpit crews.

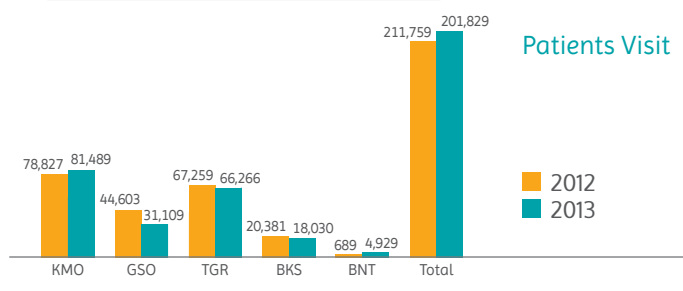
Other supports from SBU GSM for flight operations other than medical services are being the provider and distributor of Aviation Kit, comprising the Emergency Medical Kit, First Aid Kit and Universal Precaution Kit, in accordance with the requirements of ICAO Annex 6 regarding commercial aircraft. Besides providing Kits for Garuda Indonesia, SBU GSM has also cooperated with a number of domestic and overseas airlines having their aircraft maintenance at PT Garuda Maintenance Facility Aero Asia.

In addition, SBU GSM also gives assessment and approval for passengers who are ill, provides medical escort and manages oxygen bottles special for usage in the aircraft cabin.

SBU GSM is one of the units supporting the Garuda Indonesia's Hajj flights services every year, which includes recruiting cabin crews and hajj personnel at several embarkation point, taking care of health maintenance of cabin crews and Hajj personnel during the Hajj season and at Saudi Arabia, giving assessment and approval for Hajj pilgrims being sent home due to illness, and providing medical supplies and facilities at each flight embarkation point and at Garuda Indonesia's dedicated hajj flights, in accordance with requirements issued by the Ministry of Religious Affairs and Ministry of Health of Indonesia.

SBU & Subsidiaries

As the health unit in Garuda Indonesia, SBU GSM took role in the Company's corporate social responsibility involving the medical activities. SBU GSM cooperated with Corporate Social Responsibility and PKBL unit of Garuda Indonesia to conduct health talk, mass medical treatment, mass circumcised and blood donor activities.



Operations

Number of visits by patients during 2013 amounted to 201,823 visits, a decline of 4.7% compared with 211,759 visits recorded in 2012. This was a result of the transfer of health care management of Garuda Indonesia from previously under SBU GSM to insurance companies. Such transfer gave some impact to the performance as quite significant amount of members choose health care providers outside the clinic network owned by SBU GSM.

Even though total number of patients during 2013 declined, the number of visits by insurance and non-insurance patients at Klinik Kemayoran (KMO) and Klinik Satelit Bintaro (BNT) grew by 3.4% and 615%, respectively in 2013 compared with that in 2012. Klinik Bintaro was established by SBU GSM in August 2012. Meanwhile, number of visits at Klinik Garuda Sentra Operasi (GSO), Bekasi (BKS) and Tangerang (TGR) posted a decline by 30.3%, 11.5% and 1.5%, respectively.

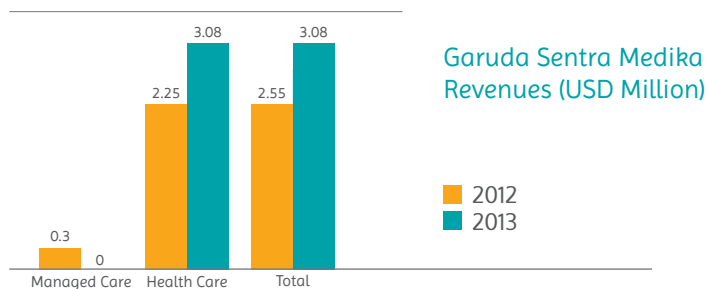
Financial Performance

Despite decline in the number of visits during 2013, SBU GSM recorded a 21% increase in total revenue to USD 3.08 million in 2013 from USD 2.55 million in 2012. This was attributable to higher revenue from Health Care business by USD 0.83 million or increased by 37% from Rp 2.25 million in 2012. The highest revenue contributor for health care was pharmacy, dental and cosmetic clinics, general clinic and medical check up. Meanwhile, operating income from managed care declined by USD 0.30 million.

In 2013, the largest contributor to revenue of SBU GSM came from insurance customers which accounted for 77% of total revenue from Health Care.

SBU GSM's Spin Off Plan

In 2013 Garuda Indonesia planned to spin off its SBU GSM. The Company has asked legal consultant to provide a legal review related to this plan.



Based on the legal review provided by the legal consultant, Garuda Indonesia not only required to take care of the minority shareholders, third parties and employees but also meet some other requirements, such as having equity investment in form of fixed assets, i.e Land and Building at Kemayoran which is currently being used for the operation of SBU GSM. Furthermore, a potential compensation payment for the usage of land to the Kemayoran Estate Management (PPK Kemayoran) also needed to be considered before the spin off. The Company's management has decided to delay the process of SBU GSM's spin off and asked the SBU GSM management to conduct Asset Optimization program and business program to be able to grow and become independent.

2014 Plan

In line with the Company's plans to focus on the air transportation business, whereby the Company will expand its network by opening hub at several big cities in Indonesia, the SBU GSM management will also try to enhance the Company value by expanding its clinic network to cities where Garuda Indonesia's representative office operated. As a result, SBU GSM can support Garuda Indonesia's operation, increase its market value through the development of core competencies and increase its health care business segment's market share at insurance companies, corporations and the general public.

In 2014, the Company will carry out asset optimization and business program through:

1. Optimizing competitive advantage of SBU GSM as the only Civil Aviation Medical Center in Indonesia accredited by the Directorate General of Air Transportation in order to support Garuda Indonesia's operation and utilize the business opportunity in the Aviation Medical Services
2. Promoting cooperation with related parties to ensure that asset optimization program and business program can be realized.
3. Considering the business potential related to Garuda Indonesia Group's employees and family (around 60,000 people), a study to review the possibilities to restore the main role of SBU GSM as the Airline Medical Department that manage health care benefit of all employees and family of Garuda Indonesia Group, is currently being carried out. If SBU GSM serves its function as the main provider of health care benefit of all

Garuda Indonesia Group, with proper management, SBU GSM can grow its business fast and independent.

SBU Cargo

SBU Cargo handles cargo transportation services by air transport using the aircraft of Garuda Indonesia. In addition to direct selling, SBU Cargo also promotes its services through cooperation with its partners, i.e. various Agents or Freight Forwarder and GSSA for both domestic and international destinations.

SBU Cargo through Cargo Service Center (CSC) handles "City to Port" and "City to City" cargo transportation services so that the delivery process of cargo can be closer to the sender and beneficiary. At the end of 2013, around 30 Cargo Service Center has been established at several big cities in Indonesia, like Bandung, Yogyakarta and Makassar, complementing to CSC that has been existed at airports. In Jakarta, 9 CSC offices has been established which was widely spread at some regions in Jakarta. SBU Cargo formed cooperation with a number of airlines such as Korean Airlines, Malaysian Airlines, China Airlines to expand cargo deliveries to various destinations overseas.

In addition, SBU Cargo also managed its own warehouse operations at the Cengkareng Warehouse, Soekarno-Hatta. Meanwhile, activities at other warehouses are handled by third party service providers. Consistent with the growth in cargo at Cengkareng airport, SBU Cargo has cooperated with other warehouse managements, like PT Gapura Angkasa and PT Pos Logistik, aiming to expand area for warehouse management, particularly for local delivery services.

Garuda Indonesia Cargo signed agreement on Road Feeder Services (trucking) with a Dutch based trucking company, Jan de Rijk in Munich, Germany on June 2013. Under this collaboration agreement, Garuda Cargo can serve cargo delivery to more than 30 destinations in Europe. Cargo delivery will be carried by plane from Jakarta to Amsterdam, to be distributed by Jan de Rick to destination cities in Europe.

At the end of 2013, SBU Cargo has offered "door to door" cargo services, in cooperation with third parties and reintroduced its GO Express product. This product allowed customers to enjoy pick up services directly from their place and delivered to the beneficiary, similar to courier services.

SBU & Subsidiaries

Operations

In 2013, Freight Tonne Carried recorded at 269,033 tonnes, or increased by 15.98% compared to that in 2012, while the Freight Tonne Kilometer reached 570,068 or increased by 15.18%. Cargo Load Factor recorded at 46.08%, a decline from 47.51% in 2012 as a result of increasing capacity, particularly for domestic sector.

Financial Aspects

During 2013, total revenues from air cargo services grew by 5.51% from USD 184.8 million in 2012 to USD 195.0 million in 2013. The increase in revenues was driven by a 18.75% capacity increase of Freight Available Tonne Kilometer and the implementation of competitive pricing strategy which affected the growth in cargo carried. Revenue from cargo contributed the largest to total revenues from cargo services of USD 186.3 million in 2013, an increase from USD 177.8 million in 2012. The remaining revenues were attributed to the postal delivery revenues amounted to USD 8.8 million, or increased by 24.5% compared with the previous year.

Other revenues from SBU Cargo was derived from warehouse services at Cengkareng Warehouse, Soekarno-Hatta Airport, which increased by 9.93% from USD 24.3 million in 2012 to USD 26.7 million in 2013.

Operational Excellence

To achieve Operational Excellence, SBU Cargo has applied international standard for its business activities by having IOSA certification.

In addition, Garuda Indonesia is the only domestic airline which has licence for Dangerous Good management in Indonesia. Improvement in services was also carried out at warehouse involving cargo delivery process. Currently, SBU Cargo has provided cool room and Cold storage to deal with perishable product storage.

2014 Plan

1. Developing SPA cooperation with other airlines, particularly for European and US destination.
2. Appointing GSSA overseas which is not served by Garuda Indonesia to expand distribution channel.
3. Implementing pricing strategy for several flights based on time and load factor.
4. Standardizing operational services by becoming members of Cargo 2000
5. Developing air transport services using freighter aircraft.
6. Promoting joint operation with third parties to increase number of outlets and to improve cost efficiency from Garuda Indonesia's cargo sales offices.
7. Establishing partnership to manage umrah and hajj cargo.
8. Acquiring additional warehouse equipment and upgrading system to facilitate the cargo management process.
9. Establishing cooperation for Cargo Village.
10. Preparing to join Cargo SkyTeam
11. Establishing independent Company through spin-off from Garuda Indonesia.

Subsidiaries

Garuda Indonesia has 5 subsidiaries, namely PT Aero Wisata, PT Abacus Distribution Systems Indonesia, PT Garuda Maintenance Facility Aero Asia, PT Aero Systems Indonesia and PT Citilink Indonesia.



Garuda Indonesia has direct equity investments in 5 subsidiaries as follow:

No	Name of Entity	Line of Business	Ownership	Year of Participation	Operational Status
1	PT Abacus Distribution Systems Indonesia	Provider of computerized reservation system services	95.00% direct ownership by the Company	1995	Operational
2	PT Garuda Maintenance Facility Aero Asia	Aircraft repair and maintenance	99.00% direct ownership by the Company 1.00% indirect ownership through Aerowisata	2002	Operational
3	PT Aero Systems Indonesia	Provider of Information Technology services	51.00% direct ownership by the Company 49.00% indirect ownership through Aerowisata	2005	Operational
4	PT Citilink Indonesia	Commercial airline	94.27% direct ownership by the Company 5.73% indirect ownership through Aerowisata	2009	Operational
5	PT Aero Wisata	Hotels, catering and travel agent	99.99% direct ownership by the Company	1989	Operational

SBU & Subsidiaries

The Company has indirect ownership through Aerowisata in the following 14 subsidiaries:

No	Name of Entity	Line of Business	Ownership	Year of Participation	Operational Status
1.	PT Mirtasari Hotel Development	Hotel	99.994% indirect ownership through Aerowisata	1979	Operational
2.	PT Aerofood Indonesia (formerly PT Angkasa Citra Sarana Catering Service)	Airline catering	99.9991% indirect ownership through Aerowisata	1982	Operational
3.	PT Aero Globe Indonesia (formerly PT Biro Perjalanan Wisata Satriavi)	Travel bureau	99.9995% indirect ownership through Aerowisata	1974	Operational
4.	PT AeroTrans Services Indonesia (formerly PT Mandira Erajasa Wahana)	Transportation services	99.998% indirect ownership through Aerowisata	1988	Operational
5.	PT Aerojasa Perkasa	Ticket sales	99.87% indirect ownership through Aerowisata	1998	Operational
6.	PT Aerojasa Cargo	Freight forwarding	99.91% indirect ownership through Aerojasa Perkasa	2003	Operational
7.	PT Senggigi Pratama Internasional	Hotel	99.993% indirect ownership through Aerowisata	1997	Operational
8.	Garuda Orient Holidays, Pty, Limited	Travel bureau	100,00% indirect ownership through Aerowisata	1981	Operational
9.	Garuda Orient Holidays Korea Co, Limited	Travel bureau	60,00% indirect ownership through Aerowisata	2008	Operational
10.	Garuda Orient Holidays Japan Co, Ltd	Travel bureau	60,00% indirect ownership through Aerowisata	2009	Operational
11.	PT GIH Indonesia	Travel bureau	60,00% indirect ownership through Aerowisata	2012	Operational
12.	PT Bina Inti Dinamika	Hotel	61.89% indirect ownership through Aerowisata	1987	Operational
13.	PT Aero Hotel Management	Hotel Management	90.00% indirect ownership through Aerowisata 10.00% indirect ownership through PT Mirtasari Hotel Development	2009	Operational
14.	PT Belitung Intipermai	Hotel	99.999968% indirect ownership through Aerowisata	1992	Not yet operational

The Company has direct and indirect ownership of less than 50% in the following Associated Entities:

No	Name of Entity	Line of Business	Ownership	Year of Participation	Operational Status
1.	PT Aeronurti	Accommodation Services	45.00% indirect ownership through Aerowisata	1996	Operational
2.	PT Aeroprima	Accommodation Services	40.00% indirect ownership through Aerowisata	1993	Operational
3.	PT Bumi Minang Padang	Accommodation Services	10.10% indirect ownership through Aerowisata	1989	Operational
4.	PT Nusa Dua Graha Internasional	Accommodation Services	6.06% indirect ownership through Aerowisata	1988	Operational
5.	PT Arthaloka Indonesia	Property management services	2.58% indirect ownership through Aerowisata	1988	Operational
6.	PT Gapura Angkasa	Ground handling and flight support services	37.50% direct ownership by the Company	1998	Operational
7.	Pan Asia Pacific Aviation Services Ltd.	Ground handling and flight support services	17.65% direct ownership by the Company	1998	Operational
8.	Abacus International Pte. Ltd.	Informatics systems	2.06% direct ownership by the Company	1997	Operational
9.	PT Merpati Nusantara Airlines	Airline	4.21% direct ownership by the Company	1978	Operational

One associated company that is not included in the company's consolidated financial statement but perform a big role to facilitate the operation of Garuda Indonesia is PT Gapura Angkasa which engaged in ground handling and flight support services.

SBU & Subsidiaries

PT Aero Wisata



PT Aero Wisata was established in Jakarta on June 30, 1973 with a mission to develop businesses related to tourism and hospitality industry. To support this mission, Aero Wisata has some subsidiaries engaged in hotel, catering service, land transportation, agency services, as well as tours & travel services.

Subsidiaries with more than 50% ownership are Bina Inti Dinamika, PT Mirtasari Hotel Development, PT Senggigi Pratama International, PT Aerofood Indonesia, PT Aerotrans Services Indonesia, PT Aero Globe Indonesia, Garuda Orient Holidays Pty. Ltd, Garuda Orient Holidays Korea Co. Ltd. PT Aerojasa Perkasa, Garuda Orient Holidays Japan Co. Ltd, PT Aero Hotel Management and PT Belitung Inti Permai.

Management composition of PT Aero Wisata is as follows:

Board of Commissioners

President Commissioner : Abdulgani
 Commissioner : Abdul Anshari Ritonga
 Commissioner : Agus Priyanto

Board of Directors

President Director : Alexander M.T. Maneklaran
 Director : Doddy Virgianto

Financial Highlights (IDR Million)

Description	2013	2012	Changes %
Operating Revenues	2,862,093	2,499,347	13.1
Operating Expenses	2,726,419	2,434,309	12.0
Income from Operations	99,674	65,038	53.3
Net Income	66,103	52,923	24.9
Assets	2,460,626	2,013,137	22.2
Liabilities	904,123	683,447	32.3
Equity	1,556,503	1,329,689	17.1

Represented in IDR currency based on the Audited Financial Statements

In 2013, PT Aero Wisata's operating revenue grew by 13.1% to Rp 2.86 trillion, while operating expenses increased by 12.0% to Rp 2.73 trillion. Despite an increase in operating expenses, operating profit grew by 53.3% to Rp 99.67 billion compared with that in previous year, particularly enabled by 13.1% increase in operating revenue as a result of an increase in meal uplift.

After taking into account other income and expenses, net profit attributed to owners of the parent company reached Rp 66.1 billion.

Total assets recorded at Rp 2.46 trillion as of December 31, 2013, an increase of 22.2% compared with that in 2012, particularly due to rising account receivables and fixed assets. Liabilities grew by 32.3% to Rp 904.12 billion as of 31 December 2013, particularly supported by an increase in account payable and long term debt. Equity was recorded at Rp 1.56 trillion as of 31 December 2013, an increase of 17.1% compared to that in 2012 consistent with improvement in the performance.

Share Ownership in Subsidiary

Subsidiaries	Domicile	Main Business Activities	Percentage of Ownership %	Start of Commercial Operations
PT Aero Wisata and subsidiaries (PT AWS)	Aerowisata Building Jl. Prapatan No. 32 Jakarta Tel. (62-21) 3500012 Fax. (62-21) 2310030	Hotel, catering, ticketing services	99.99	1973

PT Abacus Distribution Systems Indonesia



PT Abacus Distribution Systems Indonesia is a company engaged in the provision of information technology and communication services. The Company's vision is to become one of the leading providers of Global Distribution System (GDS) and information technology and communication services in Indonesia. The scope of its businesses include providing computerized reservation system services, renting computer system for travel agencies, providing training facilities for staff of travel agencies, and providing help desk personnel to assist travel agencies in operating their Computerized Reservation System (CRS).

Management composition of PT Abacus Distribution Systems Indonesia is as follows:

Board of Commissioners

President Commissioner : Faik Fahmi
 Commissioner : Mega Satria
 Commissioner : Peter John Gammon

Board of Directors

Director : Iswandi Said

Financial Highlights (USD)

Description	2013	2012	Changes %
Operating Revenues	3,082,209	2,840,466	8.5
Operating Expenses	2,684,529	2,744,524	(2.2)
Income from Operations	397,680	95,942	314.5
Net Income	125,115	71,490	75.0
Assets	5,565,956	6,228,900	(10.6)
Liabilities	548,770	995,522	(44.9)
Equity	5,017,187	5,233,378	(4.1)

PT Abacus DSI recorded operating revenues of USD 3,082,209 in 2013, or increased by 8.5% compared with a year earlier due to increase in commission income. Operating expenses declined by 2.2% to USD 2,684,529 with the decrease in sales expenses resulting from cost sharing with Garuda Indonesia and Abacus International Pte Ltd (AIPL), which led to a significant increase in operating profit to USD 397,680, while net profit grew by 75.0% to USD 125,115.

As of December 31, 2013, total assets recorded at USD 5,565,956, declined by 10.6% from 2102, due to decrease in fixed asset. Liabilities recorded at USD 548,770, decreased by 44.9% compared with the previous year, due to decrease in other liabilities. Equity declined by 4.1% to USD 5,017,187, due to decrease in fair value of fixed asset after appraisal

Share Ownership in Subsidiary

Subsidiaries	Domicile	Main Business Activities	Percentage of Ownership %	Start of Commercial Operations
PT Abacus Distribution Systems Indonesia (ADSI)	Jl. Mampang Prapatan Raya No. 93 Jakarta Tel. (62-21) 27535331, 27535399 Fax. (62-21) 7943517	Computerize reservation system services provider	95.00	1996

PT Garuda Maintenance Facility AeroAsia



PT Garuda Maintenance Facility Aero Asia (GMFAA) was established on April 26, 2002 to implement and support the Government's policies and programs in the national economy and development, particularly in the area of aircraft repair and maintenance services and other services related to aircraft repair and maintenance, as well as generating profits for the Company through the provision of aircraft repair and maintenance services, including the repair and maintenance of aircraft engines and components.

The composition of the management of PT Garuda Maintenance Facility Aero Asia is as follows:

Board of Commissioners

President Commissioner : Heriyanto Agung Putra
 Commissioner : Djoko Murdijatmodjo
 Commissioner : Batara Silaban

Board of Directors

President Director : Richard Budihianto
 Director : Gatot Satriawan
 Director : Setijo Awibowo
 Director : Harkandri M Dahler
 Director : Iwan Joeniarto
 Director : Agus Sulistyono

Financial Highlights (USD)

Description	2013	2012	Changes %
Operating Revenues	230,294,144	211,637,715	8.8
Operating Expenses	212,481,455	197,201,215	7.7
Income from Operations	17,812,689	14,436,500	23.4
Net Income	19,127,169	11,021,269	73.5
Assets	207,854,836	179,673,245	15.7
Liabilities	119,647,774	110,026,311	8.7
Equity	88,207,062	69,646,934	26.6

PT GMFAA recorded operating revenues of USD 230,294,144 in 2013, an increase of 8.8% compared with a year earlier. Operating expenses grew by 7.7% to USD 212,481,454, led to an increase in operating profit to USD 17,812,689 or grew by 23.4% compared with a year earlier. The increase was due to the increase in income from GA-PBTH (Power by the Hour) and income from non Garuda Indonesia.

Net profit stood at USD 19,127,169 or grew by 73.5% compared to a year earlier mainly due to foreign exchange gain.

As of December 31, 2013, total assets reached USD 207,854,836 grew by 15.7% from last year, due to increase in fixed assets. Liabilities recorded a growth of 8.7% to USD 119,647,774 due to increase in long term liabilities. Equity recorded at USD 88,207,062, increased by 26.6% from a year earlier as a result of improvement in performance.

Share Ownership in Subsidiary

Subsidiaries	Domicile	Main Business Activities	Percentage of Ownership %	Start of Commercial Operations
PT Garuda Maintenance Facility Aero Asia (GMFAA)	Gedung Manajemen GMF Lt. 3 Bandara Soekarno Hatta Cengkareng Tel. (62-21) 5508608 Fax. (62-21) 5502441	Aircraft maintenance and overhaul	99.00	2002

SBU & Subsidiaries

PT Aero Systems Indonesia



PT Aero Systems Indonesia, previously known as PT Lufthansa Systems Indonesia, was established in 2005. As of December 2010, Garuda Indonesia owns 51% ownership in this company, with the remaining 49% ownership was held by PT Aero Wisata.

The scope of activities of PT Aero Systems Indonesia include consultation and engineering services in information technology systems as well as maintenance services to airlines and other industries.

The composition of the management of PT Aero Systems Indonesia is as follows:

Board of Commissioners

President Commissioner : Judi Rifajantoro
 Commissioner : Heriyanto
 Commissioner : Jenny Mustopha

Board of Directors

President Director : Tulus Danardono
 Director : Mohammad Ismed Arifin

Financial Highlights (USD)

Description	2013	2012	Changes %
Operating Revenues	22,078,793	19,413,420	13.7
Operating Expenses	19,653,863	18,176,178	8.1
Income from Operations	2,424,930	1,237,242	96.0
Net Income	783,885	510,418	53.6
Assets	29,414,854	29,638,625	(0.8)
Liabilities	16,284,886	17,293,542	(5.8)
Equity	13,129,968	12,346,083	6.3

Operating income of PT Aero Systems Indonesia in 2013 amounted to USD 22,078,793 grew by 13.7% from 2012. Operating expenses grew by 8.1% to USD 19,653,863 led to an operating income of USD 2,424,930 increased significantly from the previous year that stood at USD 1,237,242.

With the increase in operating income is higher than the operating expenses, PT Aero System Indonesia booked an increase of net income, 53.6% in 2013 to USD 783,885.

Total Assets as of 31 December 2013 stood at USD 29,414,854, decreased by 0.8% from 2012 due to the decrease in cash and cash equivalent. Liabilities as of December 31, 2013 stood at USD 16,284,886 decreased by 5.8% due to a decrease in accrued expenses and non-current debt. Equity as of December 31, 2013 stood at USD 13,129,968, an increase of 6.3% from the previous year due to an increase in performance.

Share Ownership in Subsidiary

Subsidiaries	Domicile	Main Business Activities	Percentage of Ownership %	Start of Commercial Operations
PT Aero Systems Indonesia (formerly) PT Lufthansa Systems Indonesia	Ratu Plaza (Office Tower) Lt. 28-29 Jl. Jend. Sudirman Kav. 9 Jakarta 10270 Tel. (62-21) 7252350, 7255670, 7255660/ 29356000 jidom 2540 Fax. (62-21) 7256062	Information technology services	51.00	2005

SBU & Subsidiaries

PT Citilink Indonesia



PT Citilink Indonesia was founded in 2009 and engaging in the business of low cost carrier. Citilink obtained Scheduled Commercial Air Transportation Permit No. SIUUAU/NB-027 on January 27, 2012 and Air Operator Certificate (AOC) Number AOC/121-046 on June 22, 2012 from the Ministry of Transportation. After receiving the SIUUAU/NB permit and be AOC certified, Citilink officially operated as an independent business entity.

Following the business development as Low Cost Carrier (LCC), Citilink received investment in form of 5 units of Boeing 737-300 and other assets from Garuda Indonesia. In addition, the Airbus A320-200 rented by Garuda Indonesia was sub-leased to Citilink. High investment in Citilink will prepare the company to compete and to provide strong foundation for business development in the future.

The paid-in capital of Citilink as of December 31, 2013 amounted to Rp 431,710 million, or equivalent to USD 44,901,104, comprising of 406,960 shares held by PT Garuda Indonesia (Persero) Tbk. and 24,750 shares held by PT Aero Wisata. The share ownership percentage of PT Garuda Indonesia (Persero) Tbk. and PT Aero Wisata as of December 31, 2012 were 94.27% and 5.73%, respectively.

The composition of the management of PT Citilink is as follows:

Board of Commissioners

President Commissioner : Handrito Hardjono
 Commissioner : Meijer Frederik Johannes
 Commissioner : Daryatmo

Board of Directors

President Director : Muhammad Arif Wibowo
 Chief Operation Officer : Hadinoto Soedigno
 Chief Finance Officer : Albert Burhan

Operational

National aviation industry continues to record commendable growth, both in terms of capacity as well as number of passengers carried. Additional capacity from the fleet expansion of airline companies has promoted an increase in domestic passengers, grew by 2.1% from 54.5 million people in 2012 to 55.7 million in 2013 as reported Central Bureau of Statistics (BPS). Meanwhile, although Indonesia posted a relatively high economic growth of 5.78%, the weakening of the exchange rate have increased operating costs since some of the expenses must be paid in USD, such as leasing and maintenance fee. On the other hand, the congestion of major airports has put limits on the efforts to optimize the addition of flight frequency and the expansion of routes.

Citilink implements strategy to develop market, aiming at budget traveller which has a quite significant market share, and to support Garuda Indonesia in maintaining its dominance in all segments. Given that the Citilink was newly established in 2012, then the strategy must be executed in stages. Citilink runs Network Penetration strategy by establishing hub Batam and opening new routes and new destinations supported with fleet expansion, enhancement of ground support services, and ticketing office at the airports, as well as focusing on aviation safety and security. As a result, Citilink's market share can be improved.

In 2013, Citilink received 10 units Airbus A320-200 by leasing. On the other hand, one unit Boeing 737-300 is written off as total loss in Padang. Hence, the fleet was expanded from 21 units in 2012 to 30 units in 2013. As of 31 December 2013, Citilink operates 24 units of leased Airbus A320-200, 4 units Boeing 737-300 owned aircraft, 1 unit Boeing 737-400 and 1 unit of Boeing 737-300, leased. The average of aircraft age decreased from 9.0 year in 2012 to 6.7 year in 2013.

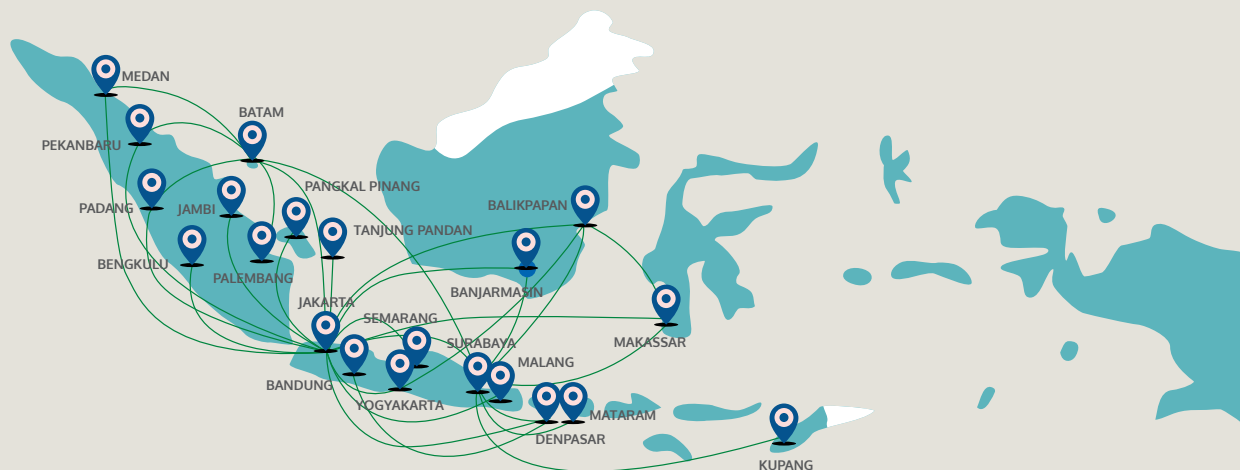
Network penetration is realized by making Batam as the third hub after Jakarta and Surabaya, opening 14 new routes, expanding destination and increasing flight frequency. The flights frequency from Batam increased from 6 times a day in 2012 to 13 times a day in 2013. There were new routes from Jakarta to Bengkulu, Jambi, Yogyakarta, Malang, Pangkal Pinang, Pekanbaru, Semarang and Tanjung Pandan. Other new routes are the Batam-Pekanbaru, Batam-Palembang, Balikpapan-Yogyakarta, Balikpapan-Makassar, Surabaya-Kupang and Makassar-Ambon.

Number of new cities and destinations served are 12, namely Bengkulu, Jambi, Yogyakarta, Malang, Pangkal Pinang, Pekanbaru, Semarang, Tanjung Pandan, Palembang, Kupang, Solo and Ambon. The one way trip for daily increased from 98 times a day at the end of 2012 to 134 times a day by the end of 2013. Meanwhile, Balikpapan-Denpasar, Balikpapan-Makassar, Balikpapan-Solo, Surabaya-Makassar, Makassar-Ambon and Bandung-Denpasar were closed for economic considerations. These routes and destinations Solo and Ambon are not shown in Figure of Network because they were not served by the end of December 2013.

SBU & Subsidiaries

As of the end 2013, the Network Route is as follows:

Citilink's Route Network December 2013



Citilink recorded aircraft utilization at 7:23 hours per day, relatively stable compared to the previous year of 7:24 hours per day. This was affected by route structures with an average flight segment (stage length) of 789 kilometers and congestion of major airports.

With a sharp increase in production scale, expanding destination range and the fulfilment of basic flight services, Citilink needs to add resources at all lines, including operational, management and administrative. Citilink added its cockpit crew, cabin crew, sales and marketing personnel as well as other professions so that the number of personnel as of the end of December 2013 were 951 people, increased from 531 people at the end of December 2012.

Number of Employees

Professions	31 December 2013	31 December 2012	Change 2012-2013
Cockpit Crew	265	156	69.9%
Cabin Crew	382	213	79.3%
Technical	25	17	47.1%
Commercial	100	57	75.4%
Finance and Accounting	14	10	40.0%
Information Technology	8	4	100.0%
Operation	138	61	126.2%
Administration & General	19	13	46.2%
Total	951	531	79.1%

Throughout 2013, a number of initiatives made by Citilink to improve its operating performance were:

- Addition of new Airbus 320-200
- Addition of cockpit crew, cabin crew and other profession; and filling the position of Vice President, Senior Manager, and replacing a number of District Sales Manager.
- Conducting operational preparation include increasing On Time Performance, preparing new destination, improving ground support, and maintenance cooperation.
- Cost efficiency began with fuel conservation program, reducing expenses of RON (Remain Over Night), simplifying fleet, reducing maintenance & ground handling fees.
- Payment channel at Alfamart, Alfamidi, and Lawson (approximately 7,000 – 8,000 stores)
- Payment channel at PT Pos Indonesia in collaboration with Citibank
- Mobile application for Blackberry, Android, and iOS.
- New ticketing office at Terminal 1C
- Wall unit self check-in counter at Terminal 1 C
- Increasing ancillary revenues in form of fees charged for purchases made with credit/debt cards, increasing excess baggage and green seat charges,
- Collaboration between passengers, cargo and donation in web with PMI.
- Ceasing the operation of Boeing 737 since July 2013

The Company recorded an increase in available seats capacity and ASK resulting from the addition of aircraft and flight frequency. The available seat grew by 74.0% to 6,896 thousand while ASK grew by 75.1% to 5,465 million.

Citilink Key Indicators

	2013	2012	August - December 2012	Change 2012-2013	Change August - December 2012-2013
Number of Aircraft - Dec. 31	30	21		42.9%	
Total Average of Aircraft	22.5	13.2		70.5%	
Aircraft Utilization (hour/day)	7:23	7:24		(0.2%)	
Number of Employee - Dec. 31	951	531		79.1%	
Number of Route	28	19		47.4%	
Number of Cities Served	23	11		109.1%	
Financial Indicators:					
Passenger Yield (USc)	6.1	5.8	6.1	5.4%	0.8%
Cost per ASK (USc)	6.3	6.5	6.3	(1.7%)	(1.7%)
Avtur Price per liter (USc)	87.4	92.3	92.3	(5.3%)	(5.3%)

SBU & Subsidiaries

Number of passengers carried and the volume of sales of revenue passenger kilometer (RPK) increased significantly thereby increasing the market share for domestic passengers. The number of passengers carried grew by 86.9% to 5,347 thousand people and RPKs increased by 87.7% to 4,201 million. Citilink's market share in the domestic market increased by 4.3 percentage points to 9.6%. This increase was driven by increased capacity and seat load factor.

In 2013, Citilink won two awards and recorded an average On Time Performance (OTP) of 80.5%. The awards were Service to Care Award from Marketeers in March 2013 based

on a survey conducted by MarketPlus Magazine readers and experts, and Indonesia Leading Low Cost Airline from The Indonesian Travel and Tourism Awards (ITTA) in December 2013.

Citilink can increase revenue from passengers by increasing passenger yield and SLF. The passenger yield raised by 5.4% from US\$5.8 to US\$6.1 in 2013. Passenger Load Factor increased by 5.3 percentage points from 71.7% in 2012 to 77% in 2013. This increase is supported by a network penetration, increased brand awareness and application of revenue management in order to capture bigger market share and to sell new routes.

Unit Cost/ASK can be reduced by 1.7% from US\$ 6.5 in 2012 to US\$ 6.3 in 2013. The decrease was made possible mainly due to decrease in jet fuel price by 5.3% to US\$ 87.4 per liter, use of the type Airbus A320-200 aircraft with a capacity of 180 seats and the initiatives to reduce costs.

Citilink's Operational Statistics

	Unit	2013	2012	2011	August - December 2012	Change 2012-2013	Change August - December 2012 - FY 2013
Frequencies	('000)	39	24,1	13,9	12	61.8%	221%
Weekly frequencies in December	1	938	620	376	620	51.3%	51%
Available Seat	('000)	6,896	3,964	2,104	2,036	74.0%	239%
Available Seat Kilometer (ASK)	(million)	5,465	3,121	1,778	1,586	75.1%	244%
Average Flight Segment	km	789	781	841	772	1.0%	2%
Block Hour	('000)	60	36	21	18	68.0%	239%
Number Passenger Carried	('000)	5,347	2,861	1,626	1,445	86.9%	270%
Passenger-Kilometer Carried (RPK)	(million)	4,201	2,238	1,354	1,120	87.7%	275%
Seat Load Factor (SLF)	%	77.0	71.7	76.1	70.6	5.3pp.	6.6pp
Market Segment	%	9.6	5.3	3.2	6.1	4.3pp.	3.5pp
Tonnage Cargo Carried	(000 ton)	77	48	28	24	60.2%	216%
Revenue Tonne Kilometer (RTK)	(million)	468	239	145	120	95.7%	291%



Financial Review

In 2012, Citilink operates only for 5 months, from August 2012 to December 2012. Prior to this period, Citilink used Garuda Indonesia AOC and hence is recorded in the financial statements of Garuda Indonesia. Hence, the comparative figures are between 12 months in 2013 compared to 5 months in 2012.

Citilink posted an increase in total operating revenues of 272% from USD 73 million in 2012 to USD 273 million in 2013. Increase was primarily derived from the increase in capacity of ASK by 244%, SLF by 6.6 percentage points and increase in passenger yield by 0.8%.

Meanwhile, operating expenses increased by 218% from USD 105 million to USD 334 million in 2013. Increase was derived from ASK, which grew by 244%, the addition of aircraft, personnel and operational infrastructure for further business development. Increased operating expenses led to increased net operating loss and net loss each of USD

60 million and USD 48 million respectively. Investment and asset additions has made total assets grew by 45% from USD73 million at December 31, 2012 to USD106 million at December 31, 2013. Increase Assets include aircraft maintenance funds and security deposits, advances for purchase of aircraft and tax assets deferred.

Liabilities was increased, mainly due to the increase in long term liabilities, while equity decreases due to the losses suffered. Short-term liabilities as of December 31, 2013 stood at USD 73 million, an increase of USD 45 million as of December 31, 2012. Long-term Liabilities as of December 31, 2013 stood at USD 58 million, an increase of USD 5 million as of December 31, 2012. Equity decreased from USD 23 million to a deficit of USD 25 million.

Citilink used cash for operating and investing activities amounted to USD 31 million and USD 30 million respectively. Net financing totalling USD 61 million was obtained from the parent company.

SBU & Subsidiaries

Citilink Financial Highlight (USD thousand)

	2013	2012	Growth
Total Revenues	273,399	73,398	272%
Operating Expenses	333,604	104,943	218%
Income (Loss) Operations	(60,205)	(31,545)	
Finance Income	(2,818)	308	
Income (Loss) before Tax	(63,023)	(31,237)	
Tax Benefit	14,543	2,827	414%
Income (Loss) for The Year	(48,480)	(28,410)	
Other Comprehensive Income	511	6,315	-92%
Total Comprehensive Income (Loss)	(47,969)	(22,095)	
Total Current Assets	27,005	32,035	-16%
Total Non-Current Assets	79,049	41,110	92%
Total Assets	106,055	73,144	45%
Total Current Liabilities	73,309	45,254	62%
Total Non-Current Liabilities	57,726	4,901	1,078%
Authorized Capital Stock	44,901	44,901	0%
Additional Paid In Capital	(3,104)	-	
Other Component of Equity	4,543	3,211	41%
Retained Earnings (Deficit)	(71,320)	(25,124)	
Total Equity	(24,980)	22,989	
Total Liabilities and Equity	106,055	73,144	45%
Net Cash Provided from Operating Activities	(31,089)	2,770	
Net Cash Provided from Investment Activities	(30,221)	3,223	
Net Cash Used in Financing Activities	60,585	(109)	

2014 Plan

In 2014, Citilink will continue its business development effort to improve performance and drive sustainable growth through the following:

1. Ensure availability of aircraft through a commitment to the aircraft manufacturer
2. Additions fleet through leasing
3. Developing domestic hubs, both in the medium-high-density markets as well as secondary market
4. Expansion in regional
5. Brand penetration in budget traveller market
6. Developing non-flight service to gain ancillary income
7. Additions and improvement of human resources and infrastructure
8. Conducting various initiatives to reduce the unit cost on an ongoing basis.
9. Develop a charter flight service.



Share Ownership in Subsidiary

Subsidiary	Domicile	Main Business Activities	Percentage of Ownership %	Start of Commercial Operations
PT Citilink Indonesia	Head Office Menara Citicon Lt. 16 Jl. S. Parman Kav. 72 Jakarta	LCC airline services	94.27	2012

PT Gapura Angkasa



PT Gapura Angkasa was founded based on Cooperation Agreement between three State Owned Enterprises, namely PT Garuda Indonesia (Persero) Tbk., PT Angkasa Pura I and PT Angkasa Pura II.

The main objective behind the foundation of the Company in 1998 is to meet the growing needs of professional ground handling services for domestic and international airlines companies operating in all airports in Indonesia. PT Gapura Angkasa commenced start its operation on April 1, 1998 serving 11 airlines, with total production reached 42,000 flights per year, mostly are Garuda Indonesia.

Since then, Gapura Angkasa continues to grow in terms of organization and capability. Its commitment towards quality, safety & security, and customer satisfaction became key factors for the success of Gapura Angkasa, proved by recognition or awards, such as Certificate of Operation, ISO 9001:2000, SNI Award and ISAGO.

To date, the Company is supported by more than 11,000 dedicated and competent employees and 4,884 units of GSE, comprising 1,061 motorized and 3,823 non motorized. The Company serves more than 43 airlines with total production of 223,855 flights including Chartered Flights, VVIP Flights and Military Flights with operational network in more than 30 airports in Indonesia.

Composition of the Board of Management of PT Gapura Angkasa is as follow:

Board of Commissioners

President Commissioner : Capt. Novianto Herupratomo
 Commissioner : Rinaldo J. Azis
 Commissioner : Yushan Sayuti
 Commissioner : Edie Haryoto
 Commissioner : IGN Bambang Tjahjono

Board of Directors

President Director : Agus Priyanto
 Director of Operation : Heru Legowo
 Director of Commercial : Tharian
 Director of Finance : Hariyanto

Share Ownership in Subsidiary

Subsidiary	Domicile	Main Business Activities	Percentage of Ownership %	Start of Commercial Operations
PT Gapura Angkasa	Jl. Angkasa Kota Baru Bandar Kemayoran Jakarta 10610 Tel. 021 654-5410 012 654-1876 012 654-1877 012 654-1878 012 654-1879	Ground handling, smart handling, logistics	37.5%	1998

Financial Review

The Company's operating revenue was recorded at USD 3,716 million, an increase of 7.0% or equivalent to USD 244 million compared with 2012.

Operating Environment

The global economic environment has initiated its recovery process in 2013 along with improvement in the US and European economy. Meanwhile, China still recorded the highest economic growth of 7.7% in 2013, despite it was actually slower than in the previous year. This triggered demand for air transportation services, both for passengers and cargo to support the world trading activities.

International passenger traffic for Asia Pacific regions, as reported by members of Association of Asia Pacific Airlines (AAPA), reached 220 million in 2013, increased by more than 12 million passengers or grew by 6.0% compared with the previous year. In addition, Revenue Passenger Kilometers (RPK) also grew by 5.2% to 813 billion, which reflected strong demand for regional routes, driven by economic growth in the Asia Pacific region and a 4.8% increase in the capacity as measured by Available Seat Kilometers (ASK).

Meanwhile, domestic economy decelerated to 5.8% in 2013 compared with 6.3% in 2012. The highest growth was still recorded by transportation and telecommunication sector by 10.2%. Such economic growth was achieved amid high inflation, weakening currency and current account deficit.

The airline industry in 2013 remained favourable in line with the economic growth and rising people's purchasing power. Growing demand for airline services led to tightening business competition within the industry. Garuda Indonesia opted to see such competition as a challenge to drive the Company better and to offer the best to its customers and other stakeholders.

Operational Results

The financial performance in 2013 was affected by both external and internal factors. External factors included depreciation of Rupiah, Yen and Won against the US dollar, high inflation level and the congestion at some major domestic airports. Meanwhile, main internal factors included new route expansion as an initial investment for the Company.

Operating Revenues

Garuda Indonesia Group's operating revenues increased by USD 243.6 million or 7.0% to USD 3,716 million in 2013. Such increase was attributed to the growth of 9.8% in scheduled airline services to USD 3,170 million and a growth of 4.4% in other operating revenue to USD 330 million. Meanwhile revenue from non-scheduled airline service fell by 19.7% to USD 216 million in 2013 from USD 269 million in 2012 particularly due to a limit on hajj quota set up by Saudi Arabia government.

Operating Revenue – Scheduled Airline Services

Revenue from scheduled airline services grew by 9.8% to USD 3,170 million in 2013. This revenue dominated the Company's operating revenue in 2013, representing 85.3% of total operating revenue.

The increase in revenue from passengers of scheduled airline services was partly enabled by the growth of 22.3% in the number of passengers from 20.4 million in 2012 to 25 million passengers in 2013. This caused an increase in revenue from passengers by 10.0% from USD 2,688 million in 2012 to USD 2,955 million in 2013. The increase in the number of passengers during 2013 partly attributed to the success of Garuda Travel Fair (GATF) program, early bird promotion program, and improvement in e-commerce.

Meanwhile, revenue from cargo of scheduled airline services also grew by 6.0% to USD 196 million in 2013. This revenue contributed around 6.2% to total revenue from scheduled airline services in 2013. Such increase was enabled by the growth in cargo carried from 280 million kg in 2012 to 346 million kg in 2013. The increase in revenue from cargo was due to "Sky Chain" reservation program and implementation of Cargo Service Centre in the domestic market.

Passenger Revenue from Scheduled Airline Services (USD Million)

	2013	2012	Growth %
Mainbrand Flight	2,699	2,557	5.5%
Citilink Flight	257	130	96.8%
Total	2,955	2,687	10.0%

Operating Revenues – Non Scheduled Airline Services

The limit on hajj quota to only 20% by the Saudi Arabia government caused a decline of 19.7% in the revenue from non scheduled airline services from USD 269 million in 2012 to USD 216 million in 2013. Revenue from hajj flight represented 90.4% to total revenue from non scheduled airline services.

Operating Revenues – Other Operating Revenues

Other Operating revenues increased by 4.4% from USD 316 million in 2012 to USD 330 million in 2013. Such increase was particularly derived from the growth in catering services by 20.6% from USD 50 million in 2012 to USD 60 million in 2013 as a result of an increase in meal uplift to other airlines and an increase in industrial catering.

Financial Review

Operating Expenses

Operating expenses grew by 10.8% from USD 3,304 million in 2012 to USD 3,660 million in 2013 partly triggered by the growth of 17.6% in flight operations expenses. Flight operations expenses accounted for 61.3% to total operating expenses.

Even though flight operating expenses posted an increase, unit cost for passenger services of scheduled airline services declined by 3.8% to USc 7.55 in 2013 from USc 7.85 in 2012. The decline showed initiatives conducted by the Company to boost efficiency.

- Flight operations expenses was recorded at USD 2,245 million, or increased by 17.6% from USD 1,909 million in 2012 due to higher jet fuel expenses as well as aircraft rental and charter expenses. Fuel expenses were the largest contributor to flight operations expenses, representing 63.3% to total flight operations expenses in 2013. Fuel expenses grew by 13.2% from USD 1,255 million in 2012 to USD 1,420 million in 2013, particularly due to higher flight hour, whereby block hour increased by 23.9% compared with a year earlier. This is despite the fact that average jet fuel prices have actually declined from USc 91.0/liter in 2012 to USc 87.6/liter in 2013. Fuel burned/BH fell by 3.1% from 3,981 liter/BH in 2012 to 3,857 liter/BH in 2013, showing the Company's success in conducting fuel efficiency through the utilization of more efficient aircraft and fuel conservation program.
- Aircraft rental and charter expenses increased by 32.0% from USD 449 million in 2012 to USD 592 million in 2013 driven by additional leased aircraft during 2013 to support the Company's business expansion. The operation of new efficient aircraft allowed the Company to cut its maintenance expenses and fuel consumption. Other initiatives to improve cost efficiency has been consistently carried out to widen profit margin, in addition to the adoption of sale and lease back policy for new fleet to reduce financial charges and depreciation expenses.
- Ticketing, sales and promotion expenses which contributed 9.2% to total operating expenses, increased by 5.8% to USD 336 million.
- Maintenance and overhaul expenses was recorded at USD 288 million, declined by 0.2% from that in 2012 consistent with lower age of fleet operated by the Company and the decline in maintenance and overhaul expenses to third parties.
- Passenger services expenses increased by 7.4% from USD 264 million in 2012 to USD 284 million in 2013 consistent with the growth in number of passengers and improvement in the quality of services. Effort to improve quality of services was followed by cost discipline. This could be seen from cost/ASK which fell by 3.8% from USc 7.85 in 2012 to USc 7.55 in 2013.
- User charge and station expenses increased from USD 240 million in 2012 to USD 267 million in 2013 in line with the growth in the number of flight from 153,266 in 2012 to 196,403 in 2013 as well as the opening of new branches and routes in 2013. Such expenses contributed 7.3% of total operating expenses in 2013.
- General and administrative expenses which reached USD 219 million or 6.0% to total operating expenses, posted an increase of 2.4% driven by an increase in tax expenses, depreciation and insurance cost.
- Hotel operation expenses grew by 30.8% from USD 26 million in 2012 to USD 34 million in 2013, caused by the increase in operating expenses and raw material for foods. Such expenses contributed 0.9% of total operating expenses.
- Transportation operation expenses and network operation expenses posted an increase by 8.3% and 6.7%, respectively. These expenses accounted for each 0.5%.
- The Company recorded other income amounted to USD 50 million in 2013 which particularly derived from the foreign exchange gain amounted to USD 48 million. This was higher than USD 9 million in 2012.

Total Comprehensive Income

	2013	2012	Growth %
Operating Revenues	3,716,076,586	3,472,468,962	7.02
Operating Expenses	3,659,628,311	3,304,396,858	10.75
Income from Operations	56,448,275	168,072,104	(66.41)
Other (Income) Charges	(47,632,672)	(16,541,550)	187.96
Income Before Tax	8,815,603	151,530,554	(94.18)
Tax Benefits (Expense)	2,384,777	(40,687,981)	(105.86)
Net Income for The Year	11,200,380	110,842,573	(89.90)
Other Comprehensive (Loss) Income	(10,634,860)	34,566,735	(130.77)
Total Comprehensive Income	565,520	145,409,308	(99.61)

Income from Operations and EBITDA

The Company booked operating profit of USD 56 million in 2013, declined by 66.4% from USD 168 million in previous year. As a result, EBITDA fell by 26.9% to USD 218 million in 2013.

Other Income (Charges)

The Company recorded other income derived from finance income amounted to USD 10 million in 2013. In addition to finance income, other income also stemmed from equity in net income of associates amounted to USD 2 million in 2013.

Meanwhile, other expenses was derived from finance cost which increased to USD 60 million in 2013 from USD 25 million in 2012. The increase in finance cost was particularly due to higher interest expenses of USD 44 million in 2013 as a result of additional long term loans related to fleet expansion to support the Company's business development in 2013.

Income before Tax

Income before tax recorded at USD 9 million in 2013, declined by 94.2% from USD 152 million in 2012.

Net Income

Net income recorded at USD 11 million in 2013, declined from USD 111 million in 2012. As a result of the decline in net income, net margin declined from 3.2% in 2012 to 0.3% in 2013.

Other Comprehensive Income

Net profit during the year declined by 89.9% to USD 11 million in 2013 from USD 111 million in 2012. Such declined was due to external and internal factors as follows:

External factors affecting the Company's performance during 2013 were, among others:

- Decelerated Indonesian economic growth from 6.3% in 2012 to 5.8% in 2013.
- Weakening of Rupiah, Yen and Won against the US dollar
- Inflation level which reached 8.38%
- Tightening competition in the airline industry.
- Limited slot, traffic right and runway at Cengkareng and Denpasar airports

Meanwhile internal factors affecting the Company's performance during 2013 were as follows:

- Route expansion as an initial investment for the Company
- PT Citilink was still in the development stage in the domestic market.

Weakening Rupiah, Yen and Won against the US dollar, high inflation and tighter competition in the industry caused a decline in seat load factor and passenger yield by 2.4% and 6.1%, respectively compared with that in 2012.

Meanwhile, impact of limited slot, traffic right and runway on the Company's operational performance was reflected on a decline in OTP by 1.3% from that in 2012

Total comprehensive income was USD 0.6 million in 2013, declined by 99.6% from USD 145 million in 2012. Such decline was due to other comprehensive loss amounted to USD 11 million compared with other comprehensive income of USD 35 million recorded in 2012. This was due to exchange differences on translating foreign operations related to weaker Rupiah against the US dollar.

Financial Review

Financial Position

Assets

The Company's assets was recorded at USD 2,954 million in 2013, an increase from USD 2,518 million in 2012, particularly triggered by a growth of 28.7% in current assets and 13.5% in non current assets.

Current Assets

Current assets were recorded at USD 819 million in 2013, an increase from USD 637 million in 2012. Such increase was due to:

- Increase in cash and cash equivalent by 45.9% to USD 475 million in 2013 from USD 326 million in 2012, particularly caused by refund of advance payments for purchase of aircraft and additional long term loans to support the Company's business expansion through the operation of new fleet which was expected to reduce maintenance and fuel expenses.
- Increase in account receivable by 8.1% to USD 140 million in 2013 along with an increase in receivables to third parties.

Non Current Assets

Non current assets increased by 13.5% from USD 1,881 million in 2012 to USD 2,135 million in 2013. Such increase was due to:

- An increase of 33.7% in maintenance reserve fund and security deposits from USD 462 million in 2012 to USD 618 million in 2013. Maintenance reserve funds grew by 134.9% from USD 351 million in 2012 to USD 473 million in 2013 consistent with the increase in the number of leased fleet from 84 fleet in 2012 to 117 fleet in 2013.
- Increase in net fixed assets by 8.15% from USD 798 in 2012 to USD 863 million in 2013, particularly due to an increase in fixed assets like rotatable parts, simulator, financial lease assets and additional leased assets related to the Company's fleet expansion.

Liabilities

Current liabilities grew by 30.5% from USD 984 million in 2013, partly due to an increase in loans from banks and financial institution from USD 6 million in 2012 to USD 45 million in 2013. Current maturities of non current liabilities also increased from USD 186 million in 2012 to USD 348 million in 2013 as some long term loans were due.

Meanwhile, non current liabilities increased by 31.4% from USD 649 million in 2012 to USD 853 million in 2013 particularly driven by a 110.1% increase in long term loans during 2013 to support the Company's business

development, particularly to expand fleet. The Company's strategic plan to expand its fleet was a step to meet the target defined in the Quantum Leap program. Under the Quantum Leap program, the Company has target to operate around 190 fleets. The Company believes that if the Quantum Leap program can be executed well, the Company can grow consistent with the growth in market and demand while at the same time promoting a synergy with the government to support the development of Indonesia, particularly related to the MP3EI connectivity.

Equity

Equity increased from USD 1,115 million in 2012 to USD 1,117 million in 2013 as a result of the net income generated throughout the year 2013.

Cash Flows

As of December 31, 2013, cash and cash equivalent was recorded at USD 475 million, increased by 45.9% compared with USD 326 million as of December 31, 2012.

1. Operating Activities
 Cashflow from operating activities reached USD 139 million in 2013, declined by 61.9% compared with USD 365 million in 2012, particularly came from cash paid to suppliers and employees which increased by 24.7% from USD 2,911 million in 2012 to USD 3,630 million in 2013.
2. Investment Activities
 Cashflow used for investment activities reached USD 383 million in 2013, a decline from USD 524 million in 2012. This was particularly due to an increase of 442.5% in the refund of advance payments for purchase of aircraft delivered in 2013 from USD 73 million in 2012 to USD 399 million in 2013.
3. Financing Activities
 Net cash received from financing activities increased by 472.9% from USD 75 million in 2012 to USD 432 million in 2013, particularly attributed to long term debt loans amounted to USD 813 million, consisting of USD 431 million of long term loans, USD 182 million of bank loans and financial institutions and USD 200 millions of bonds. In 2013, the Company paid its long term loans as well as its bank loans and financial institution by USD 228 million and USD 142 million, respectively.

Other Disclosure

Capital Structure

The Company's capital structure policy is to maintain an optimum capital structure to support business objectives, including maintaining a sound capital ratio and a strong credit rating.

Commitment for Capital Investment

In 2013, the Company obtained a new debt facility amounted to USD 350 million from several banks, such as syndication of Citibank, Permata Bank, BRI, Panin Bank and syndication of BCA. The facility was used to finance the Company's fleet expansion program. This loan facility was unsecured (without any collateral) and carried low interest rates which confirmed increasing trust from commercial banks toward the Company.

Early July 2013, the Company has issued bonds amounted to Rp 2 trillion with 5 year tenor and coupon rate of 9.25% annually. The bond will due on 5 July 2018. A rating agency, PT Fitch Ratings Indonesia, rated the bond A(idn) (Single A).

Funding for Fleet Expansion

During 2013, Garuda Indonesia received the delivery of 26 aircraft, while Citilink received 10 aircraft. Funding for this fleet expansion is described below:

	Sale & Lease Back	Operating Lease	EDC Financing	Total
Garuda Indonesia				
Boeing 777-300ER	4			4
Airbus A330-300	3			3
Boeing 737-800NG	1	9		10
Bombardier CRJ1000		5	2	7
ATR72-600		2		2
Citilink				
Airbus A320-200		10		10
Total	8	26	2	36

Advances for Purchase of Aircraft

During 2013 the Company has paid an advances of USD 368 million for the purchase of aircraft to the aircraft manufacturers such as Boeing, Airbus and Bombardier. These advances were paid for purchase of Boeing 737-800NG, Boeing 777-300ER, Airbus 330-200/300, Airbus 320-200, Bombardier CRJ1000 and ATR72-600 aircraft. The source of funding for these aircraft purchase advances are from the issuance of long-term bonds, commercial bank loans, and operating income of the Company.

Investment Policy

The Company's investment policy in 2013 was to maintain capital expenditure so that it would not exceed the total budget even though there was a need for investment.

Acquisition and Divestment

There is no event of acquisition nor divestment during 2013.

Debt Restructuring

The Company's debt restructuring was signed at the end of 2010, which marked the beginning of the new stage whereby Company need to regularly pay the instalment of its debt principal.

In 2013, the Company has paid all interest and principal of its debt to its creditors according to the schedule. The interest payment during 2013 was USD 5,230,250 while the principal payment was USD 85,012,270. Such payment reduced the principal of restructured debt to USD 151,689,143. The source of payment for interest and principal during 2013 was derived from the Company's operating revenue

Debt Servicing Capability

The Company's Debt to Equity Ratio (DER) was recorded at 0.71x in 2013, compare to 1.26x in 2012. This was due to an increase in total liabilities related to fleet expansion and revitalization to meet the growing demand in the market. The Company's debt payment was still classified as current.

The Company's solvency ratio, calculated by dividing a total of net income and depreciation to a total of long-term and short-term liabilities, declined from 17.2% in 2012 to 9.4% in 2013. Such decline was a result of a significant decline in net income during 2013.

Financial Review

Trade Receivables Collectibility

Collectibility is a measurement of receivables that can be collected from the customer/debtor as a result of the credit sales transaction and/or other form of partnership whereby the settlement of debtor's liabilities was set at certain maturity date according to the agreement.

The category of receivables based on its collectibility as productive assets was a classification of receivables based on current or non current payment of the receivables, with classification as follows:

- Current, payment of receivables is not yet due and there is no arrears
- Non current, payment of receivables has been due for more than 6 months and there is no payment made as well as there is arrear. Settlement is conducted through negotiation process with the debtor.
- Bad debt, payment of receivables has been due for more than 12 months and there is no payment made as well as there is arrear. Settlement is conducted through national court (or other relevant parties) or making a claim to insurance Company.

Average receivable turnover is calculated based on total account receivables divided by revenue times 365 days. Average receivable turnover during 2013 was 14 to 26 days.

Dividend Policy

After quasi reorganization in 2012, Garuda Indonesia has an ability to distribute dividend. However, the Company did not pay dividend in 2013 because the Company is still in the consolidation/turnaround phase, which requires substantial funding to take benefit from the rapid growth in the markets.

In the future, while still referring to the prevailing regulation, the Company's financial condition and its liabilities to the creditor, including ECA creditor, the Company plan to distribute cash dividend maximum 50.0% of the net income every year under the following condition:

1. There is excess cash during that particular year as is required under debt restructuring agreement dated December 21, 2010.
2. There is no liabilities that due and unpaid against any rental agreement and there is other debt due and unpaid against any debt; and

3. There is no event of default and inability to pay the existing liabilities.

Based on the above statement, the Company plans to distribute dividend at least once in a year except decided differently during the Annual General Meeting of Shareholders (AGMS).

The Use of Proceed from Initial Public Offering (IPO)

In the beginning of 2011, the Company has successfully listed its share in the Indonesian Stock Exchange. From the Initial Public Offering (IPO), the Company managed to obtain fresh funds of Rp 3,187,020,395,046. The Company is committed to maximize the IPO proceeds, whereas approximately 80% will be used for business, route and new fleet expansion and 20% will be used to finance capital expenditure at both parent Company and subsidiaries. From the proceeds of the IPO, the Company has utilized a total of Rp 3,015,740,895,046 while the remaining funds of Rp 171,279,500,000 as at year-end 2013 will be used to finance capital expenditures at subsidiaries.

Utilization of Proceeds from Bonds Public Offering

On June 27, 2013, the Company obtained approval from the Financial Services Authority ("OJK") to issue Bonds. On July 5, 2013, the Company has received the proceeds from bonds public offering amounting to around Rp 1.9941 trillion (after transaction costs deductions). The Company intended, as disclosed in the Prospectus, to use around 80% of the proceeds for Pre Delivery Payment (PDP) while the remaining around 20% would be used for payment of aircraft lease rent. As of December 31, 2013, the Company has fully utilized all the proceeds obtained from the bond public offering in accordance to what the Company has disclosed to the public.

Fleet Insurance

Growing exposures to fleet insurance as a result of significant fleet expansion has enabled the Company to cut its insurance premium rate substantially during 2013. Such decline in premium rate was also enabled by a significant decline in loss ratio for the last five years. In addition to getting lower premium rate, the Company was also able to settle its claim on Boeing 737-300 and Boeing 737-500 during 2013. Being a consistent holder of IOSA Certificate has also contributed to gaining underwriter's trust in the

global insurance market. The Company then obtained insurance premium rate which was almost at par to the other international airlines globally, particularly in Asia Pacific. In the future, the Company will continue trying to reduce its insurance premium rate so that it will be at par to other international airlines globally.

Insurance Based on Minister of Transportation Decree No 77 Year 2011

During 2013, the Company has followed insurance responsibility of airlines to comply with the Ministry of Transportation Decree No. 77 Year 2011 jo Minister of Transportation Decree No. 92 Year 2011. The management of compensation to passenger losses due to accident, travel inconveniences, baggage and cargo losses has placed the Company in a compliant position in implementing such Ministry Decree.

Cash Management

To support Cash Management activities, the Company has carried out socialization and training for Pooling Operational Bank Account at all domestic branches, which supported the ability of Branch Office's Finance Manager to carry out internet Banking, e-tax payment and account efficiency at branch offices. In addition, in order to manage cash and bank account optimally, an Automated Daily Report and Management Proxy System have been developed. The Company also kept monitoring the previous cash management development, such as Virtual account to promote efficiency in terms of number of account, Weekly Transfer Fund with domestic branch office as well as Automatic Payment, ie payment using data posted at SAP directly to the bank server and automatic Posting MT940 from Bank to SAP server.

Event After the Reporting Period

There is no material event which has material impact to the Company's consolidated financial statement and operating result, which occurred after the Independent Auditor Report dated January 30, 2014 for Consolidated Financial Report for the year ended 31 December 2013 as has been audited by the public accountant office Osman Bing Satrio & Eny (member of Deloitte Touche Tohmatsu Limited) with unqualified opinion.

Conflict of Interest Transaction

Throughout the year 2013, the Company did not engage in any transaction that could be classified as transactions with conflict of interest.

Related Parties Transaction

In the normal course of business, the Company and its subsidiaries engaged in transactions with related parties, which are defined as parties or entities in which the Government of Indonesia has a significant influence on the basis of ownership or management control. The Government of Indonesia is the majority shareholder in the Company. The names of these related parties, as well as the type and amount of transactions with these parties, are presented in details on the Notes to the Consolidated Financial Statements.

Impact of Changes in Government Regulations

There were no changes in the laws and regulations that have had a significant impact on the Company or directly impacted its financial statements.

Changes in Accounting Policy

There was no changes in accounting policy until December 31, 2013.

Business Support Review

Improved quality of care in the 'New Service Concept' provides more comfort and convenience to passengers in pre-flight, in-flight and post-flight.





Human Resources

The expansion of route and network is balanced with the effort to meet the needs of human resources in terms of quantity and quality.

In 2013, Garuda Indonesia focused its business strategy on expanding and strengthening its flight network in the domestic market and in the international market as well, through the opening of new flight routes. This is in line with the Company's efforts in achieving sustainable growth.

As part of the Company's strategy in the domestic market, in November 2013, Garuda Indonesia introduced a sub-brand "Explore" and "Explore Jet" to serve routes to new economic growth areas and tourism destinations in the remote areas in Indonesia. "Explore" and "Explore Jet" will fly using the new aircraft owned Garuda Indonesia, the ATR 72-600 turboprop aircraft and the Bombardier CRJ1000 NextGen aircraft.

Network and fleet expansion with the addition of new aircrafts with modern technology requires strong support from human resources side. Therefore in 2013, Garuda Indonesia adjusted its human resource planning to suit with the growth strategy prepared by the Company

Human Resource Planning and Recruitment

Essentially, human resource planning is a process of supplying personnel to meet the needs of the Company. For the purpose of having a well planned human resource strategy, in conjunction with the Company's strategy in 2013, it is imperative to first identify and analyze the Company's actual need, and thus the human resource planning can be able to support the implementation of strategy and the achievement of target.

To encourage employee productivity and to make Garuda Indonesia a high-performing organization, the Company's human resource planning is built on three main pillars, namely:

1. Corporate culture that will encourage the creation of a conducive working environment, which in turn will encourage the best and sustainable performance;



2. Talent management that will ensure the availability of the Company's future leaders; and
3. Improving and expanding the role of people manager who is able to be the competent mentor and coach so that employees can develop their competence and maintain their productivity and performance.

The purpose of the talent management process in Garuda Indonesia is:

1. Retain the Company's best talent;
2. Keeping up with the changes in the Company;
3. Developing the best team;
4. Obtaining replacement candidates for key positions;
5. Anticipating and meeting the skill requirements for the future;
6. Assisting resource planning for the organization;
7. Ensuring the opportunities for high-potential employees; and
8. Establishing a culture that encourages achievement of maximum performance.

In 2013, the focus of the Company's talent management, among others, include:

- Talent Acquisition, both internally and externally. Talent acquisition is done internally through a process of review and evaluation of the talent currently owned by the Company. While external Talent Acquisition is done through the process of recruitment to fill key positions to improve the competitiveness of the Company in conform with the development of the industry. In 2013, external Talent Acquisition was focused on fulfilling the "Management Trainee".

Human Resources

- Talent Development that includes the aspect of assignment, mentoring and leadership development. Talent development program conducted in 2013 are:
 - Promoting the cooperation with General Electric (GE) in developing the leadership and talent management capabilities through Garuda Indonesia-GE Institute. The training is conducted in mass, regional or global. Additionally, in 2013 the Company also conducted a joint training with other companies, aiming at developing the networking of talents.
 - Conducting Management Trainee (MT) Program for 3 (three) batches, focusing on the development in the field of Sales & Marketing, Finance, Services and Flight Operation Officer, to prepare the Future Leaders. The year 2013 saw the first implementation of the Management Trainee Program with a focus on development of operation and Flight Services Officer, to meet the human resources needs related to the Company's operational improvement and expansion of services.
 - Developing talent for the Cabin Crew through Cabin Crew Development Program (CCDP). With the CCDP, the Company expected to have talents that are ready to become leaders of the Cabin Crew unit and leaders in other units. The program is conducted for a duration of one year and attended by 20 participants.
- Developing the role of unit heads as the People Manager, in line with their role as Business Manager who are in charge of managing and ensuring the performance of the unit under their lead, in line with the Company's performance.
- The development of People Manager role, is carried out through programs designed to enhance the ability of coaching and mentoring, to develop talents under their coordination. In 2013, the Company held Mentors Forum to improve the ability of the head units as a people manager, especially the ability to conduct coaching and mentoring. Mentors Forum is held in order to support talent development programs, such as Management Trainee and Cabin Crew Development Program.
- Processes and mechanisms through "Talent Review" (includes performance and potential) are done to ensure the availability of key people and key position through a strategy and method of Talent Management, which is integrated with the Company's long-term strategy planning and targets, in accordance with the laws and regulations

HR Performance

Performance Management System (PMS) is one of the means for People Manager to manage the personnel under his/her coordination and to ensure the attainment of individual and units KPI.

PMS Cycle comprising Plan, Performance & Development Plan, Tracking and Review. By performing this cycle, people manager can draw a plan for KPI and individual target, take the right initiatives of development, coaching and tracking, and review the attainment of target. All the stages within the cycle are aimed at ensuring the attainment of target.

Taking into consideration the characteristic of each employee group, Performance Management System is applied differently to the functions of Pilot, Cabin Crew and Head Office-Branch Office (HOBO) staff. PMS for Pilot is focused on productivity, compliance in performing duties, discipline and commitment for the Company. PMS for Cabin Crew is focused on the service and productivity of the cabin crew. As for the HOBO staff, PMS is focused on the attainment of KPI managed by the people manager through PMS cycle.

In 2014, PMS for HOBO staff will be adjusted in accordance with the character of position, especially in sales and service department. Hence, the implementation of PMS will be more effective and focus in assessing employee performance.

Corporate Culture

In a rapidly changing business environment, the Company is required to make strategic initiatives in order to maintain the Company's growth along with the changes. One of the initiatives taken by the Company is to consistently and continuously internalize the corporate culture.

Corporate culture can set the different between success and failure of a strategy implemented by a company. Corporate culture has a strong influence on the employees' behaviour, therefore it also a factor that determine the ability of a company to change its strategic direction. The more employees understand and implement the corporate culture, the more easily for the Company to adjust its strategy in respond to market dynamics.

Transforming Corporate Culture

Garuda Indonesia's corporate culture called Fly-Hi consisting of efficient & effective, Loyalty, customer centricity, Honesty & openness and Integrity, to this day continues to serve as guide/manual for Garuda Indonesia personnel. Through a structured and systematic internalization program, the values of Fly-Hi has become the integral part of the Cultural Transformation Strategy to support Business Transformation aiming at establishing the High Performance People who apply the values of corporate culture in all aspects of the organization and achieving Operational Excellence Result, and hence making Garuda Indonesia as a High Performance Organization.

To serve these objectives, the internalization and implementation of Fly-Hi that has been going on since 2007, will continuously be implemented across the board and in all aspects of organization. In line with the direction of the President Director, the Company has prepared and carried out a variety of internalization programs and initiatives aimed at continuously driving the implementation of Fly - Hi in all units and branches, as well as standardizing the implementation program and behaviour in accordance with the values of Fly - Hi at the corporate level, and expand the units involved so as to encourage optimal and sustainable performance.

2013 Program Kick Off and Fly-Hi Expo

As the implementation of the Fly-Hi, the Company has developed a Corporate Program comprising three main programs, namely:

1. The Innovation Culture;
2. Service Culture; and
3. Learning Culture.

Corporate Program is supported by the Supporting Program, namely Risk Culture.

Corporate and Supporting Programs serve as reference for corporate culture programs throughout all units, aimed at putting positive impact on behaviour change, creating conducive working environment, and encouraging the achievement of the performance and productivity of individuals, units and the Company as a whole.

The 2013 Fly-Hi Program Kick Off and the Fly-Hi Expo held in 2013 involved the entire Units and Domestic Branches, with representatives of Fly-Hi implementation team (TIF) of these units attending the event Fly-Hi Expo is intended to facilitate a comparison/benchmarking among units that have been consistently and fully applied Fly-Hi, as well as those who have not.

Fly-Hi Forum Sharing

Entering the seventh year of the corporate values internalization stages, an emphasis was put on the "implementation evidence", to show how FLY-HI has positively influenced people's behaviors, given added values to work units and improved units performance; it certainly takes a media to keep encouraging this process by showing a successful unit in the implementation of FLY-HI in order to encourage other units to do likewise.

One of these media is a sharing forum, which is held in sessions to share experiences that will inspire how effective the culture has been for the successful unit.

Sharing forums is considered as the best practice and important internal media to demonstrate how a unit should implement FLY-HI (process), what it should achieve (result), and the role leaders play in promoting consistent implementation and how they always walk the talk to encourage employees under their directions to apply it daily.

Human Resources

Fly-Hi Acceleration Sharing Forum is intended to:

- Become a forum for sharing among Fly-Hi Internalization Fly-Hi (TIF) Teams in all units.
- Become a forum for communication on the implementation of Fly-Hi in each Domestic HO and BO work unit
- Provide a means used to monitor whatever progress made during the implementation of Fly-Hi corporate programs
- Provide a means used to evaluate the Fly-Hi
- Become a forum to look into other companies that are deemed to have strong corporate culture..

Induction Program

During 2013, the Company held an induction program through Culture Transformation Workshop, which was conducted periodically for new employees. The program aims at giving new employees a learning on the corporate values, so that they can promptly adapt and behave according to the values of the company, regardless of their background.

Workshop was attended by employees from the Head Office and Branch Office, as well as the cabin crew and pilot, held in 1 day using experiential learning method. Participant is expected to learn the Fly-Hi concept and 10 main behaviours, through series of simulation, to give the participant first hand experience.

Group discussion also conducted to discuss about the attitudes that should be daily demonstrated during work in accordance with FLY-HI values and in class.

Lectures in the workshop included message from the CEO of the Implementation Fly-Hi, GA Group CEO Message, disclosures of the importance of a culture in an organization, discussions on the stop-start-continue and presentations of summaries of the group discussions. The workshop was concluded with wrap ups after which all participants signed for their commitment.

Customized Training Program

As an effort to promote awareness and give reminders in all business lines, a number of workshops tailored to the needs of each unit were held, including: Workshop for Directorate, Workshop GA and GA Group

Remuneration Strategy

Garuda Indonesia's Remuneration Strategy was prepared by considering these three things: Market, Meritocracy and Company Capability. To remain competitive in the labor market, Garuda Indonesia applies a policy in which value of a group of position was based on some measure, among other job type, job weight and job pricing in the market. Garuda Indonesia also considers the performance and productivity of employees in determining their remuneration. In addition, to maintain the sustainability of the Company, remuneration is given by considering the Company's current and future capability.

In 2013 Garuda Indonesia refined its remuneration strategy by providing appreciation that is included in remuneration for Pilot, Cabin Crew and Employee at HOB0, which was customized with the job character.

Competence Development/Education

Besides the aforementioned, in overall the competence development for employees also carried out through Employee Development Program (EDP). EDP is carried out in conjunction with the Performance Management System. At the beginning of the year, People Manager carried out coaching process with employees to agree on the development to be provided to employees through training, seminars, or work assignments.

Corporate University

In an effort to further enhance the Company’s human resource development, in 2013 the Company held a soft launch for some academy, among others: Pilot Academy, Flight Attendant Academy, Finance Academy, Maintenance & Engineering Academy, Ground Service Academy, Marketing & Sales Academy, and Cargo Academy. Intended as institutions that are able to provide learning solutions and to produce high-performing employees, the entire academy in this Corporate University are expected to contribute to the business growth of Garuda Indonesia.

Career Development

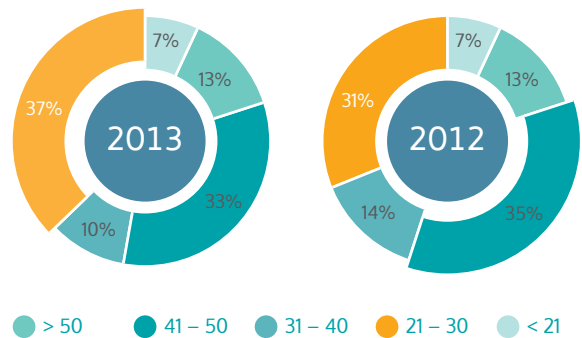
Garuda Indonesia provides employees with opportunity to develop their clear and well-planned career regardless of gender, ethnicity, religion through talent review at every level, by assessing their capability, knowledge, behaviour, performance and potential of each employee.

Number of Employee

Number of employee in 2013 was 7,861 employees, grew by 12,2% compared with the number of employee in 2012 which stood at 7,008 employees. This is done to support the Company’s operation regarding the availability of employee in the sectors directly effected by the expansion of the fleet and the operational capacity.

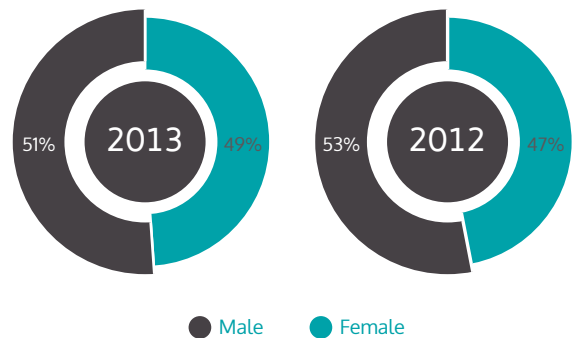
Employee by Age

Age Classification (year)	2013	2012
> 50	1,043	938
41 – 50	2,566	2,476
31 – 40	806	946
21 – 30	2,934	2,198
< 21	512	450
Total	7,861	7,008



Employee by Gender

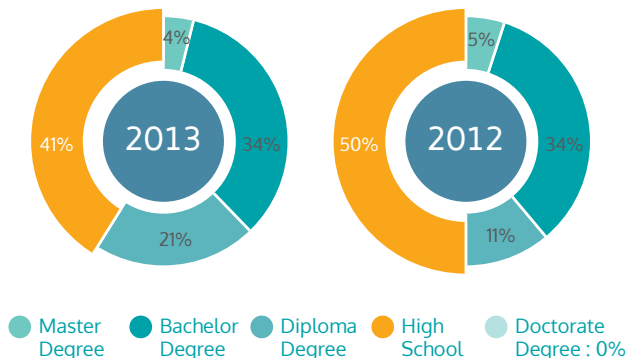
Gender	2013	2012
Male	4,022	3,737
Female	3,839	3,271
Total	7,861	7,008



Human Resources

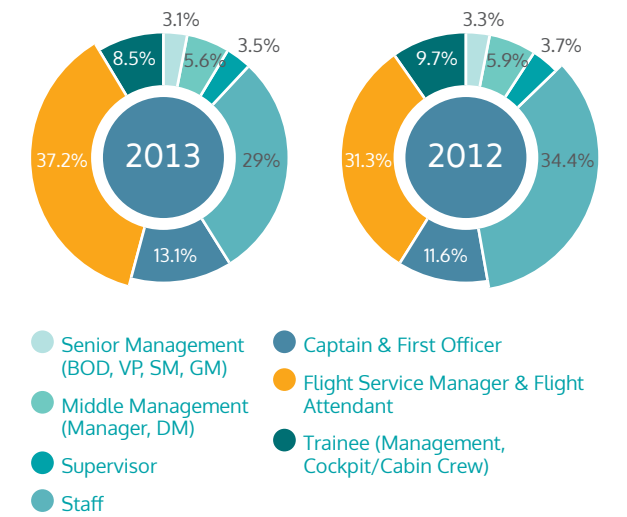
Employee by Education

Education	2013	2012
Doctorate Degree	4	4
Master Degree	308	312
Bachelor Degree	2,654	2,356
Diploma Degree	1,656	802
High School	3,239	3,534
Total	7,861	7,008



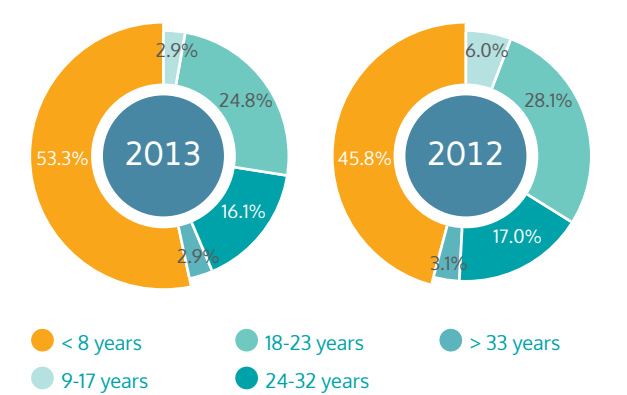
Employee by Position

Position	2013	2012
Senior Management (BOD, VP, SM, GM)	244	234
Middle Management (Manager, DM)	442	411
Supervisor	273	261
Staff	2,278	2,410
Captain & First Officer	1,026	816
Flight Service Manager & Flight Attendant	2,928	2,195
Trainee (Management, Cockpit/Cabin Crew)	670	681
Total	7,861	7,008



Employee by Year of Services

Year of Services	2013	2012
< 8 years	4,186	3,207
9 -17 years	231	419
18-23 years	1,947	1,970
24-32 years	1,266	1,193
> 33 years	231	219
Total	7,861	7,008



Employee by Profession

No	Profession	Permanent		Employee Candidate		Contact		Student	
		2013	2012	2013	2012	2013	2012	2013	2012
A.1	Pilot & Copilot								
	Active	774	688	-	-	278	154	251	239
2	Cabin Attendant								
	Active	1,318	1,275	-	-	1,587	908	375	431
	Paid Leave	40	29	-	-	-	-	-	-
	Unpaid Leave	12	9	-	-	-	-	-	-
3	Sales & Promotion	694	669	1	1	50	100	-	-
4	Airport Handling	489	434	-	-	28	109	-	-
5	Maintenance & Engineering	105	110	-	-	17	22	-	-
6	All Other Personnel	1,327	1,283	2	1	106	169	44	11
	Unpaid Leave	2	2	-	-	-	-	-	-
	Secondment	22	25	-	-	-	-	-	-
	Number of Employee Garuda Indonesia (A)	4,783	4,524	3	2	2,066	1,426	670	681
B.1	SBU GSM	38	38	-	-	27	29	-	-
2	SBU GARUDA CARGO	264	259	-	-	10	13	-	-
	Total SBU (B)	302	297	-	-	37	42	-	-
	Total Employee Garuda Indonesia (A+B)	5,085	4,821	3	2	2,103	1,504	670	681
	Total Employees	7,861	7,008						

Cost of HR Development Program

The Company is committed to constantly improve and develop the competency of its employees. That commitment is realized through series of training and learning programs. In 2013, the investment made by the Company in the form of employee training programs amounted to Rp 20.65 million per person, comprising of 4 categories of training programs, namely: Flight Operation Training, Flight Attendant Training, Airline Business Training and Flight Operation Officer Training.

Industrial Relations Management

Garuda Indonesia has a Collective Labour Agreement (CLA) prepared together with Garuda Indonesia Joint Trade Unions, reviewed periodically every two years. Upon the signing of CLA in 2012, the year 2013 saw the implementation of the items listed in the CLA, as well as the continuation of improvement on the communication between the labor unions and the management through bipartite Institute (LKS Bipartit).

LKS Bipartit was established based on the understanding of the roles, duties and responsibilities of each party, which is the hope of the Company and all employees. LKS Bipartit is composed of management and employee representative elements, consisting of Garuda Indonesia Joint Trade Unions (SEKARGA), Garuda Indonesia Cabin Crew Association (IKAGI), and the Garuda Indonesia Pilots Association (APG).

LKS Bipartit is a committee of employees and management, which was formed on voluntary basis aiming at identifying and resolving issues generally not discussed in the negotiations, for both parties interest. LKS Bipartit facilitates a forum for management and employees to build a commitment an egalitarian and dynamic dialogue towards harmonious industrial relation.

LKS Bipartit also seeks to foster good communication between management and employees, and a positive impact on performance and productivity improvement, to achieve mutual targets and goals. Throughout 2013, LKS Bipartit has discussed the welfare of employees and

Human Resources

employee inputs related to the Company's operation. The results becomes input for increasing the performance and productivity of the Company as a whole.

Types of Employee Benefits and Description

a. Post-Employment Benefits

• Defined Contribution Plan

The Company and PT Garuda Maintenance Facility Aero Asia (GMFAA), a subsidiary, established a defined contribution pension plan for all their permanent employees. The pension plan is managed by Dana Pensiun Garuda Indonesia (DPGA), whose deed of establishment was approved by the Minister of Finance of the Republic of Indonesia in his Decision Letter No. KEP-403/KM.17/1999 dated November 15, 1999. The pension fund contributions are equivalent to 7.5% of employees' basic salaries wherein 2% are assumed by the employees and the difference is assumed by the subsidiary.

Based on the results of the Annual General Meeting of Shareholders (AGMS) of the Company held on 26 April 2013, the Company's pension fund contributions is increased from the original 7.5% of employees' basic salaries to 10% and the change in the contribution by the employee from the original 2% to 3% and the rest is assumed by the Company.

PT Abacus Distribution Systems Indonesia (ADSI), a subsidiary, established an insurance program covering post-retirement benefits for all qualified permanent employees. This program provides post-retirement benefits based on the participants latest salaries. This program is managed by PT Asuransi Jiwasraya (Persero). The program is funded by contributions from the respective subsidiary and its employees at 7.5% and 2.5%, of the employees' basic salaries, respectively.

• Defined Benefit Plan

PT Aero Wisata, a subsidiary, established a defined benefit pension plan for all its permanent employees. The plan is managed by Dana Pensiun Aero Wisata whose deed of establishment was approved by the Minister of Finance of Republic of Indonesia in his Decision Letter No. KEP-044/KM.10/2007 dated March 26, 2007. The pension fund is funded by contribution from PT Aero Wisata and its employees at 11.40% and 5%, respectively, of the employees gross salaries. At retirement age, the employees will obtain benefit of 2.5% times working period times basic pension income

The Grup (GMFAA, ADSI, ASI and AWS) also provide benefits to their qualifying employees in accordance with the Company's policies based on Labor Law No. 13 Year 2003. No funding has been made to this defined benefit plan.

b. Other Long-term Benefit

The Group (GMFAA, ADSI, ASI and AWS) provides long service awards to their employees who have already rendered 20 years of service in accordance with the Company's policies. No funding has been made to this long-term benefit.

Employee Benefits Accounting Standards

a. Post-Employment Benefits

Post-employment benefits are determined using the Projected Unit Credit Method. The accumulated unrecognized actuarial gains and losses that exceed 10% of the greater of the present value of the defined benefit obligations and the fair value of plan assets, is recognized on straight-line basis over the expected average remaining service years of the participating employees. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. Gains or losses on the curtailment or settlement is recognized immediately when the curtailment or settlement occurs.

The employee benefits obligation recognized in the consolidated statements of financial position represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and reduced by the fair value of plan assets.

b. Other Long-Term Benefits

Long-term benefits are determined using the Projected Unit Credit Method. Past service cost and actuarial gains (losses) are recognized immediately in the current operations. Gains or losses on the curtailment or settlement is recognized immediately when the curtailment or settlement occurs.

The long-term employee benefit obligation recognized in the consolidated statement of financial positions represents the present value of the defined benefit obligation.

Employee Engagement

Employee engagement was observed annually through surveys which methods and processes of measurement are continuously updated. The results of the survey becomes the input for People Manager to improve employee engagement in his/her unit. For this objective, the Company has upgraded the knowledge and skill in HR coaching for People Manager and hence they are obliged to create an engaging atmosphere that can nurture creativity, innovation and increase employee productivity. The survey results also used by the Human Capital Management unit as the base for updating the Company's policy in managing human resources. In addition, measuring employee engagement is one of the elements in assessing an excellent company and eventually is associated with the company as an Employer of Choice.

Information Technology

IT initiatives in 2013 were focused on supporting the migration of PSS platform to Amadeus Altea system and the joining of Garuda Indonesia into SkyTeam.

Several development programs of Information technology were undertaken by Garuda Indonesia during 2013, aimed at supporting the Company's business strategy. With the increasingly intense competition, along with the entry of foreign airlines in Indonesia and the growth of low cost carriers, as well as to meet the Quantum Leap in 2014, the information technology development should be aimed at operational excellence.

IT Masterplan

Garuda Indonesia has prepared and implemented IT Masterplan 2012-2016 to support the achievement of business targets through focused initiatives and choice of realistic and pragmatic technology.

The implementation of Garuda Indonesia IT initiatives is based on scale of priorities, focusing on the following key objectives:

1. To replace core airline system (PSS);
2. To provide technology required to join the SkyTeam alliance.
3. To develop a reliable platform of technology for all area of business.
4. To facilitate in making differences for certain business area.
5. To develop IT capability to significantly improve Garuda's ability to implement various IT initiatives

Garuda Indonesia IT Masterplan was built on eight principles of technology, all of which are intended to support the achievement of the Company, as well as to differentiate whenever needed. The eight principles are:

1. Choosing a system that complies with the aviation industry standard and applying it to functions that allow Garuda Indonesia to be competitive.
2. Choosing a dynamic IT systems with the best-in-class capabilities to applied on functions that are required to have of competitive differentiation. For other functions, the initiatives focused on using an integrated system on a platform that has been proven reliable and need not customization.
3. Developing flexible and re-usable IT architecture, and facilitate easy access for passengers to get services and information through various channels.



4. Developing IT architecture that can ensure the passengers and company data confidentiality, by implementing appropriate policies, security processes and devices.
5. Applying best practice standards in application system.
6. Performing integration of information to improve efficiency and effectiveness in providing benefits for customers and companies.
7. Utilizing the infrastructure to provide adequate bandwidth, security, and business continuity.
8. Implementing projects and providing IT services in accordance with the industry standard with support from reliable partners to ensure the timeliness and effectiveness.

Implementation of Program in 2013

In 2013, many plans in the road map for the IT Master Plan, which has been implemented and brought significant impact to support the growth of the Company towards the Quantum Leap.

IT initiatives in 2013 was focused in preparing all IT requirements to support the implementation of new Passenger Services Systems (PSS) Amadeus Altea, and the joining of Garuda Indonesia to SkyTeam.

Following is the initiatives in IT Masterplan carried out in 2013:

- Improving capacity, reliability, and security related to network to support the operational readiness of Amadeus Altea.
- Completing the implementation of Enterprise Service Bus (ESB) including ESB, ODS (Operation Data Stores) and MQ Server. ESB will be functioned to integrate new PSS with IOCS, IBE, and all impacted system.
- Migrating PSS ARGA to Amadeus Altea. And in the same year completing the Reservation, Inventory, and Ticketing (RIT) and Departure Control System (DCS), so that the operation in all branch offices, domestic and international airports has used Amadeus Altea.
- Completing the Integrated Contact Center to support passenger services in comply with the SkyTeam standard.

Information Technology

- Completing the Integrated Contact Center to support passenger services in comply with the SkyTeam standard.
- Completing the integration of Garuda Frequent Flyer (GFF) with the FFP of all members of SkyTeam using integrator application that comply to the SkyTeam's platform.
- The Company's IT architecture (EA) has been completed, which include infrastructure architecture, application architecture and information architecture. EA is used as a guide to develop strategic IT policies, aligned with the business aspect. The initial scope of the implementation of the EA includes the Directorate of Operations (DO), Directorate of Marketing & Sales (DN), and some units under the Directorate of Service (DC).
- Completing the Disaster Recovery Center (DRC) set-up for IOCS system, to ensure business continuity. Will be followed by DRC set-up for other core applications which has critical business impact for Garuda Indonesia.
- For the initiatives related to the development of IT capabilities and IT operational model, several IT initiatives have been undertaken, namely IT Service Catalogue, managed service web developer to handle user request in developing website, set-up PMO IT, and Tools set-up for IT Service Desk.
- The policies, standards, and procedures related to IT Security (ISMS) pursuant to ISO 27001 has been approved by the Board of Directors (BoD) and has been gradually implemented. This is one of the requirements of SkyTeam to ensure the security of its members data.
- The project of establishing IT governance has been commenced and is targeted to finish in 2014. This initiative was implemented to meet the target from Minister of SOEs Regulation No. PER-02/MBU/2013 on IT Governance requiring that SOEs IT Governance is at least at maturity level 3 in 2018.
- IT Maintenance Repair and Overhaul (MRO) Project has entered realization stages, namely data cleansing in old system to be migrated to the new system.
- The Implementation of Fare Management System (FMS) has been completed.

Plan in 2014

The objective of Rolling Initiatives of IT Master Plan in 2014 is to build engine for growth. The theme for ITMP was chosen in order to support the Company's business plan to improve the continuity of revenues increase through improvement on the quality of products and services for passengers in the stage of growth. Based in the Company's business plan, the IT initiatives were prepared to support business growth.

Following are the initiatives of IT Masterplan to be carried out in 2014:

- Feature improvement in Garuda Frequent Flyer (GFF) website, namely Interactive Redemption Upgrade (IRU) and Profile Access Synchronization. Currently, the GFF system has no such feature to be integrated with the PSS Amadeus Altea.
- Increased utilization of Self Service Check In (SSCI) by adding KIOSK in Airport Cengkareng.
- Consolidating enterprise reporting based on Road map Enterprise Data Warehouse. The initial scope of enterprise reporting was Commercial (BLF, SLF, Route Profitability), Treasury (Profit, Revenue, Free Cash Flow), and PSS Operational Reporting.
- Proceeding with the implementation of EITA in Directorate of Service (DC) and Directorate of Strategy, Business Development & Risk Management (DQ).
- Implementing Customer Relationship Management (CRM).
- Calibrating commercial planning system.
- Integrating operation process business with Network Planning, through the integration of IOCS system and Netlineplan system.
- Integrating proses operations process business with Maintenance Repair Overhaul, through the integration of IOCS system and MRO system.
- The initiatives undertook to support single version of truth through Enterprise Data Warehouse project has resulted in a roadmap to be implemented in the next 5 years

Those initiatives were set forth in the 2014 Information Technology Portfolio (ITPP). The IT Unit is in charge to perform those initiatives with IT management based on the IT framework, namely COBIT and ITIL. To that end, the IT unit continues to improve the IT framework in 2014 to suit with the Government regulation in IT Governance.

In addition to the aforementioned IT initiatives in supporting the business, IT also supports the communication and coordination in order to increase employee productivity. To achieve these objectives, Garuda has collaborated with Microsoft using Office 365 to provide excellent service to employees.

IT's operational excellence is needed to be able to provide excellent services in the business. Therefore, IT Division also strengthens its operational services through the alignment of initiative with Asyst, a subsidiary engaged in the IT business.

Together with Asyst, IT will also gradually implement standard IT services namely ITIL. During the initial phase, improvement on Service Desk will be take place, which include helpdesk services with the best applications for ITIL services. The next stage is the improvement of IT service to the business by utilizing IT Service Catalogue developed in 2013 to build the IT's problem management and incident management, with the objective of to have the best performance from IT operation.

Eventually, all the IT initiatives require support from excellent IT infrastructure as the foundation to support IT operations. By utilizing the latest technology today, several initiatives of improvement are:

- Together with Asyst, building a VMWare- based DC-and also the DRC for critical applications for business.
- Building New IT Backbone and increased network reliability at the airport to improve network services to support applications and business operations.
- Implementing IT Security Policy based on Information Security Manual (ICM) of Garuda in order to be aligned with the SkyTeam's IT Policy to ensure IT security to join the SkyTeam.

Procurement

With the attainment of 'Procurement Excellence' phase, the Procurement function now becomes one of the strategic elements in improving the performance of Garuda Indonesia.

Currently, procurement has evolved to become one of the fundamental elements for the Company to achieve its business success. This is because Garuda Indonesia recognizes the importance of implementing the procurement strategy in support of the Company's performance. Through a carefully planned implementation strategy, tailored to the Company's business strategy, the Company is able to increase its competitive advantages, in terms of efficiency, effectiveness as well as added value which was gained from the strategy of procurement of goods and services. Therefore, Garuda Indonesia implemented consistently strategy in procurement as a series of well planned process in line with Garuda Indonesia Procurement Road Map.

Garuda Indonesia Procurement Road map is a series of process comprising four phases. The first phase is "Basic Buying", whereas in the beginning, the procurement was conducted on decentralized and partial basis without consolidation that affecting the standard of quality and prices of the goods/services. The next phase is "Strategic Buying", whereas consolidated purchases were made with long-term contracts using supplier classification according to their competencies. At the later phase of "Partnership", the Company's focus is shifted from short-term efficiencies to cost efficiency on the supplier side from long-term cooperation that enhances productivity of the suppliers that will impact the Company's performance. In addition, the Company is also developing a value chain system towards more efficient and effective procurement processes.

The fourth phase, or the current phase, is the phase of 'Procurement Excellence'. In this phase, the Company has implemented Supply Chain Management as a whole, involving various aspects such as source quality & risk, supplier's cost driver, and customer focus. During this phase, the procurement process applies the principle of "the buyer focuses on own core competencies", whereas the Company built partnerships, so that the transactional process in the procurement of goods/services can be reduced and the Company can focus its efforts on core business as well as the development of future strategy

DRIVES STRATEGY THROUGH PROCUREMENT



The partnership built by the Company was aimed at "Continuous Joint Performance Improvement", in which every parties involved refine the process and improve the performance in order to spur growth and to generate added value for both parties.

The Company has undertaken several initiatives to develop procurement strategy in 2013, addressing the rapidly growing business challenges, particularly in the aviation industry

1. Supply Chain

Effective integration within a supply chain (Supply Chain Management) will be the key factor for the Company in achieving necessary improvements to remain competitive.

In order to implement an effective and efficient Supply Chain Management that can provide excellent services for Customers, in 2013 the Company made several changes on the business process and procurement strategy, among others, the Joint Procurement that support the effectiveness and maintain the quality standards in order to join the SkyTeam Global Alliance.

The Company also empowered the Procurement Section at Branch Offices in order to support the acceleration and effectiveness of the supply of goods/services that has impact on service improvement and operational effectiveness. It is also in line with the Company's strategy to focus the planning & procurement strategy in the head office, while executing at Branch Offices.

In addition, the Company applied Sourcing Strategy by intensifying the horizontal supply chain (partnership) scheme, where the Company builds intensive collaboration and synergy, with subsidiaries or with other third parties, so that business risk and transactional processes can be minimized and the Company can focus on core business and the development of further strategy.

To date, the Company has entered into partnerships with several parties, among others, General Electric (GE) in the development of GMF capability for engine maintenance, Accor Hotel Group for the provision of accommodation services for Garuda flight crew and other partnerships focusing on increasing added value for the Company and third parties

Procurement

The scope of Sourcing Strategy also includes the evaluation of suppliers' performance, those who still working on the project as well as those who has finish it. This is an important instrument for the Company in maintaining the standards of quality and performance of the Company using third-party support

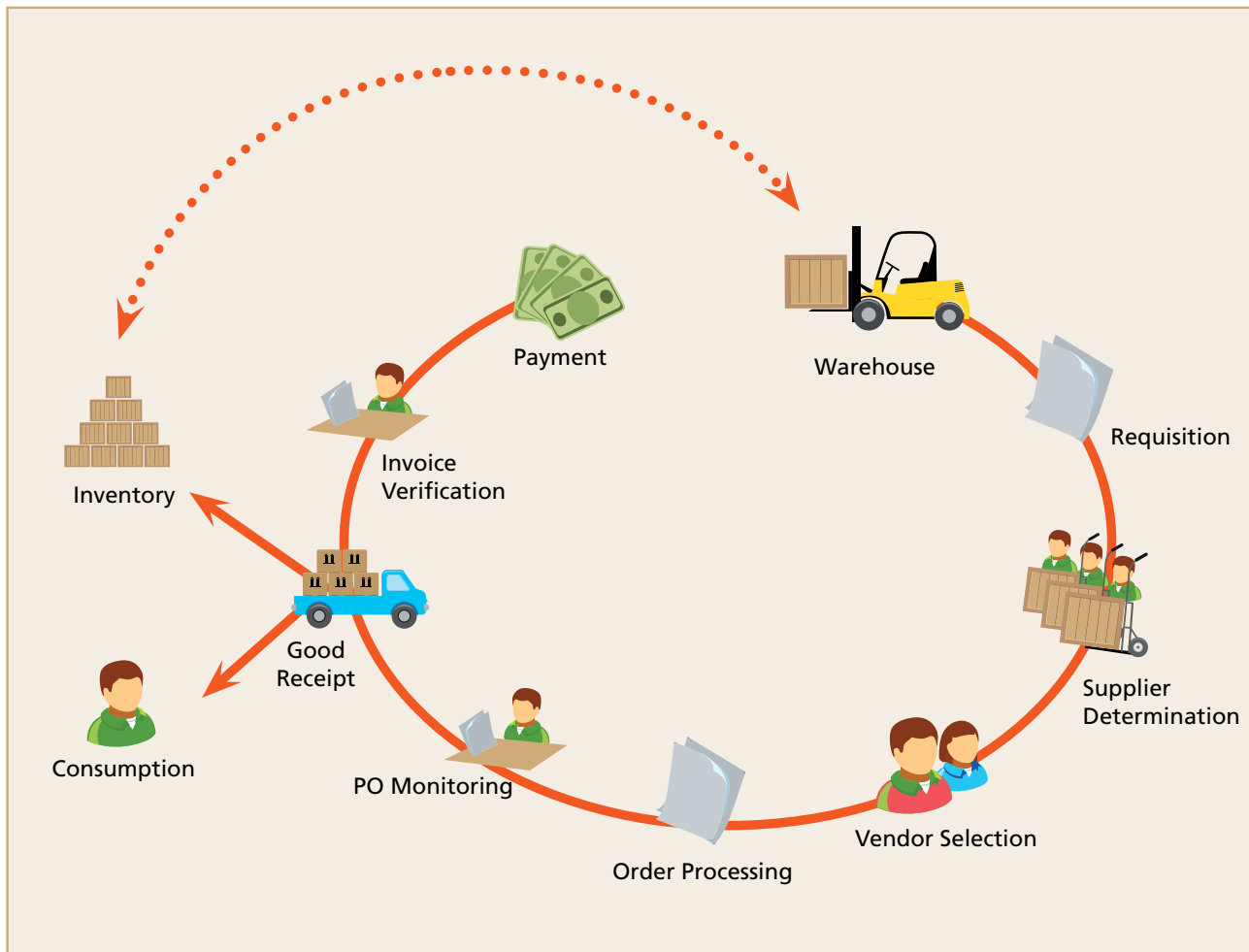
2. Procurement & Logistic System Development

As part of the procurement strategy, where currently the speed, accuracy and transparency of the procurement process is the key, Information Technology (IT) plays increasingly important role in the procurement process. The Company has implemented procurement and logistics systems that are reliable and integrated using

Material Management and Supplier Relationship Management core system to support the process of procurement and logistics management in the Company. The scope of the procurement system includes the end to end procurement process starting from procurement requests, interaction with suppliers up to the receipt of goods / services and inventory management.

In 2013, the Company has intensively developed a system based on Materials Management & Supplier Relationship Management, among others consignment systems, barcode systems and the development of E-Catalogue to improve the effectiveness of procurement and logistics management to support the productivity and performance of the Company.

Garuda Indonesia's End to End Procurement & Logistic System



In addition, the Company also optimizing the use of web-based Electronic Procurement as a media to deliver information and Procurement provisions in the Company and also to show the ease of registering as supplier for Garuda partners

3. Governing Strategic Procurement Culture

The implementation of corporate culture is inseparable from the implementation of procurement. Integrity as one of the Company's culture is the core value that must be adhered by all procurement personnel in every procurement activities. To that end, as a commitment to uphold the professionalism in order to support the Company's performance and related to the implementation of the Code of Ethics and Corporate Culture, each year, all procurement personnels shall signed the Integrity Pact (Conflict of Interest).

In addition, any employee in procurement function shall posses the standard capability and competency in conducting procurement strategy in accordance with the direction of the Company's business. To that end, in 2013 the Company issued a Procurement License to be granted to procurement personnel through a series of training and evaluation. License Procurement has a validity period of 2 years and can be cancelled/revoked if the procurement personnel is proven to be involved in the breach of integrity

Throughout 2013, the Procurement Forum was conducted on regular basis as one of the implementation of Knowledge Management in sharing knowledge and experience in carrying out the procurement process in accordance with the policies and procedures applicable to the Company.

The development of procurement strategies is consistently focused on providing a positive impact for the Company's performance, including the financial aspects which will be developed in determining the Company's strategy

Plan of 2014

The procurement strategy in 2014 is to continue to the next phase of development as part of the effort to become a "World Class Procurement", by developing risk based procurement as procurement strategy, developing business-oriented procurement system, and to build external climate focused on the optimization of the procurement system. With these initiatives, the Company is expected to continue to develop its competitive advantages that can determine the Company's future strategy.

Corporate Governance

Garuda Indonesia was named “Best Airline Hajj Operation” by the Saudi Arabia General Civil Aviation Authority for its outstanding performance during the 2013 Hajj Operation.



Corporate Governance

In 2013, Garuda Indonesia determined the results from the assessment of GCG implementation to be used as one of the Company's Key Performance Indicators (KPI).

GCG Implementation Framework

Garuda Indonesia is always fully committed to implement the principles of Good Corporate Governance (GCG) in its course of business and strive to continuously improve its implementation, in any way possible, in order to build a trustworthy, excellent and sustainable company.

The Good Corporate Governance implementation in Garuda Indonesia refers to the Minister of SOEs Regulation No. PER-01/MBU/2011 on Implementation of Good Corporate Governance In State-Owned Enterprises, as well as the Guidelines on Good Corporate Governance issued by the National Committee on Governance (KNKG) in 2006.

As a form of implementation of Good Corporate Governance, Garuda Indonesia has established and validated the Guidelines for Corporate Policies, a guideline of corporate governance implementation; Board Manual, a guideline for the Board of Directors and the Board of Commissioners in carrying out their duties and responsibilities; Work Ethics & Business Ethics, a code of conduct for employees of Garuda Indonesia in carrying out business activities with the Company's stakeholders. Garuda



Indonesia has established and will continue to update its standard operating procedures and technical manuals for the entire line of the organization, so that every function of the organization will always be guided by and in compliance with the rules and policies, in carrying out their duties.

Good Corporate Governance Stages

From 2005 to 2013, Garuda Indonesia has implemented 3 (three) stages of corporate governance.

At the "Good Governance Garuda" stage, between 2005 and 2008, Garuda Indonesia focused on the efforts to comply with the law and regulations. At the stage of "Good Governed Garuda", between 2009 and 2010, Garuda Indonesia conducted the internalizing process of the new work culture called "Fly-Hi" (Efficient and effective, Loyalty, customer centricity, openness and Honesty & Integrity). The next stage was "Good Garuda Citizen", between 2011 and 2013, where Garuda Indonesia seeks to uphold clean, ethical and dignified business practices on all levels of management and employees of the Company.

In 2011, in line with the "Quantum Leap" plan, Garuda Indonesia launched the Guidelines of Business Ethics and Work Ethic governing the propriety of employees of Garuda Indonesia in their relation with all Stakeholders, including customers, fellow employees, vendors, agents, shareholders and other stakeholders. The aforesaid guidelines, equipped with guidelines on Whistleblowing System, is expected to shape the mind-set and integrity of every Garuda Indonesia employee in the long run.

The stage of "Good Garuda Citizen" aims to build GCG culture, by approaching 3 (three) important aspects, namely "Leadership, Systems and Members".

On the aspect of leadership, workshops have been conducted in relation with the function and role of leaders as role model in developing GCG culture. The commitment of both the Board of Commissioners and the Board of Directors is also demonstrated by the consistent implementation of GCG assessment and the follow up on the recommendation made based on the assessment results.

Corporate Governance

On the aspect of the System, PT Garuda Indonesia (Persero) Tbk ('Company') shall ensure that all employees understand their role, duties, performance measurement and targets to be achieved. To that end, the Company designed a structured and systematic performance management system. This system includes a management contract between the Board of Directors and the Board of Commissioners, which covers the Key Performance Indicators (KPI), targets that are translated into the KPI, and stat targets for both unit and individual.

In the aspect of employees (Members), Garuda Indonesia has designed a training program by integrating the GCG concepts and principles in its training program syllabus.

The Company conducted internal communication programs through various channels or intranet, containing articles on GCG concepts and its implementation in the Company.

The next stage of the implementation of Good Corporate Governance is the stage of "Garuda Group Governance", between 2014 and 2015, in which Garuda Indonesia will implement and establish Good Corporate Governance structure in its subsidiaries. Hence, it is expected that Garuda Indonesia and its subsidiaries, as a group, are committed to consistently implementing the principles of Good Corporate Governance.

Corporate Governance Structure

In general, the corporate governance structure in Garuda Indonesia obeys and complies with the prevailing regulations, comprising General Meeting of Shareholders (GMS), the Board of Commissioners, and the Board of Directors. Each organ has the rights and obligations as well as role in the implementation of Good Corporate Governance set forth in the Articles of Association of Garuda Indonesia and/or stipulated in the prevailing laws and regulations. GMS is the Company's highest decision-making body and a forum for shareholders to exercise their rights, while observing the provisions from the Articles of Association and the prevailing law and regulation. GMS shall not intervene in the conduct of duties, functions and

authority of the Board of Commissioners and the Board of Directors. The Board of Commissioners is the organ in charge of and collectively responsible for overseeing and providing advices to the Board of Directors regarding the management policies, including ensuring that the Company has been implementing good corporate governance.

Implementation of Principles of Good Corporate Governance

In its course of business, the Company prioritizes its sustainability and the interests of stakeholders. The Company also assigned a priority to its compliance with the applicable laws and regulations.

As a State-Owned Enterprise ("SOE") as well as a public company, the Company implements the principles of good corporate governance in order to grow, to flourish and to sustain. The GCG implementation in the Company aims to:

- a. Optimize the Company's value in order to have a strong competitiveness, both at national and international level, so that it can maintain its existence and sustainability as well as achieving its goals and objectives;
- b. Promote a professional, efficient and effective management, as well as empower the function and enhance the independence of the Company's organ;
- c. Encourage the Company's organ to make decisions and to take actions based on high moral values and compliance with laws and regulations, as well as awareness of social responsibility towards its stakeholders, and environmental sustainability;
- d. Promote the Company's contributions to national economy; and
- e. Promote conducive climate for national investment..

In its course of business, the Company must constantly ensure the implementation of GCG principles, namely:

a. Transparency

In maintaining objectivity in its course of business, the Company shall provide material and relevant information, in a way that is easily accessible and be understood by stakeholders. The Company undertook initiatives to reveal not only the matters required by legislation, but also other matter of importance for shareholders, creditors and other stakeholders. However, the principle of openness adopted by the Company does not reduce the obligation to comply with the provisions on confidentiality in accordance with laws and regulations, confidentiality of position, and personal rights.

b. Accountability

The Company seeks to report its business performance in a transparent and fair manner, through proper and measurable administration in accordance with the interests of the Company, while taking into account the interests of shareholders and other stakeholders. Accountability is a necessary prerequisite for a sustainable performance. The Company has placed a system to assess performance across the Company, which is consistent with the Company's objectives and has also adopted reward and punishment system.

c. Responsibility

The Company's Organs (General Meeting of Shareholders, Board of Commissioners and Board of Directors) shall comply with the prevailing laws, regulations, Articles of Association and the Company regulations, and perform their responsibilities towards the community and the environment, in order to maintain business sustainability and gained recognition as good corporate citizen.

d. Independency

To further expedite the implementation of good corporate governance principles, the Company shall be managed independently so that each company's organ does not dominate nor intervene one another. Each organ shall not be influenced by certain party's interests, free from conflict of interest and from any influence or pressure, so that any decisions will be made objectively.

e. Fairness and Equality

In conducting its activities, the Company shall take into consideration the interests of shareholders and other stakeholders, based on the principles of fairness and equality.

GCG implementation in 2013

The year of 2013 was the last stage of "Good Garuda Citizen", in which the Company strives to build itself as an ethically responsible company by establishing good corporate governance culture. In 2013, Garuda Indonesia started to use assessment results on GCG implementation as one of the Key Performance Indicators (KPIs).

Performance Assessment Process of the Board of Directors and the Board of Commissioners

1. Remuneration Determination Procedures

At the end of each year and the beginning of the fiscal year, the Board of Directors prepared and submitted Work and Budget Plan/Rencana Kerja dan Anggaran Perusahaan (RKAP) with KPI and targets to be achieved.

RKAP, KPI and Company's target are reviewed and adjusted by the Board of Commissioners, then approved and signed jointly by the Board of Directors and the Board of Commissioners.

The Board of Commissioners makes assessment on the Management's performance based on the achievement of KPIs and targets and indicators used by the Board of Commissioners. The result of the assessment serves as the ground for the recommendation for the remuneration and tantiem of the member of the Board of Directors and the member of the Board of Commissioners to be submitted to the Minister of SOE, as the Series A Dwiwarna Shareholders.

Key Performance Indicator (KPI)

The commitment of the Board of Directors towards the achievement of 2013 KPI was formalized in Work and Budget Plan approved by the Board of Commissioners on January 29, 2013.

Corporate Governance

Strategic Targets, KPI and 2013 Targets

Strategic Target	Key Performance Indicator	2013 Target
Sustainable Profitable Growth	• Net Profit	USD 90.6 Million
	• EBITDAR	USD 694.1 Million
	• Margin per ASK	USc 0.52
	• Subsidiaries Operating Profit in RKAP	USD 4.5 Million
	• International Route Performance	RR*
	• Cost per ASK (CASK)	USc 8.14
	• Market Share	28.6% Domestic / 26.5% International
Consistent of High Quality of Products & Services	• Internal Audit IQSA	100%
	• SKYTRAX rating	4 Star (with 60% of the attribute getting 5 star SKYTRAX rank)
Revenue Enhancement	• SLF and CLF	76.7% and 48.10%
	• # of FFP Membership	790,000
	• % of GFF Traffic Contribution	36%
	• % of GFF Membership Contribution in Premium Cabin	51%
	• Global Alliances	90% meet the membership requirement
	• New Routes Performance Level (with minimum age of route & months)	CM3*
Product Quality Enhancement	• Customer Satisfaction Index	Avg. 80/min index per attribute 75
	• Number of New Aircraft	2 A332, 1 A333, 4 B773ER, 10 B738, 7 CRJ1000
	• Average Age of Fleet	5.20 years
Operation Excellence	• Aircraft Utilization	10:59 hours/Day
	• Reliability Index	99.27
	• Number of Pilot	1,221
	• Number of Cabin Crew	3,177
	• B777-300ER (1st delivery)	100% in May 2013
Employee of Choice	• Percentage of Employee Engagement	62%
	• Employee Satisfaction Index	70% with unfavorable criteria <20%
	• % of Employee Development Plan	80%
	• "The Most Admired Companies" Rating	Big 5
High Performance Organization	• ASK/Employee	5.28 Million
	• Strategic Planning Deviation	80%
	• KPKU Score	510
	• GCG Index	85
	• Score of PKBL Program Effectivity	70%
	• SBU Spin Off	GA Cargo & GSM
	• Information Capital Readiness Index	75%

Evaluation and Achievement

In 2013, the Company achieved the following positive accomplishments:

- Number of passengers grew by 22.3% to 25 million, and cargo grew by 23.4% to 345.923 ton.
- Seat load factor reached 74.1% and aircraft utilization rate can be maintained at 10 hours 44 minutes.
- Amidst the busy traffic of the airports – especially Soekarno-Hatta, our On Time Performance can be maintained at above 80%, namely 83.8%.
- Operating Income grew by 7% to USD 3.72 billion compared to 2012 which stood at USD 3.47 billion, and revenue from passenger grew by 10% to USD 2.96 billion compared to 2012 which was USD 2.69 billion.

Throughout 2013, the airline industry has to face tough challenges due to the weakening of Rupiah against US Dollar and the rising fuel prices. Last year, the Company made a series of investments to support operational improvements and was in the process of divesting the low cost carrier, Citilink.

The aforesaid condition has significant effects on the Company's financial performance in 2013 where its Operating Income declined by 66.4% to USD 56.4 million, compared to 2012 which stood at USD 168.1 million, Net Income also declined from USD 110.8 million in 2012 to USD 11.2 million this year. Despite the profit decline, in 2013 the Company settled its loan of USD 130 million, consisting of USD 55 million from Citi Club Deal-1, and USD 75 million from Indonesia Eximbank.

During 2013, Garuda Indonesia Group received 36 new aircrafts, comprising 4 Boeing 777-300ER, 2 Airbus 330-200, 1 Airbus 330-300, 10 Boeing 737-800NG, 7 Bombardier CRJ1000 NextGen, 2 ATR 72-600, and 10 Airbus A320 for Citilink, and hence total number of aircraft operated by the Company in 2013 was 140 aircrafts, with an average age of 5 years.

Operational Expansion and Service Improvement in 2013

In line with the increasing potential of aviation market, both domestic and international, the Company opened new routes in 2013, namely:

- Domestic:
Bandung–Denpasar, Batam–Pekanbaru, Balikpapan–Banjarmasin, Balikpapan–Manado, Balikpapan–Berau, Jakarta–Bengkulu, Jakarta–Tanjung Pandan, Jakarta–Tanjung Pinang, Makassar–Sorong–Manokwari–Jayapura.

- International:
- Surabaya–Singapore, Denpasar–Brisbane, and direct Jakarta–Osaka flight (previously via Denpasar).
- In collaboration with Etihad Airways, the Company added 6 new destination in Europe and Middle East served by Etihad Airways, namely Frankfurt, Brussels, Milan, Dusseldorf, Munich, and Bahrain.

To serve flights in western part of Indonesia, in May 2013, the Company opened a "Hub" in Medan, in order to serve direct flights from Medan to the surrounding cities (Pekanbaru, Batam, Palembang, Padang, Aceh and Penang) using Bombardier CRJ1000 NextGen.

In July 2013, the Company introduced "New Service Concept" offering "First Class" service –like it used to have– in its new armada of Boeing 777-300ER, as well as a newly improved "Executive Class" and "Economy Class" services.

To serve flights in the remote areas in the eastern and wester part of Indonesia, in November 2013, the Company introduced the sub-brand "Explore" which use a new armada of ATR 72-600 turboprop, and sub-brand "Explore Jet" which use the Bombardier CRJ1000 NextGen, joined the fleet in October 2012.

Award and Appreciation in 2013

In 2013, The Company received numerous appreciation and awards, from home and abroad, in the areas of service, operational, human resource development, and good corporate governance, as much as 82 award-higher than that of 2012 that which was 68 awards.

In June 2013, during the "Paris Airshow", Skytrax named Garuda Indonesia as "the World's Best Economy Class 2013" and "the Best Economy Class Airline Seat 2013". The Company also named as the best 8th in "The 10 World's Best Airline". Throughout 2013, Garuda Indonesia also won several national and international awards.

As a recognition on its GCG practices, Garuda Indonesia received an award as "the 1st Rank Top 100 Annual Reports Worldwide", and its Annual Report also won a number of international recognitions.

Corporate Governance

Achievement of KPI Corporate

No.	Indicator	Unit	Target	Realization
A. Operational Aspect				
1	Seat Load Factor	%	76.69	73.66
2	Cargo Load Factor	%	48.10	46.08
3	On Time Performance	%	85.00	83.79
4	Market Share International	%	26.50	23.70
5	Market Share Domestic	%	28.60	27.98
6	# of FFP Membership	Member	790,000	919,607
7	Reliability Index	Index	99.27	99.46
8	Fleet Utilization	Hours/day	10.58	10.44
9	Customer Satisfaction Index	Min index factor per attribute 75	80.00	83.80
10	IOSA Certification	% certificated	100	100
11	SKYTRAX rating	Index (star)	4	4
12	# of New Aircraft	A330-200 (unit)	2	2
		A330 (unit)	1	1
		B777-300ER (unit)	4	4
		B737-800 (unit)	10	10
		CRJ1000 (unit)	7	7
		ATR72-600 (unit)	2	2
13	Number of Pilot	Person	1,197	1,052
14	Number of Cabin Crew	Person	3,163	2,905
15	Average Age of Fleet	Years	05.20	05.00
16	GA B777-300ER (1st delivery)	Date	100% in May 2013	100%
17	# of Dedicated Terminal/Gate Implementation (2 terminal/gate in 2013)	%	2 Terminals/gate	2 Terminals/gate
B. Financial Aspect				
1	Net Profit	USD (Million)	90.56	11.04
2	EBITDAR	USD (Million)	803.68	705.78
3	Margin per ASK	USc	0.52	0.03
4	Cost per ASK	USc	8.14	7.76
5	% of FFP Member Contribution	%	36.00	30.10
6	% of GFF Contribution in Premium Cabin	%	51.00	49.30
7	Subsidiaries Operating Profit in RKAP 2013	USD (Million)	3.80	(28.20)
8	International Route Performance	RR	RR+	RR-
9	New Routes Performance Level (USD Million)	CM3	CM3+	CM3-

Achievement of KPI Corporate

No.	Indicator	Unit	Target	Realization
C. Dynamic Aspect				
1	Employee Development Plan	%	80.00	81.10
2	Percentage of Employee Satisfaction			
	a. Satisfaction	%	63.00	71.70
	b. Engagement	%	62.00	67.40
3	ASK/Employee	Million	5.52	5.30
4	Information Capital Readiness Index	Index	75.00	75.98
5	SBU Spin Off	# of SBU	2.00	1.00
6	Global Alliance	%	90.00	96.30
7	"The Most Admired Companies" Rating	Number	5.00	5.00
8	GCG Implementation	%	85.00	90.91

General Meeting of Shareholders ("GMS")

GMS holds all the authorities that cannot be delegated to the Board of Directors or to the Board of Commissioners within the limits stipulated in Law on Limited Liability Company (UUPT) and the Articles of Association of Company.

In 2013, Garuda Indonesia held the General Meeting of Shareholders for the Fiscal Year of 2012 on 26 April 2013 ("Annual GMS").

Procedure to Hold Annual GMS

The procedure to hold Annual General Meeting of Shareholders has complied with the Articles of Association and the prevailing laws and regulations, including the provisions on capital market. The procedure is as follows:

- Notify the plan to hold GMS and E-GMS to Bapepam-LK in timely manner as required.
- Announce the plan of GMS and E-GMS in 2 Indonesia language newspapers and 1 English newspaper, in timely manner as required.
- Announce the GMS and E-GMS to shareholders in 2 Indonesian language newspapers and 1 English newspaper, in timely manner as required.
- Announce the results of GMS and E-GMS in 2 Indonesian language newspapers and 1 English newspaper, in timely manner as required.

Voting

The Company has 2 types of shares in the List of Shareholders comprising:

- Series A Dwiwarna Share
- Series B Share

Series A Dwiwarna share, that can only be owned by the Republic of Indonesia, was given the privilege. The rights and limitation applied to Series B also applied to series A.

The said privilege was the rights to:

- Approve the appointment and dismissal of the Board of Commissioners and the Board of Directors.
- Approve the amendment of the Articles of Association, including change of capital.
- Approve merger, consolidation, take over and spin off of the Company, filing for bankruptcy, and dissolution
- Request for report and explanation on certain matters to the Board of Directors and the Board of Commissioners by taking into account the prevailing rules and regulation, especially those on capital market.

Pursuant to Article 25 paragraph 13 of the Company's Articles of Association, voting is done by verbal response, except when the presiding chairperson decides otherwise.

Corporate Governance

A verbal vote is performed with a 'Show of Hand' through the following procedure:

1. Those opposed to the motion are asked to raise their hands and then to handover their voting cards.
2. Those abstaining from giving their votes are asked to raise their hands and then to handover their voting card.
 - a. In accordance with Article 25 paragraph 11 of the Company's Articles of Association, an Abstain Vote counts toward the majority vote of shareholders who exercised their voting right.
 - b. Next, the number of 'No' votes is calculated against the number of legitimate voters, and the difference is taken as representing the number of 'Yes' votes.

In the event a Meeting participant, whose presence has been noted earlier to establish the meeting quorum, is absent in the Meeting venue at the time of the voting procedure, the said participant is taken to be in agreement with all decisions taken at the Meeting. The Company grants equal voting right to all shareholders without regard to the number, type or class of shares owned.

The Implementation of GMS

The Annual GMS held in April 26, 2013, was attended by 83.679% or representing 18,945,708,289 (eighteen billion nine hundred and forty-five million seven hundred and eight thousand two hundred and eighty-nine) shares of the total issued shares. Therefore has complied with the Article 25 of the Articles of Association with regards to quorum, voting rights and resolution of GMS. The GMS has made decisions on items pertaining to the agenda.

The agenda of the GMS were as follow:

1. Approval and Ratification of the 2013 Annual Report of the Company, including Business Activity Report, Supervisory Report from the Board of Commissioners, and Ratification the Company's Financial Statements for the year ended December 31, 2012;
2. Approval of the Partnership and Community Development Program Annual Report for the fiscal year 2012, and Ratification to the Financial Statement of PKBL for fiscal year of 2012;

3. Approval of the Appropriation of Net Income for the Fiscal Year of 2012;
4. Appointment of the Public Accountant Firm (KAP) to Audit the Company's Financial Statements and PKBL Financial Statements of the fiscal year 2013;
5. Determination of Tantiem for fiscal year 2012, Salary/Honorarium and Facilities and other Benefits for the Board of Directors and the Board of Commissioners for the fiscal year 2013;
6. Change of the composition of the Management of the Company;
7. Change of Nomenclature of members of the Board of Directors;
8. Delegation of authority to the Board of Commissioners to exercise issued and paid-up capital of the Company for the implementation of Management and Employee Stock Option Plan (MESOP) program;
9. Endorse the enactment of the Regulation of the Minister of State Owned Enterprises No. PER-03/MBU/2012 on the Guidelines for the Appointment of Member of the Board of Directors and the Board of Commissioners of the Subsidiaries of State Owned Enterprises dated 29 March 2012 and Regulation of the Minister of State Owned Enterprises No. PER-12/MBU/2012 on the Supporting Company Organ of the Board of Commissioners/Supervisory Board of SOEs dated 24 August 2012;
10. Approval on the Change of Contribution for Pension Plan; and
11. Approval on the Funding/Leasing for Business Development, through Rights Issue with Preemptive Right (HMETD) and/or Loan Instrument.

Resolutions from Annual GMS held in April 26, 2013 are as follow:

Agenda 1

Decision for agenda 1 was made by voting with details as follow:

Total Vote Present	Number of Abstain Vote	Number of No Vote	Number of Yes Vote	Total Number of Yes Vote
(1)	(2)	(3)	(4)	(2)+(4)
18,945,708,289	1,648,000	0	18,944,060,289	18,945,708,289

In accordance with the Articles of Association of the Company and Bapepam-LK Regulation No. IX.J.1, an abstain vote counts toward the majority vote of shareholders who exercised their voting right in the GMS.

1. Approve and ratify:
 - a. The Annual Report of Fiscal Year 2012, including the Report on the Implementation of Supervisory Duties of the Board of Commissioners for Fiscal Year 2012;
 - b. The Company's Financial Statements for Fiscal Year 2012, which have been audited by Public Accountant Firm of Osman Bing Satrio & Eny, member of Deloitte Touche Tohmatsu as stated in the report No. GA113/0142/GIA/OS dated March 26, 2013, with the opinion of "fairly in all material respects

in relation to the financial position of PT Garuda Indonesia (Persero) Tbk., and its subsidiaries as of December 31, 2012, and January 1, 2012/December 31, 2011 and January 1, 2011 / December 31, 2010 and operation results and cash flows for the years ended December 31, 2012 and 2011 is in accordance with the Indonesian Financial Accounting Standard".

2. Give full release and discharge (acquit et de charge) to the Board of Directors and the Board of Commissioners for the management and supervisory actions in Fiscal Year ended December 31, 2012, to the extent that such actions are reflected in the consolidated financial statements for the years ended December 31, 2012 and 2011.

Agenda 2

Decision for agenda 2 was made by voting with details as follow:

Total Vote Present	Number of Abstain Vote	Number of No Vote	Number of Yes Vote	Total Number of Yes Vote
(1)	(2)	(3)	(4)	(2)+(4)
18,945,708,289	1,648,000	0	18,944,060,289	18,945,708,289

In accordance with the Articles of Association of the Company and Bapepam - LK Regulation No. IX.J.1, an abstain vote counts toward the majority vote of shareholders who exercised their voting right in the GMS.

1. Approve and validate:

Partnership and Community Development Program/"PKBL" Annual Report for fiscal year 2012 includes Financial Statements that have been audited by Public Accountant Firm of Osman Bing Satrio & Eny, member of Deloitte Touche Tohmatsu as stated in the Report No. GA113 OS PKBLGIA 0208 dated March 26, 2013.
2. Give full release and discharge (acquit et de charge) to the Board of Directors and the Board of Commissioners for the PKBL management and supervisory actions in Fiscal Year ended December 31, 2012, to the extent that such actions are reflected in the consolidated financial statements for the years ended December 31, 2012 and 2011.

Agenda 3

Decision for agenda 3 was made by voting with details as follow:

Total Vote Present	Number of Abstain Vote	Number of No Vote	Number of Yes Vote	Total Number of Yes Vote
(1)	(2)	(3)	(4)	(2)+(4)
18,945,708,289	137,107,500	85,000	18,808,515,789	18,945,623,289

In accordance with the Articles of Association of the Company and Bapepam-LK Regulation No. IX.J.1, an abstain vote counts toward the majority vote of shareholders who exercised their voting right in the GMS.

Corporate Governance

Approve and authorize the appropriation of Profit Attributable to Owner of the Parent Entity for fiscal year 2012 amounted to USD 110,598,370 as follows:

1. Dividend of 0%;
2. 5% of the Profit Attributable to Owners of the Parent Entity, based on the Consolidated Financial Statements for the year ended December 31, 2012, or a sum of USD 5,529,919 was appropriated for statutory reserve of the Company.
3. 95% of the Profit Attributable to Owners of the Parent Entity, based on the Consolidated Financial Statements for the year ended December 31, 2012, or a sum of USD 105,068,451 was appropriated for Other Reserves.

In this Annual General Meeting of Shareholders, the Company did not allocate 2012 Net Income as source of fund for CSR, but the Company will establish a reserve cost in 2013 for Corporate Social Responsibility Program in the amount appropriate to the needs and capabilities of the Company.

Agenda 4

Decision for agenda 4 was made by voting with details as follow:

Total Vote Present	Number of Abstain Vote	Number of No Vote	Number of Yes Vote	Total Number of Yes Vote
(1)	(2)	(3)	(4)	(2)+(4)
18,945,708,289	137,107,500	0	18,808,600,789	18,945,708,289

In accordance with the Articles of Association of the Company and Bapepam - LK Regulation No. IX.J.1, an abstain vote counts toward the majority vote of shareholders who exercised their voting right in the GMS.

To approve the delegation of authority to the Company's Board of Commissioners to appoint the public accounting firm to audit the Company's Financial Statements for fiscal year 2013 and the Report on the Implementation of the Partnership and Community Development Program for fiscal year 2013 and the stipulation of which must obtain prior approval from the series A Dwiwarna shareholder, provided that the Board of Commissioners shall submit proposal of the appointment of the said Public Accountant Firms to the Series A Dwiwarna Shareholders within two (2) months after the closing of the GMS.

Agenda 5

Decision for agenda 5 was made by voting with details as follow:

Total Vote Present	Number of Abstain Vote	Number of No Vote	Number of Yes Vote	Total Number of Yes Vote
(1)	(2)	(3)	(4)	(2)+(4)
18,945,708,289	137,107,500	631,835	18,807,968,954	18,945,076,454

In accordance with the Articles of Association of the Company and Bapepam - LK Regulation No. IX.J.1, an abstain vote counts toward the majority vote of shareholders who exercised their voting right in the GMS.

1. Determine the salary of the President Director for 2013 in the amount of Rp 138,500,000 per month, while the salary of Directors and honorarium for the Board of Commissioners is subject to the following provisions:
 - Director: 90% of the salary of the President Director
 - President Commissioner: 40% of the salary of the President Director.
 - Commissioner: 36% of the salary of the President Director.
2. Determining the tantiem over the Company's performance for financial year 2012 for Directors and Commissioners amounting to Rp 18,838,000,000 divided among the President Director, Directors, President Commissioner, Commissioners of 100%, 90%, 40% and 36% respectively, and distributed proportionally in line with the tenure of respective Board members in 2012. Income tax accruing from said tantiem is applied to the beneficiary and shall not be deducted as Company expenses.
3. Determining the remuneration and benefits for members of BOC and BOD for financial year 2013 remained the same as in 2012, in line with the prevailing regulations as stated in the Regulation of the State Minister of SOE No. Per-07/MBU/2010 dated December 27, 2010.
2. Appoint Bagus Rumbogo, as member of the Board of Commissioner of the Company pursuant to the Letter of the Minister of SOEs No. SR-117/MBU/2013 dated February 20, 2013 regarding the Change of the Composition of the Board of Commissioners effective since the closing of this GMS, without depriving the right of GMS to dismiss the members of the Board of Commissioners at any time before his incumbency.
3. Respectfully dismiss Bambang Wahyudi from his position as member of the Board of Commissioners, pursuant to the Letter of the Minister of the SOEs No. SR-216/MBU/2013 dated April 8, 2013 regarding the change of composition of the Board of Commissioners of the Company, effective since the closing of this GMS, along with the highest appreciation for the contribution during his service as the Commissioner of the Company.
4. Appoint Chris Kanter as member of the Board of Commissioners, pursuant to the Letter of the Minister of the SOEs No. SR-216/MBU/2013 dated April 8, 2013 regarding the change of composition of the Board of Commissioners of the Company, effective since the closing of this GMS, without depriving the right of GMS to dismiss the members of the Board of Commissioners at any time before his incumbency.

Agenda 6

Decision for agenda 6 was made by voting with details as follow:

Total Vote Present	Number of Abstain Vote	Number of No Vote	Number of Yes Vote	Total Number of Yes Vote
(1)	(2)	(3)	(4)	(2)+(4)
18,945,708,289	10,819,000	453,112,747	18,481,776,542	18,492,595,542

In accordance with the Articles of Association of the Company and Bapepam-LK Regulation No. IX.J.1, an abstain vote counts toward the majority vote of shareholders who exercised their voting right in the GMS.

- A 1. Approve the dismissal of Mr. Sonatha Halim Yusuf as member of the Board of Commissioners of the Company effective since January 16, 2013, in conjunction with the letter from the Minister of SOEs No. SR-49/MBU/2013 dated January 28, 2013, on the change of composition of the Board of Commissioners of the Company, along with the highest appreciation for the contribution during his service as the Commissioner of the Company.
5. Hence, the composition of the Board of Commissioners of the Company after this meeting:
 - a. Bambang Susantono as President Commissioner;
 - b. Betti Setiastuti Alisjahbana as Independent Commissioner;
 - c. Peter Frans Gontha as Independent Commissioner;
 - d. Wendy Aritenang as Commissioner;
 - e. Bagus Rumbogo as Commissioner; and
 - f. Chris Kanter as Independent Commissioner.

Corporate Governance

6. Granted the power and authority to the Board of Directors, with substitution rights to declare in separate notarial deeds of the decisions of this GMS and to take any action necessary related to the agenda of this meeting in accordance with the prevailing rules and regulations, including the registration of the member of the Board of Commissioners.
- B 1. Respectfully dismiss Elisa Lumbantoruan from his position as Director of the Company in accordance with the Letter of the Minister of SOEs No. SR-286/MBU/2013 dated April 23, 2013 concerning the Change of Management and Nomenclature of the Board of Directors, effective since the closing of this GMS, along with the highest appreciation for the contribution during his service as the Director of the Company.
2. Appoint Meijer Frederik Johannes, as Unaffiliated Director to comply with the provision of the capital market law, effective since the closing of this meeting, without depriving the right of GMS to dismiss the members of the Board of Commissioners at any time before his incumbency

In the event that Meijer Frederik Johannes currently holds another position which is prohibited by the laws and regulations to be held concurrently with the position as a member of the Board of Directors of State-owned Enterprises, then he shall resign from his current position. His appointment will be effective upon the determination of his resignation from his current position.

Agenda 7

Decision for agenda 7 was made by voting with details as follow:

Total Vote Present	Number of Abstain Vote	Number of No Vote	Number of Yes Vote	Total Number of Yes Vote
(1)	(2)	(3)	(4)	(2)+(4)
18,945,708,289	1,264,000	387,453,500	18,556,990,789	18,558,254,789

In accordance with the Articles of Association of the Company and Bapepam - LK Regulation No. IX.J.1, an abstain vote counts toward the majority vote of shareholders who exercised their voting right in the GMS.

- Change the nomenclature of the post of members of the Board of Directors of the Company to be as follows:
 - Previously President Director, remained President Director;
 - Previously Director of Finance, currently Director;
 - Previously Director of Services currently Director;
 - Previously Director of Marketing and Sales, currently Director;
 - Previously Director of Human Resources and General Affairs currently Director;
 - Previously Director of Engineering and Fleet Management, currently Director;
 - Previously Director of Strategy, Business Development and Risk Management, currently Director;
 - Previously the Director of Operations, currently Director.
- Reassign the members of the Board of Directors, appointed based on the resolutions of the General Meeting of Shareholders for fiscal year 2011 held on 27 April 2012 in conjunction with the change in nomenclature is as follows:
 - Handrito Hardjono from Director of Finance to Director;
 - Faik Fahmi from Director of Services to Director;
 - Heriyanto Agung Putra from Director of Human Resources and General Affairs to Director;
 - Batara Silaban from Director of Engineering and Fleet Management to Director;

- e. Judi Rifajantoro from Director of Strategy, Business Development and Risk Management to Director;
- f. Novianto Herupratomo from Director of Operations to Director.

Hence, the composition of the Board of Directors of the Company as of the closing of this Meeting is as follows:

- a. Emirsyah Satar as President Director;
- b. Handrito Hardjono as Director;
- c. Faik Fahmi as Director;
- d. Heriyanto Agung Putra as Director;
- e. Batara Silaban as Director;
- f. Judi Rifajantoro as Director;
- g. Novianto Herupratomo as Director; and
- h. Meijer Frederik Johannes as Unaffiliated Director.

The segregation of duties and responsibilities of the aforementioned members of the Board of Directors are stipulated in the decision of the Board of Directors.

3. The reassigned Directors as referred to in point 2 (two) continue their term of office through their remaining service year in accordance with the resolution of the General Meeting of Shareholders for fiscal year 2011 held on 27 April 2012.
4. Granted the power and authority to the Board of Directors, with the right of substitution to declare in separate Notarial deeds of the decisions of the agenda of this meeting and to take any action necessary related to this decision, in compliance with applicable laws, including to register the composition of the Board of Directors.

Agenda 8

Decision for agenda 8 was made by voting with details as follow:

Total Vote Present	Number of Abstain Vote	Number of No Vote	Number of Yes Vote	Total Number of Yes Vote
(1)	(2)	(3)	(4)	(2)+(4)
18,945,708,289	9,815,000	4,181,662	18,931,711,627	18,941,526,627

In accordance with the Articles of Association of the Company and Bapepam-LK Regulation No. IX.J.1, an abstain vote counts toward the majority vote of shareholders who exercised their voting right in the GMS.

Approve the delegation of authority to the Board of Commissioners of the Company to declare the realization of the increase in the issued and paid-up capital of the Company in conjunction with the implementation of the Management and Employees Stock Option Plan (MESOP) which has been approved in the General Meeting of Shareholders on November 15, 2010 and the Shareholders Circular Resolution as replacement to Extraordinary General Meeting of Shareholders on January 26, 2011, for a period of 1 (one) year after the closing of this Meeting.

Agenda 9

Decision for agenda 9 was made by voting with details as follow:

Total Vote Present	Number of Abstain Vote	Number of No Vote	Number of Yes Vote	Total Number of Yes Vote
(1)	(2)	(3)	(4)	(2)+(4)
18,945,708,289	1,264,000	251,994,000	18,692,450,289	18,693,714,289

In accordance with the Articles of Association of the Company and Bapepam-LK Regulation No. IX.J.1, an abstain vote counts toward the majority vote of shareholders who exercised their voting right in the GMS.

Corporate Governance

To approve the enactment of the Minister of State Owned Enterprises Regulation as follow:

1. Regulation of the Minister of SOEs No. PER-03/MBU/2012 dated March 29, 2012 on Guidelines for the Appointment of Member of the Board of Directors and Member of the Board of Commissioners of the SOEs' subsidiaries;
2. Regulation of the Minister of SOE No. PER-12/MBU/2012 dated August 24, 2012 on Supporting Organ of the Board of Commissioners/Board of Supervisors of SOEs.

Agenda 10

Decision for agenda 10 was made by voting with details as follow:

Total Vote Present	Number of Abstain Vote	Number of No Vote	Number of Yes Vote	Total Number of Yes Vote
(1)	(2)	(3)	(4)	(2)+(4)
18,945,708,289	146,662,500	304,467,412	18,494,578,377	18,641,240,877

In accordance with the Articles of Association of the Company and Bapepam-LK Regulation No. IX.J.1, an abstain vote counts toward the majority vote of shareholders who exercised their voting right in the GMS.

Approved the change of the contribution to the Pension Plan, namely (i) the Company's Contribution from 5.5% (five point five percent) to 7% (seven percent); (ii) Employee's Contribution from 2% (two percent) to 3% (three percent).

Agenda 11

Decision for agenda 11 was made by voting with details as follow:

Total Vote Present	Number of Abstain Vote	Number of No Vote	Number of Yes Vote	Total Number of Yes Vote
(1)	(2)	(3)	(4)	(2)+(4)
18,945,708,289	10,819,000	140,991,662	18,793,897,627	18,804,716,627

In accordance with the Articles of Association of the Company and Bapepam-LK Regulation No. IX.J.1, an abstain vote counts toward the majority vote of shareholders who exercised their voting right in the GMS.

To approve the Company's business development plan through additional airplane fleets, engine or other assets and strengthen of Company's capital needs by using type of funding namely commercial loan, bonds issuance and/ or issuance of Right Issue (*Hak Memesan Efek Terlebih Dahulu*) through Limited Public Offering. Pursuant to such plan, the Board of Directors shall prepare a comprehensive assessment and action plan in order to obtain the right time for implementation at reasonable prices, by keep considering the provisions stipulated in Company's Articles of Association and prevailing laws and regulations.

The Board of Directors also submitted the following reports to the GMS:

1. Report of the use of proceed from Initial Public Offering.

In 2011, Garuda Indonesia successfully listed its shares on the Stock Exchange. From the sale of shares, Garuda Indonesia received Rp 3,187,000,000,000. Garuda Indonesia is committed to maximize the proceeds from the Initial Public Offering (IPO), 80% is used for business

development, expansion of new routes and fleet, while 20% is used to fund capital expenditures of the Company and its subsidiaries.

The use of proceed until 2012 amounted to:

- a. Rp 2,055,000,000,000 for fleet expansion, to fund the Pre Delivery Payment ("PDP"), security deposit and other expenses related to fleet expansion.
- b. Rp 461,002,000,000 for capital expenditure of the Company.

Hence, the remain of proceed from IPO per December 31, 2012 amounted to Rp 176,022,000,000 all of which is allocated for funding the capital expenditure of subsidiaries.

Realization of IPO proceeds per December 31, 2012. IPO proceeds utilization plan as per the prospectus

- a. Fleet expansion (80%)
 - Pre Delivery Payment Rp 2,079,552
 - Security deposit and other fees related to fleet expansion of Rp 470,064
 - Sub total of Rp 2,549,616
 - b. Capital expenditure (20%)
 - The Company Rp 461,184
 - Subsidiaries Rp 176,220
 - Sub Total Rp 637,404
- Hence, the overall total amounted to Rp 3,187,020.

Realization of IPO proceeds utilization as per the prospectus

- a. Fleet expansion (80%)
 - Pre Delivery Payment Rp 2,079,552
 - Security deposit and other fees related to fleet expansion of Rp 470,064
 - Sub total of Rp 2,549,616.
 - b. Capital expenditure (20%)
 - The Company Rp 461,184
 - Subsidiaries nil
 - Sub Total Rp 461,184.
- Hence, the overall total amounted to Rp 3,010,800.

The unused portion of IPO proceeds are as follow:

- Subsidiaries Rp 176,220
- Hence the overall total of remaining proceed amounted to Rp 176,220.

2. Report on the Additional State's Equity Participation. On June 28, 2012, the Company's shareholders have approved the issuance of new shares which will be entirely taken by the Government of the Republic of Indonesia as part of the additional state's equity participation on the assets of jet engine test cell unit ex French Protocol Loan, procured through the DIP of Department of Transportation year 1982/1983 (according to the letter of the Minister of Finance of the Republic of Indonesia No. S-124/MK.016/1993 dated January 28, 1993.)

Currently, the Company, the Ministry of SOEs, and the Ministry of Finance are still discussing about additional state's equity participation. This report is presented to provide a disclosure to shareholders related to the additional state's equity participation.

Realization of the GMS Resolutions

1. The Appointment of Public Accountant Firm
The Board of Commissioner has appointed the public accounting firm to audit the Company's Financial Statements for Fiscal Year 2013 and the Report on the Implementation of the Partnership and Community Development Program for Fiscal Year 2013 and has proposed the said public accounting firm to the Series A Dwiwarna Shareholders within 2 (two) months after the closing of the Meeting.
2. Appointment of the Board of Directors and the Board of Commissioner of Subsidiaries
With the enactment of the Regulation of the Minister of SOEs No. PER-03/MBU/2012 dated March 29, 2012 on Guidelines for Appointment of Members of the Board of Directors and Members of the Board of Commissioners of the SOEs' Subsidiaries, in planning the appointment of the Board of Directors and the Board of Commissioners of the subsidiary, the Company refers to the said rules.

Corporate Governance

3. Changes in the Composition of the Company's Management

The Company has declared in separate deeds the decision regarding the changes in the composition of the Board of Directors and the Board of Commissioners in accordance with the deed made before Notary Aryanti Artisari SH. Mkn. No. 129 dated April 26, 2013 on Decision Statement of the Company's Meeting of PT Garuda Indonesia (Persero) Tbk and the notification of which has been received by the Ministry of Justice in the Letter No. AHU-AH.01.10.25243 dated June 20, 2013.

4. The Board of Commissioners Supporting Organ

The Company has followed up the resolution from the agenda nine of the GMS on the enactment of Minister of SOEs Regulation No. PER-12/MBU/2012 regarding the Supporting Organ of the BOC/Supervisory Board of State-Owned Enterprises, based on the Board of Commissioner Decree No. JKTDW/SKEP/062/2013 dated 23 September 2013, the Company changed the number of the Board of Commissioner's Committee from previously three (3) Committees into 2 (two) Committees, namely the Audit Committee and the Business Development and Risk Monitoring Committee.

5. Changes in Contribution for Pension Program

The Company as the founder of Garuda Indonesia Pension Fund has issued the Decree of President Director No. JKTDZ/SKEP/50023/13 dated June 10, 2013 and has obtained approval from the Financial Services Authority (OJK) in accordance with the Board of Commissioners of OJK Decision No. KEP-467/NB.1/2013 dated August 21, 2013 on the Ratification of the Regulation of Pension Funds of Garuda Indonesia from Garuda Indonesia Pension Funds, which change (i) the Company's Contribution from originally 5.5% (five point five percent) to 7% (seven percent); (ii) Employee Contribution from originally 2% (two percent) to 3% (three percent).

Board of Commissioners

The Board of Commissioners is the organ of the Company that is in charged on supervising the Company's management policies and business activities, as well as to advise to the Board of Directors as requested or whenever necessary in order to ensure the Company is managed in accordance with its purpose and object, and is not intended for the benefit of a particular party or group. The Board of Commissioners shall carrying out their duties for the benefit of the Company in good faith and full responsibility. Members of the Board of Commissioners have relations with members of the Board of Directors, and the Controlling Shareholder. (Article 108 of Law on Limited Liability

Company, Article 31 Law on SOEs, Article 15 Articles of Association, Article 12 Minister of SOEs Regulation No. 01/2011).

Duties, Obligations, and Authority of the Board of Commissioners

The fundamental characteristics of the Board of Commissioners is that the Board of Commissioners is an assembly where each member of the board shall not act on their own but based on the Board of Commissioners' decision.

As mentioned earlier, the Board of Commissioners discharge their duties in good faith and full responsibility to supervise and advise and give opinion to the Board of Directors in order to ensure that the Company is managed in accordance with the Company's business objective and purposes. The Independent Commissioner can be assigned with specific tasks. The segregation of duties of the Board of Commissioners is decided among the members of the Board of Commissioners itself.

Implementation of Board of Commissioners' Duties in 2013

1. Monitoring the implementation of RJPP 2011-2015 and RKAP 2013
2. Monitoring the implementation of Capital Expenditure (Capex)
3. Monitoring the implementation of Enterprise Risk Management (ERM)
4. Monitoring the implementation of GCG implementation program
5. Monitoring the compliance of laws and regulations
6. Monitoring the implementation of internal and external audit works on the company, as well as follow-up actions on audit findings
7. Providing opinion and approval on RKAP 2014.

In performing their duties, as stipulated in Article 116 of Law on Limited Liability Company, Article 31 Law on SOEs, Article 15 (2b) of the Articles of Association of the Company, Article 12 and 15 Minister of SOEs Regulation No. 01/2011, the Board of Commissioners is responsible to, among others:

a. Supervision

Supervising the Company's activities growth, including preparing opinion and advice report, to the GMS relating to the supervisory duties and actions from the previous fiscal year. The Board of Commissioners is responsible and is authorized to supervise the management policies, the management of the Company in general, related to the Company and its business; and to advise the Board of Directors. Supervision and advice

given are conducted for the interest of the Company, in line with the Company's object and purposes and are not intended for the benefit of a particular party or group.

b. Feedback on the Annual Report

Reviewing and providing feedback to the GMS on periodical and Annual Report prepared by the Board of Directors and ensure that the Board of Directors is accountable for the financial statement by certifying the financial statements in accordance with the regulations from OJK (Bapepam-LK) and signed the Annual Report. The Board of Commissioners shall ensure that the Annual Report of the Company has contained information with regards to identity of the Directors, main duties, Commissioners' position in other companies, and meetings during one fiscal year (internal and joint meetings with the Board of Directors), as well as the honorarium, facilities, and/or allowance received from the Company.

c. The Board of Commissioners Meetings and Minutes

To convene monthly Board of Commissioners meeting and prepared the minutes of the Board of Commissioners meeting and keep the copy of the minutes. All members of the Board of Commissioners shall put their signature on the minutes of Board of Commissioners meeting not later than 7 work days as of the date of the Board of Commissioners meetings.

d. Disclosure on Share Ownership

Reporting to the Company with regards to their and their family's share ownership in the Company or other Companies. Capital Market regulation requires the Board of Commissioners to report share ownership in the Company within 10 days after such transaction date.

e. Approval on RKAP and RJPP

To provide opinions and approval on Long Term Corporate Plan (RJPP) and Work Plan and Budget (RKAP) prepared by the Board of Directors. Upon the Board of Commissioners' approval on RJPP and RKAP, the Board of Directors is authorized to execute and implement the RJPP and RKAP during the fiscal year.

f. Proposing Public Accountant

Propose to the GMS with regards to the appointment of Certified Public Accountants that will audit the books of the Company.

g. the Board of Commissioners' RKAP and Performance Assessment

Preparing the Board of Commissioners' annual work plan and budget which is an integral part of the Company's Annual Work Plan and Budget. The Board of Commissioners may provide suggestions regarding

the Key Performance Indicators (KPI), a performance measurement in evaluating the success of carrying out the Board of Commissioners' oversight and advisory duties and responsibility. The Board of Commissioners may assign the Nomination and Remuneration Committee to draft a Key Performance Indicator (KPI) of the Board of Commissioners with self assessment system or other systems to be decided later in the Board of Commissioners meeting.

h. Assessment on the Performance of the Board of Directors

The Board of Commissioners provides assessment and evaluation on the performance of the Board of Directors based on the KPIs set forth by the Board of Commissioners, either individually or collectively.

i. Approval on the Utilization of the Company's Fixed Asset

The Board of Commissioners must give their approval or rejection no later than 30 (thirty) days upon receiving a request from the Board of Directors with regards to the Utilization of the Company's Assets Fixed. The Utilization of the Company's Fixed Assets must gain approval from GMS, then the Board of Commissioners must give a written response no later than 30 (thirty) days to the Board of Directors upon receiving request from the Board of Directors regarding the matter. Utilization of Fixed Assets (Article 32 and 33 Minister of SOEs Regulation No. 06/2011).

j. Reporting to the GMS

The Board of Commissioners shall submit report on the monitoring duties carried out during the last fiscal year to the GMS.

k. Monitoring the Implementation of Good Corporate Governance

Monitoring the implementation of good corporate governance is conducted by the Board of Commissioners to ensure that good corporate governance in the Company was conducted effectively and sustainably.

l. Evaluation on the Secretariat of the Board of the Commissioners

The Board of Commissioners evaluate on the performance of the Secretariat of the Board of Commissioners Secretary annually using method determined by the Board of Commissioners.

m. Review of the Company's Vision and Mission

The Board of Commissioners is responsible for the periodic reviews of, and to approve improvement on, the Company's vision and mission statements.

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n. Ensuring follow-up on findings Whistleblowing System

The Board of Commissioners can access the Whistleblowing System to view or to monitor reports received by the Whistleblowing System, through the appointed person in charge by using a user login that has been submitted previously.

In supervising the management of the Company undertaken by the Board of Directors, the Board of Commissioners is authorized to:

- a. To examine accounts, letters of evidence, inventories, to review cash flow and other securities, and to have all information on every action that has been carried out by the Board of Directors.
- b. Enter the any buildings, offices or premises used or owned by the Company.
- c. Request explanation from the Board of Directors and/or other officials on any matters relating to the Company, and each member of the Board of Directors is obliged to provide such required information for the Board of Commissioners;
- d. To be informed on all policies and actions that has and will be done by the Board of Directors;
- e. Request the Board of Directors and/or other officials under the Board of Directors, with permission from the Board of Directors to attend the Board of Commissioners meeting;
- f. To appoint and dismiss the Board of Commissioners Secretary;
- g. To temporarily dismiss member of the Board of Director;
- h. To establish the Audit Committee, Remuneration and Nomination Committee, Risk Monitoring Committee and other committees deemed necessary;
- i. To attend the Board of Directors meeting and to offer opinion on the matter discussed;
- j. To exercise the authority to supervise on other matters, provided that it is not violate the regulations and the Articles of Association.

Supervision and Internal Control

The Board of Commissioners performs supervision and control functions, involving the supervision and embedded internal control in each of the business units including supporting units, internal audit, external audit, as well as assurance and risk management functions. In discharging its supervision and control functions, the Board of Commissioners is assisted by the Audit Committee.

Board Manual

The Company has in place a Board Manual, which is formulated to serve as a guideline for the Board of Directors and Board of Commissioners in performing their duties and responsibilities in the best interest of the Company.

Basically, the Board Manual contains guidelines and stipulations concerning 3 areas, namely:

1. The Company's organs, namely the Board of Directors, Board of Commissioners, and Shareholders
2. Certain types of corporate actions
3. Relationship between the Company and Shareholders and other Government institutions.

The chapter on Company's Organs contains stipulations on, among others, the duties, authority, prohibitions, responsibility, term of office, business ethics and anti corruption, meetings, and relationship among Company Organs. The chapter on certain corporate actions regulates transactions with affiliates and conflict of interest, material transactions, and information disclosure.

The last chapter contains stipulations on the Company's relationship with holder of Dwiwarna Series A shares as well as with various Government ministries and institutions as regulators. In October 2012, the Board of Directors and Board of Commissioners have approved the current Board Manual as an improvement on the 2007 Board Manual.

Independence of the Board of Commissioners

Members of the Board of Commissioners have no relative, financial and affiliated relations with members of the Board of Directors, other members of the Board of Commissioners, and the Controlling Shareholder. Relative and financial relations are disclosed in details in the following table:

Name	Family Relation with						Financial Relation with					
	Board of Commissioners		Board of Directors		Controlling Shareholder		Board of Commissioners		Board of Directors		Controlling Shareholder	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Bambang Susantono		√		√		√		√		√		√
Bambang Wahyudi*		√		√		√		√		√		√
Wendy Aritenang		√		√		√		√		√		√
Sonatha H. Yusuf*		√		√		√		√		√		√
Betti Alisjahbana		√		√		√		√		√		√
Peter F. Gontha		√		√		√		√		√		√
Chris Kanter*		√		√		√		√		√		√
Bagus Rumbogo*		√		√		√		√		√		√

*Change of the Board of Commissioners composition on Annual GMS dated April 26, 2013

Table of Concurrent Position of Board of Commissioners of PT Garuda Indonesia (Persero) Tbk. for period of 2013

Name of Board of Commissioners	Position in Garuda Indonesia	Position in Other Institutions	Company/Organizational Body	Field of Business
Bambang Susantono	President Commissioner	Deputy Minister of Transportation	Ministry of Transportation	Government
Bambang Wahyudi*	Commissioner	Commissioner	PT Nusantara Turbin and Propulsi	Industry
Sonatha Halim Yusuf*	Commissioner	Assistant to the Deputy Minister in Restructuring	Ministry of SOEs	Government
Betti S. Alisjahbana	Independent Commissioner	Commissioner Commissioner	PT Quantum Business International PT Sigma Cipta Caraka	Creative Industry Information Technology Services
Wendy Aritenang	Commissioner	Inspector General	Ministry of Transportation	Government
Peter F. Gontha	Independent Commissioner	Group Publisher	Beritasatu Media Holding	Media Industry
Bagus Rumbogo*	Commissioner	Expert Staff of Inter-Institutional Relations	Ministry of SOEs	Government
Chris Kanter*	Independent Commissioner	Chairman	Sigma Sembada Group	Energy and Logistic Industry

*Change of the Board of Commissioners composition on Annual GMS dated April 26, 2013

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Board of Commissioners Meeting

Pursuant to the Article 16 paragraph 7 of the Articles of Association, the Board of Commissioners convenes a meeting at least once every month, and may invite the Board of Directors. As of December 2013, the Board of Commissioners has conducted 18 meetings with the detail of Number of Meetings and the attendance levels as follow:

Board of Commissioners Internal Meeting

No	Meeting Attendance	Position	Present	Total of Meeting	Level of Presence
1	Bambang Susantono	President Commissioner	9	9	100%
2	Bambang Wahyudi*	Commissioner	3	3	100%
3	Wendy Aritenang	Commissioner	8	9	88%
4	Sonatha H. Yusuf*	Commissioner	3	3	100%
5	Betti Alisjahbana	Independent Commissioner	8	9	88%
6	Peter F. Gontha	Independent Commissioner	6	9	66%
7	Chris Kanter*	Independent Commissioner	5	6	88%
8	Bagus Rumbogo*	Commissioner	6	6	100%

*Changes of the Board of Commissioners composition on Annual GMS dated April 26, 2013

Board of Commissioners Meeting with Board of Directors

No	Meeting Attendance	Position	Present	Total of Meeting	Level of Presence
Board of Commissioners					
1	Bambang Susantono	President Commissioner	9	9	100%
2	Bambang Wahyudi*	Commissioner	3	3	100%
3	Wendy Aritenang	Commissioner	8	9	88%
4	Sonatha H. Yusuf*	Commissioner	2	3	66%
5	Betti Alisjahbana	Independent Commissioner	8	9	88%
6	Peter F. Gontha	Independent Commissioner	7	9	77%
7	Chris Kanter*	Independent Commissioner	6	6	100%
8	Bagus Rumbogo*	Commissioner	5	5	100%
Board of Directors					
1	Emirsyah Satar	President & CEO	8	9	88%
2	Handrito Hardjono	EVP Finance	9	9	100%
3	Faik Fahmi	EVP Services	9	9	100%
4	Elisa Lumbantoruan**	EVP Marketing & Sales	3	3	100%
5	Heriyanto Agung Putra	EVP Human Capital & Corporate Affairs	8	9	88%
6	Batara Silaban	EVP Maintenance & Fleet Management	8	9	88%
7	Judi Rifajantoro	EVP Strategy, Business Development & Risk Management	9	9	100%
8	Novijanto H.	EVP Operations	6	9	66%
9	Meijer Frederik Johannes**	EVP Marketing & Sales	5	5	100%

*Changes of the Board of Commissioners composition on Annual GMS dated April 26, 2013

**Changes of Board of Directors composition on Annual GMS dated April 26, 2013

Term of Office of Commissioners

The term of office of members of the Board of Commissioners starts from the date of appointment by the General Meeting of Shareholder (GMS) and ends at the closing of the 5th Annual GMS after the date of appointment, without limiting the right of the GMS to dismiss the members of the Board of Commissioners at any time prior to the end of their term of office.

Definition of Independent Commissioner

An Independent Commissioner is a member of the Board of Commissioners that is not an employee of, or a person with direct interaction with the Company and does not represent the shareholder. An Independent Commissioner is appointed from persons currently or previously serving as President Director of a company from a different sector of industry. An Independent Commissioner is appointed as his/her experiences are deemed valuable to the Company. They serve to supervise the management of the Company. In this, Independent Commissioners are useful as they can be objective and possess little risk for a conflict of interest.

Induction Program for Commissioners

The Company provides an induction program for Directors and Commissioners that have just joined the Company, by providing them with soft and or hard copies of Company's documents and/or data that should be known by such Directors and Commissioners, and by providing answers or explanations if asked for.

Training Program for Commissioner

The Company allocates a separate budget for a development program for Directors and Commissioners, and provides information on various upcoming training and development programs in which the Directors and Commissioners might participate.

Change and Determination of the Board of Commissioners' Supporting Committee of the Commissioner

Committee Under the Board of Commissioners

To improve the management and supervision of state-owned enterprises, the Minister of SOE through the Regulation of the Minister of SOE No. PER-12/MBU/2012 on the Supporting Organ of the Board of Commissioners/Supervisory Board of State Owned Enterprises, stated that the Board of Supervisors/Board of Commissioners may only have Audit Committee and 1 other Committee, with member of each Committee comes from outside the Board of Commissioners/Board of Supervisors. To

follow up the letter from the Minister of SOEs, the Board of Commissioners of PT Garuda Indonesia (Persero) Tbk down sized the number of the Board of Commissioners' Committee from 3 Committees to 2 Committees, namely the Audit Committee and the Business Development and Risk Monitoring Committee. The Remuneration, Nomination and Good Corporate Governance Committee previously was one of the committees assisting the Board of Commissioners, was merged into the duties of the Audit Committee. Change in the Board of Commissioners' Committee was determined based on the Board of Commissioners Decision Letter No. JKTDW/SKEP/062/2013 on the Second Amendment of the Board of Commissioners Decision Letter No. JKTDW/SKEP/037/2012 on the Establishment of the Supporting Organ of the Board of Commissioners of PT Garuda Indonesia (Persero) Tbk. The term of office of committee members who are not a member of the Board of Commissioners is a maximum of 3 (three) years, and eligible to be re-appointed for one more term of 2 (two) years in office, without taking away the right of the Board of Commissioners to dismiss the said member at any time.

Based on the Board of Commissioners Decree No. JKTDW/SKEP/063/2013 on Amendment to the Board of Commissioners Decree No. JKTDW/SKEP/038/2012 regarding the Establishment of the Audit Committee as the Supporting Organ for the Board of Commissioners of PT Garuda Indonesia (Persero) Tbk, the composition of the Audit Committee is as follows:

Audit Committee

Chairman	: Betti S. Alisjahbana
Vice Chairman	: Wendy Aritenang
Member	: Prasetyo Suhardi
Member	: Chaerul D. Djakman

The composition of the Audit Committee have been changed in accordance with the Board of Commissioners Decree No. JKTDW/SKEP/011/2014 dated March 13, 2014 on the Second Amendment to Decree No. JKTDW/SKEP/038/2012 on the Establishment of the Audit Committee as the Supporting Organ of the Board of Commissioners of PT Garuda Indonesia (Persero) Tbk, hence, the composition of its membership is as follows:

Audit Committee

Chairman	: Betti S. Alisjahbana
Member	: Prasetyo Suhardi
Member	: Chaerul D. Djakman

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Based on the Board of Commissioners Decree No. JKTDW/SKEP/064/2013 on the Amendment to the Board of Commissioners Decree No. JKTDW/SKEP/062/2012 regarding the Establishment of Business Development and Risk Monitoring Committee as the Supporting Organ for the Board of Commissioners of PT Garuda Indonesia (Persero) Tbk, the composition of the Business Development and Risk Monitoring Committee are as follow:

Business Development and Risk Monitoring Committee

Chairman	: Peter F. Gontha
Vice Chairman	: Chris Kanter
Vice Chairman	: Bagus Rumbogo*
Member	: Asril Fitri Syamas
Member	: Ahmad Ridwan Dalimunthe

*Mr. Bagus Rumbogo has submitted resignation letter on December 2, 2013. Resignation is effective since 26 November 2013, but has not been confirmed at the Stat.

Secretary to the Board of Commissioners

To support the implementation of the duties of the Board of Commissioners, in accordance with the Article 15, paragraph 2.a.6 of the Articles of Association, pursuant to the Board of Commissioners Decree No. JKTDW/SKEP/053/2012, the Board of Commissioners has appointed Achmad Jaka Santos Adiwijaya as Board of Commissioners Secretary, for a term of 3 years.

Board of Directors

Duties, Responsibilities, and Authority of the Board of Directors

The Board of Directors is the Company's organ responsible to perform the day-to-day management of the Company for the best interest of the Company, which is fulfilling the company's purposes and objects and to ensure that the Company fulfils its social responsibility and pays attention to the stakeholders interest, in accordance with the rules and regulations.

Based on the Company's Articles of Association and Corporate Organization Manual, the Board of Directors has the role of decision-maker, where for certain matters, in taking a decision, the Directors shall gain the approval from the Board of Commissioners and GMS. Besides executing the management of the Company for the interest and objective of the Company, the Board of Directors also acts as the leader, as well as managing and maintaining the Company's asset.

The Board of Directors is responsible upon the duties and function of managing the Company. According to the Company's Articles of Association, in the event that the segregation of duties of the Board of Directors is not determined by the GMS, then such segregation of duties and function of the Board of Directors shall be determined in the Board of Directors meeting. Each member of the Board of Directors is responsible to exercise their respective duties and function.

In exercising their duties related to the management of the Company, the Board of Directors also represents the Company in and out of the court regarding all matters and under limitation set forth in the Articles of Association of the Company.

The Board of Directors is authorized to conduct the management of the Company in accordance with the policies, within the limit set forth in Law on Limited Liability Company and/or the Articles of Association of the Company. The Law on Limited Liability Company contains the concept of fiduciary duty, a doctrine of the relationship between the Board of Directors and the limited liabilities company.

Specific Responsibilities of Respective Directors

Each Director is responsible for duties and functions in accordance with their respective working areas.

- **President & CEO:** Controlling and ensuring sustainability of the Company business effectively and efficiently based on the prevailing rules and principles of Good Corporate Governance.
- **Director of Services:** Ensuring continuous improvement of quality services through integrated service planning & development, passenger services, and customer loyalty management based on the prevailing rules and principles of Good Corporate Governance.
- **Director of Operations:** Ensuring sustainability of reliable flight operations through the management of flight crews, ground operations, operation control, and other operations support functions based on the prevailing rules and principles of Good Corporate Governance.
- **Director of Engineering and Fleet Management:** Ensuring sustainability of the availability of airworthy aircrafts through the management and control of fleet acquisition, fleet management, aircraft maintenance, and airworthiness activities based on the prevailing rules and principles of Good Corporate Governance.

- **Director Strategy, Business Development & Risk Management:** Ensuring sustainability of availability of an efficient and effective longterm strategy and planning and the support of reliable Information Technology systems and risk management based on the prevailing rules and principles of Good Corporate Governance.
- **Director of Finance:** Ensuring continuity and control of the Company's balance cash flow through the management of treasury, budgeting, accounting and assets based on the prevailing rules and principles of Good Corporate Governance.
- **Director of Human Resources & General Affairs:** Ensuring sustainability of the management of Human Resources as well as general and administrative services effectively and efficiently based on the prevailing rules and principles of Good Corporate Governance.
- **Director of Marketing & Sales:** Ensuring sustainability of the growth of revenue and sales, through integrated network, marketing and revenue management based on the prevailing rules and principles of Good Corporate Governance.

Board of Directors Obligation

The obligations of the Board of Directors are stipulated in the Company's Articles of Association and the Board Manual with reference to the provisions of the applicable law. As a publicly listed company, the Board of Directors is also subject to the obligations as stipulated in the provisions of capital market regulations. The duties of the Board of Directors, among others, are as follows.

1. To submit the Articles of Association of the Company, including all of its amendment, to the Minister of Law and Human Rights for approval or statement of notice, to be registered in the Company Register and published in the State Gazette by the Minister of Law and Human Rights (Article 21 (1) - (3), 29, 30).
2. To submit certain amendments of the Articles of Association to the Ministry of Transportation.
3. To make and to maintain (or to appoint a Security Administration Bureau to provide) list of shareholders containing: (a) name and address of all shareholders; (b) amount, number, and share or collective share certificate acquisition date; (c) name and address of share pledge holder; (d) all other material information (Article 100 (1) (a) paragraph 12 (2.b.4) of the Articles of Association).
4. To compile and to hold special register containing share ownership of each member of the Board of Directors, the Board of Commissioners, and the family of each member of the Board of Directors, the Board of Commissioners, in the Company and in other companies, and the share acquisition date of (Article 100 (1) (a) UUPT, Article 12 (2.b.4) of the Articles of Association).
5. To prepare and to keep all Minutes of the Board of Directors Meetings (Article 100 (1) UUPT, Article 12 (b.4, b.11) of the Articles of Association).
6. To maintain all lists, document of registration and the Company's document including resolutions, minutes of GMS, minutes of the Board of Directors Meetings, minutes of the Board of Commissioners meetings and to keep all documents in the Company's domicile, and shall provide access to shareholders upon the documents (Article 100 (1) (c), (d), (2) UUPT, Article 12 (2.b.10 and 2.b.11) of the Articles of Association).
7. To prepare financial statement and to maintain accounting system based on Financial Accounting Standard and based on the principles of internal control, especially segregation of management, accounting, documentation and supervisory functions, and submit to Public Accountant to be audited (Article 68, 69, Article 12 (2.b.6 and 2.b.12) Articles of Association). The audited financial statement is submitted to Bapepam-LK, Ministry of Trade, Ministry of Law and Human Rights, Ministry of SOEs, Ministry of Finance and Ministry of Transportation in accordance with the prevailing rules and regulation.
8. At the latest 5 months after the end of fiscal year, prepare, submit and provide explanation with regards to the Annual Report and financial documents as form of company management responsibility of managing the Company to the GMS for approval and validation after being reviewed and approved by the Board of Commissioners, (Article 66, 67, 100 paragraph (1)-(3), Article 12 (2.b.5), (2.b.7), (2.b.8) Article of Association).
9. To prepare the Long Term Plan (RJPP) and Annual Working Plan and Budget (RKAP), including all of the changes, and submit with explanation to the Board of Commissioners not later than 60 days prior to the new fiscal year, for approval (Article 63-65, Article 12 (2.b.2, 2.b.3) Company's Articles of Association).

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10. To submit Balance Sheet and Income Statement (as part of Financial Statement in the Annual Report) that has been approved by the GMS to the Minister of Law and Human Rights, Minister of Trade and Minister of Transportation (Aviation Law and Decree of Minister of Trade).
11. To develop corporate risk management program, to establish internal control system in order to secure the Company's investment and assets, to set up mechanisms for reporting on alleged breach of code of ethic of the Company, to perform internal control through the establishment of Internal Audit Unit and to perform the functions of the Corporate Secretary (Article 25-29 Minister of SOEs Regulation No. 01/2011, Bapepam-LK Regulation No. IX.I.7).
12. To determine effective Information Technology governance and to prepare a report to the Board of Commissioners on the implementation of Information Technology and Human Resources Program (Article No. 30 Minister of SOEs Regulation 01/2011 on the Implementation of Good Corporate Governance at State Owned Enterprises ("Minister of SOEs Regulation No. 01/2011")).
13. To report his share ownership and his family's in the Company and in other company to be registered in the Special Register of Shareholders. Capital Market regulation requires the Board of Directors to report its share ownership in the Company within 10 days following the transaction.
14. To disclose information in accordance with the capital markets regulation, among others, announcing material transaction.
15. In any decision-making/actions, the Board of Directors shall take into account the business risks and develop and implement corporate risk management programs in an integrated manner as part of the implementation of Good Corporate Governance.
16. The Board of Directors is required to submit reports of risk management profile and handling, along with the Company's periodic reports. (Article No. 25 Minister of SOEs Regulation No. 01/2011).
17. The Board of Directors shall be responsible for the Utilization of the Fixed Assets for the interest of the Company, as well as to ensure that such utilization is free from other party's pressure, coercion and interference. Fixed Assets utilization is a Company's action to optimize the utilization of fixed assets to create added value for the Company without resulting transfer of ownership of the fixed assets, among others by Build, Operate, and Transfer (BOT), Build, Transfer, and Operate (BTO), joint operation, cooperative venture, lease, or lease of fixed assets ("Utilization of Fixed Assets").
18. The Board of Directors shall evaluate the agreement on the Utilization of fixed assets that has not been implemented, should the Board of Directors believes that the signed agreement may adversely affect the Company or failed to generate optimum benefits, with regards to legislation (Article 5 point 12 of the Minister of SOEs Regulation No. PER-06/MBU/2011 on the Guidelines for the Utilization of Fixed Assets of the SOEs ("the Minister of State Owned Enterprises Regulation No. 06/2011")).
19. The Board of Directors shall report the Company's substantial procurement plans. In addition, the Board of Directors shall report to the Board of Commissioners on the substantial procurement that has been brought about, which is the procurement of goods/services set forth in RJPP/RKAP to support the Company's business activities, which value exceeds 5% of the Company's equity in one transaction. Reporting substantial procurement shall be conducted before the Board of Directors entered into an agreement with the vendor. (Letter of the Board of Commissioners No. GARUDA/DEKOM-021/2011 dated April 6, 2011 on the Procurement of Goods and Services).

Authority of the Board of Directors

In performing its duties, besides the obligations, the Board of Directors also has the authority to carry out the responsibilities of managing the Company.

1. To establish the management policies of the Company.
2. To arrange for the Board of Director authority transfer to represent the Company in and out of court to one or several Board of Directors members specifically appointed for this purpose, or to one or several Company personnel; and to arrange for the transfer of the Board of Directors authority to head of branch office head or chief of representative within and outside the country.
3. To set the terms of employment of the Company, including the determination of salary, pension or retirement benefits and other income for the employees of the Company based on legislation.
4. To appoint and dismiss employees of the Company under the rules of employment and legislation.

5. To appoint and dismiss the Corporate Secretary.
6. To conduct all other measures and actions related to the management and ownership of Company assets, binding the Company to other parties and/or other parties to the Company, including but not limited to optimizing asset utilization, within the limit governed by the Company's Articles of Association.

Limitation of the Board of Directors Authority

Pursuant to Article 12 paragraph 7 of the Articles of Association of Garuda Indonesia, there are limitation of the Board of Directors actions that required to be further defined by the Board of Commissioners. Therefore the Board of Commissioners issued a Decree No. JKTDW/SKEP/077/2012 dated October 31, 2012 regarding the limits of authority granted to the Board of Directors in performing certain actions in accordance with Article 12, paragraph 7 of the Articles of Association.

Limitation of the Board of Directors authority are as follows:

Directors shall request approval from the Board of Commissioners prior to carrying out the following matters:

- a. To transfer or to write off fixed assets of the Company which exceeds the value of Rp 50,000,000,000 (fifty billion rupiah) or in the aggregate value equal to or more than 3% (three percent) of the total value of Fixed Assets of the Company in the same year.

Fixed assets are the tangible assets that the Company uses for operational and are not intended to be sold in company normal activities and have utilization period of more than one year.

The transfer of Fixed Asset can be implemented by selling, exchanging or granting, which must be carried out by the Company prudently and based on prevailing regulations, including capital markets.

- b. Enter into agreement with other companies or parties, in the form of joint venture, management contract, the Build, Operate and Transfer (BOT), the Built, Operate and Own (BOO) and such similar agreements which are valid for a period exceeding the certain period determined by the Board of Commissioners.

The aforementioned agreements are the cooperation that:

- a. Valid for period of more than 3 years; and/or
- b. Transaction value of more than 3% of the Total Value of Fixed Assets; and/or
- c. Incurr contingent liabilities with a value of more than 3% of the Total Value of Fixed Assets.

Other similar agreements as referred above are the agreements similar to joint operations, contract management, Build, Operate and Transfer (BOT), and Built, Operate and Own (BOO).

Below are the explanation about the aforementioned agreement:

Operational Agreement ("KSO")

KSO is a profit-sharing cooperation that is mutually beneficial between the Company and its partners, in which the Company is involved in the management of the said cooperation.

The utilization of fixed assets under KSO is carried out against the Company's fixed assets, in firm of land, buildings and/or other fixed assets. The object of KSO that is utilized, recognized as the Company's investment in said KSO.

Management Contract

Management contract is an agreement whereby the assets, resources, and funds are provided by the Company while the management services are provided by partners.

Build, Operate and Transfer ("BOT")

BOT is a cooperation utilizing the Company's fixed asset in the form land by other party in a way of constructing building and/or infrastructure along with its facilities, which is later utilized by the other party in the agreed period. Further, the ownership of the land along with the building and/or its facilities will be transferred to the Company after the expiration of the agreed period.

The utilization is conducted against Fixed Assets in the form of land. In the event that the Fixed Asset cannot be used as an object of cooperation, then the Fixed Assets will be written off and calculated in order to determine the compensation.

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- C. To obtain or grant medium/long term loans, which exceed a certain amount determined by the Board of Commissioners from time to time, with or without collateral, except payables or receivables incurred from business transaction and loans provided to subsidiaries with the provision that it will only required to be reported to the Board of Commissioners.

To grant loan to third parties, the Board of Directors limit of authority is up to Rp 50,000,000,000 (fifty billion Rupiah) per year and under the condition that the loan granted relates to the Company's operational activities.

To obtain loan from third parties, the Board of Directors limit of authority is up to Rp 500,000,000,000 (five hundred billion Rupiah) or in the same year the aggregate/accumulated value <10% of the value of Equities.

In the event that such loan should obtained the Board of Commissioners approval, then the approval of the Board of Commissioners is valid for 12 month after the approval granted by the Board of Commissioners.

The Board of Commissioners approval is excluded for (i) payables or receivables incurred from business transaction and (ii) loans provided for the Company's subsidiaries provided that it has been reported to the Board of Commissioners.

- d. To write-off non-performing receivables and dead stocks from the books of accounts, exceeding a certain amount determined by the Board of Commissioners from time to time.

The Board of Directors limit of authority to write-off non-performing receivables and dead stocks from the books of accounts is up to Rp 50,000,000,000 (fifty billion Rupiah) or in the same year the aggregate/accumulated value <5% of the value of equities.

Such actions should be reported to the Board of Commissioners enclosing data and information with regards to the process of debt collection conducted by the Board of Directors prior to write-off, in accordance with the applicable provisions of the Company.

- e. Determining the organization structure up to one level under the Board of Directors. Unless otherwise specified by the GMS, the Board of Directors discuss and gain approval from the Board of Commissioners to determine the organization structure one level under the Board of Directors. The Board of Directors reports to the Board of Commissioners with regards to the segregation of authority among the member of the Board of Directors and name of the officers in the organization structure one level under the Board of Directors.
- f. To establish foundation, organization and/or association directly or indirectly related to the Company which may affect the Company's financial.

The Board of Directors shall obtain the approval from the Board of Commissioners in the event that (i) such foundation, organization, or association is established for a period of more than 3 years, and/or (ii) the value of the foundation, organization and/or association establishment is more than 3% (three percent) of the Total Value of Fixed Assets.

In the event that such action do not require the approval from the Board of Commissioners, the Board of Directors shall report it to the Board of Commissioners.

To ensure that such foundation, organization and/or association is professionally managed, the Board of Directors might appoint administrators from outside of the Company to perform daily management.

- g. To routinely charge the Company for the activities of the foundation, organization and/or association directly or indirectly related to the Company.

The Board of Directors determines the annual budget (if any) for the activities of the foundation, organization and/or association at the same time with the determination of the budget of the Company.

In addition to routine and permanent expenses from the activities of the organization, the foundation, and/or associations as described below, it is necessary to obtain the approval of the Board of Commissioners: INACA, PATA, IATA, Kadin, Air Promotion Group,

Zone Employee Discount Multi Bilateral Agreement (ZED MIBA Forum), Garuda Pension Fund, At Taqwa Foundation, Garuda Health Foundation, KOAPGI, KOKARGA, Aviation Law Company (MHU), Member of Board of Airline Representative in Netherlands (BARIN), Member Board of Governor PATA BENELUX (Belgium, Netherland & Luxemburg), AOC (Airlines Operator Committee), Member of BARSAs (Board of Airlines Representative), BAR (Board of Airlines Representative), KASEC (Korea Airlines Secretary), BARINDO (Board of Airlines Representative Indonesia), Forum Human Capital BUMN, Forum IT BUMN, ICSA (Indonesian Corporate Secretary Association), PERHUMAS, AAPA (Association of Asia Pacific Airlines).

- h. Proposing Company's representative as candidate for the Board of Directors and the Board of Commissioners of the Company's subsidiaries, who contribute significantly to the Company and/or has strategic value as determined by the Board of Commissioners.

The Board of Directors proposes names and complete data from the track record of the nominated candidate of the Board of Directors or the Board of Commissioners in subsidiaries. The candidate shall undergo the selection process in accordance with the provisions and procedures with regards to the nomination of the Board of Directors and the Board of Commissioners subsidiary member of the relevant state- owned enterprises.

- i. Not to collect non-performing receivables which have been written-off which exceed a certain amount determined by the Board of Commissioners from time to time.

The Board of Directors shall request approval from the Board of Commissioners to stop collecting non-performing receivables which have been written-off in amount exceeding Rp 10,000,000,000 (ten billion Rupiah).

Such actions shall be reported to the Board of Commissioners enclosing with data and information about the process of debt collection conducted by the Board of Directors prior to write-off, in accordance with the applicable provisions of the Company.

- j. To determine and to change the Company's Logo. The Company's Logo is a new Logo and is registered or in the process to be registered at the Directorate General of Intellectual Property Rights.
- k. To acquire shares in other company in which exceeds the limit determined by the Board of Commissioners from time to time, on the condition that such investment does not require the GMS approval and is in accordance with the Capital Market regulations.

The Board of Directors shall request approval from the Board of Commissioners to conduct a capital investment with value greater than 10% (ten percent) of the value of the Company's equity.

The Company acquires shares in other company in order to develop its main business activities, supporting business activities, and to optimize the utilization of the Company's resources, or complying applicable rules.

- l. To establish subsidiary, on the condition that such action does not require the approval of GMS and is in accordance with the Capital Market Regulation.
- m. To conduct disposal of shares in subsidiaries, insofar as it does not require the approval of GMS in accordance with the Capital Market regulations. Such disposal of shares includes dilution of the Company's share ownership percentage.
- n. To undertake merger, consolidation, acquisition, separation and dissolution of subsidiaries, insofar as it does not require the approval of GMS and is in accordance with the Capital Market regulations.
- o. To determine the salary, pension or retirement insurance and other income for the employees of the Company which exceed the obligations set by the rule and regulation.
- p. To bind the Company as guarantor (borg or avalist) which has financial consequences exceeding the specified limit set by the regulation.

Corporate Governance

According to Article 1820 of Indonesian Civil Code a personal guarantee (borgtacht) is an agreement in which a third party for the benefit of creditors, bind themselves to fulfill the obligations of the debtor, if the debtor fails to fulfill the obligation. Such action includes the provision of indemnity guarantee and corporate guarantee.

Pursuant to Article 129 of Indonesian Commercial Code, aval is a guarantee provided by a third party, or by the person whose signature appears on the agreement letter. The avalist bound to the agreement in the same way as those who were given the aval.

- q. Preparing RJPP and RKAP including changes in the said RJPP and RKAP. RJPP is the strategic plan stating the goals and objectives to be attained by the Company in 5 years. RKAP is the annual breakdown of RJPP prepared by the Board of Directors and submitted to the Board of Commissioners and GMS for approval. RKAP contains, among others, the Company's annual budget for the following fiscal year, which was made prior to the beginning of that following fiscal year.

The Board of Directors prepares RJPP and RKAP of the Company, including all of the changes, and submit them to the Board of Commissioners, along with the explanation not later than the 60 days prior to the beginning of the new fiscal year to gain approval from the Board of Commissioners. The draft of RKAP shall be approved by the Board of Commissioners no later than 30 days after the remaining fiscal year. In the event that the RKAP has not gained approval from the Board of Commissioners within 30 days after the remaining fiscal year, then the previous RKAP is implemented.

Independence of the Board of Directors

To maintain their independence, members of the Board of Directors shall have no family, financial and affiliated relations with other members of the Board of Directors, members of the Board of Commissioners, and the Controlling Shareholder. Family and financial relations are disclosed in details in the following table:

Name	Family Relations with						Financial Relations with					
	Board of Commissioners		Directors		Controlling Shareholders		Board of Commissioners		Directors		Controlling Shareholders	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Emirsyah Satar		√		√		√		√		√		√
Meijer Frederik Johannes		√		√		√		√		√		√
Novianto Herupratomo		√		√		√		√		√		√
Batara Silaban		√		√		√		√		√		√
Heriyanto Agung Putra		√		√		√		√		√		√
Handrito Hardjono		√		√		√		√		√		√
Faik Fahmi		√		√		√		√		√		√
Judi Rifajantoro		√		√		√		√		√		√

Several members of the Board of Directors serve as Commissioner in subsidiaries of Garuda Indonesia. Concurrent positions of members of the Board of Directors outside Garuda Indonesia are presented in the following table:

Name	Position in Garuda Indonesia	Position in Other Institutions	Company/Organization	Scope of Business
Emirsyah Satar	President Director	Member of the Board of Governor	IATA (International Air Transport Association)	Transportation
Meijer Frederik Johannes	Marketing and Sales Director	-	-	-
Novianto Herupratomo	Operating Director	-	-	-
Batara Silaban	Technic & Management of Fleet Director	-	-	-
Heriyanto Agung Putra	Human Resources and General Affairs Director	-	-	-
Handrito Hardjono	Financial Director	-	-	-
Faik Fahmi	Service Director	-	-	-
Judi Rifajantoro	Strategic, Business Development & Risk Management Director	-	-	-

Board of Directors Meeting

In accordance with the Article 13 of Articles of Association, the Board of Directors Meeting can be held at any time if (i) it is deemed necessary by one or more members of the Board of Directors, (ii) upon written request of one or more members of the Board of Commissioners, or (iii) upon written request of 1 one or more shareholders who together represent 1/10 (one tenth) or more of the total shares with voting rights. As of December 31, 2012, the Board of Directors held 40 Board of Directors meetings.

Number of Meetings and Level of Attendance of the Board of Directors (1 January – 23 April 2013)

No	Name	Position	Number of Meetings	Attendance	Percentage of Attendance
1.	Emirsyah Satar	President Director	11	11	100%
2.	Batara Silaban	Director of Engineering & Management of Fleet	11	10	90.90%
3.	Elisa Lumbantoruan*	Director of Marketing and Sales	11	11	100%
4.	Faik Fahmi	Director of Services	11	9	81.81%
5.	Handrito Hardjono	Director of Finance	11	11	100%
6.	Heriyanto Agung Putra	Director of Human Resources and General Affairs	11	11	100%
7.	Judi Rifajantoro	Director of Strategy, Business Development & Risk Management	11	11	100%
8.	Novianto Herupratomo	Director of Operations	11	11	100%

*dismissed from Director position by the Annual General Meeting of Shareholders of the Company dated 26 April 2013

Corporate Governance

The number of Board of Directors Meeting and the Level of Attendance (April 30-December 31, 2013)

No	Name	Position	Number of Meetings	Attendance	Percentage of Attendance
1.	Emirsyah Satar	President Director	24	24	100%
2.	Batara Silaban	Director of Engineering & Management of Fleet	24	22	91.67%
3.	Faik Fahmi	Director of Services	24	22	91.67%
4.	Meijer Frederik Johannes**	Director of Marketing and Sales	24	23	95.84%
5.	Handrito Hardjono	Director of Finance	24	23	95.84%
6.	Heriyanto Agung Putra	Director of Human Resources and General Affairs	24	21	87.5%
7.	Judi Rifajantoro	Director of Strategy, Business Development & Risk Management	24	22	91.67%
8.	Novianto Herupratomo	Director of Operations	24	20	83.34%

**Appointed as Director by Annual GMS on April 26, 2013

The Appointment of the Director Responsible for the Implementation and Monitoring of Corporate Governance (GCG)

Pursuant to the provisions in the Article 19 of Minister of SOE Regulation No.1/2011, that one member of the Board of Directors appointed by the Board of Directors Meeting to be in charge of the implementation and monitoring of corporate governance in the said SOE, then through the decision of the Board of Directors Meeting dated on April

30, 2013, the EVP Human Resources and General Affairs has been appointed as the Director who is in charge of the implementation and monitoring of GCG in Garuda Indonesia.

Training and Development of BOD

Training and development of Board of Directors is one of the parameters of implementation of good corporate governance. Throughout 2013, the Board of Directors has attended the training and self development program in line with their field work in each of their directorates.

Recapitulation of Training & Development of Board of Directors Year 2013

No.	Seminar	Time	Location	Remarks
EMIRSYAH SATAR - President Director				
1.	Coordination of Work Plan and Company's Budget Meeting of 2013 JASINDO with the theme of TRANSFORMATION	January 31, 2013	Jakarta	Speaker
2.	War Game held by Garuda Indonesia	February 13, 2013	Jakarta	Participant
3.	Indonesia Airline Partnership & Acilliary Revenue Conference (IAPARC) 2013	February 20, 2013	Jakarta	Opening Remarks
4.	Business Sharing in an event held by KADIN Indonesia, Central Java, with the topic of "Heading Towards a World Class Micro, Small, and Medium Enterprises"	March 11, 2013	Semarang	Speaker
5.	"CEO Talks" by Institute Pengembangan Manajemen Indonesia (IPMI)	April 2, 2013	Jakarta	Speaker
6.	GE Global Leadership Training Business Management Course (BMC)	May 8, 2013	Jakarta	Participant
7.	World Bank Workshop: Sharing Session topic "Visioning and Strategic Direction Workshop"	May 14, 2013	Jakarta	Speaker
8.	Indonesia Brand Forum (IBF) Talkshow	May 20, 2013	Jakarta	Source

Recapitulation of Training & Development of Board of Directors Year 2013

No.	Seminar	Time	Location	Remarks
9.	Indonesia Aircraft Maintenance Shop Association (IAMSA): Seminar Aviation MRO Indonesia (AMROI) with theme of "Building Effective Partnerships in the MRO Sector"	May 22, 2013	Jakarta	Speaker
10.	Indonesian Editor in Chief Summit, opening remarks by President of Indonesia	June 14, 2013	Bali	Speaker
11.	Presentation on "Environmental Salvage Inspiration from Garuda Indonesia" in Indonesia Green Awards 2013	June 25, 2013	Jakarta	Source
12.	Cargo QBR 2013 with the topic of Business Transformation, How to be Global Player	August 19, 2013	Jakarta	Keynote Speaker
13.	Asean Business Council (ABAC) ASEAN Conference with topic of Aviation Industry	August 23, 2013	Singapore	Speaker
14.	Welcoming Briefing of Freshmen Academic Year of 2013/2014 of Universitas Pancasila	August 28, 2013	Jakarta	Speaker
15.	2nd Annual South East Asia Airport Expansion Summit with topic of Developing Airport and Airline Synergies to Improve Passengers Service	August 29, 2013	Jakarta	Speaker
16.	Metro TV: "International Seminar" Panelist "How much is your Brand"	September 17, 2013	Jakarta	Speaker
17.	6th Annual Aviation Outlook 2013 Conference with topic of "Growing Revenue Share in Indonesia's Busy Skies"	October 22, 2013	Singapore	Speaker
18.	KOMPAS.COM: Officers Forum Topic "Leadership that Brings Success for Indonesia Future Leaders to Prepare for AFTA (Cross Culture Leadership)"	November 18, 2013	Jakarta	Speaker
19.	Hay Group International Conference "Leading Transformation"	November 27, 2013	Shanghai	Speaker
20.	Komite Ekonomi Nasional (KEN): Seminar on Indonesian Economic Prospect 2014 "Economic Challenges in Political Mid-Year"	December 3, 2013	Jakarta	Participant
21.	KOMPAS TV: Live Talkshow Kanal KPK "Prevention by Action"	December 9, 2013	Jakarta	Source
BATARA SILABAN - Technic & Management of Fleet Director				
1.	AMROI (Aviation MRO Indonesia) Conference	May 22, 2013	Sultan Hotel, Jakarta	Speaker
2.	Workshop Developing JKTDEGA	June 13, 2013	Garuda Indonesia	Participant
3.	Human Factors Recurrent Training	October 11, 2013	Garuda Indonesia	Participant
FAIK FAHMI - Service Director				
1	Mobiliary Global Luxury Conference 2013	March 27, 2013	The Dharmawangsa, Jakarta	Speaker
2	Workshop Capacity Building, The Role of Governor and Community in the Implementation of Public Service Policy	May 22, 2013	Grand Aston Hotel, Yogyakarta	Speaker
3	Speaker in Press Gathering	September 6, 2013	Lembah Mandiri, Bogor	Speaker
4	GA Group Corporate Culture Workshop	September 19, 2013	GMF AeroAsia, Cengkareng	Participant
HANDRITO HARDJONO - Financial Director				
1.	16th Credit Suisse Asian Investment Conference (AIC)	March 20 - 21, 2013	Hongkong	Conference
2.	HSBC's Inaugural Aviation Conference	April 10, 2013	Hongkong	Conference
3.	Boeing Capital Asia Executive Finance Summit	May 29-31, 2013	Bangkok	Conference
4.	APEC 2013 CEO Summit	October 05 - 07, 2013	Denpasar, Bali	Participant

Corporate Governance

Recapitulation of Training & Development of Board of Directors Year 2013

No.	Seminar	Time	Location	Remarks
5.	Culture GA Group	September 19, 2013	GMF AeroAsia, Cengkareng	Workshop
6.	Annual General Meeting INACA 2013	November 7-9, 2013	Surabaya	Conference
7.	SOEs Capital Structuring "Restructuring Through Capital Structuring of State-Owned Enterprises"	December 6, 2013	Denpasar, Bali	Workshop

HERIYANTO AGUNG PUTRA - Human Resources and General Affairs Director

1.	Binus Festival of Innovation & Enterprise		Jakarta	Speaker
2.	Character Building by Telkom & Telkomsel	January 22, 2013	Bandung	Speaker
3.	National Marketing Interconnectivity Conference	February 14, 2013	Jakarta	Speaker
4.	3rd Asia Corporate University Summit	March 20, 2013	Jakarta	Speaker
5.	Indonesia Training & Development Summit 2013	April 24, 2013	Yogyakarta	Speaker
6.	Sharing Session: Performance Management of PT Astra International	May 8, 2013	Jakarta	Speaker
7.	"Where Are You Ready Now Leader" Seminar by Daya Dimensi Indonesia	May 31, 2013	Jakarta	Participant
8.	HR Asia Congress	June 12, 2013	Jakarta	Speaker
9.	KPK International Workshop "Strengthening Integrity through Public-Private Partnership: Preventing Facilitation Payments and Managing Gratuities"	June 24, 2013	Medan	Participant
10.	National Workshop on Conservation of Coast and Small Islands (Ministry of Maritime Exploration and Fisheries)	June 25, 2013	Jakarta	Speaker
11.	Corporate Transformation Conference	June 26, 2013	Jakarta	Speaker
12.	Asian Workshop on Strengthening Collective Action Between Public-Private-Civil Society in Addressing Corruption and Bribery by Indonesian International Transparency	August 27, 2013	Jakarta	Participant
13.	Reducing Cost of Health Plans	September 5, 2013	Jakarta	Speaker
14.	3rd National Human Resources and General Affairs Conference "Talent War untuk Profesi Pilot"	September 10, 2013	Jakarta	
15.	HR Workshop "Strategic HCM" by PT Tiga Raksa	September 26, 2013	Jakarta	Speaker
16.	Seminar "Rehearse Your Best Performers to Present Perfect Harmony" by Daya Dimensi Indonesia	November 8, 2013	Jakarta	Participant
17.	OJK Seminar "Garuda Indonesia Transformation"	November 14, 2013	Jakarta	Speaker
18.	Seminar on The Role of HR as Strategic Partner	November 17, 2013	Jakarta	Speaker
19.	Human Capital Sharing by IHCS	December 5, 2013	Jakarta	Speaker
20.	Anti-Corruption Week Seminar by KPK	December 9, 2013	Jakarta	Speaker

JUDI RIFAJANTORO - Strategic, Business Development & Risk Management Director

1.	Asia Pacific Satellite Communication System International Conference – ASPAT 2013	June 12-13, 2013	Jakarta	Participant
2.	Global Customer Summit (GCS)	August 12-15, 2013	Crotonville, USA	Participant
3.	Indonesia Risk Management Summit	September 11-12, 2013	Jakarta	Speaker
4.	Winning Competition Through Product Management	October 9-11, 2013	Jakarta	Speaker

Recapitulation of Training & Development of Board of Directors Year 2013

No.	Seminar	Time	Location	Remarks
NOVIANTO HERUPRATOMO – Operating Director				
1	Asean Aviation Training & Education Summit (AATES)	January 22-23, 2013	Jakarta (The Sultan Hotel)	Speaker
2	Sky War Garuda Indonesia Team	February 13, 2013	Jakarta (Borobudur Hotel)	Participant
3	Seminar on Health, Safety Environment by Universitas Indonesia	March 26, 2013	Depok (Faculty of Community Health)	Speaker
4	IATA Operational Conference 2013	April 12–21, 2013	Vienna, Austria	Speaker
5	52nd IFACTA Annual Conference	April 24–28, 2013	Denpasar - Bali	Speaker
6	National Seminar on Safety of Railroad System in Indonesia	May 14, 2013	Jakarta (Borobudur Hotel)	Speaker
7	Shell's Safety Day Seminar	June 18–20, 2013	Singapore	Speaker
8	Indonesia Green Aviation Conference	July 2, 2013	Nusa Dua - Bali	Speaker
9	GE Global Customer Summit ASEAN Executive Program	August 10–18, 2013	Crotonville, New York	Participant
10	ICAO/Mc Gill Pre Assembly Symposium "Regulatory Response to Customer Concerns"	September 1–22, 2013	Montreal, Canada	Speaker
11	Management of Transportation Seminar	December 9, 2013	Depok (Faculty of Economy, Universitas Indonesia)	Speaker

Remuneration Policy for the Board of Directors and Commissioners

Remuneration Policy for the Board of Directors and Commissioners of the Company refers to the provisions set forth in the Minister for State-Owned Enterprises Regulation No. PER-07/MBU/2010 on Remuneration Guidelines for the Board of Directors, Commissioners and Supervisory Board of State Owned Enterprises, and the Regulation of the Minister of State Owned Enterprises No. Per-04/Mbu/2013 on Amendments to the Regulation of the Minister of State Owned Enterprises State Number: Per-07/Mbu/2010 on Remuneration Guidelines for the Board of Directors, Commissioners and Supervisory Board of State Owned Enterprises. Under the Ministry regulation, remuneration policy for the Boards of Directors and Commissioners is set by the Annual General Meeting of Shareholders (AGMS). Remuneration for the Boards of Directors and Commissioners may consists of:

- Short term employee benefits
- Post-employment benefits
- Stocks option payment.

While the determination of *tantiem* for the Boards of Directors and Commissioners as stipulated in the Ministry Regulation among others are:

- Tantiem* is awarded to member of the Boards of Directors and Commissioners provided that the State-Owned Enterprise earns profit in the year concerned.
- Member of the Board of Directors and Commissioners may be given bonus if the Key Performance Indicator (KPI) achievement is more than 70% and financial health level is more than 70.
- Achievement of key performance measures to be considered for bonus is maximum 150%.
- Bonus composition shall be as follows:
 - President Director 100%
 - Director 90% of President Director
 - President Commissioner 40% of President Director
 - Commissioner 36% of President Director.

The Company may give *tantiem*, to members of the Boards of Directors and Commissioners in the event that the performance of the Company is increasing although if suffers losses in the year concerned, or accumulated losses from previous fiscal year.

Corporate Governance

The GMS held on April 26, 2013 has determined the amount of tantiem for Boards of Directors and Boards of Commissioners for fiscal year 2012 and the remuneration of the Boards of Directors and honorarium for the Board of Commissioners as well as benefits and facilities for the Boards of Directors and Commissioners in 2013.

Remuneration of Board of Commissioners and Board of Directors

No.	Remarks	As of December 31, 2013	
		Board of Directors	Board of Commissioners
1	Short-term Employee Benefit	26,232,192,131,00	7,671,427,160,00
2	Post-employment Benefit	3,138,600,000,00	647,130,000,00
3	Severance for termination of employment contract	-	-
4	Share basis payment	-	-
Total amount in IDR		29,370,792,131,00	8,318,557,160,00
Total amount in USD (rate: 12,189) per December 2013		2,409,614,58	682,464,28

Business Development and Risk Monitoring Committee

Chairman : Mr. Peter F. Gontha
 Vice Chairman : Mr. Chris Kanter
 Vice Chairman : Mr. Bagus Rumbogo*
 Member : Mr. Asril Fitri Syamas
 Member : Mr. Ahmad Ridwan Dalimunthe

*resigned per November 26, 2013

Duties and Responsibilities

Based on BOC Decree No. JKTDW/SKEP/062/2012 dated August 4, 2012 on the establishment of Business Development and Risk Monitoring Committee (KPUPR) have duties and responsibilities to:

- A. Tasks related to Business Development:
1. Assisting the Board of Commissioners in monitoring and evaluating the realization of the Company's business plan.
 2. Assisting the Board of Commissioners in evaluating the company's business development/expansion plan.
- B. Task related to risks monitoring:
1. Gaining an understanding of the risk management covering a variety of risks faced by the Company, strategy, systems and risk management policies of the Company, the Company's internal control, including policies, methodologies and infrastructures.

2. Evaluating various risk assessment models used by the Company and making recommendations for further refinement.
3. Monitoring compatibility of policies and implementation of the Company's risk management and monitoring the various potential risks faced by the company.
4. Evaluating the company's risk management policy.
5. Coordinating the implementation and supervision of the effectiveness of each component and Enterprise Risk Management (ERM) in the company.
6. Measuring the effectiveness of each component of the ERM which have been implemented by the company.
7. Carrying out other tasks from the Board of Commissioners in accordance with the laws and regulations.

Biographies of Business Development and Risk Monitoring Committee

The brief biography of the Business Development and Risk Monitoring Committee is described in the Company Data section in this Annual Report.

Independence of the Business Development and Risk Monitoring Committee

The Business Development and Risk Monitoring Committee is chaired by an Independent Commissioner, and vice chaired by one of the Commissioners, and two members of which are professionals from the outside of the company

with expertise and experienced in the field of corporate management and posses knowledge of risk management. The tenure of the member of the committee is 3 (three) years and may be extended only once.

Activities of the Business Development and Risk Monitoring Committee

1. Reviewing the 2013 Challenges and Risk
2. Evaluating routes profitability performance
3. Evaluating CRJ1000 performance
4. Monitoring and evaluation on Citilink performance
5. Reviewing the plan to revise 2013 RKAP
6. Reviewing the bonds issuance plan
7. Reviews the preparation for the transition (cut over) to PSS Amadeus Altea
8. Reviewing the implementation of ERM (Enterprise Risk Management) and BCM (Business Continuity Management)

1. Reviewing 2013 Challenges and Risk

The study was conducted to have an overview of the Company's prospects in 2013 which includes the estimate of the situation and economic conditions, both domestic and global economy, as well as competition in the aviation services business which may affect the performance of the company.

This study highlights the business development strategy, which was aimed at increasing market share and expanding routes. The operation of CRJ1000 aircraft, commencing at the end of 2012, will be increased in 2013, intended as a business development to reach wider market, especially in the segment market that fall into the category of "high yield-low-density". For smaller capacity and shorter flight distances, it will be served with the ATR72-600. In terms of international routes, efforts are focused on improving the performance of the routes with negative performance. For the LCC (Low Cost Carrier) market, Citilink still needs to improve its performance.

Besides business development strategy, funding strategy is also important, given the on going business development requires uninterrupted funding schedule.

2. Monitoring and Evaluating on Citilink Performance

Overall, the Route Result in 2012 showed a positive performance. However, there are several routes, especially some international routes, that has not shown positive Route Result, although it was getting better compared to the previous year. The routes served by CRJ 1000 also showed negative performance. With regards to the improvement of route profitability, The Board of Directors has prepared strategic steps to improve its performance in 2014. And so it shall be with the opening of new international routes to be implemented in 2013, along with the coming of new aircrafts.

3. Performance Evaluation of CRJ1000

Improvement on CRJ1000 performance is continuously pursued through the following activities:

- Increased utilization:
 - Adding Hub in Denpasar
 - Opening new routes with longer flight hour
- Operational Efficiency:
 - Restructuring (reducing frequency) routes with negative result.
 - Applying aircraft RON at MDC to better explore the market (Earlier flight)
- Enhance Marketing Effort:
 - Adjusting flight schedule on some routes to market time preference
 - Price campaign through web
 - Intensive brand awareness and media communication
 - Handling Small Shipment Cargo

4. Monitoring and Evaluating on Citilink Performance

Lack of infrastructure support at Soekarno Hatta airport, in terms of flight slot capacity, has made it difficult for Citilink to conduct business development. It has rendered the aircraft utilization less optimal. The management of Citilink has taken the following initiatives to improve its performance:

Corporate Governance

- Operational cost efficiency:
 - Ceasing the operation of Boeing 737-500, since it is no longer efficient.
 - Cost reduction through fuel conservation program, RON expenses reduction, aircraft types reduction, efficiency of maintenance and ground handling costs.
- Increasing aircraft utilization:
 - Adding flight slot from/to Jakarta via Halim airport
 - Exploring new routes besides that of from/to Jakarta, including potential routes in eastern Indonesia, as well as regional flight in the ASEAN region.

5. Reviewing the plan to revise 2013 RKAP

In keeping with the pace of the dynamic business, in the Company and its subsidiaries, and in order to improve its performance, the Company plans to implement a number of corporate action, which is not yet listed in the 2013 Work and Budget Plan (RKAP), then in July 2013, the Company changed the 2013 RKAP. Subsequently, following series of discussion, the Revised 2013 RKAP was determined and became the reference for the Management.

6. Reviewing the Bonds Issuance Plan

Bonds issuance is one of the sources of funding planned in 2013 to meet the funding needs, include advance payments for the procurement of aircraft and engines. The bonds issuance of Rp 4 trillion was held in 2 phases. Phase I was conducted in 2013 with a target of Rp 2 trillion. The bonds issued in the Phase I was oversubscribed from Rp 2 trillion, with an interest rate of 9.25% per annum and a tenor of 5 years.

7. Reviewing the Preparation for the Transition (Cut Over) to PSS Amadeus Altea.

The replacement of PSS (Passenger Service System) is required prior to joining the global alliance SkyTeam, and is also intended to improve the quality of IT (information technology) services, which has been the one of the corporate risk profiles that should be taken seriously. The success of the transition from the old PSS to the new one (Amadeus Altea) is determined by four factors, namely: people, process, technology

and information. The failure to prepare one of the four factors will lead to the potential risk of obstruction / delay of PSS cutover process. Mitigation on the risk of failure of operation of the new PSS was conducted by assigning the old PSS as the backup system and make it standby during the Cut Over process. With careful and thorough preparation, transfer of the system can be carried out without any major obstacles.

8. Evaluating the ERM (Enterprise Risk Management) Implementation

In order to increase the effectiveness of ERM implementation, which has been developed since 2009, it is necessary to conduct a thorough evaluation. The evaluation includes:

- The effectiveness of ERM implementation
 Evaluation on the ERM practices in the Company. Results from this evaluation will be used as recommendations for improving the effectiveness of ERM implementation, including ERM roadmap and implementation of selected ERM quick-win initiatives, among others improving quality of Enterprise Risk Profile Report.
- Integration of ERM System
 Integrating the existing ERM System with the Safety and Security Management System, Treasury Risk Management and ERM System in the Company's subsidiaries.
- ERM Communication
 Development of ERM communication program in order to increase ERM awareness of the Company and its subsidiaries.

In the course of the evaluation, ERM Unit was assisted by the consultant Ernst & Young (EY). EY performed the analysis and measurement on the level of maturity of the implementation of ERM and ERM Improvement Roadmap. Measuring the level of maturity of ERM implementation in the company covering 6 areas: Governance & Organization, Risk Management Strategy, Risk Management Activities, Report & Communication, Tools & Technology and Culture & Capabilities. From the measurement of maturity levels of the implementation of ERM, it can be concluded that ERM system and its implementation in the Company is still in the phase of development and the system and implementation of which need to be developed.

Business Development and Risk Monitoring Committee Meeting (January–April 2013)

No	Name	Position	Attendance	Number of Meetings	Level of Attendance
1	Peter F. Gontha	Chairman	14	19	73%
2	Bambang Wahyudi*	Vice Chairman	17	19	89%
3	Asril F Syamas	Member	19	19	100%
4	Ahmad Ridwan Dalimunthe	Member	19	19	100%

*Based on AGMS dated 26 April 2013 is no longer served as a Commissioner

Business Development and Risk Monitoring Committee Meeting (May–December 2013)

No	Name	Position	Attendance	Number of Meetings	Level of Attendance
1	Peter F. Gontha	Chairman	20	26	76%
2	Bagus Rumbogo*	Vice Chairman	13	26	50%
3	Chris Kanter*	Vice Chairman	12	26	46%
4	Asril F Syamas	Member	23	26	88%
6	Ahmad Ridwan Dalimunthe	Member	25	26	96%

*) Based on AGMS dated 26 April 2013 is appointed as a Commissioner. Subsequently appointed as Deputy Chairman of Business Development and Risk Monitoring Committee as Supporting Organ for the Board of Commissioners of PT Garuda Indonesia (Persero) Tbk based on BOC Decree No. JKTDW/SKEP/064/2013 dated 23 September 2013 and applies retroactively since May 1, 2013

Audit Committee

The Company established the Audit Committee of PT Garuda Indonesia (Persero) Tbk to promote the consistent implementation of good corporate governance and adherence to prevailing rules and regulations. The Audit Committee carries out its duties and responsibilities, professionally and independently, in accordance with the applicable provisions, to assist the Board of Commissioners duties and functions of supervision over the accounting and financial reporting processes, audit, internal control, and implementation of corporate governance by the Board of Directors.

The Audit Committee has established a new Audit Committee Charter in 2013 according to the latest regulations from the Financial Services Authority (formerly Bapepam-LK) and the Ministry of State Owned Enterprises. The Board of Commissioners has signed the new Audit Committee Charter which valid since June 25, 2013.

With the enactment of the regulations from the Ministry of State Owned Enterprises, the scope of duties of the Audit Committee is expanded with tasks related to the Nomination and Remuneration per 23 September 2013.

The Audit Committee's duties and responsibilities are:

- A. Internal Control
 1. Reviewing the adequacy and effectiveness of Company's internal control, through:
 - Internal Auditor
 - External Auditor
 - Direct Observation
 2. Reviewing the adequacy of management efforts to follow up the recommendations of internal and external auditors.
 - monitoring the settlement of KAP and BPK findings.
 3. Evaluating the adequacy of management's efforts in developing the control culture.
 - Supporting the familiarization of control culture
 4. Reviewing and reporting to the Board of Commissioners on complaints relating to the Company, through:
 - Internal Auditor
 - Direct Hearing with Whistleblower
 - Whistle Blowing System

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5. Providing recommendations on improving the management control system and its implementation.
 - Related to System and Information Technology
 - Related to system of procurement of goods and services from parent entity and subsidiaries
 - Related to consolidation of the Company's financial.
 6. Reviewing procedures to make sure there has been any information released to the Company.
 7. Reviewing information about the Company, the Long Term Plan, Work Plan and Budget, Management Reports and other information.
- B. Financial Statements**
1. Reviewing the annual financial statements and ensuring whether the report is complete and consistent with the previous financial information, at least assessing the Overview of Financial Statements (Financial Highlights), Report of the Board of Directors and the Board of Commissioners, including ensuring that the financial data presented in the annual report has been audited/reviewed by external auditor.
 2. Reviewing the audit results on the financial statements by external auditor.
 3. Reviewing the financial statements and discuss with the Board of Directors, internal and external auditor prior to issuing/publishing the report to the Government (regulators) or other parties.
 4. Reviewing the issues in the financial statements presented by the professional and Government (regulator).
- C. Internal Audit**
1. The Audit Committee evaluates the adequacy of the Internal Audit Charter and provides input for improvement
 2. Assessing the planning, execution, result, and effectiveness of follow-up of result of the internal audit.
 3. Reviewing the internal audit reports submitted to the Board of Commissioners.
 4. Promoting the involvement of internal auditors in the supervisory function.
- D. External audit**
1. Selecting and making recommendations on the appointment of independent external auditor to audit the Company's consolidated financial statement and propose the audit service fee.
 2. Reviewing the audit scope and approach used by the external auditors, and ensuring that there are no restrictions on the scope which may obscure or bias the audit results.
 3. Reviewing the audit results and the adequacy of the management in following up the results from the external audit.
 4. Assessing the quality of external auditors' the performance and making recommendations to the Board of Commissioners relating to the appointment of the external auditor.
 5. Reviewing the adequacy of external audit coverage, including audit planning.
 6. Providing inputs to subsidiaries in assessing the independence of the external auditor candidates for subsidiary.
 7. Coordinating with the Audit Committee of the subsidiary to carry out audit supervision.
- E. Rules and Regulations**
 Providing direction for the Company to comply with the laws and regulations in the relevant field and other legislation relating to the activities of the Company.
- F. Code of Conduct**
 Providing inputs to the Company in disseminating and making effective of such Code of Conduct to all components of the Company.
- G. Nomination**
 Evaluating the criteria and candidates for the BOD of subsidiaries.
- Others**
1. Conducting business trip to the Company's representatives
 2. Evaluating the implementation of Data Recovery
 3. Coordinating with the other Committee such as Committee of Business Competition and Risk Policy to strengthen the implementation of corporate governance.
 4. Performing assessment task from the Board of Commissioners on the Corporate Action Plan.
- Biography of the Audit Committee**
 Brief biography of the Audit Committee is described in the Corporate Data section in this annual report.
- Independence of Audit Committee Members**
 The Audit Committee is chaired by an Independent Commissioner, with two members which are professionals from outside the Company with expertise in accounting and finance.

The Audit Committee's member does not have business or share ownership in any company which has business relation with the Company. The tenure of the member of the committee is 2 (two) years and may only be extended once. The Audit Committee carries out its duties and responsibilities in a professional and independent manner.

Number of Meetings and Level of Attendance of Audit Committee

No	Name	Level of Attendance			Total
		Internal Meeting	Management Meeting	Other Meeting	
1	Betti S. Alisjahbana	6	28	10	44
2	Wendy Aritenang	-	2	2	4
3	Chaerul D. Djakman	6	27	9	42
4	Prasetyo Suhardi	6	21	13	40

Total Number of Audit Committee Meeting in 2013 : 48 times

Corporate Secretary

Main Duty & Function of Corporate Secretary

Essentially, the main responsibility of the Corporate Secretary of the Company is to ensure the public Company's compliance to all prevailing rules and regulations which are applicable and relevant to the Company's business.

In particular, the Corporate Secretary is in charge to provide advices to the Board of Directors of the Company in ensuring the compliance to the capital market rules and regulations.

In performing these duties, the Corporate Secretary shall stay up to date on every development in legislation, especially in the capital market sector (Bapepam-LK Regulation No. IX.I.4). On the other hand, the Corporate Secretary shall act as liaison between the public company, OJK (previously known as Bapepam-LK and public investors or investors. In addition, the Corporate Secretary shall provide all material information in relation with the status and condition of the Company required by the investors. To this end, Indonesia Stock Exchange (IDX) Regulation No. I-A requires the IDX listed companies to appoint a Corporate Secretary and provide access to all material information about the relevant public company to conform with the principles of information disclosure and transparency.

For the same intention and objective, the obligation to establish the Corporate Secretary function also applies to the Company as state-owned enterprise, as governed in the Regulation of Minister of State-Owned Enterprises No. 01/2011. Those roles and responsibilities are applicable not only to the Company but also to its Subsidiaries.

VP Corporate Secretary Biography

Ike Adriani was appointed as VP Corporate Secretary since October 2009 based on Decision Letter of the President & CEO No. JKTDZ/SKEP/50056/09. The prevailing regulations limit the term of office of the Company's structural officials to a maximum of 5 (five) years and can be extended for a maximum of 3 (three) more years. Prior to her appointment, she worked at PT XL Axiata, Tbk. (formerly PT Exelcomindo Pratama, Tbk.) since 2005, with her last position as Corporate Secretary and Head of Legal & Governance Management Division. Ike Andriani was born on July 9, 1971. Earned a Bachelor degree in Law from Universitas Katolik Parahyangan, Bandung, in 1994.

Corporate Secretary Responsibility

Based on the IDX Regulation No. I-A and the Regulation of Minister of State Owned Enterprises No. 01/2011, the responsibility of Corporate Secretary includes:

1. Ensuring that the Company complies with regulation on the disclosure requirement in accordance with the application of GCG principles;
2. Providing material information to the Board of Directors and the Board of Commissioners periodically and/or at any time if requested;
3. Preparing a special register in connection with shares ownership and business relations of the Board of Directors, Board of Commissioners and their family member in the Company, which may cause a conflict of interest;
4. Preparing the Company's Shareholders' Register, which shall contain all the parties who owned at least 5% shares of the Company;
5. Becoming liaison officer between the Company and public;

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6. Attending the Board of Directors meeting;
7. To be responsible for the implementation of the GMS of the Company; and
8. To administer and hold the Company's documents, including but not limited to the Shareholders' Register, Special Register and Minutes of Board of Directors Meeting, Board of Commissioners Meeting and General Meeting of Shareholders (GMS).

The Corporate Secretary is appointed and dismissed by the President Director based on the internal mechanisms of the Company with the approval of the Board of Commissioners (Article 29 (3) of the Regulation of Minister of State Owned Enterprises No. 01/2011). Under the Articles of Association, the Board of Directors is authorized to select and appoint a Corporate Secretary. Currently, the Corporate Secretary is established based on the Decree of EVP HRD and General Affairs No. JKTDI/SKEP/50030/13 dated May 24, 2013.

The 2013 Performance of the Corporate Secretary

1. To ensure that the Company complies with regulations on disclosure requirements in accordance with the application of the GCG principles, the Corporate Secretary has prepared and timely submitted material information required by the Capital Market to the Financial Services Authority (OJK) in a timely manner and made public disclosure on the material information required to conform with the capital market regulation in timely manner.
2. To be responsible for the Execution of GMS, the Corporate Secretary has prepared and coordinated the execution of the 2013 Annual General Meeting of Shareholders. The execution of the GMS is in accordance with the regulation of the Financial Services Authority (OJK) and the Articles of Association.
3. To attend the Board of Directors Meeting
 In 2012, the Corporate Secretary has completed a total of 35 Minutes of the Board of Directors meetings. The Corporate Secretary ensures the availability of the documentation of the Minutes from Board of Directors and Board of Commissioners Meeting, and the General Meeting of Shareholders.
4. As liaison officer between the Company and Public, Regulator and Shareholders
 The Corporate Secretary maintained relationship with the Ministry of SOEs (as the holder of Series A Dwiwarna Shares), the Ministry Transportation and the Ministry of Finance.
5. To administer and hold the corporate documents, including but not limited to the Shareholders' Register, Special Register and Minutes of Board of Directors Meeting, Board of Commissioners Meeting and GMS.

In 2013, the Corporate Secretary has performed the following:

- a. Undertook compliance measures on corporate action, including capital markets, Articles of Association, Board Manual.
- b. Reorganized the Corporate Secretary
- c. The completion of the establishment of a subsidiary in France, related to aircraft lease.
- d. Concerning fairness of opinion, appointed KJPP for Garuda stock assessment and acquisition of AWS gate.
- e. Provided opinions and alternatives related to the transfer of the operation of Turbo Propeller aircraft from Citilink to Garuda.
- f. Performed internal review related to strategic partnership with Citilink

The Performance of Corporate Secretary in 2013 in Accordance with Duties and Functions Set by the Company

1. The Board of Directors' Decree
 The Corporate Secretary has ensured that the issuance of the Board of Directors Decrees is in accordance with the Company's mechanism and that the content of such decree is in accordance with the rules and regulations. In 2013, the Corporate Secretary has examined and ratified 100 Board of Directors' Decrees.
2. Agreement/Contract
 The Corporate Secretary is also responsible to legalize all agreements made by the Company and received by the Corporate Secretary. In 2013, 1290 agreements were legalized, an increase of 14% compared to 2011. The scope of the agreements are as follows:
 - a. Aircraft
 Agreement related to aircraft, including aircraft purchase agreement, aircraft lease agreement and wet lease agreement for Hajj Pilgrimage.
 - b. Aircraft Engines
 Agreement related to aircraft engine including engine lease agreement, engine maintenance agreement.

- c. Information Technology
Information Technology agreement including agreement related to technology (software), procurement of hardware, system information network and communication and consultation.
- d. Financial
Financial agreement including agreement related to cooperation with bank, loan agreement, insurance and agreement with the International Swap & Derivatives Association Inc.
- e. Trading
Trading agreements including agreement related to the ground handling, corporate sales, co-branding, Frequent Flyer Program and airport facility.
- f. General
General agreement including agreement related to fuel, office space rental, outsourcing, building construction, vehicle rental, accommodation for crew and pilot.

The number of agreement which was legalized significantly increase compared to the previous year, in line with the increasing number of business transactions and operations conducted by the Company, among others, relating to the procurement of aircraft, cooperation agreement with the airline alliance members (+/- 18 airlines) regarding codeshare, airport lounges, frequent flyer and other bilateral agreements related to SkyTeam, several other agreements in line with the Quantum Leap program, as well as sublease agreements of the aircraft lease agreements.

Internal Audit

Pursuant to Article 67 of Law No. 19 dated 19 June 2003 on SOEs and Attachment of the Decision of the Chairman of Bapepam-LK No. Kep-496/BL/2008 on the Formation of and Guidance of the preparation of Internal Audit Unit charter, Internal Audit is an independent and objective assurance and consultation activity designed to add the value of and improve the operations of the Company, through a systematic methodology by evaluating and improving the effectiveness of risk management, control, and corporate governance processes.

Pursuant to Article 28 of the Minister of State-Owned Enterprises Regulation No. PER-01/MBU/2011 on the Implementation of Good Corporate Governance in the State-Owned Enterprises, that the Board of Directors shall perform internal control activities by:

- a. Forming the Internal Control Unit;
- b. Preparing Internal Control Charter.

The internal control function as referred in the item a above, shall include the following:

- a. Evaluation on the effectiveness of internal control, risk management and corporate governance processes, in accordance with legislation and company policy.
- b. Examination and assessment on the efficiency and effectiveness in finance, operations, human resources, information technology, and other activities.

The Company has established the Internal Control Unit under the name of Internal Audit Unit.

VP Internal Audit Biography

Sri Mulyati served as the VP Internal Audit since May 2000. She began her career in Financial and Development Supervisory Board in 1984, with the latest position as Head of Supervision of Foreign Oil Contractors. She was born in June 2, 1956, and graduated from Universitas Airlangga Surabaya, majoring Accounting Economy in 1982, she has taken various courses and trainings in accounting and audit from various domestic and overseas institutions.

The Appointment of VP Internal Audit

The appointment of Sri Mulyati as VP Internal Audit was referred to Minutes of Meeting of Human Resource Committee (KSDM) of the Board of Directors of PT Garuda Indonesia (Persero), Tbk. No. JKTDZ/BA-SKSDM/SEKR/006/12 dated 29 May 2012, resulting the decision to appoint Sri Mulyati as PKWT with position title VP Internal Audit effective since June 3, 2012. Consequently, the Minutes of the Appointment of VP Internal Audit is included in the Specified Term Employment Contracts between PT Garuda Indonesia (Persero) Tbk and Sri Mulyati with Agreement No. Garuda/JKTDI/91207/DA/PKWT/12 dated 3 June 2012.

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Internal Audit Charter

The Company has enacted an Internal Audit Charter which contains:

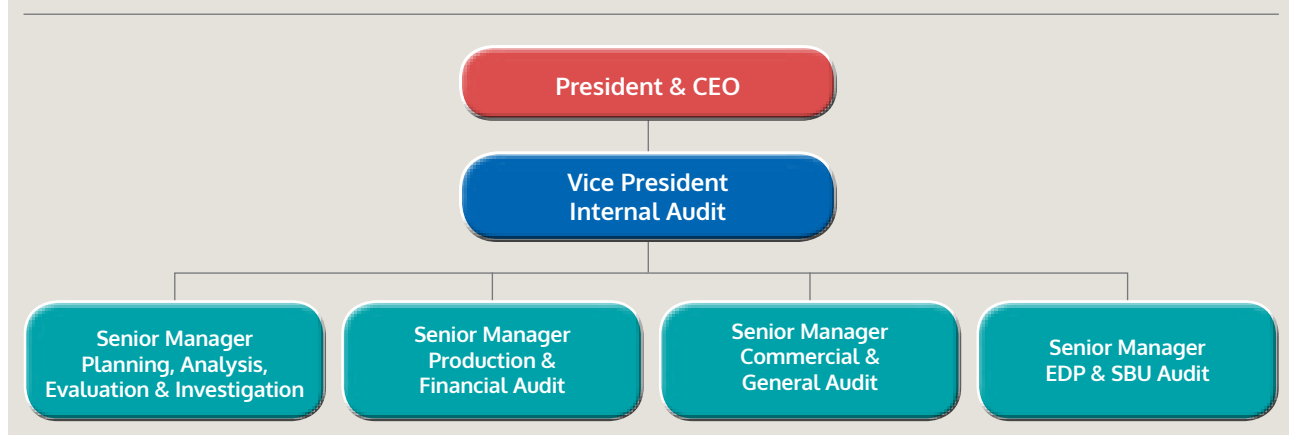
- The structure and position of Internal Audit Unit.
- Duties and responsibilities of Internal Audit Unit.
- Provisions of Internal Audit Unit.
- Criteria for auditor in the Internal Audit Unit.
- Accountability of Internal Audit Unit.
- Quality control
- Code of Conduct of Internal Audit Unit

- Provide objective suggestions for improvement on the activities being examined, prepare examination report and submit the report to the President Director and the Board of Commissioners/Audit Committee.

Appointment and Dismissal of VP Internal Audit

- Head of Internal Audit Unit is appointed and dismissed by the President Director upon approval from the Board of Commissioners.

Internal Audit Structure



Number of Employees

In 2013, total number of employee in the internal audit unit is 34 employees consisting of 1 Vice President, 4 Senior Manager and 27 auditors and 2 secretaries.

Task Descriptions

- Perform examination to ensure that internal control, risk management and corporate governance process have been implemented in accordance with prevailing rules;
- Perform examination and assessment on the efficiency and effectiveness in finance, accounting, operations, human resources, marketing, information technology and other activities;
- Serve as the consultant, facilitator, and catalyst in assisting the Management and Auditee in achieving the Company's objectives as well as a partner for the External Auditor (BPK, BPKP, Audit Firm, Audit Committee, and others) in performing the oversight function;

- President Director can dismiss the Head of Internal Audit Unit, upon approval from the Board of Commissioners, in the event that the Head of Internal Audit Unit failed to meet the requirement of auditor of Internal Audit Unit as stipulated in this provision and or failed or incapable in performing his/her duties.
- Every appointment, replacement, or dismissal of the Head of Internal Audit Unit shall be informed to the Financial Services Authority (OJK).

Certification

In order to enhance the professional competence of the internal auditors, the Company has sent its personnel to participate in expertise training for auditor to be certified with QIA, CISA, CIA, Taxation and CFE, and gradually all auditors are required to attend such trainings/certification.

Internal Audit Unit Activity

Every year, VP of Internal Audit set up the Annual Audit Work Program (PKPT) of the Company and Annual Audit Budget. In performing its duties, VP of Internal Audit has the access to inspect Company's documents, records, personal, physical properties in all units in order to obtain data and information related to the implementation of audit duty. In addition, VP of Internal Audit is also obliged to implement corporate values in each activity in its office environment and consistently develop and supervise its implementation on all human resource in his working unit.

During 2013, the Company's Internal Audit has realized Annual Audit Work Program (PKPT) by conducting 43 audit programs including 14 audits to follow up on complaints from the Whistle Blowing System and other channels which constitute, the facility provided by the Company to receive reports and complaints from employees and the community.

IT application

- Evaluation on Skychain application
- Evaluation on implementation of IT Master Plan
- Evaluation on implementation of pricing strategy application
- Evaluation KMS & LMS application
- Evaluation ISMS application
- Evaluation New PSS application

Operation

- Evaluation on realization of RPP & Fleet Plan 2012-2013
- Audit on optimization of international route
- Audit on crew management
- Audit on optimization of CRJ Aircraft usage

Technical

- Audit on operational of SLA compliance on aircraft maintenance by GMFAA
- Audit on the management of technical inventory and rotatable Part
- Audit on MR claim
- Audit on the management of non-aircraft fixed asset

Commercial

- Audit on channel distribution
- Audit on management of promotion and marketing program
- Evaluation on the compliance of SkyTeam member
- Evaluation on pre-flight services
- Audit on procurement of PT Aerofood Indonesia
- Audit on the management of corporate account
- Audit on procurement of goods and services.

Financial

- Audit on business payables
- Audit on insurance
- Audit on Partnership & Environmental Development Program (PKBL)
- Audit on IT expenses
- Accountability of advance payment

Branch Office

- Audit on Branch Office totalling 10 Audits

SBU & Subsidiaries

- Audit on Citilink
- Audit on PT Abacus DSI

Personnel

- Audit on the human capital management

Special Audit

- Audit on Garuda CSC on Soekarno-Hatta airport
- Audit on the use of corporate credit card
- Audit on compliance on certain provisions applicable to Citilink
- Audit on non-official trip of JKTC unit.
- Audit on suspect of bribery in Garuda Indonesia Cargo
- Audit on complaint from GA-410 passengers
- Audit on the utilization of corporate operational car
- Audit on flights during Idul Fitri
- Audit on abuse of position in BO of Gorontalo
- Audit on irregularity in medical spending in GSM
- Audit on problems in the renovation of BO of Kendari
- Audit on utilization of office car in BO of Jakarta
- Audit on Consortium Rate for JKT- HKG (return ticket) route
- Audit on placement of FSM Homebase UPG

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Aside of conducting such audit work program, the internal audit unit also prepared other work program which include the following:

- a. Conducting sharing session on the experience during audit process and on the knowledge gained from training/workshop. In 2013, 15 sharing sessions were conducted which cover;
 - 12 sharing sessions were conducted for internal audit unit.
 - 3 sharing sessions on the management of internal audit unit and special audit based upon report from WBS were conducted together with the Inspectorate of the Directorate General of Tax, PT Semen Padang and PT Pupuk Kaltim.
- b. Reviewing Internal Audit Charter based on the Chairman of BPPM & LK Decree No. KEP-496/BL/2008 dated November 28, 2008 and reviewing standard of profession of internal audit and other SOP in accordance with the corporate documents standard.
- c. Coordinating with the Audit Committee on regular basis, in aligning the work program, evaluating its execution including to discuss current issue in the company, and discussing the Company's performance report.
- d. Implementing the continuous education program (PPL) and auditor certification program at national level (QIA) as well as International level (CIA, CISA, CFE), and a number of workshops and other trainings.
- e. As a partner of the External Auditor, namely KAP, BPK and BPKP in order to expedite the audit process.
- f. To coordinate on regular basis with the working units to follow up external audit and internal audit (SPI) reports.

Internal Control

The internal control system applied in Garuda Indonesia is established with reference to the integrated framework for internal control developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which consists of five interrelated components including Control Environment, Risk Assessment, Control Activities, System Information & Communication and Monitoring.

In implementing effective internal controls in running business operations, the Company conducted the following:

1. In control environment, through:
 - a. Enforcing integrity (integrity fact), applying the values of corporate culture (FLYHI) and implementing the Business Ethics & Code of Conducts.
 - b. Establishing the Company's organizational structure and its description, adapted to the needs of the Company.
 - c. Dividing tasks and responsibilities at the level of the Board of Directors, the Executives, the supporting divisions, and Business Unit Strategy, including the implementation of standard operating procedure in all business conduct.
2. In control activities through
 - a. Adopting the Performance Management System to set the Corporate KPI, unit KPI and individual KPI.
 - b. Utilizing Information Technology System to support the Company's operation and the reliability of information
 - c. Establishing and implementing IT Policy, including IT Governance etc.
 - d. Implementing disclosure of information system to customers and employee, among others through Whistleblowing System (WBS) and Gratuities Report.
 - e. Implementing the Labor Contract Agreement (PKB)
 - f. Conducting online employee recruitment and involving independent consultant
3. The Company has established ERM unit to be in charge in identifying, measuring, and applying priority on risks related with the Company's operation and units' operation as well as monitoring its implementation on regular basis.
4. The Company's policies are communicated through intranet web, in writing, directly through supervisors and through manual. Communication for external parties, such as complaint, was carried out through web provided by the Company.
5. Monitoring and Evaluating the effectiveness of internal control as a whole at all levels, including the Board of Commissioners, the Board of Directors, division heads and units, conducted annually, quarterly, monthly, weekly and daily, at least include:

- a. Ensuring optimization and efficiency in budgeting and its realization, applied to all functions.
- b. The attainment of corporate and unit KPI, covering financial and non financial aspects.
- c. Report on compliance level in every items, including mandatory items, as required by the Company's standard as well as international standard; among others technical standard and flight aviation safety standard.

Public Accountant

Independent supervisory function on the financial aspect of the Company was carried out by the Public Accountant Firm, namely the Public Accountant Firm Osman Bing Satrio and Eny (Member of Deloitte Touche Tohmatsu Limited), with office address at The Plaza Office Tower 32nd Floor Jl. M.H. Thamrin Kav. 28-30 Jakarta 10350. The Accountant Firm was appointed as the Independent Auditor to audit the financial statements, and financial statement of PKBL, for the year ended December 31, 2013 with a total fee of Rp 1,784,000,000 and review services on the consolidated financial statement for 6 (six) month for the period of 30 June 2013 with fee of Rp 1,625,000,000.

The Public Accountant Firm Osman Bing Satrio and Eny has performed the audit on the annual consolidated financial report of Garuda Indonesia for 2 (two) fiscal years in a row, namely fiscal year 2013 and 2012, while the Public Accountant Firm Osman Bing Satrio and Partners Eny has performed the audit on the annual consolidated financial report of Garuda Indonesia for 3 (three) fiscal years in a row, since 2009, 2010 and 2011.

Public Accountant Drs. Osman Sitorus from KAP Osman Bing Satrio and Eny has performed the audit on the Annual Consolidated Financial Statement of Garuda Indonesia for 1 (one) fiscal year, namely for fiscal year ended 31 December 2012, while Public Accountant Muhammad Irfan from KAP Osman Bing Satrio & Partners has performed the audit on the Annual Consolidated Financial Statement of Garuda Indonesia for 3 (three) fiscal years 2009, 2010 and 2011, and Public Accountant Muhammad Irfan from KAP Osman Bing Satrio & Eny for 1 (one) fiscal year 2013.

In addition to conducting audit on the Company's financial statements and its PKBL financial statements, KAP Osman Bing Satrio and Eny also performed professional services for review of Consolidated Financial Statements for the fiscal period of June 30, 2013.

Share Registrar Bureau

The recording, publishing and distribution of list of shareholders, to the Company as well as to the Indonesian Central Securities Depository (KSEI) with regard to shares that have been recorded on the list of shareholders under the name of KSEI, are performed by PT Datindo Entrycom whose office address is Jl. Jend. Sudirman Kav 34-35, Jakarta 10220, for a total fee of Rp 33,000,000 for the period of March 2012 - February 2013.

Risk Management

Indonesia's aviation industry is growing rapidly from year to year and is named as the third largest in the world in 2012. Such a rapid development is also followed by the growing potential risks such as those derived from changes in the macro environment factors, such as fluctuation in fuel prices and the lack of infrastructure that contribute in increasing operational costs. In addition, competition has also become an additional obstacle that must be faced by airlines.

In general, the risk imposed on the airlines companies will have an impact on operations, customers, enterprise value, security and safety. The emergence of uncertainty (risk) faced by airlines companies is one of the main reasons of the growing importance of the implementation of the Enterprise Risk Management (ERM) in building excellent airline companies. With the implementation of risk management in every part of the Company, it is expected that the risks can be managed and controlled effectively and efficiently so as not to hamper the Company's effort to achieve its targets.

Integration with Corporate Risk Management Strategy

The integration and automation of risk control and risk management process with performance optimization process have become the Company's program in increasing the level of enterprise risk management maturity. The integration can be achieved by having the risk management embedded in corporate strategy, so that every decision made has taking into consideration the uncertainty in business world.

Corporate Governance

Throughout 2013, the Company has implemented risk management in its strategic initiatives, with the objective of giving an overview of potential risks so that the Company can mitigate the risk and keeping the achievement of the expected targets.

Integration of Risk Management with Subsidiaries

To support the implementation of risk management in its subsidiaries, the Company has taken some initiatives, such as integration of risk management framework and risk profile for parent entity as well as for subsidiary. In the effort to accommodate the integration, the Company has established a risk management forum with subsidiaries in 2013.

Key Risks and Risk Mitigation in 2013

To cope with uncertainty, the Company manages and controls the key risks that have been identified throughout the year 2013, including the following:

1. Fuel Price Fluctuation

Fuel supply and fuel prices have significant impact on operating expenses and operating results. In general, price fluctuation is influenced by geopolitical issues and subjects to the law of supply and demand. Fuel availability also depends on market situation and market demand.

The Company has implemented hedging policy on fuel during 2013, for both Hajj operation and regular flight. 97% for Hajj operation and 9% for regular flights. By implementing hedging policy, the Company managed to reduce the cost of fuel up to 2% lower than the market price. In addition, the Company also undertake Fuel Conservation Program in order to reduce fuel costs.

2. Failure of the Information Technology System Against the Corporate Business Achievement

In 2013, the Company has implemented a new information technology system, namely PSS Altea for reservations, inventory and ticketing as well as its integration with DCS. The new system is expected to boost the effectivity and efficiency of the Company's operations.

Currently, the Company's operation relies heavily on the reliability of information technology, both in terms of application, network and infrastructure. This dependency poses a great potential risks arising from the possibility of failure of information technology systems to support the achievement of the Company's business objectives. In addition to directly disrupt the Company's operations, it also poses the risk of disruption of the Company's reputation.

Several initiatives have been made by the Company in maintaining the reliability and availability of information technology systems, among others:

- Upgrading the infrastructure to suit the needs of the new PSS, in terms of bandwidth, reliability and security.
- Conducting Join Planning Session between IT Strategy Unit and Asyst to promote cooperation and to plan ahead for IT products to be delivered to Unit.

3. Liquidity

Failure to achieve the planned targets, related to cash flows, may result in the disruption of the Company's ability to finance its operation. It may be caused by shortfall of sales or significant unplanned expenditures.

Several initiatives have been made to maintain the Company's liquidity, among others:

- Improve control over the performance of the Company and its subsidiaries
- Taking commercial loan
- Issuing bonds

4. Limitations in Recruiting, Training and Retaining Pilots and Cabin Crew

Company increased its production capacity in 2013, along with the expansion of its fleet. The increase was made in keeping up with the business growth and market needs. However, the Company has to face significant constraints, particularly in fulfilling human resources need, namely pilots and cabin crew, to support operational improvements.

The risk may arises due to the imbalance between supply and demand of pilots and cabin crew, limited number of instructors, high qualification standards

posed by the Company, and competition with competitors in recruiting pilots. Initiatives have been taken to overcome the constraint in recruiting, training and retaining pilots and cabin crew, by priorities Chief Pilot training to accelerate pilot qualification, recruiting ab initio on schedule, recruiting expatriate hire (licensed crew), and increase control of the pilot assignment to optimize operations and training.

5. Airlines Industry Competition

Competition in airline industry closely related to the market share gained by the Company, since movement in the market share is in correlation with the income generated. In addition, economic conditions and policies posed by the regulator also has a considerable influence on the increase in market share.

The Company's current position is very vulnerable to the emergence of new competitors or the expanding existing one in their efforts to enhance their dominance in the market. Therefore, the Company has undertaken some effective measures to face possible competition risks, among others:

- Intensifying domestic marketing programs for the purpose of value proposition (TV, radio, billboards, print advertisement)
- Expanding fleet and flight frequency
- Focusing marketing programs on First Class (for certain routes)
- Intensifying loyalty program by re-designing all cards (design, benefits, procedures, etc) and promotion of mileage bonus
- Determine the strategy of pricing policy
- Implementing New PSS (RIT) in early July 2013 and DCS began in September 2013.

6. Limited Airport Infrastructure

Currently, the rapid growth of the aviation industry lead to a shortage of airport infrastructure. Some airports in Indonesia has reached its maximum capacity, and even some major airports has beyond their capacity. Limited infrastructure may potentially interfere the achievement of the Company's operational targets, such as On-Time Performance, plan of expansion of routes, increased services, as well as endanger the security and safety of flight.

In reducing the likelihood and the impact of this risk, the Company has taken a number of initiatives, among others:

- Dedicated gate in Makassar, Surabaya, Balikpapan, and Denpasar
- Signing the MoU with Angkasa Pura II related to dedicated terminal for the Company

7. Obstacles in Expanding the Destination Coverage

The Company must address the obstacles in its effort to expand its domestic and international destination coverage, among others is the product. It relates to the readiness of the infrastructure in the new destinations, the availability of personnel on land and in the air who will serve these destinations, as well as the availability of flight slot and licence.

Other constraints are the market and segmentation. Market constraint includes matters relating to the readiness of marketing programs, promotion and distribution. While segmentation constraint includes the market projections, volume, projected traffic growth and the number of competitors.

The Company has undertaken initiatives to address the obstacles in expanding the destination coverage, including:

- Preparing accurate feasibility study.
- Creating rolling forecasts to reduce the gap between the actual and the Budget
- To coordinate with relevant parties such as the Ministry of Transportation regarding licensing issues.
- Conducting operational, technical, and commercial preparation.
- Expanding frequency and new routes.

8. Interest Rate and Currency Fluctuation

Fluctuation in interest rates and currency exchange rates may affect the Company's financial performance. The magnitude of fluctuations in the exchange rates affect the Company's income and expenses as well as the account payable. Such a high exposure was due to the fact that majority of its revenue was earned in Rupiah, while majority of expenditures was incurred in foreign currencies.

Corporate Governance

The increase in exchange rate exposure to fluctuation also affect the interest rate expenses, especially when floating interest rate is applied.

The Company prudently manages the risk of interest rates and exchange rates through mechanisms such as:

- Hedging
- Applying fixed rate scheme

9. Capital and Operating Expenditure Overrun (Capex & Opex Overrun)

The Company's massive expansion requires high capital expenditure. The main increase in expenditure comes from the increase of investment in buildings and equipment needed to support the Company's performance. The higher value and level of complexity of the investment, the higher its risk exposure.

The amount of operating expenditure is directly proportional to the Company's operations, but sometimes it is not in line with the amount of revenue generated and that might causing the gap and adding pressure.

To reduce the magnitude of exposure due to the excessive expenditure, the Company undertakes the following:

- The approval of budget realization is focused on activities that support the Company's strategies
- Strengthening the oversight on the approval of the realization of the expenditure associated with the achievement of revenue
- Approval of Capex/Opex refers to the approved budget
- To coordinate with relevant units to monitor the availability of the Company's cash flow

10. Failure to Provide Aircraft on Schedule

The complexity of aircraft procurement, in terms of documentation, technical issues, and other relevant things, may interfere with the Company's ability in

providing the aircraft on a predetermined schedule. The delay may affect the Company's plan to develop network and increase revenue.

The Company has increased the anticipation of potential failure to provide aircraft on schedule through the following initiatives:

- Using fleet plan as a reference in determining the arrival of aircraft.
- Improving coordination with all relevant units in aircraft procurement process.

Activities to Improve Risk Management

1. Review of Annual Risk

During 2013, the effectiveness of risk management have been reviewed on a regular basis (quarterly) by Enterprise Risk Management (ERM) unit. Each PIC unit, called PRO Team (Team Performance and Risk Officer) involves in review through workshops, focus group discussions, and the sharing session.

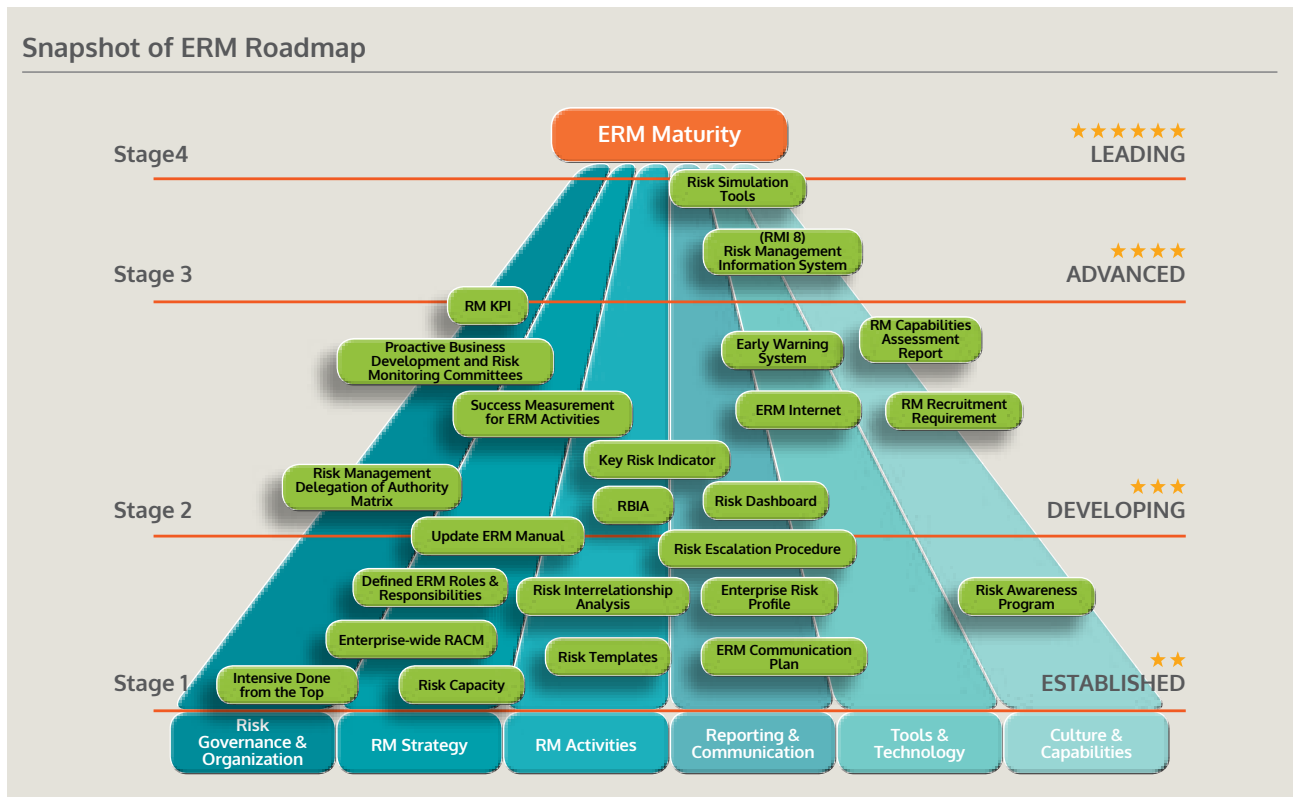
In addition to regularly review risk management, ERM unit along with the PRO team also conduct review related to the possible emergence of new risks that have not been identified previously as well as ensuring the adequacy of mitigation measures to be undertaken.

2. Stages of ERM Implementation

To better achieve the Company's objectives in the future through the implementation of ERM, it is necessary to have clear stages of ERM implementation each year. The stages are described in Snapshot of ERM Roadmap as follows :

The improvement on the six pillars in accordance with the ERM Roadmap (covering risk governance and organization, risk management strategy, risk management activities, reporting and communication, tools & technology, culture and capabilities) is expected to increase the level of maturity of risk management implementation.

Snapshot of ERM Roadmap



Corporate Social Responsibility (CSR) Programs

The description on the environmental preservation activities; employment, health and occupational safety, as well as community development is presented in a separate chapter of Corporate Social Responsibility in this Annual Report.

Significant Litigation Cases

From time to time, the Company tries to solve the third party's claim related to Company's operational and business activities with the best way for both parties. Below is the list of significant litigation cases until 2013, in which the Company was involved:

- On August 6, 2004, the Company and PT World Simulator Technology (WST) entered into a Space Rental Agreement on Area for Simulator and Supporting Facilities whereby the Company agreed to rent its simulator area and supporting facilities located at SBU Garuda Indonesia Training Center to be used for the installation of Full Flight Simulator B737-200 Level D Six Axis owned by WST.

As the Company is considered not in compliance with the agreement, on December 19, 2006, WST filed a lawsuit in the Central Jakarta District Court against the Company upon event of default and for committing illegal act.

On June 4, 2007, the Central Jakarta District Court issued verdict accepting the claim of WST and ordered the Company to pay to WST the amount of USD 1,360,800 and Rp 1,590,000,000. On August 21, 2008, the DKI Jakarta High Court decided to uphold the verdict of the Central Jakarta District Court and ordered the Company to pay USD 1,984,500 and Rp 1,590,000,000. The Company filed a cassation on November 7, 2008. On March 4, 2010, the Supreme Court issued a decision rejecting the request for cassation filed by the Company. As a result, based on agreement between the Company and WST, on January 28, 2011, the Company has paid to WST amounted to IDR 590,000,000 and USD 1,984,500. On July 15, 2011, the Company paid the remaining claim in the amount of Rp 1,000,000,000.

Corporate Governance

Although the Company has complied with all of the obligations under the decision of the Supreme Court, the Company still filed a judicial review to the Supreme Court that was registered with the Central Jakarta District Court on November 19, 2010. On March 20, 2013, the Company received the decision on judicial review No. 267 PK/PDT/2011 dated March 20, 2013 which decided to reject the request of the Company.

2. On December 17, 2007, the Company received Notice to Furnish Information and Produce Document from the Australian Competition and Commerce Commission ("ACCC") related to allegation of price fixing cartel with other international airlines on Cargo Fuel Surcharge. Currently, the case is still under examination by Federal Court of Australia.
3. On November 16, 2009, the Company received a Notice of Advance Proceeding from the Commission for the Supervision of Business Competition ("KPPU") related to allegations of price fixing cartel on Fuel Surcharge of Domestic Tickets.

On May 4, 2010, KPPU has decided the case and declared that the Company is guilty of the charge and ordered the Company to pay a fine in the amount of Rp 25 billion and compensation in the amount Rp 162 billion.

On June 17, 2010, the Company appealed to the court of appeal at Central Jakarta District Court. On February 28, 2011, the Central Jakarta District Court granted the objection by the Company and cancelled the KPPU Decision on May 4, 2010 and ordered KPPU to pay the court fee.

KPPU has filed cessation to the Supreme Court on the decision of Central Jakarta District Court. The Company also filed a counter memorandum of cessation on April 27, 2011. In connection with the cessation filed by the KPPU regarding the alleged price-fixing cartel on fuel surcharge for domestic ticket, the Company, on May 29, 2013 has received the derivative of Decision No. 613K/pdt.Sus/2011 dated February 27, 2012, which stated that the Indonesian Supreme Court rejected the appeal of the KPPU. This ruling was binding and legally enforceable.

4. On August 8, 2008, GMFAA, subsidiary, the Company and State Minister of State-owned Enterprise faced a lawsuit claim from PT Metro Batavia (MB) for: (1) unused cycles amounting to USD 73,215,579 (or equivalent to Rp 673,583,333,330) (2) material loss amounting to Rp 500,000,000 each day and USD 50,000 (or equivalent to Rp 460,000,000) every month starting October 23, 2007 until the aircraft is able to be operated (3) immaterial loss amounting to USD 10 million (or equivalent to Rp 92 billion) and (4) repairs on engine failure. The lawsuit claims arise from the declaration that GMFAA has conducted a breach of contract in relation to the warranty given by GMFAA regarding the replacement and installation of bearing in 5 engine ESN 857854 owned by MB.

In relation to this case, GMFAA has filed counterclaims lawsuit against MB for failure to fulfil the obligation to pay GMFAA for such engine replacement and installation services of USD 256,266 and interest amounting to 6% per annum starting July 15, 2008 until the judgement is final and binding.

On March 11, 2009, the District Court of Central Jakarta has decided to reject MB's claims against GMFAA and accepted the counterclaim from the GMFAA amounting to USD 256,266 with interest 6% per annum calculated from November 17, 2007.

On May 18, 2009, MB filed a statement of appeal to the High Court of Central Jakarta. As a response on July 16, 2009, GMFAA filed a statement of counter appeal. On January 15, 2010, the High Court rejected MB's appeal. MB then filed an appeal to the Supreme Court of the Republic of Indonesia dated March 25, 2010. GMFAA filed a counter appeal dated May 17, 2010. At the issuance the date of the consolidated financial statements, Supreme Court has not yet issued a decision in the appeals. On February 22, 2013, GMFAA has received notice of the decision of the Supreme Court of the Republic of Indonesia, which decided to reject the appeal MB. A copy of the decision is received by GMFAA on April 15, 2013.

Management believes that the demand for compensation does not materially affect the financial statements and activities of GMFAA.

5. On September 25, 2008, GMFAA has filed claims of compensation against PT Metro Batavia (MB) for: (1) payment of MB's debt to GMFAA amounting to USD 1,191,615, (2) interest on MB's debt amounting to 6% per annum on debts starting July 15, 2008 until the judgement is final and binding and (3) payment of loss amounting to USD 200 million.

On April 22, 2009, the District Court of Central Jakarta decided to accept the claim from GMFAA amounting to USD 1,191,615 with interest of 6% per annum, calculated since July 15, 2008 and GMFAA loss amounting to USD 500,000. The Court also declared the security of attachment of 4 airplanes owned by MB.

On April 28, 2009, MB has filed a statement of appeal to High Court of Central Jakarta. As a response, on August 19, 2009, GMFAA filed a statement of counter appeal. On October 30, 2009, the Jakarta High Court issued a ruling that rejected an appeal MB.

On March 25, 2010, MB has filed a statement of Cassation to the Supreme Court of the Republic of Indonesia for the Appeal Verdict No. 504. As a response, GMFAA filed a statement of counter cassation on July 29, 2010. The Supreme Court has issued the verdict rejecting the appeal from MB. The Company has received notice of the decision from the Supreme Court on April 15, 2013.

6. On August 4, 2010, Hutomo Mandala Putera ("Tommy Suharto") submitted a claim against several defendants, including the Company, in relation to the article published by in-flight magazine, Majalah Garuda, December 2009 edition.

Tommy Suharto submitted a claim to the South Jakarta District Court and demanded payment for material and immaterial damages, as well as an apology from the Defendants, published in Majalah Garuda and several other national media. The Company has filed an objection to High Court of DKI Jakarta on June 1, 2011. The Company has also filed an objection memory to South Jakarta District Court on August 19, 2011.

On March 11, 2013, the Company received a notice of decision of the High Court of Jakarta dated October 24, 2012 affirming the verdict of the South Jakarta District

Court, accepting the Tommy Suharto's demand to the Company of Rp 12,500,000,000, - (twelve billion, five hundred million rupiah).

On March 22, 2013, the Company filed an appeal to the Supreme Court of the Republic of Indonesia through the South Jakarta District Court and has also submitted cassation memory on April 3, 2013. Currently, the case is still under examination by the Supreme Court of the Republic of Indonesia.

7. In 2012, Hotel Al Azhar filed amendment to the lawsuit to the Company, previously was filed on June 14, 2009 in the District Court of Jeddah, Saudi Arabia concerning the allegation of the breach of contract related to the accommodation for hajj pilgrims in event of flight irregularities. Al Azhar filed claim against the Company for payment of bills and compensation amounting to SAR 750,040 plus attorney fees amounting to SAR 100,000.

In the amendment to the lawsuit, Hotel Al-Azhar changed the claim to SAR 10,905,355 plus attorney fees amounting to SAR 100,000. Currently the case is still in process at the District Court of Jeddah, Saudi Arabia.

Potential Impacts on the Financial Condition of the Company

None of those legal cases have any material impact to the Company's financial condition.

Information Disclosure

As a Public Company that has listed its shares on the Indonesia Stock Exchange (IDX), Garuda Indonesia is obliged to submit Disclosure of Information to Public, as stipulated in the Bapepam Regulation No. X.K.1 Attachment to the Decree of the Chairman of Bapepam No. Kep-86/Pm/1996 on Disclosure of Information for Public and the Board of Directors of Jakarta Stock Exchange Decree No. Kep-306/BEJ/07-2004 on Regulation No. I-E on the Obligation to Submit Information. As of the end of December 2012, the Board of Directors has submitted 67 Information disclosure to IDX.

Corporate Governance

Press Release in 2013

No	Date	News
1	Sunday, January 13, 2013	GA Pilot Graduation Batch 9 and 10 from BIFA
2	Thursday, January 17, 2013	Garuda Indonesia Flight Operations during Jakarta Flood
3	Friday, January 18, 2013	Garuda extended the cancellation fee exemption policy
4	Sunday, January 20, 2013	Garuda Indonesia Named as the winner of "Asia Pacific Skyscanner Airline Food Awards"
5	Sunday, January 20, 2013	Asia Pacific Airline Food Awards 2012 (ENG)
6	Wednesday, January 30, 2013	GMF was Entrusted as the Care Center for the Products of B / E Aerospace
7	Wednesday, January 30, 2013	Expanding Its Capacity, GMF Built New Hangar
8	February 3, 2013	Garuda Indonesia to Fly Directly from Jakarta to London in Q4-2013
9	February 4, 2013	Miss Universe 2012 Olivia Culpo Visited Garuda Indonesia And Planted Tree
10	Thursday, February 14, 2013	Garuda Indonesia Won "The Best Airline" during the Hajj Flights Operation
11	Sunday, February 17, 2013	Garuda Indonesia Expanded Its Network to 6 New Destinations
12	Monday, February 25, 2013	Garuda Indonesia Launched "Garuda Indonesia and Liverpool FC Experience"
13	Friday, March 1, 2013	Garuda Mobile Ticketing Counter was Presented at Java Jazz 2013
14	Thursday, March 7, 2013	Garuda Indonesia Received "2013 Contact Center Service Excellence Award"
15	Wednesday, March 13, 2013	Garuda Indonesia Explanation on Passengers with Disabilities
16	Friday, March 15, 2013	Garuda Indonesia Launched "Wheelchair Transporter" Service for Passenger with Disabilities and Wheelchair Users
17	Friday, March 22, 2013	Garuda Indonesia Held Garuda Indonesia Bike Tour - Solo 2013
18	Saturday, March 23, 2013	Garuda Indonesia Again Supported Earth Hour 2013
19	Thursday, April 4, 2013	"Garuda Indonesia Gallery", the Largest and Most Comprehensive in Surabaya
20	Saturday, April 13, 2013	Garuda Indonesia held a seminar on disability
21	Monday, April 15, 2013	Garuda Indonesia Expanded Its Domestic Network by Opening New Routes
22	Thursday, April 18, 2013	Garuda Indonesia, Cita Tenun Indonesia (CTI) and METRO Dept. Store to Foster Weaving Community
23	Monday, April 22, 2013	Garuda Indonesia and ALAFCO Signed Cooperation Agreement on the Procurement of 2 Boeing 777-300ER with Sharia Principles
24	Wednesday, April 24, 2013	Garuda Indonesia Held "Golf Loyalty Tournament Series 2013"
25	Thursday, April 25, 2013	Garuda Indonesia Launched Garuda Orient Holidays (GOH) Taiwan
26	Friday, April 26, 2013	Garuda Indonesia Held the 2013 Annual General Meeting
27	Friday, April 26, 2013	PT Garuda Indonesia (Persero) Tbk. Held the 2013 Annual General Meeting (ENG)
28	Tuesday, April 30, 2013	GA Q1 2013 Performance
29	Tuesday, April 30, 2013	GA Q1 2013 Performance (ENG)
30	Wednesday, May 1, 2013	GA-GE Medical Drive (IND)
31	Wednesday, May 1, 2013	GA-GE Medical Drive (ENG)
32	Friday, May 3, 2013	Garuda Indonesia Officially Inaugurated Medan as the New Hub in West of Indonesia
33	Friday, May 3, 2013	Garuda Indonesia Officially Inaugurated Medan Hub (ENG)
34	Sunday, May 5, 2013	Garuda Indonesia Applies "Immigration on Board" Service On Shanghai - Jakarta Route (ENG)
35	Sunday, May 5, 2013	Garuda Indonesia Applies "Immigration on Board" Service On Shanghai - Jakarta Route (ENG)
36	Friday, May 10, 2013	Garuda Indonesia Launched "Crew Center" in Denpasar
37	Saturday, May 11, 2013	Held the "2013 Garuda Indonesia World Photo Contest (GAWPC)"
38	Monday, May 13, 2013	Garuda Indonesia Ready to Fly 112,688 Hajj Pilgrims Beginning September 10, 2013
39	Wednesday, May 15, 2013	Garuda Indonesia Flies Jakarta - Tanjung Pandan (Belitung) and Jakarta - Bengkulu
40	Wednesday, May 15, 2013	Coca-Cola Amatil Indonesia, Quiksilver and Garuda Indonesia Signed MoU
41	Thursday, May 16, 2013	Garuda Indonesia Launched Cargo Service Center (CSC) in Tangerang
42	Friday, May 17, 2013	Garuda Indonesia Flight Route Opens Bandung - Denpasar (w) Beginning May 18, 2013
43	Thursday, May 23, 2013	Garuda Indonesia Graduated BIFA Pilots Batch 11 & 12
44	Tuesday, May 28, 2013	Garuda Indonesia Received "2013 Indonesia Service Quality Award" and "2013 Indonesia Most Admired Companies"
45	Saturday, June 1, 2013	Garuda Indonesia Launched Medan-Penang Route
46	Saturday, June 1, 2013	Garuda Indonesia Launched Medan-Penang Route (ENG)

Press Release in 2013

No	Date	News
47	Friday, June 7, 2013	SBU Garuda Indonesia Cargo and "Jan de Rijk Logistics" Signed MoU on the Cooperation on Road Feeder Service in Europe
48	Friday, June 7, 2013	SBU Garuda Indonesia Cargo and "Jan de Rijk Logistics" Signed MoU on the Cooperation on Road Feeder Service in Europe (ENG)
49	Monday, June 10, 2013	SBU Garuda Indonesia Cargo and "Jan de Rijk Logistics" Signed MoU on the Cooperation on Road Feeder Service in Europe
50	Tuesday, June 11, 2013	Garuda Indonesia Issued Sustainable Phase I Bond 2013
51	Tuesday, June 18, 2013	Garuda Indonesia Named as the "World's Best Economy Class in 2013" from Skytrax during Paris Airshow
52	Thursday, June 20, 2013	Garuda Indonesia Paid Off US\$ 55 million in Syndicated Debt from Citi Club Deal
53	Saturday, June 22, 2013	Coca Cola, Quick Silver, GA Bali Beach
54	Sunday, June 23, 2013	Garuda Indonesia Deployed New Passenger Services System
55	Thursday, June 27, 2013	GA Together with the Government Inaugurated Education and Training for Cabin Crew in Makassar
56	Friday, June 28, 2013	Garuda Indonesia Launched Direct Flight Jakarta - Perth
57	Friday, June 28, 2013	Garuda Indonesia Launched Direct Flight Jakarta - Perth (ENG)
58	Monday, July 1, 2013	Garuda Indonesia Signed Mou of Cooperation with Bank Muamalat Indonesia
59	Monday, July 1, 2013	Garuda Indonesia Signed MoU with Bank Syariah Mandiri
60	Tuesday, July 2, 2013	Garuda Indonesia and the Ministry of Transportation Held International Green Aviation Conference 2013
61	Tuesday, July 2, 2013	Garuda Indonesia Received Boeing 777-300ER and Launched "First Class" Service
62	Thursday, July 4, 2013	Garuda Indonesia Cooperates with Indonesian Safari Park for Bali Starling Conservation and Preservation
63	Monday, July 8, 2013	Garuda Indonesia held "Berbagi Sembako"
64	Tuesday, July 9, 2013	Garuda Indonesia Commenced the Operation of B777-300ER to fly Jakarta - Jeddah
65	Sunday, July 14, 2013	Garuda Indonesia Prepared 88 Extras Flights for 2013 Lebaran Season
66	Wednesday, July 17, 2013	Liverpool Arrived in Jakarta Onboard Garuda Indonesia Special Flight
67	Wednesday, July 17, 2013	Liverpool Arrived in Jakarta Onboard Garuda Indonesia Special Flight (ENG)
68	Friday, July 19, 2013	Garuda Indonesia and Liverpool FC launched "Garuda Frequent Flyer - Liverpool FC Edition Card"
69	Monday, July 22, 2013	Began in July 25, Garuda Flies Medan via Kuala Namu Airport
70	Wednesday, July 24, 2013	Garuda Indonesia Commenced Flight to and from Medan from Kuala Namu International Airport
71	Thursday, July 25, 2013	The GA181 Flight Marked the Commencement of the operation of Kuala Namu International Airport
72	Wednesday, July 31, 2013	Garuda Indonesia was Forced to Postponed Flights to London as a result of Inadequate Capability of Soekarno Hatta Airport
73	Wednesday, July 31, 2013	Garuda Indonesia Reopened Denpasar – Brisbane Route (vv) (ENG)
74	Thursday, August 01, 2013	Garuda Indonesia Launched Three New Routes From Balikpapan to Berau, Banjarmasin, and Manado, and Garuda Indonesia Reopened the Denpasar - Brisbane Route (vv)
75	Saturday, August 03, 2013	Garuda Indonesia Flies Jakarta – Tanjung Pinang (vv)
76	Wednesday, August 07, 2013	Garuda Indonesia Copilot was not Proven Affected by Psychotropic
77	Thursday, August 08, 2013	Garuda Indonesia Recorded A Operating Revenue of USD 1,725.4 Million throughout the First Semester 2013
78	Friday, August 09, 2013	This Afternoon, Garuda Indonesia's Two Flights were Departured Towards Gorontalo, Following the Reopened of Sultan Jalaluddin
79	Friday, August 23, 2013	"Garuda Indonesia Graduated 21 New Pilots from the Bali International Flight Academy (BIFA)"
80	Tuesday, August 27, 2013	Garuda Indonesia, PMI and KADIN signed MoU
81	Wednesday, August 28, 2013	Garuda Indonesia Again Held Garuda Indonesia Travel Fair in 2013
82	Friday, August 30, 2013	Garuda Indonesia Recorded A Operating Revenue of USD 1,725.4 Million throughout the First Semester 2013
83	Friday, August 30, 2013	Garuda Indonesia Recorded an Operating Revenue of USD 1,725.4 million throughout the First Semester 2013 (ENG)
84	Saturday, August 31, 2013	Grand Final of 2013 Garuda Indonesia World Photo Contest (GAWPC)
85	Monday, September 9, 2013	Garuda Indonesia Flies Jakarta - Tanjung Pinang (Bintan)

Corporate Governance

Press Release in 2013

No	Date	News
86	Wednesday, September 11, 2013	Garuda Indonesia to Fly 90,108 Hajj Pilgrims Today
87	Wednesday, September 11, 2013	Garuda Indonesia Airlines Named as the Best Airlines in Region Asia and Australasia during 2013 Passengers Choice Awards in Anaheim, USA
88	Friday, September 13, 2013	Together with BNI, Garuda Indonesia Held Garuda Indonesia Travel Fair 2013
89	Sunday, September 15, 2013	Garuda Indonesia: Launched Direct Flights Jakarta - Ambon
90	Sunday, September 15, 2013	Garuda Indonesia Adjusted Flight Schedules to Denpasar, Bali, During the 2013 APEC CEO Summit
91	Sunday, September 15, 2013	Schedules to Denpasar, Bali, During the 2013 APEC CEO Summit
92	Sunday, September 15, 2013	Garuda Indonesia: Launched Direct Flights Jakarta - Ambon
93	Friday, September 27, 2013	Garuda Indonesia: Garuda Received its Seventeenth A330s
94	Friday, September 27, 2013	Garuda Received its Seventeenth A330s
95	Tuesday, October 1, 2013	Garuda Indonesia Helped Develop New Economic Area with ATR72-600
96	Tuesday, October 1, 2013	Garuda Indonesia Helped Develop New Economic Area with ATR72-600
97	Wednesday, October 2, 2013	Garuda Indonesia Launched "Inflight Connectivity" Services on Board of its B777-300ER
98	Wednesday, October 2, 2013	Garuda Indonesia Launched "Inflight Connectivity" Services on Board of its B777-300ER
99	Thursday, October 3, 2013	Garuda Indonesia and ICBC Limited Signed Cooperation Agreement for Aircraft Financing
100	Thursday, October 3, 2013	Garuda Indonesia Held International Tournament "2013 Garuda Indonesia Tennis Open" and "2013 Garuda Indonesia Tennis Junior Masters" (Press Conference)
101	Wednesday, October 9, 2013	Garuda Indonesia has flied 90,108 Hajj Pilgrims to the Holy Land With 97 Percent On-Time Performance
102	Wednesday, October 16, 2013	Garuda Entered Collaboration with Yamanashi Prefecture
103	Friday, October 18, 2013	Garuda Indonesia was named as "The Rising Star Carrier of the Year" for Freight Services in The 2013 Payload Asia Award
104	Wednesday, October 23, 2013	President & CEO of Garuda Indonesia Emirsyah Satar was Named As "The 2013 Travel Business Leader of the Year"
105	November 6, 2013	Garuda Indonesia Launched Direct Flights Semarang -Denpasar and Batam - Bandar Lampung
106	November 8, 2013	Garuda Indonesia Launched Direct Flights Jakarta - Osaka
107	November 19, 2013	Garuda Indonesia has completed Hajj Flight Year 2013/1434H
108	Wednesday, November 20, 2013	Garuda Indonesia-Jet Airways signed code share agreement
109	Wednesday, November 20, 2013	Garuda Indonesia Bans Transportation of Shark Products
110	November 21, 2013	Garuda flies New Route - Makassar Manokwari Sorong Jayapura Final
111	November 25, 2013	Garuda Indonesia Introduced Sub-Brand "Explore" ATR72-600 to Serve Flights in Remote Areas
112	November 25, 2013	Garuda Indonesia Introduced Sub-Brand "Explore" ATR72-600 to Serve Flights in Remote Areas (ENG)
113	Thursday, November 28, 2013	International Tournament "2013 Garuda Indonesia Tennis Open" and "2013 Garuda Indonesia Tennis Junior Masters"
114	Sunday, December 01, 2013	Hendrawan Susanto and Deria Nurhaliza Won "2013 Garuda Indonesia Tennis Junior Masters "
115	Monday, December 02, 2013	Garuda Indonesia Commenced the "2013 Garuda Indonesia Tennis Open" Tournament
116	Sunday, December 08, 2013	Australian tennis player won the 2013 Garuda Indonesia Tennis Open
117	Monday, December 16, 2013	Garuda Indonesia named as the winner of "Indonesia Sustainable Business Awards 2013" for the category of Logistics and Transportation
118	Tuesday, December 17, 2013	Improving its services, Garuda Launched "Mobile Ticketing Counter"
119	Wednesday, December 18, 2013	SkyTeam Announced that Garuda Indonesia has Joined as its 20th Member
120	Wednesday, December 18, 2013	SkyTeam Announced that Garuda Indonesia has Joined as its 20th Member (ENG)
121	Thursday, December 19, 2013	Garuda Indonesia Launched "Inflight Connectivity" Service on Board of its all Airbus A330
122	Thursday, December 1, 2013	Garuda Indonesia and ANA (All Nippon Airways) Signed MOU on Strategic Cooperation
123	Thursday, December 19, 2013	Garuda Indonesia and ANA (All Nippon Airways) Signed MOU on Strategic Cooperation (ENG)

Information Disclosure to IDX Net in 2013

No.	Date	Letter Number	Topics	Note
1.	January 2, 2013	GARUDA/IDX/JKTDS-20001/2013	Information Disclosure to Public	Information Disclosure to Public on Quasi Reorganization of PT Garuda Indonesia (Persero) Tbk.
2.	January 10, 2013	GARUDA/IDX/JKTDS-20002/2013	Utilization of IPO Proceeds	Information Disclosure to Public for the period of Oct – Dec 2012
3.	February 20, 2013	GARUDA/IDX/JKTDS-20003/2013	Change in Audit Committee	Change in the Composition of Audit Committee
4.	February 20, 2013	GARUDA/IDX/JKTDS-20004/2013	Information Disclosure to Public	Signing of Loan Agreement between PT Garuda Indonesia (Persero) Tbk., and PT Bank Permata Tbk.,
5.	March 20, 2013	GARUDA/IDX/JKTDS-20005/2013	Announcement of Plans for General Meeting of Shareholders	Announcement of Plans for General Meeting of Shareholders to be held on Friday, April 26, 2013.
6.	March 27, 2013	GARUDA/IDX/JKTDS-20006/2013	Submission of Advertisement Copy of Announcement of GMS	Advertisement Copy of Announcement of GMS posted in Kompas, Bisnis Indonesia, The Jakarta Post on March 27, 2013
7.	March 27, 2013	GARUDA/IDX/JKTDS-20007/2013	Submission of Advertisement Copy of Information on Annual Financial Statements	Advertisement Copy of Information on Annual Financial Statements in Kompas and Bisnis Indonesia March 27, 2013
8.	March 27, 2013	GARUDA/IDX/JKTDS-20008/2013	Submission of Annual Financial Statements	Financial Statements for the Year ended 31 December 2012
9.	April 10, 2013	GARUDA/IDX/JKTDS-20009/2013	Information Disclosure to Public on the Submission of Report on the Realization of the Use of IPO Proceed of PT Garuda Indonesia (Persero) Tbk.	Submission of Report on the Realization of the Use of IPO Proceed of PT Garuda Indonesia (Persero) Tbk.
10.	April 11, 2013	GARUDA/IDX/JKTDS-20010/2013	Invitation to Annual General Meeting of Shareholders	Invitation to Annual General Meeting of Shareholders on 26 April 2013
11.	April 11, 2013	GARUDA/IDX/JKTDS-20011/2013	Submission of Advertisement Copy of Invitation to GMS	Advertisement Copy of Invitation to GMS placed in Kompas, Bisnis Indonesia, The Jakarta Post on 11 April 2013
12.	April 11, 2013	GARUDA/IDX/JKTDS-20012/2013	Submission of Annual Report	2012 Annual Report with the Fiscal Year Period from 01 January 2012 to 31 December 2012.
13.	April 12, 2013	GARUDA/IDX/JKTDS-20013/2013	Information Disclosure to Public on Rating of PT Garuda Indonesia (Persero) Tbk.	Rating of PT Garuda Indonesia (Persero) Tbk.
14.	April 16, 2013	GARUDA/IDX/JKTDS-20014/2013	Monthly Report of Holder of Securities Register	Monthly Report of Holder of Securities Register as of May 2013
15.	April 23, 2013	GARUDA/IDX/JKTDS-20015/2013	Submission of other Advertisement Copy	Information Disclosure on the Transaction of PT Garuda Indonesia (Persero) Tbk., in Bisnis Indonesia on 23 April 2013
16.	April 23, 2013	GARUDA/IDX/JKTDS-20016/2013	Affiliated Transaction Plan	Loan facility from BNI amounted to USD 40,000,000.
17.	April 29, 2013	GARUDA/IDX/JKTDS-20017/2013	Submission of Advertisement Copy of Results from AGMS	Advertisement Copy of Results from AGMS in Bisnis Indonesia, The Jakarta Post, Kompas on 29 April 2013
18.	April 29, 2013	GARUDA/IDX/JKTDS-20018/2013	Annual Public Expose Plan.	Annual Public Expose Plan, Thursday, May 2 2013
19.	April 29, 2013	GARUDA/IDX/JKTDS-20019/2013	Submission of Material for Annual Public Expose	Material for Public Expose
20.	April 30, 2013	GARUDA/IDX/JKTDS-20020/2013	Submission of Interim Financial Statements	Financial Statements for 3 Month Period ended March 31 2013

Corporate Governance

Information Disclosure to IDX Net in 2013

No.	Date	Letter Number	Topics	Note
21.	April 30, 2013	GARUDA/IDX/JKTDS-20021/2013	Submission of Material for Annual Public Expose (Revised)	Material for Public Expose
22.	April 30, 2013	GARUDA/IDX/JKTDS-20022/2013	Results from Annual General Meeting of Shareholders	Results from Annual General Meeting of Shareholders
23.	May 7, 2013	GARUDA/IDX/JKTDS-20024/2013	Report on Result from Annual Public Expose	Result from Annual Public Expose
24.	May 13, 2013	GARUDA/IDX/JKTDS-20025/2013	Monthly Report of Holder of Securities Register	Monthly Report of Holder of Securities Register as of 30 April 2013
25.	May 31, 2013	GARUDA/IDX/JKTDS-20026/2013	Submission of Advertisement Copy	Information Disclosure Regarding the Affiliated Transaction of PT Garuda Indonesia (Persero) Tbk. in Bisnis Indonesia 31 May 2013
26.	May 31, 2013	GARUDA/IDX/JKTDS-20027/2013	Affiliated Transaction Plan	Loan facility from BRI amounted to USD 40,000,000
27.	June 17, 2013	GARUDA/IDX/JKTDS-20028/2013	Monthly Report of Holder of Securities Register	Monthly Report of Holder of Securities Register as of 30 May 2013
28.	July 4, 2013	GARUDA/IDX/JKTDS-20029/2013	Information Disclosure to Public Regarding the Submission of Report on the Use of IPO proceed of PT Garuda Indonesia (Persero) Tbk.	Submission of Report on the Use of IPO proceed of PT Garuda Indonesia (Persero) Tbk.
29.	July 17, 2013	GARUDA/IDX/JKTDS-20030/2013	Monthly Report of Holder of Securities Register	Monthly Report of Holder of Securities Register as of 30 June 2013
30.	July 29, 2013	GARUDA/IDX/JKTDS-20031/2013	Submission of Annual Report (REVISED)	2012 Annual Report for the Fiscal Year period of 01 January 2012 to 31 December 2012
31.	July 31, 2013	GARUDA/IDX/JKTDS-20032/2013	Information Disclosure to Public Regarding the Announcement that PT Garuda Indonesia (Persero) Tbk. will conduct limited review on Annual Report /Semester I Year 2013.	Announcement that PT Garuda Indonesia (Persero) Tbk. will conduct limited review on Annual Report / Semester I Year 2013.
32.	August 13, 2013	GARUDA/IDX/JKTDS-20033/2013	Monthly Report of Holder of Securities Register	Monthly Report of Holder of Securities Register as of 31 July 2013
33.	August 30, 2013	GARUDA/IDX/JKTDS-20034/2013	Submission of Interim Financial Statement	Financial Statement for 6 Month Period ended 30 June 2013
34.	September 3, 2013	GARUDA/IDX/JKTDS-20035/2013	Submission of Advertisement of Interim Financial Statement	Advertisement of interim Financial Statement at Sinar Harapan Newspaper on 31 August 2013
35.	September 6, 2013	GARUDA/IDX/JKTDS-20036/2013	Information regarding News in Mass Media	Information regarding News "Garuda Indonesia Was Sued by Passenger" on Koran Kontan, 6 September 2013
36.	September 10, 2013	GARUDA/IDX/JKTDS-20037/2013	Submission of Advertisement Copy of Information of Interim Financial Statement	Advertisement Copy of Information of Interim Financial Statement in Sinar Harapan 31 August 2013
37.	September 11, 2013	GARUDA/IDX/JKTDS-20038/2013	Information Disclosure to Public on the signing of Agreement on the Procurement of ATR72-600	Signing of Agreement on the Procurement of ATR72-600
38.	October 2, 2013	GARUDA/IDX/JKTDS-20039/2013	Monthly Report of Holder of Securities Register	Monthly Report of Holder of Securities Register as of 31 August 2013
39.	October 4, 2013	GARUDA/IDX/JKTDS-20040/2013	Information Disclosure to Public Press Release -Garuda Indonesia Developed New Economic Region with ATR72-600	Press Release - Garuda Indonesia Developed New Economic Region with ATR72-600

Information Disclosure to IDX Net in 2013

No.	Date	Letter Number	Topics	Note
40.	October 7, 2013	GARUDA/IDX/JKTDS-20041/2013	Monthly Report of Holder of Securities Register	Monthly Report of Holder of Securities Register as of 30 September 2013
41.	October 8, 2013	GARUDA/IDX/JKTDS-20042/2013	Utilization of IPO Proceeds	Report on Utilization of IPO Proceeds July – August 2013
42.	October 31, 2013	GARUDA/IDX/JKTDS-20043/2013	Submission of Interim Financial Statements	Financial Statements for 9 Month Period ended 30 September 2013
43.	November 11, 2013	GARUDA/IDX/JKTDS-20044/2013	Monthly Report of Holder of Securities Register	Monthly Report of Holder of Securities Register as of 31 October 2013
44.	December 3, 2013	GARUDA/IDX/JKTDS-20045/2013	Information Disclosure to Public	Signing of Agreement on Syndicated Loan Facility
45.	December 5, 2013	GARUDA/IDX/JKTDS-20046/2013	Affiliated Transaction Plan	PT Garuda Indonesia (Persero) Tbk. as lenders and PT Citilink Indonesia as Beneficiary.
46.	December 13, 2013	GARUDA/IDX/JKTDS-20047/2013	Monthly Report of Holder of Securities Register	Monthly Report of Holder of Securities Register as of 30 November 2013

Investor Relations Activities in 2013

Following its IPO, in the effort to establish the credibility through a balanced, consistent and timely disclosure of information, Garuda Indonesia established the Investor Relations Unit in March 2011. Its main activity is to build communication between the management of Garuda Indonesia with the investors and analysts, by providing them with comprehensive information about Garuda Indonesia. Delivery of a balanced consistent and timely disclosure of information is made possible through various means of communication, such as email, website, magazine articles, conference call. Also by attending meetings with analysts or investors, during public exposure, quarterly analyst meeting, analyst visits, field trips, participation in conferences at home and abroad as well as through non-deal roadshow.

Throughout 2013, Garuda Indonesia attended 13 conferences organized by CIMB, Citi, Credit Suisse, Daiwa, HSBC, JP Morgan, Macquarie, Mandiri Securities, RHB-OSK, and UBS, and met with more than 130 investors from domestic and abroad. In addition, Garuda Indonesia also participated in Investor Day organized by Indonesia Stock Exchange and during Indonesia Investment Summit 2013.

To further enhance the understanding on the Company and the aviation industry in Indonesia, in 2013 we conducted field visit and analysts discussion with Angkasa Pura I at the Sultan Hasanuddin International Airport Makassar and with Angkasa Pura II at Soekarno-Hatta International Airport in Cengkareng and held the analyst gathering with the theme "One hour closer with Indonesian airlines industry and Garuda Indonesia".

Details of Investor Relations activities are shown in the table below.

Activity	Frequency		
	2011	2012	2013
Non-Deal Roadshow and Conference	8x	13x	13x
Analyst Visit	30x	52x	41x
Analyst Meeting	4x	4x	4x
Conference Call	2x	7x	19x
Site Visit	-	5x	2x
Annual Shareholder Meeting	1x	1x	1x
Public Expose	1x	1x	1x
Investor Day	-	1x	1x
Annual Report	1x	1x	1x

Corporate Governance

Activities throughout 2013 has increased the number of analysts who write report on Garuda Indonesia from 11 analysts in 2012 to 18 analysts, as well as increase the percentage (of the free float) of foreign investors' ownership of approximately 16% to approximately 31%.

Investor Relations Plan in 2014

Garuda Indonesia will continue to implement the principles of transparency and disclosure consistently, to fulfill its obligation as public company. In addition to continuing the activities carried out in 2013, Investor Relations will also increase the meeting with investors and stock market analysts, as well as improving the quality of reports, with the objective to further improve the understanding of the financial community over the airline business run by Garuda Indonesia.

Information Access and Internal Communication

Employee communication is organized through the implementation of an effective internal communication strategy to support employee productivity image and to build Company's reputation according to the principles of good corporate governance.

Employee communication's responsible is to ensure an optimal utilization of internal media for the benefit of the Company with the objective of improving employee understanding and supporting employee productivity, by developing effective communication on technological basis. Access to internal information and company data is provided through:

1. Management Message, comprising:
 - a. Message from the Board of Directors, a management message prepared for the Board of Directors (or its representative) that can be used as direction for internal parties (employees) and 'corporate message' for external parties.
 - b. President Director's Memo, a media for the board of executives (especially President Director) to submit statements and/or management directives, issued and signed by the President Director. President Director Memo is issued at the beginning or end of the year, or when there is a new management direction to be communicated to all employees.
2. INFO GA, an internal communication media containing review of the policies and/or corporate activities, with an emphasis on giving input to employees.

3. Corporate Info is an internal communication media via email (broadcast message/email blast) sent to all employees (who have email address of Garuda), for the dissemination of corporate information and activities, as well as activities conducted by units/branch offices/communities, for majority of employees concern, and/or for the interest of the Company.
4. Corporate Portal is an internet-based internal communication media provided by the Company for the entire work units/Branch Offices to present their performance/activities.
5. Dynamic Digital Signage (DDS) is a broadcasting media, using TV set placed at employee workplace, through which the Company publishes information on corporate events and activities.
6. Public Announce is a facility located at Management Building - Garuda City, Cengkareng and Crew Center - GSO which can be used to convey information that is 'situational' for the benefit of employee who works in the building.
7. Newsletter/Bulletin is a media for dissemination of corporate culture and/or the corporate on going programs.
8. Internal Magazine (Garuda VIEW) is the Company's internal magazine for employees and their families.
9. CEO Brief Forum is a forum for two-way communication for the Management and people managers (the level of Vice Presidents and Senior Managers).

Information Access and External Communications

Activities undertaken by the Company to ensure the implementation an effective external communication in order build the Company's image/reputation according to the principles of good corporate governance.

Access to information and data on Garuda Indonesia is publicly accessible through the following media:

Website Garuda Indonesia

The Company's official website (www.garuda-indonesia.com), which include information related to commercial activities, industry, operational, financial, Good Corporate Governance (GCG), and Corporate Social Responsibility (CSR).

Inflight Magazine (Colours)

Special magazine distributed in all Garuda Indonesia flight, both domestic and international.

Darksite

The Company's special website that is activated only in emergency or crisis situations, such as a plane crash. The website is intended as a center of information for mass media and public with regard to the development of the emergency situation.

Social Media

1. Twitter (www.twitter.com/IndonesiaGaruda)
2. Facebook ([www.facebook.com/ PT.GarudaIndonesia](http://www.facebook.com/PT.GarudaIndonesia))
3. YouTube

Mass Media

1. Press Release
Written communication directed at members of the news media for the purpose of announcing the Company's latest developments, including performance, actions and plans, financial performance, flight operational performance, flight network development (opening new flight routes and destinations, assigning new hubs, code share agreement with partner airlines, and others), as well as the latest services.
2. Media Interviews
Special interview session between the Board of Directors and members of electronic media, online media, and printed media, regarding the Company's latest developments, including performance, actions and plans, financial performance, flight operational performance, flight network development (opening new flight routes and destinations, assigning new hubs, code share agreement with partner airlines, and others), as well as the latest services.
3. Advertorial
Special reports to be placed in printed or electronic news media, regarding the latest development of the Company, including performance, actions and plans, financial performance, flight operational performance, flight network development (opening new flight routes and destinations, assigning new hubs, code share agreement with partner airlines, and others), as well as the latest services.

4. Corporate Ad

As a public company and in accordance with the principles of Good Corporate Governance, the Company places advertisement about financial performance on printed media or regular basis 4 times a year, and procurement ad in national and international printed media.

Press Conference

A forum between the management of the Company with the mass media is held to address the latest development of the Company, including performance, actions and plans, financial performance, flight operational performance, flight network development (opening new flight routes and destinations, assigning new hubs, code share agreement with partner airlines, and others), as well as the latest services.

Analyst Meeting

A meeting is held on a regular basis for the management of the Company with financial analyst to discuss the financial performance of the Company for certain period.

Annual Report

The Company's annual report contains information relating to all activities of commercial, industrial, operations, finance, Good Corporate Governance (GCG), Corporate Social Responsibility (CSR), and its subsidiaries.

Assessment on GCG Implementation in 2013

Garuda Indonesia has ratified the Regulation of the Minister of SOEs No. PER-01/MBU/2011 on the Implementation of Good Corporate Governance at SOEs. Article 44 of such regulation requires that each of the SOE shall conduct self-assessment to describe the follow-up on the implementation and application of GCG in the year following the assessment to evaluate the results and to follow-up on improvement recommendations from the previous year. In 2014, Garuda Indonesia conducted GCG assessment for the fiscal year ended December 31, 2013, carried out by Ernst & Young Indonesia as an independent assessor.

Corporate Governance

The assessment is conducted by referring to the GCG indicators/parameters set by the Secretary of the Minister of SOEs by Decree No. SK-16/S.MBU/2012 dated June 6, 2012 on Indicators/Parameters of Assessment and Evaluation of the Implementation of Good Corporate Governance at the State-Owned Enterprises.

Until the issuance date of this annual report, the implementation of GCG assessment is still ongoing, hence the score is yet to be obtained.

Other GCG Assessment

Assessment Using ASEAN GCG Scorecard

ASEAN Capital Market Forum has determined ASEAN GCG Scorecard which is adopted from various international standard and best practices and used to assess the GCG practices of public companies in ASEAN countries. There are 2 (two) levels of assessment. Level 1 assesses the aspects of: (1) rights of shareholders, (2) equitable treatment of shareholders, (3) role of stakeholders, (4) disclosure & transparency and (5) responsibilities of the boards. Level 2 is related to bonus and penalty. Bonus score will be given for companies practising GCG beyond minimum standard and score penalty will be given for companies practising bad governance. Total parameter for level 1 are 196 and for level 2 are 9 parameters.

The Indonesian Institute Corporate Directorship (IICD) as an independent institution for the assessment of GCG in public companies in Indonesia and by applying ASEAN GCG scorecard has named Garuda Indonesia as the best SOE for the category of "Best Rights of Shareholder".

Corporate Governance Perception Index (CGPI) Award

In 2013, Garuda Indonesia participated in the research of GCG implementation rating held by The Indonesian Institute for Corporate Governance (IICG) under the theme "Good Corporate Governance in the Perspective of Knowledge". It is the fifth participation of Garuda Indonesia. Garuda Indonesia's score was 85.84 and named as "Most Trusted Company".

GCG Policies in Garuda Indonesia

Garuda Indonesia has issued various policies to support GCG implementation, among others:

Business Ethics and Work Ethic

Garuda Indonesia launched Business Ethics and Work Ethic on February 10, 2011, marked by the signing of commitment by the Board of Directors and the Board of Commissioners, the Vice President, and the Senior General Manager of Branch Offices. The book of Business Ethics and Work Ethics of the Company was ratified by the President Director Decree No. JKTDZ/ SKEP/50023/11 dated 11 March 2011.

Business Ethics and Work Ethics provides:

- Corporate Identity, which contains the Company's Vision and Mission, and Corporate Values, Key Behaviors to be upheld by employees.
- Commendable Behaviour, describing relation with fellow employees, customers, business partners, shareholders, and Competitors.
- Compliance, describing transparency of communication and financial information, handling conflicts of interest, gratification control, protection of the Company's assets and confidentiality.
- Employee responsibility, describing employees' responsibility towards society, Government and Environment.
- Enforcement of Business Ethics and Ethics Code, describing Whistle Blowing System (WBS), sanctions for violations, socialization of Business Ethics and Work Ethics, the signing of Integrity Pact by all employees.

Enactment of Business Ethics and Work Ethics

Business Ethics and Work Ethics are applicable to every level of the organization, from the Board of Commissioners, Directors, structural and non-structural staff. Business Ethics and Work Ethics are disseminated to all levels of the organization through face-to-face meeting or through writings on inter-personnel media or on Company's website.

Implementation and Enforcement of Business Ethics and Work Ethics

The implementation and enforcement of Business Ethics and Work Ethics at Garuda Indonesia are based on the FLYHI corporate values. The Company has engaged in intensive and systematic socialization, internalization and monitoring efforts in order to have the employee internalized the guidelines of Business Ethics and Work Ethics as the base for their everyday conduct. Regular surveys and evaluations on the implementation of the code of conduct are periodically conducted at all work units and branch offices to assess the effectiveness of its implementation.

People manager function as role models in the implementation and enforcement of the code of conduct. Individual performance assessment also considers aspects of behavior at work through the 360^o assessment method during the semi annual Employee Performance Tracking. The implementation of the code of conduct is also monitored 'on site' through observation at all work units and branch offices (domestic).

The enforcement of the code of conduct also includes a reporting system in the form of a WBS to encourage Garuda Indonesia's personnel to avoid issues of gratuity.

Gratuity Control Program

As a follow up to the signing of a Memorandum of Understanding between the Company and the Corruption Eradication Commission/Komisi Pemberantasan Korupsi ("KPK") on February 10, 2011, the Company declared and began implementing Gratuity Control Program/Program Pengendalian Gratifikasi ("PPG").

PPG is an initiative to implement the FlyHi, particularly the honesty and integrity, as well as to implement the Good Corporate Governance principles, particularly the principle of transparency, responsibility and independence.

The Company's policy of gratuity control stipulates that all the Company's employees are prohibited from receiving gratuity and shall disclose to the Company if they receive gratuity and are put in such a hard position to decline the offer.

The Company has published detailed provisions regarding the acceptance of gratuities as stipulated in Decree of President Director No. JKTDZ/SKEP/50001/2013 dated January 9, 2013, as follows:

1. The employees and family members are prohibited from accepting gratuities from other parties.
2. Every acceptance of gratuities by employees shall be disclosed to the Gratuity Control Unit.
3. Gratuities which are not required to be disclosed:
 - a. Gift from family either related by blood or related by marriage, in a horizontal or vertical linkage.
 - b. From other parties as gift of wedding, birthday, child circumcision, or associated with tradition, unfortunate event, or illness, not greater than Rp 1,000,000 (one million Rupiah) from each giver on each activity or event.
 - c. Gift from superior officer and must not interfere in any way with the performance of duties.
 - d. Facilities from Organizing Committee, in the form of accommodation/transportation, meals, seminar kits, certificates which are generally accepted by the participants of training, seminars, workshops, conferences, provided that all gratuities received are not at the expenses of the Company.

The Company formed a partnership with KPK in establishing gratuity control in Garuda Indonesia. KPK provided technical assistance in the form of assessment on the preparation of Garuda Indonesia to implement gratuity control and training program for PPG team. Garuda Indonesia and KPK signed the commitment on February 10, 2011.

The Company conducts socialization program on PPG intensively and consistently to all employees of Garuda Indonesia through the Company's communication media, both printed and electronic, such as email, intranet, newsletters and magazines. Socialization is also conducted through face-to-face meeting and discussions with employees. As a media of communication in reporting gratuity, the Company provides a dedicated email address: gcg@garuda-indonesia.com

Socialization to other stakeholders is carried out by holding meetings with suppliers (vendors gathering) and sales agent, both passengers and cargo, and by uploading Business Ethics and Work Ethics on the Company's website that can be accessed by all stakeholders.

Corporate Governance

The Company is also in the process of implementing automation systems for reporting acceptance of gratuity for all employees of Garuda Indonesia, where employee may report their acceptance of gratuity and upload the supporting documents online, but evidence shall be submitted to the Company through the Corporate Secretary unit. This system is also a means to disseminate PPG to all employees.

Intensive socialization program on the principles and policies of the Company's gratuity control aims to raise awareness and understanding on employees and stakeholders that the PPG is a critical element in the Company's effort to build and develop a clean working environment that uphold integrity.

Gratification control has a positive impact on the Company, as well as to employees and other stakeholders. For employees, declining any gratuity will save them from feeling indebted to the giver, which may lead to a conflict

of interest and losing independency in making decision. Gratuity is a latent danger that might cause addiction and might force the employee to breach the procedure, conduct extortion, or other unlawful action. Essentially, gratuity control protects employees and enhance their dignity.

For the Company, gratuity control may improve the Company's efficiency and most importantly will improve the Company's reputation in practicing clean, ethical and dignified business.

Gratuity Report

As of December 30, 2013 the number of gratification reports received by the Company through Corporate Secretary amounted to 102 reports, comprising 25 gratuities in the form of cash, 4 gratuities in the form of cheque/shopping voucher and 73 gratuities in the form of goods or food. The ownership status, 17 were owned by the state, 71 were managed by the Company and 14 were donated for charity.

Summary of Acceptance Gratuities until December 2013

Gratuity Goods	Total Reports	Follow up
Rp 17,982,500 in Cash	5	
Shopping voucher worth Rp 5,900,000	3	
2 unit of Mont Blanc pen	2	
1 unit of Calvin Klein watch	1	Declared as the State's property and has been surrendered through KPK
2 unit of Mug and Photo Frame	1	
1 unit of Salvatore Ferragamo belt	2	
1 set of Card Holder and Ball Point	1	
2 unit of Leather Jacket	2	
Cash cheque of Rp 5,000,000	1	
Rp 21,658,000 in Cash	19	Managed by the Company and will be donated to social institution
Other goods	41	
Food and beverages	14	Donated to social institution
Total Report	102	

The number of gratuities reported in 2013 was 102 reports, decreased when compared to 2012, amounting to 128 reports. This decrease is caused by several possibilities, among others, the success of dissemination programs that have been conducted by the Company, so that the number of gratuities from stakeholders decreased or the employee has been encouraged to decline gratuities from stakeholders.

Follow-up on 2013 Gratuity Report

The Corporate Secretary as a Gratuity Control Unit/Unit Pengendalian Gratifikasi ("UPG") receives gratuity reports submitted by employees and recapitulates the reports to be submitted to KPK on a regular basis. KPK will determine the status of ownership of the reported gratuity and submit it to the Company. The complete data is as follow.

No.	Date of Report	Number of Report	Letter and Date of Response from KPK	Note from KPK
1	January 17, 2013	11	-	Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
2	February 18, 2013	15	B-920/10-13/04/2013 April 10, 2013	Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
3	April 2, 2013	3	-	Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
4	April 2, 2013	3	KEP-335/01-13/05/2013 KEP-336/01-13/05/2013 KEP-337/01-13/05/2013 May 10, 2013	Owned by the State, meet the elements of Article 12B Law No 20 of 2001
5	May 1, 2013	4	B. 1444/10-13/06/2013 June 07, 2013	Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
6	June 4, 2013	1	KEP-739/01-13/10/2013 October 24, 2013	Owned by the State, meet the elements of Article 12B Law No 20 of 2001
7	June 4, 2013	5	B-3094/10-13/10/2013 October 24, 2013	Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
8	July 2, 2013	10	B-1979/10-13/08/2013 August 15, 2013	Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
9	August 12, 2013	9	B-2782/10-13/10/2013 October 02, 2013	Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
10	August 12, 2013	1	KEP-697/01-13/09/2013 September 30, 2013	Owned by the State, meet the elements of Article 12B Law No 20 of 2001
11	August 30, 2013	7	B-2899/10/13/10/2013 October 17, 2013	Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
12	August 30, 2013	3	KEP-729/10-13/10/2013 KEP-730/10-13/10/2013 KEP-730/10-13/10/2013 October 16, 2013	Owned by the State, meet the elements of Article 12B Law No 20 of 2001
13	September 27, 2013	1	KEP-874 A/01-13/11/2013 November 29, 2013	Owned by the State, meet the elements of Article 12B Law No 20 of 2001
14	September 27, 2013	6	B-3474/10-13/12/2013 December 04, 2013	Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
15	October 23, 2013	3	KEP-901/10-13/12/2013 KEP-902/10-13/12/2013 KEP-903/10-13/12/2013 December 12, 2013	Owned by the State, meet the elements of Article 12B Law No 20 of 2001
16	October 23, 2013	1	B-3596/10/13/12/2013 December 16, 2013	Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
17	November 29, 2013	3	KEP-65/10-13/01/2014 KEP-66/10-13/01/2014 KEP-67/10-13/01/2014 January 21, 2014	Owned by the State, meet the elements of Article 12B Law No 20 of 2001
18	November 29, 2013	5	B-167/10-13/01/2014 January 24, 2014	Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
19	December 10, 2013	2	KEP-107/01-13/02/2014 KEP-108/01-13/02/2014 February 6, 2014	Owned by the State, meet the elements of Article 12B Law No 20 of 2001
20	December 10, 2013	1		Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001
21	December 31, 2013	3		Managed by the Company, did not meet the elements of Article 12B Law No 20 of 2001

Distribution of Gratuities Owned by the Company

Being a good corporate citizen, the Company is aware of its social responsibility and is realized by distributing gratuities for charity. In 2013, the Company distributed gratuities in the form of food and drink to the Yayasan Sosial Marfati Tangerang (nursing home, Rehabilitation of ex-leprosy patients and Medical Center) and Putera Asih Orphanage, both in Tangerang.

Corporate Governance

The Company also has distributed gratuities in the form of goods that can be used to Child care Institutions in Babakan Ciamis, Bandung, with details as follow:

No.	Type of Goods	Amount
1	T-Shirt	5 pcs
2	Towel	2 pcs
3	Batik Shirt	2 pcs
4	Note Book	31 pcs
5	Ballpoint	6 pcs
6	Memo pad	8 pcs
7	Children's story Book	1 book
8	Perfume in various brands	6 pcs

Evaluation of PPG

Hand in hand with KPK, Garuda Indonesia evaluated the policy and the implementation of PPG. That joint evaluation resulted in several recommendations for the improvement and refinement of the gratuity control system in the Company. Following is the action plan as recommended from the evaluation:

1. Garuda Indonesia to establish more stringent policy and provision regarding the gratification that is managed by the Company, primarily in the form of speaker fees.
2. To better empower UPG in performing analysis and making decision over the ownership status from reported gratuity.

PPG Plan in 2014

Based on the recommendations from the joint evaluation of Garuda Indonesia and KPK, as well as from the Company's internal evaluation, in order to improve the effectiveness of gratuity control system, the 2014 programs are as follows:

1. Disseminating new policies and regulations regarding gratuities to employees and all stakeholders of the Company.
2. Planning and conducting training and development program for employee in charge of PPG.
3. Disseminating the online gratuity reporting system.

Whistleblowing System

Principles and Policies

Since 2010, the Company has began establishing web-based reporting system known as WBS. The implementation of WBS at Garuda Indonesia is validated based on the President Director Decree No. JKTDZ/SKEP/50032/12 dated August 13, 2012 and President Director Decree No. JKTDZ/SKEP/50001/14 dated January 30, 2014.

The current Whistleblowing System adopted by the Company is resulted from the improvement of the system for handling reports of allegation of corruption, collusion and nepotism, which has been conducted since 2006 and is adjusted to Guidelines of WBS issued by the National Committee of Governance Policy (KNKG). The improvement on Whistleblowing System is one of the Company's efforts in upholding the business ethics, work ethics, and eradicating corruption, collusion and nepotism. As part of the Company's commitment to applying the principles of Good Corporate Governance, the application of WBS is one of the means to supervise the enforcement of Business Ethics and Work Ethics in the Company, as it allows all elements of the Company and other stakeholders to deliver reports on alleged violations and fraud and other forms of ethical violations occurred in the Company.

Whistleblowers can submit their report online at www.ga-whistleblower.com.

In implementing WBS, the Company has established a policy that will protect the identity of whistleblower and will do whatever necessary to safeguard the confidentiality of whistleblower. It aims at encouraging the reporting of violation in the Company while protecting the safety of the whistleblower and the family.

Work Program

The successful utilization of WBS as a means to enforce business ethics and work ethics, should be supported also by the development plan for WBS. For that purpose, each

year, the Company must draw up a work program to develop WBS. After making the declaration on WBS in conjunction with the launching of corporate ethics and PPG in 2011, and subsequently in 2012. The Company continued the intensive socialization program for employees as well as to some partners, suppliers and other stakeholders in the Company. The Company continued intensive dissemination programs to employees as well as to partners, suppliers and other stakeholders. In 2013, in order to improve the effectiveness of WBS management, the Company appointed an independent party to manage its WBS. By appointing independent party, the independence of the handling of reports to WBS will be maintained, because it minimizes the risk of a conflict of interest that may occur when WBS managed by the Company's internal.

WBS Report

In 2013, there were 63 incoming reports to the WBS website www.ga-whistleblower.com System. Those reports were submitted by various parties, including employees, customers and other stakeholders. Incoming reports through WBS website were analysed to find out whether there is any indication of breach of business ethics and work ethic. Based on the analysis results, the incoming reports in 2013 can be categorized as follows:

1. 29 unsubstantiated reports (46%)
2. 19 complaints related to services/operations (not related to fraud or breach of corporate ethics) (30%)
3. 15 substantiated reports of fraud and ethics violations (24%)

From 15 substantiated reports, 9 were followed with by investigation by the designated investigator. From the investigation, 1 report was proved and 1 was not. Based on these data, the percentage of proved reports reaching 7% of the total number of incoming reports through WBS.

Management of 2013 WBS Reports

The management of WBS in the Company is conducted in accordance with the reporting procedures established by the Company, which includes report handling, report investigation, imposing sanction on the reported if proven breaching the codes of conduct or the work ethics. Since 2013, WBS has been managed by independent party.

The incoming reports through WBS is handled by WBS Officer who will analyse the report to find any indication of breach of business ethics and work ethic. If there is an indication of breach, the report will be followed up with investigation. But if there is no indication of breach, and the report is merely a customer complaint then the WBS Officer will forward the report to the relevant unit.

If the report is unsubstantiated, the WBS Officer is entitled to request for additional information from the whistleblower. If WBS Officer failed to get the needed information, then the report will not be followed with investigation.

Report that is categorized as customer input or complaints will also not be followed with investigation but will be forwarded to relevant unit to be followed up.

Report that has been analysed and indicated a breach will be followed with investigation. During the process of investigation, data and information are collected to find sufficient evidence on the reported breach. The report will be judged based on this data and information. In the event that the suspected fraud and ethics violations are proved, then the investigator will submit the results of its investigation to be followed up by the Company.

Evaluation on Whistleblowing System

Since its commencement in 2010, improvements on the implementation and management of WBS continues to be carried out in various ways, including through dissemination aiming at increasing the understanding and awareness of the Company or stakeholders, improving regulations, the use of independent party, and improvement on information technology for WBS.

Corporate Governance

From year to year, there has been an increasing trend in Whistleblowing reporting. When compared to the number of reports of alleged fraud and ethics violations submitted through WBS in 2012, the figure increased by 200% in 2013.

Comparison of Achievement Management of WBS

No	Type of Reports	2011	2012	2013
1	Blank Report (Testing)/not related to WBS	9	27	48
2	Report on WBS	7	5	15*
	a. Proven WBS Report	4	4	1
	b. Unproven WBS Report	3	1	1
	Total Received Reports	16	32	63

* most of the reports still in investigation process

Management and Employee Stock Ownership Program

Based on the resolutions of the Extraordinary General Meeting of Shareholders held on 15 November 2010, the Company has gained approval to perform Management and Employee Stock Option Program (MESOP). Number of shares that can be purchased through MESOP is at maximum of 219,617,660 shares.

The Company has announced the implementation of MESOP as follow:

Period	Validity of Options	Execution Price	Total Options
Option Right Period I	10 February 2016	Rp 500	87,847,064
Option Right Period II	30 November 2016	Rp 500	65,885,298
Option Right Period III	30 November 2017	Rp 500	65,885,298

The execution period is two times a year in accordance with the Listing Regulation No. I-A as appendix of the Decree of Board of Directors of Jakarta Stock Exchange No. Kep-305/BEJ/07-2004 dated July 19, 2004, as amended by Decree of Board of Directors of Indonesia Stock Exchange No. Kep-00001/BEI/01-2014 dated January 20, 2014. The execution price for the option is in accordance with the prevailing legislation, as confirmed by IDX through the letter No. S-02342/BEI.PPJ/04-2011 dated April 12, 2011 on the Approval of Shares Listing In the Implementation of Management Employee Stock Option Plan and the Employee Stock Option Plan (MSOP/ESOP). The Company has determined the Exercise Period for the Period I, II and III according to the letter No. GARUDA/JKTDI/2006/12, dated November 30, 2012, on the Change in the Exercise Period of the Management Employee Stock Option Plan. The Execution Period is 30 trading days. The first period of Execution Period is in effect on May 15, 2013, while the second period began on 1 November each year, until reaching the expiration date of the options.

The requirements for MESA and MESOP Period I are as follows:

1. The Board of Commissioners, other than Independent Commissioner, at the time of the IPO.
2. Board of Directors, at the time of the IPO.
3. Permanent Employees, as listed on the Company's data as of January 15, 2011.
4. Employees who did not eligible for MESA program is the employee whose status as of January 15, 2011:
 - a. Employee on unpaid leave;
 - b. Trainee;
 - c. Employees who are employed at subsidiaries/other instances.

Employee eligible for the next MESOP are:

1. The Board of Commissioners who has served at least 14 days prior to the issuance of option rights, other than the Independent Commissioner.
2. The Board of Directors whose term of service at least 14 days prior to the issuance of option rights.
3. Permanent Employees, as listed on the Company's data no later than 14 days prior to the issuance of option rights.
4. Employee who did not eligible for MESOP program is the employee whose status as of January 15, 2011:
 - a. Employee on unpaid leave;
 - b. Trainee;
 - c. Employee employed at subsidiaries/other instances;
 - d. Local staff.

Consumer Protection Commitment

Principles and Policies

Customers are the Company's major stakeholder, and therefore the Company strives to continuously improve the quality of service to its passengers as well as provide optimum protection for passengers. Service quality improvements are pursued on all stages of the passenger travel chain, comprising the pre-journey, pre/in/post flight, and post-journey stages.

To improve the aforementioned quality of service, the Company has identified 28 touch points which are important in significantly affecting customer satisfaction. At these points, the Company has deployed resources to enhance its service capability, particularly through the application of information and communication technology.

As the main stakeholder, the customers have the chance to participate and contribute for mutual benefit. In this era of collaboration, transparency is the basic principle for building a long term relation, and the Company strives to build relationship with the customers based on the principles of transparency. To that end, the Company provides various interactive communication channels which can be conveniently accessed by the customers, and used to submit complaint, appreciation, or suggestion. Various feedback from the customers, such as complaint, suggestion and compliment are dubbed as Customer Voice.

Convenient Access

The Company provides a number of access to submit Customer Voice in the form of Compliment, Suggestion and Complaint. The accesses are:

1. Website GA



2. Suggestion Form

One of the accesses for Customer Voice is attached in the inflight magazine Garuda Indonesia, which is the suggestion form. It is the media used to survey Garuda Indonesia's customers satisfaction.



Corporate Governance

3. Call Centre

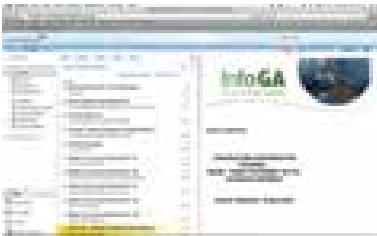
One of the accesses of Garuda Customer Voice is the Call Centre Garuda Indonesia: Contact Number: 23519999 or 08041807807 choose language, Feature: 2 Information and Complaint.



garuda-indonesia.com
 0 804 1 807 807
 atau (021) 2351-9999

4. Email: customer@garuda-indonesia.com

Other Customer Voice access is through email: Customer @garuda-indonesia.com



5. Mass Media

Apart of official accesses provided by the Company to receive feedback from the customers, the Company also monitors feedback from customers through printed and electronic media.

Procedure and Instruction

The Company's commitment in managing Customer Voice is evident in developing and implementing necessary Standard Operating Procedures (SOP) and Working Instruction, including but not limited to:

- SOP for Handling Customers and Baggage Complaint
- SOP for Handling Damaged Baggage
- SOP for Handling Lost and Found in Cabin
- SOP for Handling Complaint through various Access
- SOP for Handling Feedback through Email
- SOP for Handling Feedback through CCOL
- SOP for Handling Feedback through Suggestion Form
- SOP for Handling Feedback through Social Media
- SOP for Updates and Database Input for Customer Voice
- SOP for the Settlement of Customer Feedback System Irregularities

Appreciation and Compliment

As a manifestation of the Company's commitment in improving customers involvement and participation, the Company provides appreciation and compliment for customers who frequently give feedback and suggestion for the improvement of the Company. Such appreciation and compliment are part of customer intimacy program, by which loyal customers who submit inputs for Garuda Indonesia in the forms of compliment, complaint and suggestion through various means within a year period will be provided certain form of appreciation, which are:

- Best Month Compliment, every month where 3 Best Compliments will appear in the GA Inflight Magazine
- End Year Gift, souvenirs giveaway at the end of the year
- GA Birthday Gift, souvenirs giveaways during the celebration of the Company's anniversary.

Based on Customer Voice submitted through various available channels and appreciation program for the customers, the Company's 2013 service performance is improved compared to 2012 period. The number of Customer Voice increased by 8%, Compliment from the passengers increased by 1% while Complaint decreased by 5%.

Follow Up

Customer voice received by the Company is valuable information and shall be followed up for the improvement of the chain of "28 Touch Points". All customer complaints will be handled immediately (reactive approach) as an effort of service recovery upon failure/ flaw of product/ service. The Company also uses customer voices to prepare a comprehensive improvement program as a preventive approach of avoiding recurrence of customer disappointment (repeated complaint).

The improvement programs which have been and will be conducted are:

- Training Program for Frontliner to improve service quality based on Indonesian Hospitality
- Remain & Monitoring Program
- Evaluation and simplification of process/procedure related to customer service

- Customer Intimacy Program: conducting various communication effort/building intimacy with customers through various event/moment.
- Strategic Program: Evaluating SLA with Ground Handling Agent particularly to improve Pre Flight (Check In Service, Boarding Process) and Post Flight services (Baggage Handling).

The Company placed Customer Service Unit in every destination airport to help the customers with their problem and to ensure any corrective action that needs to be done, if the services provided were lower than the customer's expectation.

Results

By managing customer voice data, the corrective and preventive actions that were conducted consistently have shown a positive result. Customers' level of satisfaction in 2013 can be maintained at a range of 84%. With measurement scale of 100 points, the index indicates that the customers of Garuda Indonesia are Satisfied with the Company's overall services performance. This Customer Satisfaction Index then used as information to set focus and strategy of the Company's business development in the future.

Passengers Insurance

As a form of responsibility towards passengers safety and security, the Company insures all of its passengers. In 2013, the Company paid Liability Insurance for passengers amounted to USD 7,168,404. This is a proof that the Company is committed to provide protection for its customers and their family, so the passengers who fly with Garuda Indonesia will always feel secure, convenient and safe.

In connection with the promulgation of the Minister of Transportation Regulation No. 77 of 2011 and the Minister of Transportation Regulation No. 92 of 2011 dated January 1, 2012 on the responsibility of airline company over the accidents and inconvenient event during the flight, the Company has made preparations associated with the provision of passenger insurance, which must be owned by all aircraft carriers.

2014 GCG Plan

To improve the implementation of GCG for 2014, the Company has prepared a work plan related to the implementation of good corporate governance as follows:

1. Adjustments and amendments to the Articles of Association, Policy Guidelines and Board Manual.
2. Preparing the Board of Directors Policy.
3. Participation in Corporate Governance Perception Index (CGPI) 2013 organized by The Indonesian Institute for Corporate Governance (IICG) with the theme of "Corporate Governance in the Perspective of Learning Organization".
4. Dissemination of Business Ethics & Work Ethics and changes in the Gratuity Control Program system, as well as the Whistleblowing Systems to the internal of Garuda Indonesia and stakeholders.

Corporate Governance

Committees' Profile

Audit Committee



Betti Setiastuti Alisjahbana
Chairman

Wendy Aritenang
Vice Chairman

Complete profile is presented in the Board of Commissioners section.



Chaerul Djusman Djakman
Member

Appointed as a member of the Audit Committee since October 2012. He also serves as Head of Accounting Development at Universitas Indonesia (PPA UI), lecturer and researcher at the Accounting Department, the Faculty of Economics, Universitas Indonesia (FEUI). He holds various certifications in accounting, CSR, lecturing, and study program assessor. Previously, he served as Head of Accounting Department, FEUI. Concurrently, he serves in the Steering Board for Financial Accounting Policies Formulation at Bank Indonesia, assessor for National Accreditation Board for Higher Learning Institution for Accounting and Management study programs for Indonesia, assessor for corporate governance, technical specialist for banking industry in assessing quality control in companies based on ISO 9001/2008, and member of the panel of judge in a number of competitions and awards. He is actively involved in a number of professional associations such as Ikatan Akuntan Indonesia, Institut Akuntan Publik Indonesia, National Center for Sustainability of Reporting (NCSR), Ikatan Akuntan Indonesia Kompartemen Akuntan Pendidikan.

Chaerul Djasman Djakman was born on January 28, 1962, holds a PhD in Accounting at Universitas Indonesia (UI) and a Master in Business Administration degree from the University of Colorado, Boulder, USA and a Bachelor degree in Economics and Accountancy from Universitas Indonesia.

Prasetyo Suhardi
Member

Appointed as a member of the Audit Committee since January 2013. He also serves as a member of Institut Teknologi Bandung Advisory Board, Partner at TASS Consulting. Previously, he served as Associate Director at Price Waterhouse Indonesia Consultant, Manager at SGV Utomo/Andersen Consulting, managed the execution of construction project management at Sarana Metropolitan/ Stoppha Corporation, management arrangement of Pertamina LNG Arun development project.

Prasetyo Suhardi was born on February 6, 1951, earned his Bachelor of Industrial Engineering from Institut Teknologi Bandung (ITB), took Business Management Process Program at in Asian Institute Management.

Business Development and Risk Monitoring Committee



Peter F. Gontha
Chairman

Chris Kanter
Vice Chairman

Complete profile is presented in the Board of Commissioners section.



Asril Fitri Syamas
Member

Appointed as a member of Business Development and Risk Monitoring Committee since May 2012. Previously, he served as a member of Risk Policy Committee since November 2008. Since May 2013, he has completed his duty for a period of 31 years in Agency for the Assessment and Application of Technology/Badan Pengkajian dan Penerapan Teknologi (BPPT) and also as the Chairman of Board of Directors at IPTN North America Inc. Seattle, USA in November 2013. Currently he serves as Head of Indonesian Business Incubator Association/Asosiasi Inkubator Bisnis Indonesia (AIBI), an intermediation institution which competence in developing a new innovation-based entrepreneur.

Previously, he has served as President Commissioner of PT Nusantara System International, Finance Director and Commissioner of PT Industri Pesawat Terbang Nusantara (IPTN).

Asril Fitri Syamas was born on April 30, 1957, earned his Bachelor of Electrical Engineering from Universitas Indonesia, Master in Technological Economics from University of Stirling, England. In 2009, he obtained Professional Risk Management Certificate from Professional Risk Management Certification Institution/Lembaga Sertifikasi Profesi Manajemen Resiko (LPSMR).

Ahmad Ridwan Dalimunthe
Member

Appointed as a member of Business Development and Risk Monitoring Committee since October 2012. Currently, he also serves as Head of BOC Secretariat of PT First Media Tbk., Director of PT Sidiq Indonesia in Yogyakarta, Founder and Director of CV Momentum Anak Negeri in Yogyakarta, Founder and Director of CV Yakin Usaha in Yogyakarta.

Ahmad Ridwan Dalimunthe was born on July 25, 1970, earned a degree in Sociology from Universitas Gadjah Mada (UGM), Master in International Business Management from UGM.

Corporate Governance

Internal Audit, Corporate Secretary, and Corporate Communications Profile



Sri Mulyati

Vice President Internal Audit

Appointed as VP Internal Audit since May 2000. Her previous career was with the State Financial and Development Supervisory Agency since 1984, with her last position as Head of Foreign Oil Contractor Supervisory Section.

Sri Mulyati was born on June 2, 1956. Earned a Bachelor degree in Economics, majoring in Accountancy, from Universitas Airlangga, Surabaya, in 1982.



Ike Andriani

Vice President Corporate Secretary

Appointed as VP Corporate Secretary since October 2009. Previously, she worked at PT XL Axiata Tbk (formerly PT Exelcomindo Pratama Tbk.) since 2005, with her last position as Corporate Secretary and Head of Legal & Governance Management Division.

Ike Andriani was born on July 9, 1971. Earned a Bachelor degree in Law from Universitas Katolik Parahyangan, Bandung, in 1994.



Pujobroto

Vice President Corporate Communications

Appointed as VP Corporate Communications since 2009. Previously, he served as VP Corporate Secretary since 2007, and served in a number of other positions with Garuda Indonesia. His previous, he had a career with IndoPR, a public relations consultant company.

Pujobroto was born on September 12, 1958. Earned a Bachelor degree in Social and Political Science from Universitas Indonesia, in 1987, and subsequently a Master degree in Public Relations from Pittsburgh University, USA.

Secretary of Board of Commissioners Profile



Achmad Jaka Santos Adiwijaya

Secretary of Board of Commissioners

Appointed as Secretary of Board of Commissioners since May 2012. Currently he also serves as President Commissioner of PT Tjahaja Elektrik, guest lecturer in Faculty of Civil Engineering Masters of Infrastructure at Universitas Indonesia, lecturer in Faculty of Law, Masters of Law at Universitas Djuanda.

Previously, he served as Senior Partner at Simbolon & Partners, Partner at AZP Legal Consultant, Head of Legal Unit of PT Elnusa Tbk, Group Head, Vice President at Asset Management Investment (AMI), Division of Obligation Settlement of Shareholders 2, Indonesian Bank Restructuring Agency/ Badan Penyehatan Perbankan Indonesia (BPPN).

Achmad Jaka Santos Adiwijaya was born in July 7, 1969, earned a Bachelor of Law from Universitas Padjajaran, and then earned a PhD degree in Law from Universitas Padjajaran, Masters of Laws in Corporate and Commercial Law, Law School, the University of Technology, Sydney, Australia.

Corporate Social Responsibility

The plan to operate Garuda Indonesia dedicated terminal in a number of domestic airports commencing in 2014 is expected to improve the aspect of services to provide the ease and comfort for passengers.



Corporate Social Responsibility

In line with the expanding route and network, the outreach of Garuda Indonesia CSR programs is also expanding across the archipelago of Nusantara.

For Garuda Indonesia, Corporate Social Responsibility (CSR) is one of the means to enroot in the community and together grow. Garuda Indonesia's commitment in carrying out its social responsibility is manifested through a variety of activities that are well planned and are conducted on a continuous basis, with the objective of creating maximum positive impact, in the sense of providing maximum benefits for employees, customers, shareholders, and society at large and the benefits can be felt in the long term.

The CSR implementation in Garuda Indonesia is closely related to sustainable development, in which the company's activities are not solely based on financial factors, but must also be based on social and environmental consequences for the current time and long-term.

A. VISION AND MISSION OF CSR

At Garuda Indonesia, the vision and mission are the key in carrying out any of its activities, including the planning of CSR activities. Garuda Indonesia's commitment is embodied in the vision and mission of Corporate Social Responsibility as follows:

Vision

Managing an effective and appropriate Corporate Social Responsibility program so as to provide positive impact on society, environment, and the Company.

Mission

Committed to economic, social, and environmental community empowerment in Indonesia through innovative sustainable programs.



Rp
18.47
 Billion

Total funding for "Garuda Indonesia Cares" program in 2013.

4,881
 Foster Partner

Number of Small and Medium-scale Enterprise (SME) in Indonesia that have become Foster Partner in the "Garuda Indonesia Cares" program.

B. GARUDA INDONESIA CARES

Garuda Indonesia realizes that any progress made by the Company should also be enjoyed by the community. For that purpose, Garuda Indonesia has formulated various programs of cooperation that can improve the community empowerment and environment. These programs are under the underlying program called "Garuda Indonesia Cares". Through Garuda Indonesia Cares, the CSR activities undertaken by Garuda Indonesia were implemented in an integrated manner to provide more effective results, broad impact, and sustainability.

"Garuda Indonesia Cares" program is a form of implementation of the Triple Bottom Line concept (Economic, Environment, and Social), manifested by the Company through the efforts of balancing the sustainability of profitability (economic), the welfare of society (social) and environmental preservation (environment).

In 2013, along with the routes and network expansion, the outreach of Garuda Indonesia CSR programs is also expanding across the archipelago of Nusantara.

Corporate Social Responsibility

In overall, in 2013 Garuda Indonesia allocated Rp 18.47 billion for the implementation of "Garuda Indonesia Cares" program reaching to the ends of Indonesia, such as the provinces of Aceh and Papua. This also illustrates the Company's efforts in spreading the implementation of CSR programs in Indonesia.

Corporate Social Responsibility Distribution in 2013 (Rp)

Activities in "Garuda Indonesia Cares"	Total 2013	Accumulated up to 2013
CSR	13,557,790,112	27,030,302,554
Partnership Loan	955,000,000	50,826,188,543
Partnership Fostering	264,447,595	12,507,603,165
SOEs Foster Community Development	3,698,209,479	30,274,521,381
SOEs Care Community Development	0	4,458,289,860
Total	18,475,447,186	125,096,905,503

Being an SOE, the implementation of the program "Garuda Indonesia Cares" also refers to the Minister of SOEs Regulation No. PER-05/MBU/2007 and PER-08/MBU/2013 regarding the Partnership Program of State-Owned Enterprises with Small Enterprises and Community Development program.

1. Garuda Indonesia Cares for Economy

Socio-economic progress of the community living in the vicinity of where Garuda Indonesia operates is one of the ways to indicate the success of a CSR program. Garuda Indonesia has implemented Partnership Programs by distributing funds, fostering and monitoring the development of small enterprises or fostered partners.

Through Loan and Partnership Development Programs, Garuda Indonesia has distributed capital loans to small and medium enterprises (SMEs) throughout the country. Partnership Program is intended to improve the ability of small businesses to be resilient and self-sufficient through the use of funds coming from the SOEs' profits. The capital loans are given to the UKM partners and

help the potentials grow while managing the business well. The loan distribution can be conducted with the help of other state-owned enterprises (BUMN), non-governmental organization (NGO) and other competent institutions.

Garuda Indonesia Partnership Program consists of two components, namely:

1. Providing soft loans to finance the working capital or the purchase of fixed assets in order to increase production and sales,
2. Providing free coaching for education, training, apprenticeship, promotion and other matters related with partners' productivity and managerial improvement.

By the end of 2013, Garuda Indonesia as a whole has had 4,881 fostered partners comprising 4,157 fostered partners which were fostered through the synergy between state-owned enterprises and other organizations, such as PT Permodalan Madani (Persero), PT Sang Hyang Seri (Persero) and PT Nusantara Plantation X (Persero) and 724 fostered partners who were fostered directly by the Company.

Partnership Until 2013

Province	Foster Partner
Bali	117
Banten	143
Daerah Istimewa Yogyakarta	115
DKI Jakarta	13
Gorontalo *	2,542
West Java	181
Central Java	154
East Java	363
West Kalimantan	351
South Kalimantan	5
Nanggroe Aceh Darussalam	30
West Nusa Tenggara	417
East Nusa Tenggara	23
West Sulawesi	25
South Sulawesi	3
North Sulawesi	153
West Sumatera	243
Timor Timur **	3
Total	4,881

*) In accordance with instructions from the Ministry of SOE regarding Cooperative-Based Food Production Increase Program (GP3K) in synergy with other SOEs.

***) Not active since 1999

In 2013, the Company has disbursed partnership loans amounting to Rp 955 million through direct channel to 11 fostered partners in West Java (4 Partners), Bali (6 Partners), and Lombok (1 Partner). The following table shows the distribution of partnership loan in 2013 based on business sector.

Partnership Loans in 2013 (Rp)

	Total 2013	Composition
Industry	805,000,000	84%
Services	150,000,000	16%
Total	955,000,000	100%

By the end of 2013, total partnership funds disbursed by Garuda Indonesia reached Rp50,826,788,543 from direct channel as well as through SOEs synergy/ Institution.

Funding for Partnership Program - Direct and in Synergy with SOE/Channelling Institutions (Rp)

	Accumulated up to 2013	Composition
Industry Sector	12,437,225,000	24.47%
Services Sector	1,676,500,000	3.30%
Trade Sector	3,941,500,000	7.75%
Fisheries Sector	940,000,000	1.85%
Plantation Sector	2,030,000,000	3.99%
Agriculture Sector	29,114,383,543	57.28%
Livestock Sector	687,180,000	1.35%
Total	50,826,788,543	100%

The continuous loan disbursement has helped some small-medium enterprises in developing their business and at the end, it improves the community's economy.

Garuda also provides training for established partners through education, training, apprenticeship, and promotion. Garuda Indonesia has disbursed Rp 264 million in 2013. Garuda Indonesia also helped its partners to conduct promotion activities, such as through exhibitions which involved partners. In 2013, the activities included:

1. 6th Adiwastra Indonesia 2013
2. Bazaar Ramadhan 2013
3. Garuda Indonesia Travel Fair (GATF) 2013
4. APEC Exhibition in Bali
5. Exhibition to commemorate the anniversary of IIP-BUMN and Mother's Day

Garuda Indonesia also provides an opportunity for its fostered partners to promote their products in the inflight sales catalogue, and using their products (silver craft) as one of the attributes of cabin crew uniforms.

Corporate Social Responsibility

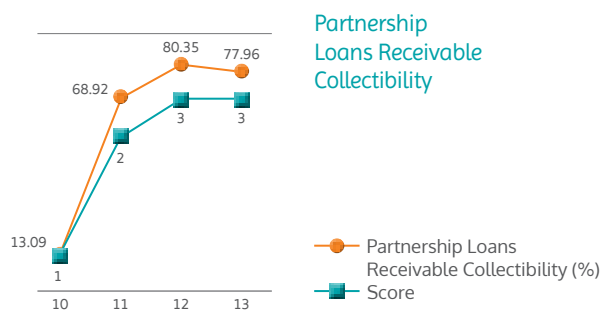
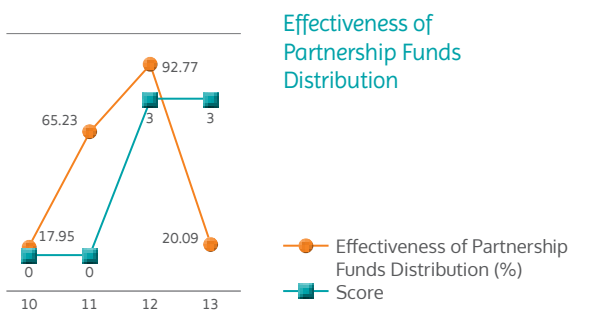
To ensure the effective use of partnership funds, as well as an effort to maintain the business performance of its fostered partners, Garuda Indonesia continuously monitors and supervises their development. The effectiveness level of Garuda Indonesia partnership funds distribution amounted to 20.09% or with a score of 3, and the performance of payables collectability of fostered partners in 2013 also having a score of 3 with a result of 77.96%.

Partnerships fund distribution was deferred in the beginning of 2013 based on the Letter from the Deputy of SOEs Restructuring and Strategic Planning No. S-92/05.MBU/2013 dated April 3, 2013 regarding the Temporary Cancellation of Partnership Program Distribution in 2013. Meanwhile, based on the circular from the Ministry of SOEs No. S-723/MBU/2013 dated December 3, 2013 related to the unoptimal of partnership program due to some policy changes, then the assessment for the indicators of the effectiveness of the distribution in 2013 can be given the score of 3.

environment aspect which has become the CSR pillar is part of Garuda Indonesia's commitment to be the Green Airline and help prevent or minimize the impacts on the environmental preservation.

The Company undertakes the aforementioned initiatives by conducting an environmentally friendly business that aims to reduce the level of emissions and waste while conserve the energy and other natural resources. This is in line with IATA's vision that targets fuel efficiency by 1.5% annually from 2009 to 2020, zero growth of carbon by 2020, and a decrease in the level of emissions by 50% by 2050.

Garuda Indonesia's commitment to minimize the impact of its business activities on environmental sustainability is manifested through Garuda Indonesia Cares Environment programs, among others:



2. Garuda Indonesia Cares for Environment

Garuda Indonesia is fully aware that business will thrive better in healthy environment. Therefore, every company should consider the impact on the environment resulted from its business activities and take great care to minimize the negative impacts. The

1. Earth Hour program 2009-2013
 Since 2009, together with the rest of the world, Garuda Indonesia participated in the Earth Hour program, by switching off lights for one hour every Saturday in the last week of March each year.

Achievement of Garuda Indonesia Group in the Earth Hour Program

2009	2010	2011	2012	2013
160 Employee	130 Employee	179 Employee	350 Employee	225 Employee
21 Branch Office (BO)	25 BO	6 BO, 2 SBU & Subsidiaries	31 BO, 8 SBU & Subsidiaries	12 BO, 8 SBU & Subsidiaries
Savings: 572,000 Watt	Savings: 430,000 Watt	Savings: 2,158,527 Watt	Savings: 3,117,328 Watt	Savings: 4,821,312 Watt
Garuda Indonesia Group prevented the release of 0.51 ton CO2 equivalent of Greenhouse Gases into the atmosphere	Garuda Indonesia Group prevented the release of 0.38 ton CO2 equivalent of Greenhouse Gases into the atmosphere	Garuda Indonesia Group prevented the release of 1.92 ton CO2 equivalent of Greenhouse Gases into the atmosphere	Garuda Indonesia Group prevented the release of 2.43 ton CO2 equivalent of Greenhouse Gases into the atmosphere	Garuda Indonesia Group prevented the release of 3.77 ton CO2 equivalent of Greenhouse Gases into the atmosphere

2. Fuel Conservation Program

Exhaust emission is closely correlated with fuel usage, hence conducting fuel conservation means reducing the amount of exhaust emissions. Fuel conservation is a fuel saving program that will continue to be implemented by Garuda Indonesia, through the implementation of the following strategic steps:

- Potable Water Management
- Optimum center of gravity
- Nearest Alternate
- Cost Index
- ATC Coordination (Direct Routes & Optimum Flight Level)
- Pilot Flight Technique
- Maintenance Program

3. Recycled Books

Garuda Indonesia implements waste paper recycling program by reprocessing used paper, carbon paper for ticket, or used documents to become notebook, notepad and memopad. This program is an ongoing program started in 2010. Notes and memopad were used by Garuda Indonesia Training and Development unit as training kit in both internal and external training. Recycled notebooks were then distributed to schools as part of campaigns to improve Environmental Care and Education Care to the community in collaboration with various parties. In 2013 alone, the production of notebooks reached approximately 500,000, and the whole program has produced more than 1,500,000 recycled books.

4. Paper Cup

Garuda Indonesia adopted the use of paper cups for serving hot and cold drinks in in-flight service for both domestic and international flights. Paper cup is a product that is environmentally friendly made of natural ingredients that are toxic free and can decompose naturally in a short time when it is no longer used and mixed with the soil.

5. Embargo On Shipment All Kind Shark Fin

On October 7, 2013, the Garuda Indonesia SBU Cargo issued Cargo Information Notice contains information concerning the embargo on shipment shark fins for both domestic and international routes. SBU Cargo denied all kinds of shipments shark fin, shark fin and will return the shark fin to the owner of the cargo in the event that it has been received. This came into effect as of October 8, 2013.

6. Garuda Indonesia Eco Office

Garuda Indonesia understands that building is one of the factors that contribute to global warming. Therefore, Garuda Indonesia Headquarters was built with the concept of eco-building, among others, by reducing the light usage by using glass wall and appropriate lighting layout to obtain optimal yet efficient lighting. In addition, the building management will also turn off the air conditioner after business hours for non- operational areas. Water saving was carried out through water resources management in all working areas of Garuda Indonesia to reduce water debit and by installing hand wash detector. Garuda Indonesia also

Corporate Social Responsibility

built up Biopore Infiltration Hole to prevent floods, increase soil water reserves, as well as accelerate the absorption of rainwater. Garuda Indonesia continues to maximize the existing green spaces in the office area as afforestation and catchment area by increasing the amount of new shade trees.

7. "More Trees More Passengers"

"More Trees More Passengers" program is part of Garuda Indonesia's commitment to accompany the passenger growth with tree population growth as concrete steps to reduce carbon emissions. Through "More Trees More Passengers", the Company has planted 19,100 trees in 2013 with details as follows:

- Planting 10,000 Trees Native to Java - Bali region in Ecopark Cibinong Science Centre - LIPI
The program was started in 2010 and now is entering the second stage. Garuda Indonesia held this program in cooperation with KEHATI, and LIPI, in total has planted 20,000 trees in Central Java and Bali, Ecopark Cibinong Science Centre - LIPI.
- Planting 8,000 Mahogany Trees in Agam, West Sumatra
Tree planting activities in Jorong, Agam, West Sumatra is part of the disaster relief activities following the landslides that hit the same area in February 2013. The planting of 8,000 trees besides for reforestation, also for restoring the condition of the soil and water absorption to prevent landslides in the future.
- Planting 1,100 Trees in Bali and Jakarta
Tree planting activities in Bali is part of the "Bali's Big Eco weekend", an activity that engage the community and tourists to participate in maintaining the cleanliness of the island of Bali. Types of trees planted on these activities is Coconut, Ketapang and Waru with a total of 500 trees. Meanwhile, tree planting activities in Jakarta is part of CSR activities of Garuda Indonesia with the IIP BUMN for reforestation in areas affected by the floods in Jakarta in January 2013.

8. "Bali Beach Clean Up"

"Bali Beach Clean Up" is a collaboration between Garuda Indonesia, Coca Cola Amatil and Quick Silver Indonesia in the efforts to restore Bali as the face of Indonesian tourism. Garuda Indonesia joined the program in 2012. Through the cooperation

between the three companies in "Bali Beach Clean Up", Garuda Indonesia donated two beach cleaning machines Barber Surf Rake to sweep and remove litters from the sand. Both units are used to clean the 9.6 km long coastline from Kuta beach, Seminyak, Jimbaran, Legian, and Kedonganan. Meanwhile, this cooperation also led to "Bali's Big Eco Weekend", an activity involving foreign and local tourists in Bali to participate in maintaining the cleanliness of the beach through waste collecting challenge.

9. Indonesia Business Council for Sustainable Development

Garuda Indonesia, together other companies, continues to promote sustainable development through the Indonesian Business Council for Sustainable Development (IBCSO), founded in 2011

3. Garuda Indonesia Cares for the Community Development

Garuda Indonesia's Community Development Program is the realization of the Company's commitment and awareness in improving social condition and developing the community in the sectors of Education and Sports, Health, Disaster Relief, Public Infrastructure and Worship Facilities.

a. Education, Training and Sport

- Development and Training Program for Weaving Artisan
Garuda Indonesia participates in the effort to preserve the cultural heritage of Indonesia, one of which is weaving. The efforts to preserve weaving craft among others was conducted by rejuvenating and introducing new techniques and motifs, so that the weaving tradition is not only preserved but is also enriched and will be able to survive the changing times.

Since 2009, Garuda Indonesia in collaboration with Cita Tenun Indonesia have been conducted Development and Training program for weaving artisan. Began in Sidemen, Klungkung, Seraya, and Singaraja-Bali, this program is intended to improve the quality and quantity of weaving production, to give a new nuance in keeping up with the market trend, so that it can even be brought into the international fashion market.

The development and training program include the training on the modern natural coloring techniques, training on patterns or motifs development that suit the market tastes, education on marketing management, quality control, to environmentally friendly waste management. The training was provided by experts and designers of textiles and fashion.

This program was continued other community of weaving artisans in Sambas, West Kalimantan, and Lombok - NTB; and in 2013, the program is expanded to the community of weaving artisans in Nagari Halaban-West Sumatra. In the future, Garuda Indonesia will expand the program to the East.

Since 2011, Garuda Indonesia with the Metro Department Store hold the Nusantara Local Weaving Preservation program that includes training on entrepreneurship, marketing to 18 weaving artisans fostered by Garuda Indonesia.

- School Renovation Program and Educational Facility Aid
In order to help improving the quality of education, in 2013 Garuda Indonesia made contribution in repairing or renovating school facilities in a number of schools from elementary school to Junior High School, in West Java, West Sumatra, Banten, and Riau. The donation was provided in the form of renovation of buildings, education facilities, and textbooks. In addition, the Company also donated 376,440 recycled notebooks from "Recycled Book Program" for primary and secondary schools and orphanage foundations spread across in more than 12 provinces in Indonesia.
- Garuda Indonesia's Commitment Towards Tennis through "Garuda Indonesia Tennis Open"
As part of its CSR program and the realization of the Company's commitment to promote sport in Indonesia, Garuda Indonesia also supports and participates in the development of sports, among others by holding annual tennis tournaments "Garuda Indonesia Tennis Open" which aims to select and nurture talented young athletes in Indonesia to be able to

become a star tennis player in the international level. The tournament formerly known as "Garuda Indonesia Tennis Masters" has been implemented since 2008.

In 2013, Garuda Indonesia held the "Garuda Indonesia Tennis Masters Junior" for the first time, a tournament for 8 male and 8 female tennis players under 16. This event is expected to be an appropriate arena for the development of junior tennis player to become a professional tennis player who can bring our nation name on the international stage.

b. Health

- Concern for Cervical Cancer and AIDS in Eastern Indonesia

The Company shows its concern towards the efforts to raise the awareness on the risk of cervical cancer and preventing the spread of AIDS through the "Garuda Indonesia Care for Cervical Cancer and AIDS" held in Jayapura, Manado, Ambon and in collaboration with the Indonesian Cancer Foundation (ICF). These activities include counseling, training and early detection on Cervical Cancer and treatment through cryotherapy.

The program is also intended to provide certification for general practitioners and midwives so that they can provide training on early detection of cervical cancer for other medical personnel (Training for Trainers). This activity is expected to bring down the number of cervical cancer cases in Papua through early detection and treatment.

- Garuda Indonesia Cares for the Health of Kapuk Muara Community
Garuda Indonesia in collaboration with IIP BUMN and National Gas Company (PGN) held free medical treatment for mother and child in Kapuk Muara, Jakarta as part of medical assistance for flood victim. A total of 1,000 people have received the health care and nutrition package for toddlers.

Corporate Social Responsibility

- Garuda Indonesia Cares for the Health Community Around Hajj Embarkation
 In order to improve the quality of public health of the community living around the Hajj embarkation, the Company implements "Garuda Indonesia Care for Community Health Around the Hajj Embarkation" program by conducting mass circumcision in hajj embarkation area in Jakarta (Halim Perdanakusuma) and Solo (Hajj Dormitory Donohudan, Boyolali). The beneficiaries are the orphans and the needy residing around hajj embarkation as many as 413 people.

c. Infrastructure and public facilities and religious facilities

To improve the quality of infrastructure and public facilities that are unsuitable for use, Garuda Indonesia provides assistance for the renovation and development of such facilities. Garuda Indonesia has also provided assistance for the restoration of worship facilities in several regions in Indonesia such as NTB, Bali, West Sumatra, Banten, West Java and Jakarta.

d. Natural Disaster

Garuda Indonesia showed its concern to for victims of natural disasters in Indonesia by donating food packages, relief goods and providing health services assistance. Victims of natural disaster who received aids in 2013 includes victims of flood in Jakarta and Makassar, landslide in Agam, West Sumatra, and the earthquake in Central Aceh Nanggroe Aceh-Darussalam (NAD).

C. EMPLOYEE, HEALTH AND WORK SAFETY

Qualified human resources is the main capital for the Company to achieve continuous improvement of performance, so that every employee is expected to give positive contribution in making Garuda Indonesia as a high-performing organization. On the other hand, the Company is also aware of and committed to carry out its responsibilities for its employees as good as possible.

Garuda Indonesia strives to create a conducive working environment that can make employees feel comfort at work and able to devote their best, among others, by establishing a performance management system oriented to the achievement of productivity, which is applied to individual, unit and employee. Hence the employees will understand their as individual and collegial are needed by the Company.

For all employees with skills, competencies, talents and interests outside its competence as an employee, Garuda Indonesia provides the opportunity to actualize it, for example by developing sport and art center for sports and art enthusiasts, supporting clubs or communities in the office environment, such as photography, karawitan, kolintang, and so forth.

For employees who wish to file complaint or anxiety about jobs and job situation, Garuda Indonesia provides a communication channel. One of them is the employee services (telephone lines and room for employees). Many things, from complaints to counseling can be scheduled.

Garuda Indonesia provide an opportunity to develop a clear and well-planned career regardless of gender, ethnicity, religion by conducting talent review at every level and assessing the capability, knowledge, behavior, performance and potential of every employee.

Garuda Indonesia also offers competitive compensation and benefits program, which include comprehensive medical facilities, both preventive and curative, among other inpatient facilities, outpatient, maternity, eyeglasses, dental care, laboratory examinations to medical check ups and so forth, using a third party. Especially for surveillance on crew health (both pilots and cabin crew), Garuda Indonesia provides specialized flight physicians to properly care for crew's health.

In 2013, Garuda Indonesia implemented programs aimed at safeguarding the welfare or health of employees, such as: health seminars, blood donation, annual check up for employees. Garuda Indonesia provides occupational accident insurance, life insurance, post-service insurance for employees.

In order to create a healthy, safe, environmentally friendly workplace and communities in sustainable manner, since 2012 Garuda Indonesia has applied the Occupational Safety, Health, and Environment Management System (OSH & EMS) policy. OSH & EMS Manual contains expectations and requirements that must be adhered or the minimum requirement for all company personnel, business partners, contractors, suppliers, and all other parties involved in the business process of Garuda Indonesia. The system is also used to ensure the availability of facilities, works pace, equipment, and support services, as well as the work



environment needed to meet the operational requirements of safety and security. Requirements which are set forth in the manual refer to the international and the government, regulatory/standards, adapted to the business processes in Garuda Indonesia.

In October and November 2013, for the first time, the Company conducted basic training for emergency evacuation officer or Emergency Response Team (ERT), consisted of Floor Warden, Fire Warden and First aider. This training aims to equip ERT with knowledge and skills related to emergency response procedures at the offices of Garuda Indonesia. This training was followed by the Emergency

Evacuation Drill intended for all employees working the building, guests, and ERT to understand the procedures and responsibilities of each person so that in case of emergency, the emergency evacuation can be performed properly.

D. PLANS FOR 2014

In 2014, Garuda Indonesia will improve the quantity and quality of sustainable CSR programs, as well as spreading the programs throughout Indonesia, in areas that have not been touched, through synergy of programs with the branch offices. In terms of partnerships, the Company will continue to intensively monitor the business condition of our fostered partners through their reports and expanding both domestic and international markets

Consolidated Financial Statements

With its fleet of ATR72-600 and Bombardier CRJ1000 NextGen aircraft, Garuda Indonesia is now able to offer overseas visitors with direct flights to the diverse and unique popular tourism destinations throughout Indonesia.



PT Garuda Indonesia (Persero) Tbk.
and Subsidiaries

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 31, 2013

AND INDEPENDENT AUDITORS' REPORT



Garuda Indonesia

SURAT PERNYATAAN DIREKSI
TENTANG TANGGUNG JAWAB
ATAS LAPORAN KEUANGAN KONSOLIDASIAN
PER 31 DESEMBER 2013 DAN 2012, SERTA UNTUK
TAHUN YANG BERAKHIR PADA 31 DESEMBER 2013
DAN 2012

DIRECTOR'S STATEMENT LETTER
RELATING TO THE RESPONSIBILITY ON THE
CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2013 AND 2012 AND FOR
YEARS ENDED DECEMBER 31, 2013 AND 2012

**PT GARUDA INDONESIA (PERSERO) Tbk DAN ENTITAS ANAK/
PT GARUDA INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**

Kami yang beranda tangan di bawah ini/ We the undersigned:

- | | | |
|--|---|---|
| 1. Nama/ Name | : | Emirsyah Satar |
| Alamat kantor/ Office address | : | Garuda Indonesia Building
Kebon Sirih No. 44
Jakarta - 10110, Indonesia |
| Alamat domisili sesuai KTP atau kartu identitas lain/
Domicile as stated in ID card | : | Jl. Mutiara Blok A29 RT009/RW09
Kelurahan Grogol Utara - Kecamatan Kebayoran Lama
Jakarta Selatan |
| Nomor telepon/ Phone number | : | +62-21-55915671 |
| Jabatan/ Position | : | Direktur Utama/President & CEO |
| 2. Nama/ Name | : | Handrito Hardjono |
| Alamat kantor/ Office address | : | Garuda Indonesia Building
Jl. Kebon Sirih No. 44
Jakarta-10110, Indonesia |
| Alamat domisili sesuai KTP atau kartu identitas lain/
Domicile as stated in ID card | : | Bona Indah VII B.7/ 22
Lebak Bulus - Cilandak
Jakarta Selatan |
| Nomor telepon/ Phone number | : | +62-21-25601307 |
| Jabatan/ Position | : | Direktur Keuangan/ EVP Finance |

menyatakan bahwa/ state that:

- | | |
|--|---|
| 1. Bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian; | 1. Responsible for the preparation and presentation of the consolidated financial statements; |
| 2. Laporan keuangan konsolidasian telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan (SAK) di Indonesia; | 2. The consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards (SAK); |
| 3. a. Semua informasi dalam laporan keuangan konsolidasian dan informasi tambahan telah dimuat secara lengkap dan benar; | 3. a. All information contained in the consolidated financial statements and supplementary information is complete and correct; |
| b. Laporan keuangan konsolidasian dan informasi tambahan tidak mengandung informasi atau fakta material yang tidak benar, dan tidak menghilangkan informasi atau fakta material; | b. The consolidated financial statements and supplementary information do not contain misleading material information or facts, and do not omit material information and facts; |
| 4. Bertanggung jawab atas sistem pengendalian intern dalam Perusahaan. | 4. Responsible for the Company's internal control system. |

Demikian pernyataan ini dibuat dengan sebenarnya.

This statement letter is made truthfully.

Atas nama dan mewakili Direksi/For and on behalf of the Board of Directors

Jakarta, 30 Januari / January 1 2014

0 1 4 0 0 9 8 6 0 0 0 0 1 4 0 1 6 7

Emirsyah Satar
Direktur Utama/ President & CEO

Handrito Hardjono
Direktur Keuangan/ EVP Finance

10

Laporan Auditor Independen

No. GA114 0026 GIA FAN

Pemegang Saham, Dewan Komisaris dan Direksi

PT. Garuda Indonesia (Persero) Tbk

Pendahuluan

Kami telah mengaudit laporan keuangan konsolidasian PT. Garuda Indonesia (Persero) Tbk dan entitas anak terlampir, yang terdiri dari laporan posisi keuangan konsolidasian tanggal 31 Desember 2013, serta laporan laba rugi komprehensif konsolidasian, laporan perubahan ekuitas konsolidasian dan laporan arus kas konsolidasian untuk tahun yang berakhir pada tanggal 31 Desember 2013, serta suatu ringkasan kebijakan akuntansi signifikan dan informasi penjelasan lainnya.

Tanggung Jawab Manajemen atas Laporan Keuangan Konsolidasian

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan konsolidasian ini sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang dianggap perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan konsolidasian yang bebas dari kesalahan penyajian material, baik yang disebabkan oleh kecurangan maupun kesalahan.

Tanggung Jawab Auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan konsolidasian ini berdasarkan audit kami. Kami melaksanakan audit berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan memadai tentang apakah laporan keuangan konsolidasian bebas dari kesalahan penyajian material.

Suatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit tentang angka-angka dan pengungkapan dalam laporan keuangan konsolidasian. Prosedur yang dipilih tergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan konsolidasian, baik yang disebabkan oleh kecurangan maupun kesalahan. Dalam melakukan penilaian atas risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan konsolidasian untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, tetapi bukan untuk tujuan menyatakan opini atas efektivitas pengendalian internal entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan konsolidasian secara keseluruhan.

Independent Auditors' Report

No. GA114 0026 GIA FAN

The Stockholders, Boards of Commissioners and Directors

PT. Garuda Indonesia (Persero) Tbk

Introduction

We have audited the accompanying consolidated financial statements of PT. Garuda Indonesia (Persero) Tbk and its subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2013, and the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Indonesian Financial Accounting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

Osman Bing Satrio & Eny

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Osman Bing Satrio & Eny

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

Opini

Menurut opini kami, laporan keuangan konsolidasian terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan PT. Garuda Indonesia (Persero) Tbk. dan entitas anak pada tanggal 31 Desember 2013, serta kinerja keuangan dan arus kas untuk tahun yang berakhir pada tanggal tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Hal Lain

Audit kami atas laporan keuangan konsolidasian Perusahaan dan entitas anak pada tanggal 31 Desember 2013 dan untuk tahun yang berakhir pada tanggal tersebut dilaksanakan dengan tujuan untuk memusulkan suatu opini atas laporan keuangan konsolidasian tersebut secara keseluruhan. Informasi keuangan Perusahaan (entitas induk) terlampir, yang terdiri dari laporan posisi keuangan tanggal 31 Desember 2013, serta laporan laba rugi komprehensif, laporan perubahan ekuitas, dan laporan arus kas untuk tahun yang berakhir pada tanggal tersebut, dan catatan atas investasi pada entitas anak dan asosiasi (secara kolektif disebut sebagai "Informasi Keuangan Entitas Induk"), yang disajikan sebagai informasi tambahan terhadap laporan keuangan konsolidasian terlampir, disajikan untuk tujuan analisis tambahan dan bukan merupakan bagian dari laporan keuangan konsolidasian terlampir yang diharuskan menurut Standar Akuntansi Keuangan di Indonesia. Informasi Keuangan Entitas Induk merupakan tanggung jawab manajemen serta dihasilkan dari dan berkaitan secara langsung dengan catatan akuntansi dan catatan lainnya yang mendasarinya yang digunakan untuk menyusun laporan keuangan konsolidasian terlampir. Informasi Keuangan Entitas Induk telah menjadi objek prosedur audit yang diterapkan dalam audit atas laporan keuangan konsolidasian terlampir berdasarkan Standar Audit yang ditetapkan oleh Institut Akuntan Publik Indonesia. Menurut opini kami, Informasi Keuangan Entitas Induk disajikan secara wajar, dalam semua hal yang material, berkaitan dengan laporan keuangan konsolidasian terlampir secara keseluruhan.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of PT. Garuda Indonesia (Persero) Tbk. and its subsidiaries as of December 31, 2013, and their financial performance and cash flows for the year then ended in conformity with Indonesian Financial Accounting Standards.

Other Matters

Our audit of the consolidated financial statements of the Company and its subsidiaries as of December 31, 2013 and for the year ended were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying financial information of the Company (Parent Entity), which consists of the statement of financial position as of December 31, 2013, and the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and notes on investment in subsidiaries and associates (collectively referred to as "Parent Entity Financial Information"), which is presented as additional information to the attached consolidated financial statements, are presented for purposes of additional analysis and is not is part of the accompanying consolidated financial statements required under Indonesian Financial Accounting Standards. This Parent Entity Financial Information is the responsibility of the Company's management and was derived from and relates directly to the underlying accounting and other records used to prepare the accompanying consolidated financial statements. Such Parent Entity Financial Information has been subjected to the auditing procedures applied in our audit of the accompanying consolidated financial statements in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. In our opinion, such Parent Entity Financial Information is fairly stated in all material respects, in relation to the accompanying consolidated financial statements as a whole.

OSMAN BING SATRIO & ENY



Muhammad Irfan

Izin Akuntan Publik/ Public Accountant License No. AP.0565

30 Januari/January 30, 2014

PT GARUDA INDONESIA (PERSERO) Tbk DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2013

PT GARUDA INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2013

	Catatan/ Notes	31 Desember/ December 31, 2013 USD	31 Desember/ December 31, 2012 USD	
ASET				ASSETS
ASET LANCAR				CURRENT ASSETS
Kas dan setara kas	5,45	475.260.630	325.784.942	Cash and cash equivalents
Piutang usaha				Trade accounts receivables
Pihak berelasi	6,45	4.034.966	5.085.143	Related parties
Pihak ketiga - setelah dikurangi cadangan kerugian penurunan nilai sebesar USD 2.968.386 pada 31 Desember 2013 dan USD 1.503.631 pada 31 Desember 2012		135.946.397	124.385.955	Third parties - net of allowance for impairment loss of USD 2,968,386 in December 31, 2013 and USD 1,503,631 in December 31, 2012
Piutang lain-lain	7	8.745.081	7.877.613	Other receivables
Persediaan - bersih	8	90.328.457	83.443.877	Inventories - net
Uang muka dan biaya dibayar dimuka	9	89.243.446	84.809.542	Advances and prepaid expenses
Pajak dibayar dimuka	10	15.574.946	5.179.146	Prepaid taxes
Jumlah Aset Lancar		<u>819.133.923</u>	<u>636.566.218</u>	Total Current Assets
ASET TIDAK LANCAR				NON CURRENT ASSETS
Dana perawatan pesawat dan uang jaminan	11,47,48	617.623.057	461.933.812	Maintenance reserve fund and security deposits
Uang muka pembelian pesawat	12	500.366.436	497.157.419	Advances for purchase of aircraft
Investasi pada entitas asosiasi	13	17.459.916	16.517.489	Investments in associates
Aset pajak tangguhan	10	26.209.085	11.462.857	Deferred tax assets
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar USD 1.026.833.500 pada 31 Desember 2013 dan USD 948.246.186 pada 31 Desember 2012	14	863.098.897	798.079.135	Property and equipment net of accumulated depreciation of USD 1,026,833,500 in December 31, 2013 and USD 948,246,186 in December 31, 2012
Properti investasi	15	22.020.790	18.912.898	Investment properties
Aset takberwujud - bersih	16	6.822.881	7.217.106	Intangible assets - net
Beban tangguhan - bersih		7.219.535	1.319.027	Deferred charges - net
Aset lain-lain - bersih	17,45	73.830.432	68.831.805	Other assets - net
Jumlah Aset Tidak Lancar		<u>2.134.651.029</u>	<u>1.881.431.548</u>	Total Non Current Assets
JUMLAH ASET		<u>2.953.784.952</u>	<u>2.517.997.766</u>	TOTAL ASSETS

Lihat catatan laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to consolidated financial statements which are an integral part of the consolidated financial statements.

PT GARUDA INDONESIA (PERSERO) Tbk DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN KONSOLIDASIAN
31 DESEMBER 2013 - Lanjutan

PT GARUDA INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2013 - Continued

	Catatan/ Notes	31 Desember/ December 31, 2013 USD	31 Desember/ December 31, 2012 USD	
LIABILITAS DAN EKUITAS				LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK				CURRENT LIABILITIES
Utang bank dan lembaga keuangan	18,45	45.222.668	5.651.251	Loan from banks and financial institution
Utang usaha				Trade accounts payables
Pihak-pihak berelasi	19,45	122.293.726	83.773.489	Related parties
Pihak ketiga		83.892.550	89.696.142	Third parties
Utang lain-lain	20	16.271.886	16.669.543	Other payables
Utang pajak	10	17.037.776	20.407.652	Taxes payable
Beban akrual	21	160.967.081	169.268.165	Accrued expenses
Pendapatan diterima dimuka	22	169.265.396	162.270.578	Unearned revenues
Uang muka diterima		20.534.373	20.417.066	Advances received
Liabilitas jangka panjang yang jatuh tempo dalam satu tahun:				Current maturities of long term liabilities
Pinjaman jangka panjang	23,45	280.075.641	106.125.048	Long-term loans
Liabilitas sewa pembiayaan	24	53.268.680	58.132.590	Lease liabilities
Liabilitas estimasi biaya pengembalian dan pemeliharaan pesawat	25	15.060.990	21.795.528	Estimated liability for aircraft return and maintenance cost
Jumlah Liabilitas Jangka Pendek		<u>983.890.767</u>	<u>754.207.052</u>	Total Current Liabilities
LIABILITAS JANGKA PANJANG				NON CURRENT LIABILITIES
Liabilitas jangka panjang - setelah dikurangi bagian yang jatuh tempo dalam satu tahun:				Non current maturities of long-term liabilities:
Pinjaman jangka panjang	23,45	324.619.850	294.822.442	Long-term loans
Liabilitas sewa pembiayaan	24	138.482.264	148.220.008	Lease liabilities
Liabilitas estimasi biaya pengembalian dan pemeliharaan pesawat	25	55.191.260	30.536.262	Estimated liability for aircraft return and maintenance cost
Utang obligasi	26	162.850.383	-	Bonds payable
Liabilitas pajak tangguhan	10	16.987.753	15.019.898	Deferred tax liabilities
Liabilitas imbalan kerja	28	128.743.051	152.987.113	Employment benefits obligation
Liabilitas tidak lancar lainnya	26	25.871.507	7.244.913	Other non current liabilities
Jumlah Liabilitas Jangka Panjang		<u>852.746.068</u>	<u>648.830.636</u>	Total Non Current Liabilities
EKUITAS				EQUITY
Modal saham -				Capital stock -
Nilai nominal Rp 459 per saham masing-masing untuk saham Seri A Dwiwarna dan saham Seri B				Rp 459 par value per share for Series A Dwiwarna share and Series B shares
Modal dasar - 1 saham seri A Dwiwarna dan 29.999.999.999 saham Seri B				Authorized - 1 of Series A Dwiwarna share and 29,999,999,999 Series B shares
Modal ditempatkan dan disetor - 1 saham Seri A Dwiwarna dan 22.640.995.999 saham Seri B	29	1.146.031.889	1.146.031.889	Issued and paid-up capital - 1 Series A Dwiwarna shares and 22,640,995,999 Series B
Tambahan modal disetor	30	4.548.037	4.548.037	Additional paid-in capital
Opsi saham	32	2.770.970	1.148.451	Stock option
Saldo laba				Retained earnings
Defisit sebesar USD 1.385.459.977 pada tanggal 1 Januari 2012 telah dieliminasi dalam rangka kuasi-reorganisasi (Catatan 52)				Deficit amounting to USD 1,385,459,977 as of January 1, 2012 was eliminated in connection with quasi reorganization (Note 52)
- Dicadangkan	32	5.529.919	-	- Appropriated
- Belum dicadangkan		118.391.074	110.598.370	- Unappropriated
Komponen ekuitas lainnya	14,31	(161.593.912)	(149.237.597)	Other component of equity
Ekuitas yang dapat diatribusikan kepada pemilik		1.115.677.977	1.113.089.150	Equity attributable to owners of the company
Kepentingan non pengendali	33	1.470.140	1.870.928	Non controlling interest
Jumlah Ekuitas		<u>1.117.148.117</u>	<u>1.114.960.078</u>	Total Equity
JUMLAH LIABILITAS DAN EKUITAS		<u>2.953.784.952</u>	<u>2.517.997.766</u>	TOTAL LIABILITIES AND EQUITY

Lihat catatan laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to consolidated financial statements which are an integral part of the consolidated financial statements.

PT GARUDA INDONESIA (PERSERO) Tbk DAN ENTITAS ANAK
LAPORAN LABA RUGI KOMPREHENSIF KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2013

PT GARUDA INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2013

	Catatan/ Notes	2013 USD	2012 USD	
PENDAPATAN USAHA				OPERATING REVENUES
Penerbangan berjadwal	35	3.170.086.191	2.887.250.744	Scheduled airline services
Penerbangan tidak berjadwal	35	215.965.887	269.091.577	Non-scheduled airline services
Lainnya	35	330.024.508	316.126.641	Others
Jumlah Pendapatan Usaha		<u>3.716.076.586</u>	<u>3.472.468.962</u>	Total Operating Revenues
BEBAN USAHA				OPERATING EXPENSES
Operasional penerbangan	36	2.244.840.144	1.908.975.113	Flight operations
Tiket, penjualan dan promosi	37	335.842.135	317.443.935	Ticketing, sales and promotion
Pemeliharaan dan perbaikan	41	288.213.715	288.853.664	Maintenance and overhaul
Pelayanan penumpang	38	283.500.861	263.949.418	Passenger services
Bandara	39	266.998.356	240.479.502	User charges and station
Administrasi dan umum	40	218.772.364	213.737.827	General and administrative
Operasional hotel		33.758.910	25.809.070	Hotel operation
Operasional transportasi		19.816.371	18.290.868	Transportation operation
Operasional jaringan		18.007.374	16.883.310	Network operation
Jumlah Beban Usaha		<u>3.709.750.230</u>	<u>3.294.422.707</u>	Total Operating Expenses
BEBAN (PENDAPATAN) LAIN-LAIN				OTHER (INCOME) CHARGES
Keuntungan selisih kurs		(47.928.641)	(9.449.819)	Gain on foreign exchange
Lain-lain	42	<u>(2.193.278)</u>	<u>19.423.970</u>	Others
Bersih		<u>(50.121.919)</u>	<u>9.974.151</u>	Net
LABA USAHA		<u>56.448.275</u>	<u>168.072.104</u>	INCOME FROM OPERATIONS
Bagian laba bersih asosiasi	13	1.860.416	1.927.546	Equity in net income of associates
Pendapatan keuangan		10.347.000	6.755.823	Finance income
Beban keuangan	43	<u>(59.840.088)</u>	<u>(25.224.919)</u>	Finance cost
LABA SEBELUM PAJAK		8.815.603	151.530.554	INCOME BEFORE TAX
MANFAAT (BEBAN) PAJAK	10	<u>2.384.777</u>	<u>(40.687.981)</u>	TAX BENEFITS (EXPENSE)
LABA BERSIH TAHUN BERJALAN		<u>11.200.380</u>	<u>110.842.573</u>	NET INCOME FOR THE YEAR
LABA KOMPREHENSIF LAIN				OTHER COMPREHENSIVE INCOME
Peningkatan revaluasi aset tetap - bersih		14.647.651	46.729.409	Gain on revaluation of property and equipment - net
Selisih kurs karena penjabaran laporan keuangan		(26.863.018)	(3.845.700)	Exchange differences on translating foreign operations
Pajak penghasilan terkait		1.580.507	(8.316.974)	Related income tax
Jumlah laba (rugi) komprehensif lain-lain		<u>(10.634.860)</u>	<u>34.566.735</u>	Total other comprehensive income (loss)
JUMLAH LABA KOMPREHENSIF		<u>565.520</u>	<u>145.409.308</u>	TOTAL COMPREHENSIVE INCOME
LABA YANG DAPAT DIATRIBUSIKAN KEPADA:				NET INCOME ATTRIBUTABLE TO:
Pemilik entitas induk		11.038.843	110.598.370	Owners of the Company
Kepentingan non pengendali	33	<u>161.537</u>	<u>244.203</u>	Non controlling interest
LABA BERSIH TAHUN BERJALAN		<u>11.200.380</u>	<u>110.842.573</u>	NET INCOME FOR THE YEAR
JUMLAH LABA KOMPREHENSIF YANG DAPAT DIATRIBUSIKAN KEPADA:				TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:
Pemilik entitas induk		966.308	144.523.947	Owners of the Company
Kepentingan non pengendali	33	<u>(400.788)</u>	<u>885.361</u>	Non controlling interest
JUMLAH LABA KOMPREHENSIF		<u>565.520</u>	<u>145.409.308</u>	TOTAL COMPREHENSIVE INCOME
LABA PER SAHAM DASAR -				EARNING PER SHARE - BASIC
diatribusikan kepada pemilik entitas induk	44	0,00049	0,00488	attributable to owner of the parent company

Lihat catatan laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to consolidated financial statements which are an integral part of the consolidated financial statements.

PT GARUDA INDONESIA (PERSERO) Tbk DAN ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

PT GARUDA INDONESIA (PERSERO) Tbk DAN ENTITAS ANAK
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2013

Catatan/ Notes	Komponen ekuitas lainnya/Other component equity										Balance as of January 1, 2012 prior to quasi-reorganization	Elimination of deficit in connection with quasi-reorganization	Balance as of January 1, 2012 after quasi-reorganization	Management and employee stock option (MESOP)	Total comprehensive income	Balance as of December 31, 2012	Management and employee stock option (MESOP)	The Company's mandatory reserve	Transferred to retained earning	Total comprehensive income	Balance as of December 31, 2013
	Modal saham/ Capital stock	Tambahan modal disor/ Additional paid-up capital	Opsi saham/ Stock option	Dicadangkan/ Appropriated	Saldo laba/ Retained Earning	Surplus revaluasi/ Revaluation Surplus	Seisih laporan keuangan/ Transition adjustments	Total pendapatan komprehensif lainnya/ Total other comprehensive income	Sub jumlah/ Sub total	Kepentingan non pengendali/ Non controlling interest											
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Saldo 1 Januari 2012 sebelum kuasi-reorganisasi	2.291.936.892	113.067.035	2.278.677	-	(1.385.459.977)	83.793.914	(183.804.332)	(100.010.418)	921.812.209	985.567	922.797.776										
Eliminasi defisit dalam rangka kuasi-reorganisasi	(1.145.905.003)	(108.518.998)	(2.278.677)	-	1.385.459.977	(83.793.914)	-	(83.793.914)	44.963.385	-	44.963.385										
Saldo 1 Januari 2012 setelah kuasi-reorganisasi	1.146.031.889	4.548.037	-	-	-	-	(183.804.332)	(183.804.332)	966.775.594	985.567	967.761.161										
Opsi saham manajemen dan karyawan (MESOP)	-	-	1.148.451	-	-	-	-	-	1.148.451	-	1.148.451										
Jumlah pendapatan komprehensif	-	-	-	-	110.598.370	38.412.435	(3.845.700)	34.566.735	145.165.105	885.361	146.050.466										
Saldo 31 Desember 2012	1.146.031.889	4.548.037	1.148.451	-	110.598.370	38.412.435	(187.650.032)	(149.237.597)	1.113.089.150	1.870.928	1.114.960.078										
Opsi saham manajemen dan karyawan (MESOP)	-	-	1.622.519	-	-	-	-	-	1.622.519	-	1.622.519										
Cadangan wajib perusahaan	-	-	-	5.529.919	(5.529.919)	-	-	-	-	-	-										
Dipindahkan ke laba ditahan	-	-	-	-	2.283.780	(2.283.780)	-	(2.283.780)	966.308	-	966.308										
Jumlah pendapatan komprehensif	-	-	-	-	11.038.843	16.245.224	(26.317.758)	(10.072.535)	565.520	(400.788)	565.520										
Saldo 31 Desember 2013	1.146.031.889	4.548.037	2.770.970	5.529.919	118.391.074	52.373.880	(213.967.790)	(161.593.912)	1.115.677.976	1.470.140	1.117.148.116										

Lihat catatan laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to consolidated financial statements which are an integral part of the consolidated financial statements.

PT GARUDA INDONESIA (PERSERO) Tbk DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2013

PT GARUDA INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

	2013 USD	2012 USD	
ARUS KAS DARI AKTIVITAS OPERASI			CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan kas dari pelanggan	3.828.013.062	3.303.464.135	Cash receipts from customers
Pengeluaran kas kepada pemasok	(3.204.353.979)	(2.520.504.898)	Cash paid to suppliers
Pengeluaran kas kepada karyawan	(425.242.885)	(390.157.600)	Cash paid to employees
Kas dihasilkan dari operasi	198.416.198	392.801.638	Cash generated from operations
Pembayaran bunga dan beban keuangan	(35.040.542)	(13.655.445)	Interest and financial charges paid
Pembayaran pajak penghasilan	(24.349.733)	(14.460.638)	Income taxes paid
Kas Bersih Diperoleh dari Aktivitas Operasi	139.025.923	364.685.555	Net Cash Provided from Operating Activities
ARUS KAS DARI AKTIVITAS INVESTASI			CASH FLOWS FROM INVESTING ACTIVITIES
Penerimaan bunga	9.892.089	7.003.496	Interest received
Penerimaan dividen	1.739.459	1.897.701	Dividend received
Hasil pelepasan aset tetap	10.314.619	3.893.794	Proceeds from disposal of property and equipment
Penerimaan pengembalian uang muka pembelian pesawat	398.739.049	73.495.873	Refund of advance payments for purchase of aircraft
Penerimaan pengembalian dana pemeliharaan pesawat	41.931.995	17.143.158	Receipts of aircraft maintenance reimbursements
Penerimaan uang jaminan	1.101.734	3.974.307	Receipts of security deposit
Pengeluaran untuk dana pemeliharaan pesawat	(235.312.053)	(180.440.276)	Payments for aircraft maintenance reserve fund
Uang muka pembelian pesawat	(442.858.026)	(373.812.834)	Advance payments for aircrafts
Uang muka perolehan aset tetap	(14.259.993)	(27.265.181)	Advance payments for property and equipment
Pengeluaran untuk perolehan aset pemeliharaan dan aset sewa pesawat	(55.864.432)	(3.096.135)	Payments for aircraft maintenance and aircraft leased asset
Pengeluaran untuk perolehan aset tetap	(54.121.268)	(29.335.992)	Acquisition of property and equipment
Pembayaran uang jaminan	(43.814.936)	(18.183.897)	Payments for security deposit
Kenaikan (penurunan) lainnya dari aktivitas investasi	(324.902)	327.042	Increased (decreased) other investment
Kas Bersih Digunakan untuk Aktivitas Investasi	(382.836.665)	(524.398.946)	Net Cash Used in Investing Activities
ARUS KAS DARI AKTIVITAS PENDANAAN			CASH FLOWS FROM FINANCING ACTIVITIES
Penerimaan pinjaman jangka panjang	431.112.338	206.260.009	Proceeds of long-term loan
Penerimaan utang bank dan lembaga keuangan	181.946.307	39.759.949	Proceeds of bank loans and financial institution
Penerimaan obligasi - bersih	200.259.361	-	Proceeds of bonds - net
Pembayaran biaya pengembalian pesawat	(6.677.864)	(6.559.941)	Payment for aircraft return and maintenance
Pembayaran pinjaman jangka panjang	(228.479.260)	(124.540.535)	Payments of long-term loan
Pembayaran utang bank dan lembaga keuangan	(142.398.200)	(37.336.500)	Payments of bank loans and financial institution
Kenaikan kas yang dibatasi penggunaannya	(1.710.965)	(933.748)	Increase in restricted cash
Pembayaran untuk aktivitas pendanaan lainnya	(1.776.784)	(1.191.279)	Payments for other financing activities
Kas Bersih Diperoleh dari Aktivitas Pendanaan	432.274.934	75.457.955	Net Cash Provided from Financing Activities
PENINGKATAN (PENURUNAN) BERSIH KAS DAN SETARA KAS	188.464.192	(84.255.436)	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
KAS DAN SETARA KAS AWAL TAHUN	325.784.942	417.252.577	CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR
Efek perubahan kurs mata uang asing	(38.988.504)	(7.212.199)	Effect of foreign exchange rate changes
KAS DAN SETARA KAS AKHIR TAHUN	475.260.630	325.784.942	CASH AND CASH EQUIVALENTS AT END OF THE YEAR

Lihat catatan laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to consolidated financial statements which are an integral part of the consolidated financial statements.

1. UMUM

a. Pendirian dan Informasi Umum

PT Garuda Indonesia (Persero) Tbk ("Perusahaan") didirikan berdasarkan akta No. 137 tanggal 31 Maret 1950 dari notaris Raden Kadiman. Akta pendirian tersebut telah disahkan oleh Menteri Kehakiman Republik Indonesia dalam surat keputusannya No. J.A.5/12/10 tanggal 31 Maret 1950 serta diumumkan dalam Berita Negara Republik Indonesia Serikat No. 30 tanggal 12 Mei 1950, tambahan No. 136. Perusahaan yang awalnya berbentuk Perusahaan Negara, berubah menjadi Persero berdasarkan Akta No. 8 tanggal 4 Maret 1975 dari Notaris Soeleman Ardjasmita, S.H., sebagai realisasi Peraturan Pemerintah No. 67 tahun 1971. Perubahan ini telah diumumkan dalam Berita Negara Republik Indonesia No. 68 tanggal 26 Agustus 1975, tambahan No. 434.

Anggaran Dasar Perusahaan telah mengalami beberapa kali perubahan, terakhir dengan Akta No. 1 tanggal 26 Juli 2012 dari Aulia Taufani, S.H, notaris di Tangerang, mengenai perubahan nilai nominal saham. Perubahan ini telah mendapatkan persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia melalui Surat Keputusan No. AHU-66159.AH.01.02. Tahun 2012 tanggal 27 Desember 2012.

Perusahaan berkantor pusat di Jl. Kebon Sirih No. 44, Jakarta.

Sesuai dengan pasal 3 Anggaran Dasar Perusahaan, ruang lingkup kegiatan Perusahaan terutama adalah sebagai berikut:

1. Angkutan udara niaga berjadwal untuk penumpang, barang dan pos dalam negeri dan luar negeri;
2. Angkutan udara niaga tidak berjadwal untuk penumpang, barang dan pos dalam negeri dan luar negeri;
3. Reparasi dan pemeliharaan pesawat udara, baik untuk keperluan sendiri maupun untuk pihak ketiga;
4. Jasa penunjang operasional angkutan udara niaga, meliputi *catering* dan *ground handling* baik untuk keperluan sendiri maupun untuk pihak ketiga;
5. Jasa layanan sistem informasi yang berkaitan dengan industri penerbangan, baik untuk keperluan sendiri maupun untuk pihak ketiga;

1. GENERAL

a. Establishment and General Information

PT Garuda Indonesia (Persero) Tbk ("the Company") was established based on Notarial Deed No. 137 dated March 31, 1950 of Raden Kadiman. The deed was approved by the Minister of Law of the Republic of Indonesia in his Decision Letter No. J.A.5/12/10 dated March 31, 1950 and published in the State Gazette of the Republic of Indonesia No. 30 dated May 12, 1950, Supplement No. 136. The Company was previously a State Company, based on Deed No. 8 dated March 4, 1975 of Notary Soeleman Ardjasmita, S.H., and has changed into a state-owned limited liability company pursuant to Government Regulation No. 67 in 1971. This change was published in the State Gazette of the Republic of Indonesia No. 68 dated August 26, 1975, supplement No. 434.

The Company's Articles of Association has been amended several times, most recently by Deed No. 1 dated July 26, 2012 of Aulia Taufani, S.H, notary in Tangerang, concerning the change in par value of capital stock. The amendment deed was approved by the Ministry of Justice and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-66159.AH.01.02. Tahun 2012 dated December 27, 2012.

The Company's head office is located at Jl. Kebon Sirih No. 44, Jakarta.

In accordance with article 3 of the Company's Articles of Association, the scope of its activities comprises of the following:

1. Undertaking scheduled commercial air transportation of domestic or international passengers, cargoes and mails;
2. Undertaking non-scheduled commercial air transportation of domestic or international passengers, cargoes and mails;
3. Providing aircraft repair and maintenance, to satisfy own needs and the needs of third party;
4. Rendering support services for commercial air transportation operation, such as catering services and ground handling services, to satisfy own needs and the needs of third party;
5. Providing information systems services relating to aviation industry, to satisfy own needs and the needs of third party;

6. Jasa layanan konsultasi yang berkaitan dengan industri penerbangan;
7. Jasa layanan pendidikan dan pelatihan yang berkaitan dengan industri penerbangan, baik untuk keperluan sendiri maupun untuk pihak ketiga;
8. Jasa layanan kesehatan personil penerbangan, baik untuk keperluan sendiri maupun pihak ketiga.

Perusahaan mulai beroperasi komersial pada tahun 1950. Jumlah karyawan Perusahaan dan entitas anak ("Grup") per 31 Desember 2013 dan 2012 masing-masing adalah 14.592 dan 13.314 orang.

Pembukuan Perusahaan sejak tahun 2012 telah menggunakan bahasa Inggris dan dalam mata uang Dolar Amerika Serikat (USD) dan telah disetujui oleh Direktorat Jendral Pajak dengan keputusan No. KEP-289/WPJ.19/2012.

b. Dewan Komisaris dan Direksi

Susunan pengurus Perusahaan per 31 Desember 2013 adalah berdasarkan Akta No. 129 tanggal 26 April 2013 dari Aryanti Artisari, S.H., M.Kn. notaris di Jakarta, sedangkan susunan pengurus Perusahaan per 31 Desember 2012 adalah berdasarkan akta No. 2 tanggal 28 Juni 2012 dari Aulia Taufani, S.H., notaris di Serpong – Kabupaten Tangerang. Susunan pengurus Perusahaan per 31 Desember 2013 dan 2012 adalah sebagai berikut:

	2013	2012	
Komisaris Utama	Bambang Susantono	Bambang Susantono	President Commissioner
Komisaris	Bagus Rumbogo *) Wendy Aritenang Yazid -	Bambang Wahyudi Wendy Aritenang Yazid Sonatha Halim Jusuf	Commissioners
Komisaris Independen	Peter F. Gontha Betti S. Alisjahbana Chris Kanter	Peter F. Gontha Betti S. Alisjahbana -	Independent Commissioners
Direktur Utama	Emirsyah Satar	Emirsyah Satar	President & CEO
Direktur Keuangan	Handrito Hardjono	Handrito Hardjono	EVP Finance
Direktur Pemasaran & Penjualan	Frederik Johannes Erik Meijer	Elisa Lumbantoruan	EVP Marketing & Sales
Direktur Teknik & Pengelolaan Armada	Batara Silaban	Batara Silaban	EVP Maintenance & Fleet Management
Direktur Layanan	Faik Fahmi	Faik Fahmi	EVP Services
Direktur Operasi	Novijanto Herupratomo	Novijanto Herupratomo	EVP Operations
Direktur Strategi, Pengembangan, Bisnis & Manajemen Resiko	Judi Rifajantoro	Judi Rifajantoro	EVP Strategy, Business Development & Risk Management
Direktur Sumber Daya Manusia & Umum	Heriyanto Agung Putra	Heriyanto Agung Putra	EVP Human Capital & Corporate Affairs

*) Mengundurkan diri sejak 26 Nopember 2013/ *Resigned since November 26, 2013*

6. Providing consulting services relating to aviation industry;
7. Providing education and training services relating to aviation industry, to satisfy own needs and the needs of third party;
8. Providing health care services for aircrew to satisfy own needs and the needs of third party.

The Company started commercial operations in 1950. The Company and subsidiaries (the "Group") total employees as of December 31, 2013 and 2012 were 14,592 and 13,314, respectively.

Starting in 2012, the Company has maintained their accounting records in English language and in United States Dollar (USD) which have been approved by the Directorate General of Tax No. KEP-289/WPJ.19/2012.

b. Board of Commissioners and Directors

The Company's management at December 31, 2013 as stated in Deed No. 129 dated April 26, 2013 of Aryanti Artisari, SH, M.Kn., notary in Jakarta, and that of December 31, 2012 as stated in Deed No. 2 dated June 28, 2012 of Aulia Taufani, S.H., notary in Serpong-Tangerang District, is as follows:

PT. GARUDA INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
31 DESEMBER 2013 DAN UNTUK TAHUN YANG
BERAKHIR PADA TANGGAL TERSEBUT - Lanjutan

PT. GARUDA INDONESIA (PERSERO) Tbk
AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND FOR THE YEAR
THEN ENDED - Continued

c. Komite Audit, Sekretaris Perusahaan dan Audit Internal

Susunan Komite Audit, Sekretaris Perusahaan dan Audit Internal pada tanggal 31 Desember 2013 dan 2012 adalah sebagai berikut:

	2013
Komite Audit	
Ketua	Betti S. Alisjahbana
Wakil Ketua	Wendy Aritenang Yazid
Anggota	Chaerul D Djakman Prasetyo Suhardi
Sekretaris Perusahaan Audit Internal	Ike Andriani Sri Mulyati

c. Audit Committee, Corporate Secretary and Internal Audit

The Company's Audit Committee, Corporate Secretary and Internal Audit as of December 31, 2013 and 2012 are the following:

	2012
Audit Committee	
Chairman	Betti S. Alisjahbana
Vice Chairman	-
Members	Chaerul D Djakman Lily Sihombing
Corporate Secretary Internal Audit	Ike Andriani Sri Mulyati

d. Penawaran Umum Efek Grup

Pada tanggal 1 Pebruari 2011, Perusahaan memperoleh surat pernyataan efektif dari Badan Pengawas Pasar Modal dan Lembaga Keuangan (BAPEPAM-LK) melalui Surat No. S-325/BL/2011 untuk penawaran umum perdana atas 6.335.738.000 saham Perusahaan kepada masyarakat. Saham tersebut telah dicatatkan pada Bursa Efek Indonesia pada tanggal 11 Pebruari 2011.

Pada tanggal 31 Desember 2013 dan 2012, seluruh saham Perusahaan atau sejumlah 22.640.996.000 lembar saham telah dicatatkan pada Bursa Efek Indonesia.

e. Entitas Anak

Perusahaan memiliki, baik langsung maupun tidak langsung, lebih dari 50% saham entitas anak berikut:

d. Initial Public Offering of Share of the Group

On February 1, 2011, the Company obtained the Notice of Effectivity from the Capital Market and Financial Institutions Supervisory Board (BAPEPAM-LK) in its Letter No. S-325 /BL/2011 for the offering to the public of 6,335,738,000 shares. On February 11, 2011, all of these shares are listed on the Indonesia Stock Exchange.

As of December 31, 2013 and 2012, all of the Company's outstanding share or 22,640,996,000 shares have been listed on the Indonesia Stock Exchange.

e. Consolidated Subsidiaries

The Company has ownership interest of more than 50%, directly or indirectly, in the following subsidiaries:

Entitas anak/ Subsidiary	Lokasi/ Domicile	Kegiatan usaha utama/ Main business activities	Persentase kepemilikan/ Percentage of ownership %	Tahun operasi komersial/ Start of commercial operations	Jumlah aset sebelum eliminasi/ Total assets before elimination	
					2013 USD	2012 USD
PT Abacus Distribution Systems Indonesia (ADSI) **)	Jakarta	Penyedia jasa sistem komputerisasi reservasi/ Computerize reservation systems services provider	95,00	1996	5.565.956	6.228.900
PT Garuda Maintenance Facility Aero Asia (GMFAA) **)	Jakarta	Perbaikan dan pemeliharaan pesawat terbang/ Aircraft maintenance and overhaul	99,99	2002	207.854.836	179.673.245

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AND ITS SUBSIDIARIES
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THEN ENDED - Continued

Entitas anak/ Subsidiary	Lokasi/ Domicile	Kegiatan usaha utama/ Main business activities	Persentase kepemilikan/ Percentage of ownership %	Tahun operasi komersial/ Start of commercial operations	Jumlah aset sebelum eliminasi/ Total assets before elimination	
					2013 USD	2012 USD
PT Aero Systems Indonesia (ASI) **)	Jakarta	Penyedia jasa teknologi informasi/ Information technology services	99,99	2005	21.414.854	29.638.625
PT Citilink Indonesia (CT)**)	Jakarta	Jasa transportasi udara/ Air transportation services	99,99	2012	106.054.602	73.144.319
PT Aero Wisata dan entitas anak/ and subsidiaries (AWS)	Jakarta	Hotel, jasa boga, penjualan tiket/ Hotel, catering, ticketing services	99,99	1973	201.872.697	208.183.724
PT Mirtasari Hotel Development (MHD)*)	Denpasar	Hotel	99,99	1974	23.728.302	24.873.148
PT Aerofood ACS (d/h PT Angkasa Citra Sarana Catering Services (ACS)) *)	Jakarta	Jasa boga pesawat/ Aircraft catering services	99,99	1974	85.322.228	81.107.028
PT Aero Globe (d/h PT Biro Perjalanan Wisata Satriawi (BPWS)) *)	Jakarta	Biro perjalanan wisata/ Travel agent	99,99	1967	6.234.920	6.074.522
PT Aerotrans Services Indonesia *) (d/h PT Mandiri Erajasa Wahana (MEW)) *)	Jakarta	Jasa transportasi/ Transportation services	99,99	1989	23.566.931	24.028.648
PT Aerojasa Perkasa (AJP) *)	Jakarta	Penjualan tiket/ Ticketing	99,87	1989	2.593.986	2.057.862
PT Senggigi Pratama Internasional (SPI) *)	Lombok	Hotel	99,99	1988	9.617.591	11.339.060
Garuda Orient Holidays, Pty, Limited (GOHA) *)	Sydney	Biro perjalanan wisata/ Travel agent	99,99	1981	5.776.356	7.320.389
Garuda Orient Holidays Korea Co, Limited (GOHK) *)	Korea	Biro perjalanan wisata/ Travel agent	60,00	2008	809.865	817.289
Garuda Orient Holidays Japan Co, Ltd (GOHJ) *)	Jepang/ Japan	Biro perjalanan wisata/ Travel agent	60,00	2010	6.157.663	7.387.490
PT Bina Inti Dinamika (BID) *)	Bandung	Hotel	61,89	1989	4.567.831	5.376.083
PT Aero Hotel Management (AHM) *)	Jakarta	Manajemen hotel/ Hotel management	99,99	2010	689.108	741.640
PT GIH Indonesia *)	Jakarta	Biro perjalanan wisata/ Travel agent	60,00	2012	1.484.367	563.541
PT Belitung Intipermai (BIP)	Jakarta	Hotel	99,99	Dalam tahap pengembangan/ Under development stage	2.125.849	2.319.217

*) Kepemilikan tidak langsung/ Indirect ownership

**) Kepemilikan langsung dan tidak langsung/ Direct and Indirect ownership

2. PENERAPAN STANDAR AKUNTANSI KEUANGAN BARU DAN REVISI (PSAK) DAN INTERPRETASI STANDAR AKUNTANSI KEUANGAN (ISAK)

a. Standar yang berlaku efektif pada tahun berjalan

Dalam tahun berjalan, Grup telah menerapkan semua standar baru dan revisi serta interpretasi yang dikeluarkan oleh Dewan Standar Akuntansi Keuangan dari Ikatan Akuntan Indonesia yang relevan dengan operasinya dan efektif untuk periode akuntansi yang dimulai pada tanggal 1 Januari 2013.

- Penyesuaian PSAK 60, Instrumen Keuangan: Pengungkapan

Standar ini mensyaratkan pengungkapan antara lain deskripsi agunan yang dimiliki entitas sebagai jaminan, dan peningkatan kualitas kredit lain, dan dampak keuangannya (misalnya kuantifikasi sejauh mana agunan dan peningkatan kualitas kredit lain dalam memitigasi risiko kredit) dengan mengacu pada jumlah terbaik yang mencerminkan eksposur maksimum terhadap risiko kredit.

2. ADOPTION OF NEW AND REVISED STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS (PSAK) AND INTERPRETATIONS OF PSAK (ISAK)

a. Standards effective in the current year

In the current year, the Group adopted the new and revised standards issued by the Financial Accounting Standard Board of the Indonesian Institute of Accountants that are effective for accounting period beginning on January 1, 2013.

- Amendment to PSAK 60, Financial Instruments: Disclosure

Among other things, the standard requires the disclosures of the description of collateral held as security and of other credit enhancements, and their financial effect (e.g., quantification of the extent to which collateral and other credit enhancements mitigate credit risk) in respect of the amount that best represents the maximum exposure to credit risk.

b. Standar dan interpretasi telah diterbitkan tapi belum diterapkan

(i) Efektif untuk periode yang dimulai pada atau setelah 1 Januari 2014 adalah:

- ISAK 27, Pengalihan Aset dari Pelanggan
- ISAK 28, Pengakhiran Liabilitas Keuangan dengan Instrumen Ekuitas
- ISAK 29, Biaya Pengupasan Lapisan Tanah Tahap Produksi pada Pertambangan Terbuka
- PPSAK 12, Pencabutan PSAK 33: Aktivitas Pengupasan Lapisan Tanah dan Pengelolaan Lingkungan Hidup pada Pertambangan Umum

Penerapan awal terhadap PSAK dan ISAK tidak berdampak terhadap pelaporan atau perhitungan nilai dalam laporan keuangan konsolidasian.

(ii) Efektif untuk periode yang dimulai pada atau setelah 1 Januari 2015 adalah:

- PSAK 1 (revisi 2013), Penyajian Laporan Keuangan
- PSAK 4 (revisi 2013), Laporan Keuangan Tersendiri
- PSAK 15 (revisi 2013), Investasi pada Entitas Asosiasi dan Ventura Bersama
- PSAK 24 (revisi 2013), Imbalan Kerja
- PSAK 65, Laporan Keuangan Konsolidasian
- PSAK 66, Pengaturan Bersama
- PSAK 67, Pengungkapan Kepentingan dalam Entitas Lain
- PSAK 68, Pengukuran Nilai Wajar

Sampai dengan tanggal penerbitan laporan keuangan konsolidasian, manajemen sedang mengevaluasi dampak dari standar laporan keuangan konsolidasian.

3. KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN

a. Pernyataan Kepatuhan

Laporan keuangan konsolidasian disusun menggunakan Standar Akuntansi Keuangan di Indonesia.

b. Standards and interpretation in issue not yet adopted

(i) Effective for periods beginning on or after January 1, 2014:

- ISAK 27, Transfers of Assets from Customers
- ISAK 28, Extinguishing Financial Liabilities with Equity Instruments
- ISAK 29, Stripping Cost in the Production Phase of a Surface Mine
- PPSAK 12, Withdrawal of PSAK 33, Stripping Cost Activity and Environmental Management in the Public Mining

The initial adoption of the above PSAK and ISAK has no effect on the disclosure or amounts recognized in the consolidated financial statements.

(ii) Effective for periods beginning on or after January 1, 2015:

- PSAK 1 (revised 2013), Presentation of Financial Statements
- PSAK 4 (revised 2013), Separate Financial Statements
- PSAK 15 (revised 2013), Investments in Associates and Joint Ventures
- PSAK 24 (revised 2013), Employee Benefits
- PSAK 65, Consolidated Financial Statements
- PSAK 66, Joint Arrangements
- PSAK 67, Disclosures of Interests in Other Entities
- PSAK 68, Fair Value Measurements

As of the issuance date of the consolidated financial statements, the effect of adoption of the above standards is still being evaluated by management.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indonesian Financial Accounting Standards. These financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and reporting practices generally accepted in other countries and jurisdictions.

b. Dasar Penyusunan

Dasar penyusunan laporan keuangan konsolidasian, kecuali untuk laporan arus kas konsolidasian adalah dasar akrual. Mata uang pelaporan yang digunakan untuk penyusunan laporan keuangan konsolidasian adalah mata uang Dolar Amerika Serikat (USD), dan laporan keuangan konsolidasian tersebut disusun berdasarkan nilai historis, kecuali beberapa akun tertentu disusun berdasarkan pengukuran lain sebagaimana diuraikan dalam kebijakan akuntansi masing-masing akun tersebut.

Laporan arus kas konsolidasian disusun dengan menggunakan metode langsung dengan mengelompokkan arus kas dalam aktivitas operasi, investasi dan pendanaan.

c. Prinsip-Prinsip Konsolidasian

Laporan keuangan konsolidasian menggabungkan laporan keuangan Perusahaan dan entitas yang dikendalikan oleh Perusahaan (entitas anak). Pengendalian dianggap ada apabila Perusahaan mempunyai hak untuk mengatur kebijakan keuangan dan operasional suatu entitas untuk memperoleh manfaat dari aktivitasnya.

Hasil dari entitas anak yang diakuisisi atau dijual selama tahun berjalan termasuk dalam laporan laba rugi komprehensif konsolidasian sejak tanggal efektif akuisisi dan sampai dengan tanggal efektif penjualan.

Penyesuaian dapat dilakukan terhadap laporan keuangan entitas anak agar kebijakan akuntansi yang digunakan sesuai dengan kebijakan akuntansi yang digunakan oleh Grup.

Seluruh transaksi antar perusahaan, saldo, penghasilan dan beban dieliminasi pada saat konsolidasian.

Kepentingan nonpengendali pada entitas anak diidentifikasi secara terpisah dan disajikan dalam ekuitas. Kepentingan nonpengendali pemegang saham awalnya diukur baik pada nilai wajar ataupun pada proporsi kepemilikan kepentingan nonpengendali dari nilai wajar aset neto yang dapat diidentifikasi dari pihak yang diakuisisi. Pilihan pengukuran dilakukan pada akuisisi dengan dasar akuisisi. Setelah akuisisi, jumlah tercatat kepentingan nonpengendali adalah jumlah kepemilikan pada pengakuan awal ditambah bagian kepentingan nonpengendali dari perubahan selanjutnya dalam ekuitas. Seluruh laba rugi komprehensif diatribusikan pada kepentingan nonpengendali bahkan jika hal ini mengakibatkan kepentingan nonpengendali mempunyai saldo defisit.

b. Basis of Preparation

The consolidated financial statements, except for the consolidated statements of cash flows, are prepared under the accrual basis of accounting. The presentation currency used in the preparation of the consolidated financial statements is the United States Dollar (USD), while the measurement basis is the historical cost, except for certain accounts which are measured on the bases described in the related accounting policies.

The consolidated statements of cash flows are prepared using the direct method with classification of cash flows into operating, investing and financing activities.

c. Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statements of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of the subsidiaries to bring the accounting policies used in line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately and presented within equity. The interest of non-controlling shareholders maybe initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the fair value of the acquiree's identifiable net asset. The choice of measurement is made on acquisition by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus non-controlling interests' share of subsequent changes in equity. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having deficit balance.

Perubahan dalam bagian kepemilikan Grup pada entitas anak yang tidak mengakibatkan hilangnya pengendalian dicatat sebagai transaksi ekuitas. Nilai tercatat kepentingan entitas anak dan kepentingan nonpengendali disesuaikan untuk mencerminkan perubahan bagian kepemilikannya atas entitas anak. Setiap perbedaan antara jumlah kepentingan non pengendali disesuaikan dan nilai wajar imbalan yang diberikan atau diterima diakui secara langsung dalam ekuitas dan diatribusikan pada pemilik entitas induk.

Ketika Grup kehilangan pengendalian atas entitas anak, keuntungan dan kerugian diakui didalam laba rugi dan dihitung sebagai perbedaan antara (i) keseluruhan nilai wajar yang diterima dan nilai wajar dari setiap sisa investasi dan (ii) nilai tercatat sebelumnya dari aset (termasuk *goodwill*) dan liabilitas dari entitas anak dan setiap kepentingan non pengendali. Ketika aset dari entitas anak dinyatakan sebesar nilai revaluasi atau nilai wajar dan akumulasi keuntungan atau kerugian yang telah diakui sebagai pendapatan komprehensif lainnya dan terakumulasi dalam ekuitas, jumlah yang sebelumnya diakui sebagai pendapatan komprehensif lainnya dan akumulasi ekuitas dicatat seolah-olah Grup telah melepas secara langsung aset yang relevan (yaitu direklasifikasi ke laba rugi atau ditransfer langsung ke saldo laba sebagaimana ditentukan oleh PSAK yang berlaku). Nilai wajar setiap sisa investasi pada entitas anak terdahulu pada tanggal hilangnya pengendalian dianggap sebagai nilai wajar pada saat pengakuan awal aset keuangan sesuai dengan PSAK 55 (revisi 2011), Instrumen Keuangan: Pengakuan dan Pengukuran atau, jika sesuai, biaya perolehan saat pengakuan awal investasi pada entitas asosiasi atau pengendalian bersama entitas.

d. Kombinasi Bisnis

Akuisisi bisnis dicatat dengan menggunakan metode akuisisi. Imbalan yang dialihkan dalam suatu kombinasi bisnis diukur pada nilai wajar, yang dihitung sebagai hasil penjumlahan dari nilai wajar tanggal akuisisi atas seluruh aset yang dialihkan oleh Grup, liabilitas yang diakui oleh Grup kepada pemilik sebelumnya dari pihak yang diakuisisi dan kepentingan ekuitas yang diterbitkan oleh Grup dalam pertukaran pengendalian dari pihak yang diakuisisi. Biaya-biaya terkait akuisisi diakui di dalam laba rugi pada saat terjadinya.

Pada tanggal akuisisi, aset teridentifikasi yang diperoleh dan liabilitas yang diambil alih diakui pada nilai wajar kecuali untuk aset dan liabilitas tertentu yang diukur sesuai dengan standar yang relevan.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. When assets of the subsidiary are carried at revalued amount or fair values and the related cumulative gain or loss has been recognized in other comprehensive income and accumulated in equity, the amounts previously recognized in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable accounting standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under PSAK 55 (revised 2011), Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

d. Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree, and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value except for certain assets and liabilities that are measured in accordance with the relevant standards.

Kepentingan non pengendali diukur baik pada nilai wajar ataupun pada proporsi kepemilikan kepentingan non pengendali atas aset neto teridentifikasi dari pihak yang diakuisisi.

Bila imbalan yang dialihkan oleh Grup dalam suatu kombinasi bisnis termasuk aset atau liabilitas yang berasal dari pengaturan imbalan kontingen (*contingent consideration arrangement*), imbalan kontingen tersebut diukur pada nilai wajar pada tanggal akuisisi dan termasuk sebagai bagian dari imbalan yang dialihkan dalam suatu kombinasi bisnis. Perubahan dalam nilai wajar atas imbalan kontingen yang memenuhi syarat sebagai penyesuaian periode pengukuran disesuaikan secara retrospektif, dengan penyesuaian terkait terhadap goodwill. Penyesuaian periode pengukuran adalah penyesuaian yang berasal dari informasi tambahan yang diperoleh selama periode pengukuran (yang tidak melebihi satu tahun sejak tanggal akuisisi) tentang fakta-fakta dan kondisi yang ada pada tanggal akuisisi.

Perubahan selanjutnya dalam nilai wajar atas imbalan kontingen yang tidak memenuhi syarat sebagai penyesuaian periode pengukuran tergantung pada bagaimana imbalan kontingen tersebut diklasifikasikan. Imbalan kontingen yang diklasifikasikan sebagai ekuitas tidak diukur kembali pada tanggal sesudah tanggal pelaporan dan penyelesaian selanjutnya dicatat dalam ekuitas. Imbalan kontingen yang diklasifikasikan sebagai aset atau liabilitas diukur setelah tanggal pelaporan sesuai dengan standar akuntansi yang relevan dengan mengakui keuntungan atau kerugian terkait dalam laba rugi atau dalam pendapatan komprehensif lain (OCI).

Bila suatu kombinasi bisnis dilakukan secara bertahap, kepemilikan terdahulu Grup atas pihak terakuisisi diukur kembali ke nilai wajar pada tanggal akuisisi dan keuntungan atau kerugiannya, jika ada, diakui dalam laba rugi. Jumlah yang berasal dari kepemilikan sebelum tanggal akuisisi yang sebelumnya telah diakui dalam pendapatan komprehensif lain direklasifikasi ke laba rugi dimana perlakuan tersebut akan sesuai jika kepemilikannya dilepas/dijual.

Jika akuntansi awal untuk kombinasi bisnis belum selesai pada akhir periode pelaporan saat kombinasi terjadi, Grup melaporkan jumlah sementara untuk pos-pos yang proses akuntansinya belum selesai dalam laporan keuangannya. Selama periode pengukuran, pihak pengakuisisi menyesuaikan, aset atau liabilitas tambahan yang diakui, untuk mencerminkan informasi baru yang diperoleh tentang fakta dan keadaan yang ada pada tanggal akuisisi dan, jika diketahui, akan berdampak pada jumlah yang diakui pada tanggal tersebut.

Non-controlling interests are measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured subsequent to reporting dates in accordance with the relevant accounting standards, as appropriate, with the corresponding gain or loss being recognized in profit or loss or in other comprehensive income.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interests were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amount recognized as of that date.

e. Transaksi dan Penjabaran Laporan Keuangan Dalam Mata Uang Asing

Pembukuan pada masing-masing entitas di dalam Grup, kecuali AWS dan entitas anak diselenggarakan dalam mata uang Dolar Amerika Serikat (USD), mata uang dari lingkungan ekonomi utama di mana entitas beroperasi (mata uang fungsional). Transaksi-transaksi selama periode berjalan dalam mata uang non-fungsional dicatat dengan kurs yang berlaku pada saat terjadinya transaksi. Pada tanggal pelaporan, aset dan liabilitas moneter dalam mata uang non fungsional disesuaikan untuk mencerminkan kurs yang berlaku pada tanggal tersebut. Keuntungan atau kerugian yang timbul dikreditkan atau dibebankan dalam laporan laba rugi.

Pembukuan AWS dan entitas anak selain GOHA, GOHK dan GOHJ diselenggarakan dalam Rupiah, sedangkan GOHA dalam Dolar Australia, GOHK dalam Won Korea dan GOHJ dalam Yen Jepang. Untuk tujuan penyajian laporan keuangan konsolidasian, aset dan liabilitas entitas anak tersebut pada tanggal pelaporan dijabarkan masing-masing ke dalam mata uang USD dengan menggunakan kurs yang berlaku pada tanggal tersebut, sedangkan pendapatan dan beban dijabarkan dengan menggunakan kurs rata-rata. Selisih kurs yang terjadi disajikan sebagai bagian dari pendapatan komprehensif lain.

Kurs utama yang digunakan, berdasarkan kurs tengah yang diterbitkan Bank Indonesia adalah sebagai berikut (dalam satuan USD):

	2013	2012
	USD	USD
<i>Mata uang/ Currencies</i>		
IDR 1	0,0001	0,0001
EURO 1	1,3801	1,3247
YEN 1	0,9531	1,1579
SGD 1	0,7899	0,8177
AUD 1	0,8923	1,0368
GBP 1	1,6488	1,6111

f. Transaksi dengan Pihak-pihak Berelasi

Group melakukan transaksi dengan pihak-pihak berelasi sebagaimana didefinisikan dalam PSAK No. 7 "Pengungkapan pihak-pihak berelasi". Seluruh transaksi yang dilakukan dengan pihak-pihak berelasi, baik dilakukan dengan kondisi dan persyaratan yang sama dengan pihak ketiga maupun tidak, diungkapkan pada laporan keuangan konsolidasian.

e. Foreign Currency Transactions and Translations

The books of accounts of each entity in the Group, except AWS and its subsidiaries are maintained in U.S. Dollar (USD), the currency of the primary economic environment in which the entity operates (its functional currency). Transactions during the period involving non-functional currencies are recorded at the rates of exchange prevailing at the time the transactions are made. At reporting date, monetary assets and liabilities denominated in non-functional currency are adjusted to reflect the rates of exchange prevailing at that date. The resulting gains or losses are credited or charged to profit and loss.

The books of accounts of AWS and its subsidiaries except GOHA, GOHK and GOHJ are maintained in Rupiah, while GOHA in Australian Dollars, GOHK in Korean Won and GOHJ in Japan Yen. For consolidation purposes, assets and liabilities of these subsidiaries at reporting date are translated into USD using the exchange rates at reporting date, while revenues and expenses are translated using the average rates of exchange for the year. Resulting translation adjustments are shown as part of other comprehensive income.

The main exchange rates used, based on the mid rates published by Bank Indonesia are as follows (in full USD):

f. Transactions with Related Parties

The Group enters into transactions with related parties as defined in PSAK No. 7 "Related Party Disclosures". All transactions with related parties, whether or not made at similar terms and conditions as those done with third parties, are disclosed in the consolidated financial statements.

g. Kas dan Setara Kas

Untuk tujuan penyajian arus kas, kas dan setara kas terdiri dari kas, bank dan semua investasi yang jatuh tempo dalam tiga bulan atau kurang dari tanggal perolehannya dan tidak dijaminan serta tidak dibatasi penggunaannya.

h. Aset Keuangan

Seluruh aset keuangan diakui dan dihentikan pengakuannya pada tanggal diperdagangkan dimana pembelian dan penjualan aset keuangan berdasarkan kontrak yang mensyaratkan penyerahan aset keuangan dalam kurun waktu yang ditetapkan oleh kebiasaan pasar yang berlaku, dan awalnya diukur sebesar nilai wajar ditambah biaya transaksi, kecuali untuk aset keuangan yang diukur pada nilai wajar melalui laba rugi, yang awalnya diukur sebesar nilai wajar.

Aset keuangan Grup diklasifikasikan sebagai berikut:

- Nilai wajar pada laporan laba rugi (FVTPL)
 Derivatif keuangan diklasifikasikan dalam kategori ini kecuali ditujukan sebagai derivatif lindung nilai. Keuntungan atau kerugian dari derivatif non lindung nilai diakui dalam laporan laba rugi komprehensif.
 Nilai wajar yang ditentukan dinyatakan pada Catatan 46.
- Tersedia untuk dijual (AFS)
 Investasi jangka panjang dalam bentuk saham, kecuali investasi pada perusahaan asosiasi, diklasifikasikan dalam kategori ini. Bila tidak ada pasar aktif untuk investasi tersebut dan nilai wajar tidak dapat diukur dengan andal, investasi ini diukur sebesar biaya perolehan, dikurangi penurunan nilai.
 Dividen atas instrumen ekuitas AFS, jika ada, diakui pada laba rugi pada saat hak Grup untuk memperoleh pembayaran dividen ditetapkan.
- Pinjaman dan piutang
 Kas dan setara kas, dana pemeliharaan pesawat dan uang jaminan atas sewa operasi, piutang usaha dan piutang lain-lain yang mempunyai jangka waktu pembayaran yang tetap dan yang tidak mempunyai kuota di pasar aktif, diklasifikasikan sebagai "pinjaman yang diberikan dan piutang", yang diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif, dikurangi penurunan nilai.

g. Cash and Cash Equivalents

For cash flows presentation purposes, cash and cash equivalents comprise of cash on hand, cash in bank and all unrestricted investments with maturities of three months or less from the date of placement.

h. Financial Assets

All financial assets are recognized and derecognized on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

The Group financial assets are classified as follows:

- Fair value through profit or loss (FVTPL)
 Financial derivatives are classified in this category unless designated as hedging derivatives. Gain or loss on non-hedging derivative is recognized in profit or loss.
 Fair value is determined in the manner described in Note 46.
- Available for sale (AFS)
 Long-term investments in shares, except investments in associates, are classified in this category. As there is no active market for these investments and the fair value cannot be reliably measured, these investments are measured at cost, less impairment.
 Dividends on AFS equity instruments, if any, are recognised in profit or loss when the Group's right to receive the dividends is established.
- Loans and receivables
 Cash and cash equivalents, maintenance reserve funds and security deposits on operating leases, trade and other receivables that have fixed or determinable payments that are not quoted in active market, are classified as "loans and receivables". Loans and receivables are measured at amortized cost using the effective interest method, less impairment.

Bunga diakui dengan menggunakan metode suku bunga efektif, kecuali untuk piutang jangka pendek di mana pengakuan bunga tidak material.

Metode bunga efektif

Metode bunga efektif adalah metode yang digunakan untuk menghitung biaya perolehan yang diamortisasi dari instrumen keuangan dan mengalokasikan pendapatan bunga atau beban bunga selama periode terkait.

Tingkat bunga efektif adalah tingkat bunga yang secara tepat mendiskontokan estimasi penerimaan atau pembayaran kas masa depan (termasuk semua biaya yang dibayar atau diterima yang merupakan bagian tak terpisahkan dari suku bunga efektif, biaya transaksi dan premium atau diskonto lainnya), selama perkiraan umur dari instrumen keuangan, atau jika lebih tepat, digunakan periode yang lebih pendek atas nilai tercatat bersih pada pengakuan awal.

Pendapatan diakui berdasarkan suku bunga efektif untuk instrumen keuangan selain instrumen keuangan yang dinilai pada nilai wajar melalui laporan laba rugi.

Penurunan nilai aset keuangan

Aset keuangan, selain yang dinilai pada nilai wajar melalui laporan laba rugi (FVTPL), dievaluasi terhadap indikator penurunan nilai pada setiap tanggal pelaporan. Aset keuangan diturunkan nilainya bila terdapat bukti yang objektif, sebagai akibat dari satu atau lebih peristiwa yang terjadi setelah pengakuan awal aset keuangan, yang berdampak pada estimasi arus kas masa depan atas aset keuangan yang dapat diestimasi secara andal.

Untuk investasi ekuitas AFS yang tercatat dan tidak tercatat di bursa, penurunan yang signifikan atau jangka panjang dalam nilai wajar dari instrumen ekuitas di bawah biaya perolehannya dianggap sebagai bukti obyektif terjadinya penurunan nilai.

Untuk aset keuangan lainnya, bukti obyektif penurunan nilai termasuk sebagai berikut:

- kesulitan keuangan signifikan yang dialami penerbit atau pihak peminjam; atau
- pelanggaran kontrak, seperti terjadinya wanprestasi atau tunggakan pembayaran pokok atau bunga; atau
- terdapat kemungkinan bahwa pihak peminjam akan dinyatakan pailit atau melakukan reorganisasi keuangan

Interest is recognized by applying the effective interest method, except for short term receivable where the recognition or interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for financial instruments other than those financial instruments assessed as at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit and loss (FVTPL), are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For listed and unlisted equity investments classified as AFS, a significant or prolonged decline in the value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation

Untuk kelompok aset keuangan tertentu, seperti piutang, aset yang dinilai tidak akan diturunkan secara individual akan dievaluasi penurunan nilainya secara kolektif. Bukti objektif dari penurunan nilai portofolio piutang dapat termasuk pengalaman Grup atas tertagihnya piutang di masa lalu, peningkatan keterlambatan penerimaan pembayaran piutang dari rata-rata periode kredit, dan juga pengamatan atas perubahan kondisi ekonomi nasional atau lokal yang berkorelasi dengan default atas piutang

Untuk aset keuangan yang diukur pada biaya perolehan diamortisasi, penurunan nilai adalah sebesar perbedaan antara nilai tercatat dengan nilai kini estimasi arus kas masa depan yang didiskonto dengan tingkat suku bunga efektif awal dari aset keuangan tersebut.

Untuk aset keuangan yang dicatat pada biaya perolehan, jumlah kerugian penurunan nilai diukur berdasarkan selisih antara jumlah tercatat aset keuangan dan nilai kini estimasi arus kas masa depan.

Jika aset keuangan AFS dianggap menurun nilainya, keuntungan atau kerugian kumulatif yang sebelumnya telah diakui dalam ekuitas direklasifikasi ke laba rugi. Kerugian penurunan nilai yang sebelumnya diakui dalam laba rugi tidak boleh dibalik melalui laba rugi. Setiap kenaikan nilai wajar setelah penurunan nilai diakui secara langsung ke pendapatan komprehensif lain.

Penghentian pengakuan aset keuangan

Grup menghentikan pengakuan aset keuangan jika dan hanya jika hak kontraktual atas arus kas yang berasal dari aset keuangan berakhir, atau Grup mentransfer aset keuangan dan secara substansial mentransfer seluruh risiko dan manfaat atas kepemilikan aset kepada entitas lain. Jika Grup tidak mentransfer serta tidak memiliki secara substansial atas seluruh risiko dan manfaat kepemilikan serta masih mengendalikan aset yang ditransfer, maka Grup mengakui keterlibatan berkelanjutan atas aset yang ditransfer dan liabilitas terkait sebesar jumlah yang mungkin harus dibayar. Jika Grup memiliki secara substansial seluruh risiko dan manfaat kepemilikan aset keuangan yang ditransfer, Grup masih mengakui aset keuangan dan juga mengakui pinjaman yang dijamin sebesar pinjaman yang diterima.

For certain categories of financial asset, such as receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experiences of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial assets original effective interest rate.

For financial asset carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognized in equity are reclassified to profit or loss. Impairment losses previously recognized in profit and loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized directly in other comprehensive income.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retain substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Saling hapus Aset dan Liabilitas Keuangan

Aset dan liabilitas keuangan Grup saling hapus dan menyajikan nilai bersih pada laporan posisi keuangan jika dan hanya jika:

- saat ini memiliki hak hukum untuk melakukan saling hapus atas jumlah yang diakui; dan
- berniat untuk menyelesaikan secara bersih, atau untuk merealisasikan aset dan menyelesaikan liabilitas secara bersamaan.

i. Liabilitas Keuangan dan Instrumen Ekuitas

Klasifikasi sebagai liabilitas atau ekuitas

Liabilitas keuangan dan instrumen ekuitas yang diterbitkan oleh Grup diklasifikasikan sesuai substansi perjanjian kontrak dan definisi liabilitas keuangan dan instrumen ekuitas.

Instrumen ekuitas

Instrumen ekuitas adalah setiap kontrak yang membuktikan hak residual atas aset Grup setelah dikurangi seluruh liabilitasnya. Instrumen ekuitas dicatat sebesar hasil yang diterima, setelah dikurangi biaya penerbitan langsung.

Liabilitas keuangan

Utang bank dan lembaga keuangan, utang jangka panjang, utang obligasi, utang usaha dan utang lainnya pada awalnya dinilai berdasarkan nilai wajar, setelah dikurangi biaya transaksi, dan selanjutnya dinilai berdasarkan biaya perolehan yang diamortisasi, dengan menggunakan metode suku bunga efektif, dan beban bunga diakui berdasarkan suku bunga efektif.

Penghentian pengakuan liabilitas keuangan

Liabilitas keuangan dihentikan pengakuannya jika, dan hanya jika, liabilitas Grup telah dilepaskan, dibatalkan atau kadaluarsa. Selisih antara jumlah tercatat liabilitas keuangan yang dihentikan pengakuannya dan imbalan yang dibayarkan dan utang diakui dalam laba rugi.

j. Persediaan

Persediaan dinyatakan berdasarkan jumlah terendah antara biaya perolehan dan nilai realisasi bersih. Biaya perolehan ditentukan dengan metode rata-rata tertimbang. Nilai realisasi bersih merupakan taksiran harga jual persediaan dikurangi taksiran biaya penyelesaian dan biaya yang diperlukan untuk menjual.

Netting of Financial Assets and Financial Liabilities

The Group only offsets financial assets and liabilities and presents the net amount in the statement of financial position where it:

- currently has a legal enforceable right to set off the recognized amount; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

i. Financial Liabilities and Equity Instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instruments is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Bank loans and financial institution, long-term loans, bonds payable and trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method, with interest expense recognized on an effective yield basis.

Derecognition of financial liabilities

The Group derecognized financial liabilities when, and only when, their obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

j. Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business less all estimated costs of completion and costs necessary to make the sale.

k. Biaya Dibayar Dimuka

Biaya dibayar dimuka diamortisasi selama masa manfaat masing-masing biaya dengan metode garis lurus.

l. Investasi Pada Entitas Asosiasi

Entitas asosiasi adalah suatu entitas dimana Grup mempunyai pengaruh yang signifikan dan bukan merupakan entitas anak ataupun bagian partisipasi dalam ventura bersama. Pengaruh signifikan adalah kekuasaan untuk berpartisipasi dalam keputusan kebijakan keuangan dan operasional *investee* tetapi tidak mengendalikan atau mengendalikan bersama atas kebijakan tersebut.

Penghasilan dan aset dan liabilitas dari entitas asosiasi digabungkan dalam laporan keuangan konsolidasian dicatat dengan menggunakan metode ekuitas, kecuali ketika investasi diklasifikasikan sebagai dimiliki untuk dijual, sesuai dengan PSAK 58 (revisi) 2009), Aset Tidak Lancar yang Dimiliki untuk Dijual dan Operasi yang Dihentikan. Investasi pada entitas asosiasi dicatat di laporan posisi keuangan konsolidasian sebesar biaya perolehan dan selanjutnya disesuaikan untuk perubahan dalam bagian kepemilikan Grup atas aset bersih entitas asosiasi yang terjadi setelah perolehan, dikurangi dengan penurunan nilai yang ditentukan untuk setiap investasi secara individu. Bagian Grup atas kerugian entitas asosiasi yang melebihi nilai tercatat dari investasi (yang mencakup semua kepentingan jangka panjang, secara substansi, merupakan bagian dari Grup dan nilai investasi bersih entitas anak dalam entitas asosiasi) diakui hanya sebatas bahwa Grup telah mempunyai kewajiban hukum atau kewajiban konstruktif atau melakukan pembayaran atas kewajiban entitas asosiasi.

Setiap kelebihan biaya perolehan investasi atas bagian Grup atas nilai wajar bersih dari aset yang teridentifikasi, liabilitas dan liabilitas kontinjensi dari entitas asosiasi yang diakui pada tanggal akuisisi, diakui sebagai *goodwill*, yang termasuk dalam jumlah tercatat investasi. Setiap kelebihan dari kepemilikan Grup dari nilai wajar bersih dari aset yang teridentifikasi, liabilitas dan liabilitas kontinjensi atas biaya perolehan investasi, sesudah pengujian kembali segera diakui di dalam laporan laba rugi.

Persyaratan dalam PSAK 55 (revisi 2011) Instrumen Keuangan: Pengakuan dan Pengukuran, diterapkan untuk menentukan apakah perlu untuk mengakui setiap penurunan nilai sehubungan dengan investasi pada entitas asosiasi Grup. Jika perlu, jumlah tercatat investasi yang tersisa (termasuk *goodwill*) diuji penurunan nilai sesuai dengan PSAK 48

k. Prepaid Expenses

Prepaid expenses are amortized over their beneficial periods using the straight-line method.

l. Investments in Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results of operations and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case, it is accounted for in accordance with PSAK 58 (Revised 2009), Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Groups' share of the net fair value of identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition, is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Groups' share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, are recognised immediately in profit or loss.

The requirements of PSAK 55 (revised 2011), Financial Instruments: Recognition and Measurement, are applied to determine whether it is necessary to recognize any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with PSAK

(Revisi 2009), Penurunan Nilai Aset, sebagai suatu aset tunggal dengan membandingkan antara jumlah terpulihkan (mana yang lebih tinggi antara nilai pakai dan nilai wajar dikurangi biaya untuk menjual) dengan jumlah tercatatnya. Rugi penurunan nilai yang diakui pada keadaan tersebut tidak dialokasikan pada setiap aset yang membentuk bagian dari nilai tercatat investasi pada entitas asosiasi. Setiap pembalikan dari penurunan nilai diakui sesuai dengan PSAK 48 sepanjang jumlah terpulihkan dari investasi tersebut kemudian meningkat.

Pada saat pelepasan suatu entitas asosiasi yang mengakibatkan Grup kehilangan pengaruh signifikan atas entitas asosiasi, investasi yang tersisa diukur pada nilai wajar pada tanggal tersebut dan nilai wajarnya dianggap sebagai nilai wajar pada saat pengakuan awal sebagai suatu aset keuangan sesuai dengan PSAK 55. Selisih antara jumlah tercatat sebelumnya atas entitas asosiasi diatribusikan ke sisa kepemilikan dan nilai wajar termasuk dalam penentuan keuntungan atau kerugian atas pelepasan entitas asosiasi. Selanjutnya, Grup memperhitungkan seluruh jumlah yang sebelumnya diakui dalam pendapatan komprehensif lain yang terkait dengan entitas asosiasi tersebut dengan menggunakan dasar yang sama dengan yang diperlukan jika entitas asosiasi telah melepaskan secara langsung aset dan liabilitas yang terkait. Oleh karena itu, jika keuntungan atau kerugian yang sebelumnya telah diakui dalam pendapatan komprehensif lain oleh entitas asosiasi akan direklasifikasi ke laba rugi atas pelepasan aset atau liabilitas yang terkait, maka Grup mereklasifikasi keuntungan atau kerugian dari ekuitas ke laba rugi (sebagai penyesuaian reklasifikasi) sejak Grup kehilangan pengaruh signifikan atas entitas asosiasi

Ketika Grup melakukan transaksi dengan entitas asosiasi, keuntungan dan kerugian yang timbul dari transaksi dengan entitas asosiasi diakui dalam laporan keuangan konsolidasian Grup hanya sepanjang kepemilikan dalam entitas asosiasi yang tidak terkait dengan Grup.

m. Properti Investasi

Properti investasi adalah properti (tanah atau bangunan atau bagian dari suatu bangunan atau keduanya) untuk menghasilkan *rental* atau untuk kenaikan nilai atau keduanya.

Properti investasi awalnya dinilai sebesar biaya perolehan. Selanjutnya setelah penilaian awal, properti investasi dinilai dengan menggunakan nilai wajar. Keuntungan atau kerugian yang timbul dari perubahan nilai wajar diakui pada laporan laba rugi pada saat terjadinya.

48 (Revised 2009), Impairment of Assets, as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with PSAK 48 to the extent that the recoverable amount of the investment subsequently increases.

Upon disposal of an associate that results in the Group losing significant influence over that associate, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with PSAK 55. The difference between the previous carrying amount of the associate attributable to the retained interest and the fair value is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over that associate.

When a group entity transacts with its associate, profits and losses resulting from the transaction with the associate are recognized in the Group's consolidated financial statements only to the extent of its interest in the associate that are not related to the Group.

m. Investment Properties

Investment properties are properties (land or a building – or part of a building – or both) held to earn rentals or for capital appreciation or both.

Investment properties are recorded initially at cost. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in fair value are recognized in profit or loss in the period in which they arise.

Properti investasi diberikan pengakuannya pada saat dilepaskan atau tidak digunakan lagi secara permanen dan tidak memiliki manfaat ekonomi masa depan yang diperkirakan dari pelepasannya. Keuntungan atau kerugian yang timbul dari penghentian atau pelepasan properti investasi ditentukan dari selisih antara hasil neto pelepasan dan jumlah tercatat aset dan diakui dalam laba rugi pada periode terjadinya penghentian atau pelepasan

n. Aset Tetap

Pesawat, tanah dan bangunan dinyatakan berdasarkan nilai revaluasi yang merupakan nilai wajar pada tanggal revaluasi dikurangi akumulasi penyusutan dan akumulasi rugi penurunan nilai yang terjadi setelah tanggal revaluasi. Revaluasi dilakukan dengan keteraturan yang memadai untuk memastikan bahwa jumlah tercatat tidak berbeda secara material dari jumlah yang ditentukan dengan menggunakan nilai wajar pada tanggal laporan posisi keuangan.

Kenaikan yang berasal dari revaluasi pesawat, tanah dan bangunan diakui pada pendapatan komprehensif lain dan terakumulasi dalam ekuitas pada bagian surplus revaluasi, kecuali sebelumnya penurunan revaluasi atas aset yang sama pernah diakui dalam laporan laba rugi komprehensif, dalam hal ini kenaikan revaluasi hingga sebesar penurunan nilai aset akibat revaluasi tersebut, dikreditkan dalam laporan laba rugi komprehensif. Penurunan jumlah tercatat yang berasal dari revaluasi pesawat, tanah dan bangunan dibebankan dalam laporan laba rugi apabila penurunan tersebut melebihi saldo surplus revaluasi aset yang bersangkutan, jika ada.

Surplus revaluasi pesawat, tanah dan bangunan yang telah disajikan dalam ekuitas dipindahkan langsung ke saldo laba pada saat aset tersebut dihentikan pengakuannya.

Aset tetap pesawat disusutkan hingga ke estimasi nilai residu dengan menggunakan metode garis lurus selama taksiran masa manfaat, sebagai berikut:

	2013 Tahun/ Years	2012 Tahun/ Years	
Rangka Pesawat	18 - 22	18 - 20	Airframe
Mesin	18 - 22	18 - 20	Engine
Simulator	10	10	Simulator
Rotable parts	12	12	Rotable parts
Aset pemeliharaan			Maintenance assets
Inspeksi rangka pesawat	Periode inspeksi berikut/ Next inspection period		Airframe inspection
Overhaul mesin	Periode overhaul berikut/ Next overhaul period		Engine overhaul

Investment properties shall be derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

n. Property and Equipment

Aircraft, land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluation is made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

Any revaluation increase arising on the revaluation of such aircraft, land and buildings is recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus, except to the extent that it reverses a revaluation decrease, for the same asset which was previously recognized in profit or loss, in which case the increase is credited to profit and loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such aircraft, land and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of such aircraft, land and buildings.

The revaluation surplus in respect of aircrafts, land and buildings is directly transferred to retained earnings when the asset is derecognized.

Aircraft assets are depreciated using the straight-line method to an estimated residual value based on their estimated useful lives, as follows:

Pada tahun 2013, Perusahaan merubah umur masa manfaat untuk jenis pesawat Boeing 747-400 dari 20 tahun menjadi 22 tahun. Perubahan tersebut diperlakukan secara prospektif yang menyebabkan penurunan beban penyusutan sebesar USD 3.214.148 ditahun 2013.

Aset tetap non pesawat kecuali tanah dan bangunan dicatat berdasarkan harga perolehan dikurangi akumulasi penyusutan dan penurunan nilai, jika ada dan disusutkan dengan metode garis lurus selama masa manfaat aset tersebut, sebagai berikut:

	Tahun/ Years	
Bangunan dan prasarana	40	Buildings and infrastructure
Kendaraan	3 - 5	Vehicles
Aset tetap lainnya (perlengkapan, perangkat keras dan instalasi)	2 - 10	Other fixed assets (office equipment, hardware and installation)

Tanah tidak disusutkan.

Aset sewaan disusutkan berdasarkan taksiran masa manfaat ekonomis yang sama dengan aset tetap yang dimiliki sendiri atau disusutkan selama jangka waktu yang lebih pendek antara periode sewa dan umur manfaatnya.

Taksiran masa manfaat, nilai residu dan metode penyusutan direviu minimum setiap akhir tahun buku, dan pengaruh dari setiap perubahan estimasi akuntansi diterapkan secara prospektif.

Beban pemeliharaan dan perbaikan dibebankan pada laporan laba rugi komprehensif konsolidasian pada saat terjadinya. Biaya-biaya lain yang terjadi selanjutnya yang timbul untuk menambah, mengganti atau memperbaiki aset tetap dicatat sebagai biaya perolehan aset jika dan hanya jika besar kemungkinan manfaat ekonomis di masa depan berkenaan dengan aset tersebut akan mengalir ke entitas dan biaya perolehan aset dapat diukur secara andal. Apabila aset tetap tidak digunakan lagi atau dijual, maka nilai tercatat dikeluarkan dari laporan keuangan konsolidasian dan keuntungan atau kerugian yang dihasilkan diakui dalam laporan laba rugi.

Aset dalam penyelesaian dinyatakan sebesar biaya perolehan. Biaya perolehan tersebut termasuk biaya pinjaman yang terjadi selama masa pembangunan yang timbul dari utang yang digunakan untuk pembangunan aset tersebut. Akumulasi biaya perolehan akan dipindahkan ke masing-masing aset tetap yang bersangkutan pada saat selesai dan siap digunakan.

In 2013, the Company changed the estimated useful life of Boeing 747-400 aircraft from 20 to 22 years. Such change in estimate was accounted prospectively resulting to reduction in depreciation expense by USD 3,214,148 in 2013.

Non aircraft assets except land and buildings, are stated at cost less accumulated depreciation and impairment, if any, and are depreciated using the straight-line method based on the estimated useful lives of the asset, as follows:

Land is not depreciated.

Assets held under finance lease are depreciated based on the same estimated useful life with owned assets or over the lease period which ever is shorter.

The estimated useful lives, residual values and depreciation method are reviewed at least each year end and the effect of any changes in estimate is accounted for on a prospective basis.

The cost of maintenance and repairs is charged to operations as incurred. Other costs incurred subsequently to add to, replace part of, or service an item of property, and equipment, are recognized as asset if, and only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. When assets are retired or otherwise disposed of, their carrying amount is removed from the consolidated financial statement and the resulting gains or losses are recognized in profit or loss.

Construction in progress is stated at cost which includes borrowing costs during construction on debts incurred to finance the construction. Construction in progress is transferred to the respective property and equipment account when complete and ready to use.

Pinjaman yang tidak spesifik digunakan untuk perolehan aset tertentu, jumlah biaya pinjaman yang dikapitalisasi tertentu terhadap jumlah pengeluaran untuk perolehan aset tersebut. Tingkat kapitalisasi adalah rata-rata tertimbang dari biaya pinjaman terhadap saldo pinjaman terkait selama periode tersebut, tidak termasuk jumlah pinjaman yang spesifik digunakan untuk perolehan aset tertentu lainnya.

Aset tetap dalam rangka bangun, kelola dan alih dinyatakan berdasarkan biaya perolehan setelah dikurangi akumulasi penyusutan. Penyusutan dihitung dengan menggunakan metode garis lurus selama 20 - 30 tahun.

o. Aset Tidak Lancar Tersedia Untuk Dijual

Aset tidak lancar dan kelompok yang akan dijual harus diklasifikasikan sebagai dimiliki untuk dijual jika jumlah tercatatnya akan dipulihkan terutama melalui transaksi penjualan daripada melalui penggunaan yang berkelanjutan. Kondisi ini dapat terpenuhi hanya ketika penjualan sangat mungkin dan aset tidak lancar (atau kelompok yang akan dijual) tersedia untuk dijual segera dalam kondisi sekarang. Manajemen harus berkomitmen terhadap penjualan tersebut, yang diharapkan untuk memenuhi syarat untuk pengakuan sebagai penjualan dalam satu tahun dari tanggal klasifikasi.

Aset tidak lancar (dan kelompok yang akan dijual) diklasifikasikan sebagai dimiliki untuk dijual diukur sebesar jumlah terendah dari jumlah tercatat sebelumnya dan nilai wajar dikurangi biaya penjualannya.

p. Penurunan Nilai Aset Non Keuangan

Pada tanggal pelaporan, Grup menelaah nilai tercatat aset non-keuangan untuk menentukan apakah terdapat indikasi bahwa aset tersebut telah mengalami penurunan nilai. Jika terdapat indikasi tersebut, nilai yang dapat diperoleh kembali dari aset diestimasi untuk menentukan tingkat kerugian penurunan nilai (jika ada). Bila tidak memungkinkan untuk mengestimasi nilai yang dapat diperoleh kembali atas suatu aset individu, Grup mengestimasi nilai yang dapat diperoleh kembali dari unit penghasil kas atas aset.

Perkiraan jumlah yang dapat diperoleh kembali adalah nilai tertinggi antara nilai wajar dikurangi dengan biaya untuk menjual atau nilai pakai. Dalam menilai nilai pakai, estimasi arus kas masa depan didiskontokan ke nilai kini menggunakan tingkat diskonto sebelum pajak yang menggambarkan penilaian pasar kini dari nilai waktu uang dan risiko spesifik atas aset yang mana estimasi arus kas masa depan belum disesuaikan. Jika jumlah yang dapat

For borrowings that are not specific to the acquisition of a qualifying asset, the amount capitalized is determined by applying a capitalization rate to the expenditures on qualifying asset. The capitalization rate is the weighted average of the borrowing costs applicable to the total borrowings outstanding during the period, excluding borrowings directly attributable to financing other qualifying assets.

Properties under BOT (build, operate and transfer) are stated at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over 20 - 30 years.

o. Non Current Assets Held For Sale

Noncurrent assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the noncurrent asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

p. Impairment of Non-Financial Asset

At reporting dates, the Group reviews the carrying amount of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Estimated recoverable amount is the higher of fair value less cost to sell or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of a non-financial asset (cash generating unit) is

diperoleh kembali dari aset non-keuangan (unit penghasil kas) kurang dari nilai tercatatnya, nilai tercatat aset (unit penghasil kas) dikurangi menjadi sebesar nilai yang dapat diperoleh kembali dan rugi penurunan nilai diakui langsung ke laba rugi kecuali aset tersebut dicatat sebesar nilai revaluasi, dimana kerugian penurunan nilai diperlakukan sebagai penurunan revaluasi.

Kebijakan akuntansi untuk penurunan nilai aset keuangan diungkapkan dalam Catatan 3h.

q. Sewa

Sewa diklasifikasikan sebagai sewa pembiayaan jika sewa tersebut mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset. Sewa lainnya, yang tidak memenuhi kriteria tersebut, diklasifikasikan sebagai sewa operasi.

Sebagai Lessee

Aset yang diperoleh melalui sewa pembiayaan dicatat pada awal masa sewa sebesar nilai wajar aset sewaan Grup yang ditentukan pada awal kontrak atau, jika lebih rendah, sebesar nilai kini dari pembayaran sewa minimum. Liabilitas kepada *lessor* disajikan di dalam laporan posisi keuangan konsolidasi sebagai liabilitas sewa pembiayaan.

Pembayaran sewa dipisahkan antara bagian yang merupakan beban keuangan dan bagian yang merupakan pengurangan dari liabilitas sewa sehingga mencapai suatu tingkat bunga yang konstan (tetap) atas saldo liabilitas. Beban keuangan dibebankan langsung ke laba rugi. *Rental* kontijensi dibebankan pada periode terjadinya.

Pembayaran sewa operasi diakui sebagai beban dengan dasar garis lurus selama masa sewa, kecuali terdapat dasar sistematis lain yang dapat lebih mencerminkan pola waktu dari manfaat aset yang dinikmati pengguna. *Rental* kontijensi diakui sebagai beban di dalam periode terjadinya.

Dalam hal insentif diperoleh dalam sewa operasi, insentif tersebut diakui sebagai liabilitas. Keseluruhan manfaat dari insentif diakui sebagai pengurangan dari biaya sewa dengan dasar garis lurus kecuali terdapat dasar sistematis lain yang lebih mencerminkan pola waktu dari manfaat yang dinikmati pengguna.

less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount and an impairment loss is recognized immediately against earnings unless the relevant asset is carried at revaluation amount, in which the impairment loss is treated as revaluation decrease.

Accounting policy for impairment of financial assets is disclosed in Note 3h.

q. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases, which do not meet these criteria, are classified as operating leases.

As Lessee

Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate amount of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Jual dan Sewa-Balik

Aset yang dijual berdasarkan transaksi jual dan sewa-balik diperlakukan sebagai berikut:

- Jika suatu transaksi jual dan sewa-balik merupakan sewa pembiayaan, selisih lebih hasil penjualan diatas nilai tercatat, tidak segera diakui sebagai pendapatan tetapi ditangguhkan dan diamortisasi selama masa sewa.
- Jika transaksi jual dan sewa-balik merupakan sewa operasi dan transaksi tersebut dilakukan pada nilai wajar, maka laba atau rugi diakui segera. Jika harga jual dibawah nilai wajar, maka laba atau rugi diakui segera, kecuali rugi tersebut dikompensasikan dengan pembayaran sewa masa depan yang lebih rendah dari harga pasar, maka rugi tersebut ditangguhkan dan diamortisasi secara proporsional dengan pembayaran sewa selama periode penggunaan aset. Jika harga jual diatas nilai wajar, selisih lebih diatas nilai wajar tersebut ditangguhkan dan diamortisasi selama periode penggunaan aset.

Untuk sewa operasi, jika nilai wajar aset pada saat transaksi jual dan sewa-balik lebih rendah daripada nilai tercatatnya, maka rugi sebesar selisih antara nilai tercatat dan nilai wajar diakui segera.

Untuk sewa pembiayaan, tidak diperlukan penyesuaian kecuali jika telah terjadi penurunan nilai. Dalam hal ini, nilai tercatat diturunkan ke jumlah yang dapat dipulihkan.

r. Biaya Pemeliharaan Pesawat

Biaya inspeksi besar rangka pesawat dan perbaikan besar mesin pesawat milik sendiri dan sewa pembiayaan dikapitalisasi dan disusutkan selama periode sampai dengan inspeksi atau perbaikan besar berikutnya.

Bila terdapat komitmen untuk perawatan pesawat sesuai yang diatur dalam perjanjian sewa operasi, penyisihan diakui selama jangka waktu sewa atas liabilitas pengembalian sesuai yang dipersyaratkan dalam perjanjian tersebut. Penyisihan dibuat berdasarkan pengalaman historis, petunjuk pabrik dan, jika relevan, liabilitas kontrak untuk menentukan nilai sekarang dari perkiraan biaya masa depan dari inspeksi rangka pesawat dan perbaikan mesin.

Biaya perbaikan dan pemeliharaan lainnya dibebankan pada saat terjadinya.

Sale and Leaseback

Assets sold under a sale and leaseback transaction are accounted for as follows:

- If the sale and leaseback transaction results in a finance lease, any excess of sales proceeds over the carrying amount of the asset is deferred and amortized over the lease term.
- If the sale and leaseback transaction results in an operating lease and the transaction is established at fair value, any profit or loss is recognized immediately. If the sale price is below fair value, any profit or loss is recognized immediately except that, if the loss is compensated by future lease payments at below market price, it is deferred and amortized in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value is deferred and amortized over the period for which the asset is expected to be used.

For operating leases, if the fair value at the time of a sale and leaseback transaction is less than the carrying amount of the asset, a loss equal to the amount of the difference between the carrying amount and fair value is recognized immediately.

For finance leases, no such adjustment is necessary unless there has been impairment in value, in which case the carrying amount is reduced to recoverable amount.

r. Heavy Maintenance Costs of Aircraft

Major airframe inspection cost relating to heavy maintenance visit and engine overhauls for owned aircraft and those held on finance lease is capitalized and amortized over the period until the next expected major inspection or overhaul.

If there is a commitment related to maintenance of aircraft held under operating lease arrangements, a provision is made during the lease term for the lease return obligations specified within those lease agreements. The provision is made based on historical experience, manufacturers' advice and if relevant, contractual obligations, to determine the present value of the estimated future major airframe inspections cost and engine overhauls.

All other repair and maintenance costs are expensed as incurred.

s. Beban Tanggahan

Biaya-biaya lain yang memenuhi kriteria pengakuan aset akan ditangguhkan dan diamortisasi dengan metode garis lurus berdasarkan masa manfaatnya.

t. Pengakuan Pendapatan dan Beban

Penjualan tiket penumpang dan jasa kargo awalnya diakui sebagai pendapatan diterima dimuka transportasi. Pendapatan operasional diakui pada saat penerbangan telah dilakukan. Penjualan didalamnya termasuk juga atas pemulihan *surcharges* selama periode berjalan.

Pendapatan jasa perbaikan dan pemeliharaan pesawat atas kontrak jangka pendek diakui pada saat jasa diserahkan kepada langganan. Pendapatan jasa perbaikan dan pemeliharaan pesawat atas kontrak jangka panjang diakui dengan menggunakan metode persentase penyelesaian.

Pendapatan atas jasa perhotelan, jasa boga, biro perjalanan dan jasa sistem reservasi serta jasa lain yang berhubungan dengan penerbangan diakui sebagai pendapatan pada saat jasa diserahkan.

Pendapatan bunga di-akru berdasarkan waktu terjadinya dengan acuan jumlah pokok terhutang dan tingkat bunga yang berlaku.

Penghasilan dividen dari investasi saham diakui pada saat hak menerima dividen telah ditetapkan.

Beban diakui pada saat terjadi.

u. Frequent Flyer Program

Perusahaan menyelenggarakan program "Garuda Frequent Flyer" yang menyediakan penghargaan perjalanan kepada anggotanya berdasarkan akumulasi jarak tempuh. Sebagian pendapatan penumpang diatribusikan terhadap penghargaan perjalanan yang diestimasi dan dihitung berdasarkan ekpektasi penggunaan penghargaan tersebut, ditangguhkan sampai penghargaan digunakan dan dicatat sebagai pendapatan diterima dimuka. Penghargaan yang tidak digunakan diakui sebagai pendapatan pada saat masa berlaku habis.

s. Deferred Charges

Other charges that meet the asset recognition criteria are deferred and amortized using the straight-line method over their beneficial periods.

t. Revenue and Expense Recognition

Passenger ticket and cargo waybill sales are initially recorded as unearned transportation revenue. Revenue is recognized when transportation service is rendered. Revenue also includes recoveries from surcharges during the period.

Revenue from short-term aircraft maintenance and overhaul contract is recognized when the service is rendered. Revenue from long-term aircraft maintenance and overhaul contracts is recognized using the percentage-of-completion method.

Revenues from hotels, catering, travel agency services, reservation system services and other services related to flight operations are recognized when the services are rendered.

Interest revenue is accrued on time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investment in shares is recognized when the shareholders' rights to receive such dividend have been established.

Expenses are recognized when incurred.

u. Frequent Flyer Program

The Company operates a frequent flyer program called "Garuda Frequent Flyer" that provides travel awards to its members based on accumulated mileage. A portion of passenger revenue attributable to the award of frequent flyer benefits, estimated based on expected utilization of these benefits, is deferred until they are utilized. These deferrals of revenue are recorded as unearned revenue. Any remaining unutilized benefits are recognized as revenue upon expiry.

v. Imbalan Pasca-kerja dan Imbalan Kerja Jangka Panjang

Imbalan Pasca-Kerja

Perhitungan imbalan pasca-kerja ditentukan dengan menggunakan metode *Projected Unit Credit*. Akumulasi keuntungan dan kerugian aktuarial bersih yang belum diakui yang melebihi 10% dari jumlah yang lebih besar diantara nilai kini liabilitas imbalan pasti atau nilai wajar aset program diakui dengan metode garis lurus selama rata-rata sisa masa kerja yang diperkirakan dari para pekerja dalam program tersebut. Biaya jasa lalu dibebankan langsung, apabila imbalan tersebut menjadi hak atau *vested*, dan sebaliknya diakui sebagai beban dengan menggunakan metode garis lurus berdasarkan periode rata-rata sampai imbalan tersebut menjadi *vested*.

Jumlah yang diakui sebagai liabilitas imbalan pasca-kerja di laporan posisi keuangan konsolidasian merupakan nilai kini liabilitas imbalan pasca-kerja disesuaikan dengan keuntungan dan kerugian aktuarial belum diakui dan biaya jasa lalu belum diakui, dan dikurangi dengan nilai wajar aset program.

Imbalan Kerja Jangka Panjang

Perhitungan imbalan kerja jangka panjang ditentukan dengan menggunakan *Projected Unit Credit*. Biaya jasa lalu dan keuntungan (kerugian) aktuarial diakui langsung pada periode yang bersangkutan.

Jumlah yang diakui sebagai liabilitas imbalan kerja jangka panjang di laporan posisi keuangan konsolidasian merupakan nilai kini liabilitas imbalan kerja pasti.

w. Provisi

Provisi diakui bila Grup memiliki kewajiban kini (baik bersifat hukum maupun konstruktif) sebagai akibat peristiwa masa lalu dan besar kemungkinan Grup diharuskan menyelesaikan kewajiban serta jumlah kewajiban tersebut dapat diestimasi secara andal.

Jumlah diakui sebagai provisi merupakan taksiran terbaik yang diharuskan menyelesaikan kewajiban kini pada akhir periode pelaporan, dengan memperhatikan unsur risiko dan ketidakpastian yang melekat pada kewajiban tersebut. Provisi diukur menggunakan estimasi arus kas untuk menyelesaikan kewajiban kini dengan jumlah tercatatnya sebesar nilai kini dari arus kas tersebut.

v. Post-Employment Benefits and Long-Term Benefits

Post-Employment Benefits

Post-employment benefits are determined using the Projected Unit Credit Method. The accumulated unrecognized actuarial gains and losses that exceed 10% of the greater of the present value of the defined benefit obligations and the fair value of plan assets, is recognized on straight-line basis over the expected average remaining service years of the participating employees. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The employee benefits obligation recognized in the consolidated statements of financial position represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and reduced by the fair value of plan assets.

Long-Term Benefits

Long-term benefits are determined using the Projected Unit Credit Method. Past service cost and actuarial gains (losses) are recognized immediately in the current operations.

The long-term employee benefit obligation recognized in the consolidated statement of financial position represents the present value of the defined benefit obligation.

w. Provision

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Bila beberapa atau keseluruhan dari manfaat ekonomis mengharuskan penyelesaian provisi diharapkan dapat dipulihkan dari pihak ketiga, piutang diakui sebagai aset apabila terdapat kepastian tagihan dapat diterima dan jumlah piutang dapat diukur secara andal.

x. Pajak Penghasilan

Beban pajak kini ditentukan berdasarkan laba kena pajak dalam tahun yang bersangkutan yang dihitung berdasarkan tarif pajak yang berlaku.

Aset dan liabilitas pajak tangguhan diakui atas konsekuensi pajak periode mendatang yang timbul dari perbedaan jumlah tercatat aset dan liabilitas menurut laporan keuangan dengan dasar pengenaan pajak aset dan liabilitas. Liabilitas pajak tangguhan diakui untuk semua perbedaan temporer kena pajak dan aset pajak tangguhan diakui untuk perbedaan temporer yang boleh dikurangkan dan rugi fiskal, sepanjang besar kemungkinan dapat dimanfaatkan untuk mengurangi laba kena pajak pada masa datang.

Aset dan liabilitas pajak tangguhan diukur dengan menggunakan tarif pajak yang diekspektasikan berlaku dalam periode ketika liabilitas diselesaikan atau aset dipulihkan dengan tarif pajak (dan peraturan pajak) yang telah berlaku atau secara substantif telah berlaku pada akhir periode pelaporan.

Pengukuran aset dan liabilitas pajak tangguhan mencerminkan konsekuensi pajak yang sesuai dengan cara Grup ekspektasikan, pada akhir periode pelaporan, untuk memulihkan atau menyelesaikan jumlah tercatat aset dan liabilitasnya.

Jumlah tercatat aset pajak tangguhan dikaji ulang pada akhir periode pelaporan dan dikurangi jumlah tercatatnya jika kemungkinan besar laba kena pajak tidak lagi tersedia dalam jumlah yang memadai untuk mengkompensasikan sebagian atau seluruh aset pajak tangguhan tersebut.

Aset dan liabilitas pajak tangguhan saling hapus ketika entitas memiliki hak yang dapat dipaksakan secara hukum untuk melakukan saling hapus aset pajak kini terhadap liabilitas pajak kini dan ketika aset pajak tangguhan dan liabilitas pajak tangguhan terkait dengan pajak penghasilan yang dikenakan oleh otoritas perpajakan serta Grup yang bermaksud untuk memulihkan aset dan liabilitas pajak kini dengan dasar neto.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

x. Income Tax

Current tax expense is determined based on the taxable income for the year computed using the prevailing tax rates.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable income will be available in future periods against which the deductible temporary differences and fiscal losses can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on the tax rates (and tax laws) that have been enacted, or substantively enacted, by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle their current tax assets and current tax liabilities on a net basis.

Pajak kini dan pajak tangguhan diakui sebagai beban atau penghasilan dalam laba atau rugi, kecuali sepanjang pajak penghasilan yang berasal dari transaksi atau kejadian yang diakui, diluar laba atau rugi (baik dalam pendapatan komprehensif lain maupun secara langsung di ekuitas), dalam hal tersebut pajak juga diakui di luar laba atau rugi.

y. Instrumen Keuangan Derivatif

Instrumen keuangan derivatif awalnya dinilai berdasarkan nilai wajar pada saat tanggal kontrak dibuat, dan selanjutnya dinilai kembali berdasarkan nilai wajar pada tanggal pelaporan keuangan. Perlakuan akuntansi atas perubahan kemudian dalam nilai wajar tergantung apakah derivatif tersebut ditujukan untuk instrumen lindung nilai, dan jika benar, sifat dari obyek yang dilindungi nilainya.

Perubahan nilai wajar instrumen derivatif keuangan yang ditujukan untuk lindung arus kas masa depan yang efektif diakui sebagai bagian dari pendapatan komprehensif lain dan bagian yang tidak efektif langsung diakui dalam laporan laba rugi komprehensif. Jika transaksi lindung nilai mengakibatkan pengakuan aset atau liabilitas, akumulasi keuntungan dan kerugian dalam pendapatan komprehensif lain direklasifikasi ke laporan laba rugi komprehensif dalam periode yang sama selama aset atau liabilitas yang terkait mempengaruhi laba rugi. Untuk lindung nilai yang tidak mengakibatkan pengakuan aset atau liabilitas, jumlah yang ditanggung dalam pendapatan komprehensif lain diakui dalam laporan laba rugi komprehensif pada periode yang sama dimana item yang dilindung nilai mempengaruhi laba atau rugi bersih.

Untuk lindung nilai efektif terhadap eksposur perubahan nilai wajar, item yang dilindung nilai disesuaikan dengan perubahan nilai wajar yang dapat diatribusikan terhadap risiko yang dilindung nilai dan perubahan tersebut langsung diakui dalam laporan laba rugi komprehensif.

z. Laba per Saham

Laba per saham dasar dihitung dengan membagi laba bersih yang dapat diatribusikan kepada entitas induk dengan jumlah rata-rata tertimbang saham yang beredar pada periode yang bersangkutan.

Laba per saham dilusian dihitung dengan membagi laba bersih yang dapat diatribusikan kepada pemilik Perusahaan dengan jumlah rata-rata tertimbang saham biasa yang telah disesuaikan dengan dampak dari semua efek berpotensi saham biasa yang dilutif.

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside of profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognized outside of profit or loss.

y. Derivative Financial Instruments

Derivatives are initially recognized at fair value at the date the derivative contract is entered into and are subsequently measured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Changes in fair value of derivative financial instruments that are designated as effective hedges of future cash flows are recognized as part of other comprehensive income and the ineffective portion is recognized immediately in earnings. If the hedged transaction results in the recognition of an asset or liability, the accumulated gains and losses under other comprehensive income are reclassified into earnings in the same period in which the related asset or liability affects earnings. For hedges that do not result in the recognition of an asset or liability, amounts deferred in other comprehensive income are recognized in earnings in the same period in which the hedged item affects profit or loss.

For an effective hedge of an exposure to changes in the fair value, the hedged item is adjusted for changes in fair value attributable to the risk being hedged and such changes are recognized immediately in earnings.

z. Earnings per Share

Basic earnings per share is computed by dividing net income attributable to owners of the Company by the weighted average number of shares outstanding during the period.

Diluted earnings per share is computed by dividing net income attributable to owners of the Company by the weighted average number of shares outstanding as adjusted for the effects of all dilutive potential ordinary shares.

aa. Informasi Segmen

Segmen operasi diidentifikasi berdasarkan laporan internal mengenai komponen dari Grup yang secara reguler direviu oleh "pengambil keputusan operasional" dalam rangka mengalokasikan sumber daya dan menilai kinerja segmen operasi.

Segmen operasi adalah suatu komponen dari entitas:

- a) yang terlibat dalam aktivitas bisnis yang mana memperoleh pendapatan dan menimbulkan beban (termasuk pendapatan dan beban terkait dengan transaksi dengan komponen lain dari entitas yang sama);
- b) yang hasil operasinya dikaji ulang secara reguler oleh pengambil keputusan operasional untuk membuat keputusan tentang sumber daya yang dialokasikan pada segmen tersebut dan menilai kinerjanya; dan
- c) dimana tersedia informasi keuangan yang dapat dipisahkan.

Informasi yang digunakan oleh pengambil keputusan operasional dalam rangka alokasi sumber daya dan penilaian kinerja mereka terfokus pada kategori dari setiap produk.

bb. Aset Takberwujud

Lisensi dan perangkat lunak yang diperoleh dikapitalisasi berdasarkan biaya-biaya yang terjadi untuk memperoleh dan mempersiapkannya hingga siap digunakan. Biaya-biaya ini diamortisasi dengan menggunakan metode garis lurus berdasarkan estimasi manfaat 3 – 8 tahun.

cc. Manufacturer's Incentive

Perusahaan mendapatkan kredit dari *vendor* sehubungan dengan perolehan atas peralatan udara tertentu. Berdasarkan sifatnya, kredit ini akan dicatat sebagai pengurang biaya perolehan atas peralatan udara tersebut. Kredit ini akan diselesaikan baik dengan pengembalian uang untuk pembelian selanjutnya atau saling hapus dengan tagihan dari *vendor* tersebut.

aa. Segment Information

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performances.

An operating segment is a component of an entity:

- a) that engages in business activities from which it may earn revenue and incur expenses (including revenue and expenses relating to the transaction with other components of the same entity);
- b) whose operating results are reviewed regularly by the entity's chief operating decision maker to make decision about resources to be allocated to the segments and assess its performance; and
- c) for which discrete financial information is available.

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of their performance is more specifically focused on the category of each product.

bb. Intangible Assets

Software and licenses are capitalized on the basis of the cost incurred to acquire and to prepare the assets for intended use. These costs are amortized using the straight-line method over the estimated useful life of 3 – 8 years.

cc. Manufacturer's Incentive

The Company receives credits from vendors in connection with the acquisition of certain avionic equipments. Depending on their nature, these credits are recorded as a reduction to the cost of the related avionic equipments. The credits are either settled as cash back on subsequent purchases or net-off with payable to vendors.

dd. Program Opsi Saham Manajemen dan Karyawan

Perusahaan menyediakan program opsi saham untuk anggota manajemen serta karyawan tetap (MESOP). Program ini terdiri dari program opsi saham bahwa setelah diselesaikan melalui penerbitan saham (pengaturan pembayaran saham yang diselesaikan dengan instrumen ekuitas) dicatat sebagai transaksi ekuitas.

Pembayaran berbasis saham yang diselesaikan dengan instrumen ekuitas kepada karyawan dan layanan sejenis lainnya diukur pada nilai wajar instrumen ekuitas pada tanggal pemberian opsi. Nilai wajar yang ditentukan pada tanggal pemberian opsi pembayaran saham yang diselesaikan dengan instrumen ekuitas dicatat sebagai beban dengan metode garis lurus sepanjang periode *vesting*, berdasarkan estimasi instrumen ekuitas Perusahaan yang akhirnya akan diberikan, dengan peningkatan yang sesuai pada ekuitas. Pada setiap akhir periode pelaporan, Perusahaan mengubah estimasi dari jumlah instrumen ekuitas yang diharapkan akan diberikan. Dampak dari perubahan atas estimasi awal, jika ada, diakui dalam laporan laba rugi komprehensif konsolidasian sebagai biaya kumulatif yang mencerminkan perubahan estimasi, dengan penyesuaian berdasarkan cadangan imbalan kerja yang diselesaikan dengan instrumen ekuitas.

ee. Kuasi-Reorganisasi

Pada tanggal 1 Januari 2012, Perusahaan melakukan kuasi-reorganisasi dengan mengacu pada Pernyataan Standar Akuntansi Keuangan (PSAK) No. 51 (revisi 2003) "Akuntansi Kuasi-Reorganisasi".

Kuasi-reorganisasi dilakukan dengan metode reorganisasi akuntansi dimana aset dan liabilitas dinilai kembali sebesar nilai wajarnya yang dihitung dengan metode nilai pasar dan arus kas yang didiskontokan. Selisih hasil revaluasi aset dan liabilitas disajikan dalam saldo selisih revaluasi aset dan liabilitas yang digunakan untuk mengeliminasi defisit. Rincian dari saldo defisit yang dieliminasi dijelaskan pada Catatan 52. Sebagai tambahan, nilai wajar dari aset dan liabilitas yang digunakan dalam kuasi-reorganisasi menjadi saldo awal di dalam laporan keuangan yang dimulai tanggal 1 Januari 2012 dan selanjutnya diukur menggunakan kebijakan akuntansi yang relevan.

dd. Management and Employee Stock Option Program

The Company provides stock option program to its members of management and eligible employees (MESOP). The program consists of stock option plan that upon exercise is settled through issuance of shares (equity-settled share based payment arrangement) which is accounted as equity transaction.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in consolidated statements of comprehensive income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

ee. Quasi-Reorganization

As of January 1, 2012, the Company carried out a quasi-reorganization in accordance with the Statement of Financial Accounting Standards (PSAK) No. 51 (revised 2003), "Accounting for Quasi-Reorganization".

The quasi-reorganization was carried out using the accounting reorganization method, wherein assets and liabilities are revalued at their fair values using market value and discounted cash flows model. The revaluation surplus of asset and liabilities is recognized as difference in revaluation of assets and liabilities and used for eliminating deficit. Details of the elimination of deficit are discussed in Note 52. In addition, the fair value of those assets and liabilities as used in the quasi-reorganization becomes their initial carrying amount in the consolidated financial statements commencing January 1, 2012 and are subsequently measured using the relevant accounting policies.

4. PERTIMBANGAN KRITIS AKUNTANSI DAN ESTIMASI AKUNTANSI YANG SIGNIFIKAN

Pertimbangan Kritis dalam Penerapan Kebijakan Akuntansi

Berikut ini adalah pertimbangan kritis, selain dari pertimbangan yang melibatkan estimasi (lihat di bawah) yang telah dibuat oleh manajemen dalam proses penerapan kebijakan akuntansi dan yang memiliki dampak yang paling signifikan pada jumlah yang dicatat dalam laporan keuangan konsolidasian:

i. **Komitmen Sewa Operasi – Sebagai Lessee**

Perusahaan mengadakan perjanjian sewa operasi untuk pesawat. Perusahaan menetapkan berdasarkan evaluasi atas syarat dan kondisi yang ada dalam perjanjian, pihak *lessor* menanggung seluruh resiko secara signifikan dan manfaat kepemilikan atas pesawat sehingga diakui sebagai sewa operasi. Komitmen sewa operasi telah diungkapkan dalam Catatan 47.

ii. **Jual dan Sewa-Balik**

Perusahaan mengadakan perjanjian jual dan sewa balik untuk pesawat. Perusahaan menetapkan berdasarkan evaluasi atas syarat dan kondisi yang ada dalam perjanjian, transaksi jual dan sewa-balik merupakan sewa operasi dan transaksi tersebut dilakukan pada nilai wajar. Transaksi jual dan sewa-balik telah diungkapkan dalam Catatan 47.

Sumber Estimasi Ketidakpastian

Penyusunan laporan keuangan konsolidasian sesuai dengan Standar Akuntansi Keuangan Indonesia mengharuskan manajemen membuat estimasi dan asumsi yang mempengaruhi jumlah tercatat aset dan liabilitas yang dilaporkan dan pengungkapan aset dan liabilitas kontinjensi pada tanggal laporan keuangan konsolidasian serta jumlah pendapatan dan beban selama periode pelaporan. Realisasi dapat berbeda dengan jumlah yang diestimasi.

Informasi tentang asumsi utama yang dibuat mengenai masa depan dan sumber utama dari estimasi ketidakpastian lain pada akhir periode pelaporan, yang memiliki risiko signifikan yang mengakibatkan penyesuaian material terhadap jumlah tercatat aset dan liabilitas dalam periode pelaporan berikutnya dijelaskan dibawah ini.

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

Critical Judgments in Applying Accounting Policies

The following are the critical judgments, apart from those involving estimation (see below) that management has made in the process of applying the accounting policies and that have the most significant impact on the amounts recognized in the consolidated financial statements:

i. **Operating Lease Commitments – As Lessee**

The Company has entered into commercial leases on its aircraft. The Company has determined, based on an evaluation of the substance of the terms and conditions of the arrangements, that the lessor retains all the significant risks and rewards of ownership of these aircrafts and so accounts for the contracts as operating leases. The operating lease commitments are disclosed in Note 47.

ii. **Sale and Leaseback**

The Company has entered into sale and leaseback of certain newly acquired aircrafts. The Company has determined, based on an evaluation of the substance of the terms and conditions of the arrangements, that sale and leaseback transaction results in an operating lease, and the transaction is established at fair value. Sale and leaseback transactions are disclosed in Note 47.

Key Sources of Estimation Uncertainty

The preparation of consolidated financial statements in accordance with Indonesian Financial Accounting Standards requires management to make estimates and assumptions that has an effect to the carrying amount of assets and liabilities and disclosure of contingent and liabilities at the date of consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could be different from those estimates.

The key assumptions concerning future and other key sources of estimation at the end of the reporting period, that have the significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i. Estimasi Masa Manfaat Atas Aset Tetap

Manajemen mengestimasi masa manfaat aset tetap berdasarkan penggunaan dari aset yang diharapkan dapat didukung dengan rencana dan strategi usaha yang juga mempertimbangkan perkembangan teknologi dimasa depan dan perilaku pasar. Estimasi dari masa manfaat aset tetap adalah berdasarkan penelaahan Grup secara kolektif terhadap praktek industri, evaluasi teknis internal dan pengalaman untuk aset yang sama. Estimasi masa manfaat ditelaah paling sedikit setiap akhir periode pelaporan dan diperbaharui jika ekspektasi berbeda dari estimasi sebelumnya dikarenakan pemakaian dan kerusakan fisik, kesusangan secara teknis atau komersial dan hukum atau pembatasan lain atas penggunaan dari aset. Tetapi, adalah mungkin, hasil dimasa depan dari operasi dapat dipengaruhi secara material oleh perubahan-perubahan dalam estimasi yang diakibatkan oleh perubahan faktor-faktor yang disebutkan diatas.

Nilai tercatat aset tetap telah diungkapkan dalam Catatan 14.

ii. Provisi Biaya Pengembalian dan Pemeliharaan Pesawat

Dimana ada suatu komitmen untuk mempertahankan pesawat yang disewa dalam perjanjian sewa operasi, suatu penyisihan dibuat selama masa sewa untuk kewajiban pengembalian sewa yang telah ditetapkan dalam perjanjian sewa. Suatu penyisihan ini didasarkan pada pengalaman yang telah terjadi, saran pabrikan dan, mana yang lebih tepat, kewajiban konstruktif dalam menentukan nilai sekarang dari biaya masa yang akan datang diperkirakan atas inspeksi yang signifikan kerangka badan pesawat besar dan *overhaul* mesin. Perkiraan ini harus dibuat sehubungan dengan waktu pemeliharaan. Nilai tercatat liabilitas estimasi telah diungkapkan dalam Catatan 25.

iii. Liabilitas Imbalan Pasca-Kerja

Beban dari program pensiun manfaat pasti dan nilai kini dari kewajiban pensiun ditentukan oleh penilaian aktuaris dengan menggunakan beberapa asumsi diantaranya tingkat diskonto, tingkat pengembalian dana yang diharapkan, tingkat kenaikan kompensasi dan tingkat kematian. Kewajiban manfaat pasti sangat sensitif terhadap perubahan asumsi. Nilai tercatat liabilitas telah diungkapkan dalam Catatan 28.

i. Estimated Useful Lives Of Property and Equipment

Management has estimated the useful lives of property and equipment based on expected asset utilization based on business plans and strategies that also consider expected future technological developments and market behavior. The estimation of the useful lives of property and equipment is based on the Group's collective assessment of industry practice, internal technical evaluation and experience with similar assets. The estimated useful lives are reviewed at least each financial period-end and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limitations on the use of the assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in the factors mentioned above.

The carrying amount of property and equipment is disclosed in Note 14.

ii. Provision For Aircraft Return and Maintenance Cost

Whenever there is a commitment to maintain aircraft held under operating lease arrangements, a provision is made during the lease term for the lease return obligations specified within those lease agreements. The provision is based upon historical experience, manufacturers' advice and, where appropriate, contractual obligations in determining the present value of the estimated future costs of major airframe inspections and engine overhauls. Estimates are required to be made in respect of the timing of maintenance. The carrying amount of estimated liability is disclosed in Note 25.

iii. Post-Employment Benefits Obligation

The cost of defined benefit plan and present value of the pension obligation are determined based on actuarial valuation which makes use of various assumptions such as discount rates, expected rates of return on plan assets, rates of compensation increases and mortality rates. The defined benefit obligation is highly sensitive to changes in the assumptions. The carrying amount of the obligation is disclosed in Note 28.

iv. Pajak Penghasilan

Dalam situasi tertentu, Perusahaan tidak dapat menentukan secara pasti jumlah liabilitas pajak mereka pada saat ini atau masa depan karena proses pemeriksaan, atau negosiasi dengan otoritas perpajakan. Ketidakpastian timbul terkait dengan interpretasi dari peraturan perpajakan yang kompleks dan jumlah dan waktu dari penghasilan kena pajak di masa depan. Dalam menentukan jumlah yang harus diakui terkait dengan liabilitas pajak yang tidak pasti, Perusahaan menerapkan pertimbangan yang sama yang akan mereka gunakan dalam menentukan jumlah cadangan yang harus diakui sesuai dengan PSAK 57, "Provisi, Liabilitas Kontijensi dan Aset Kontijensi". Pajak penghasilan telah diungkapkan dalam Catatan 10c.

v. Rugi Penurunan Nilai Pinjaman yang Diberikan dan Piutang

Grup menilai penurunan nilai pinjaman yang diberikan dan piutang pada setiap tanggal pelaporan. Dalam menentukan apakah rugi penurunan nilai harus dicatat dalam laporan laba rugi, manajemen membuat penilaian, apakah terdapat bukti objektif bahwa kerugian telah terjadi. Manajemen juga membuat penilaian atas metodologi dan asumsi untuk memperkirakan jumlah dan waktu arus kas masa depan yang direvisi secara berkala untuk mengurangi perbedaan antara estimasi kerugian dan kerugian aktualnya. Nilai tercatat pinjaman yang diberikan dan piutang telah diungkapkan dalam Catatan 6 dan 7.

vi. Penyisihan Penurunan Nilai Persediaan

Grup membuat penyisihan penurunan nilai persediaan berdasarkan estimasi persediaan yang digunakan pada masa mendatang. Walaupun asumsi yang digunakan dalam mengestimasi penyisihan penurunan nilai persediaan telah sesuai dan wajar, namun perubahan signifikan atas asumsi ini akan berdampak material terhadap penyisihan penurunan nilai persediaan, yang pada akhirnya akan mempengaruhi hasil usaha Grup. Nilai tercatat persediaan diungkapkan dalam Catatan 8.

iv. Income Tax

In certain circumstances, the Company may not be able to determine the exact amount of its current or future tax liabilities due to ongoing investigations by, or negotiations with, the taxation authority. Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. In determining the amount to be recognized in respect of an uncertain tax liability, the Company applies similar considerations as it would use in determining the amount of a provision to be recognized in accordance with PSAK 57, "Provisions, Contingent Liabilities and Contingent Asset. Income tax is disclosed in Note 10c.

v. Impairment Loss on Loans and Receivables

The Group assesses its loans and receivables for impairment at each reporting date. In determining whether an impairment loss should be recorded in profit or loss, management makes judgment as to whether there is an objective evidence that loss event has occurred. Management also makes judgment as to the methodology and assumptions for estimating the amount and timing of future cash flows which are reviewed regularly to reduce any difference between loss estimate and actual loss. The carrying amount of loans and receivables are disclosed in Notes 6 and 7.

vi. Allowance for Decline in Value of Inventories

The Group provides allowance for decline in value of inventories based on estimated future usage of such inventories. While it is believed that the assumptions used in the estimation of the allowance for decline in value of inventories are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of the allowance for decline in value of inventories, which ultimately will impact the result of the Groups' operations. The carrying amount of inventories is disclosed in Note 8.

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DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
31 DESEMBER 2013 DAN UNTUK TAHUN YANG
BERAKHIR PADA TANGGAL TERSEBUT - Lanjutan

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND FOR THE YEAR
THEN ENDED - Continued

5. KAS DAN SETARA KAS

5. CASH AND CASH EQUIVALENTS

	2013	2012	
	USD	USD	
Kas			Cash on hand
Rupiah	1.225.762	1.520.553	Rupiah
Dolar Amerika Serikat	604.239	782.993	U.S. Dollar
Mata uang asing lainnya	299.599	327.039	Other foreign currencies
Jumlah Kas	<u>2.129.600</u>	<u>2.630.585</u>	Total Cash on hand
Bank			Banks
Pihak berelasi (Catatan 45)			Related parties (Note 45)
Bank Negara Indonesia	50.236.939	48.328.934	Bank Negara Indonesia
Bank Mandiri	37.336.951	56.299.467	Bank Mandiri
Bank Rakyat Indonesia	20.265.546	591.024	Bank Rakyat Indonesia
Pihak ketiga			Third parties
Citibank N.A.	83.987.787	110.837.674	Citibank N.A.
Commonwealth Bank of Australia	11.106.813	8.559.451	Commonwealth Bank of Australia
Standard Chartered Bank	9.705.890	1.908.893	Standard Chartered Bank
Bank of China	7.236.135	4.858.298	Bank of China
Korean Exchange Bank	4.210.023	2.898.684	Korean Exchange Bank
Industrial Commercial Bank of China	3.414.822	878.558	Industrial Commercial Bank of China
The Bank of Tokyo-Mitsubishi UFJ	2.548.135	3.162.125	The Bank of Tokyo-Mitsubishi UFJ
Saudi Arabian Bank	2.453.385	1.820.696	Saudi Arabian Bank
Bank Central Asia	2.438.407	3.269.558	Bank Central Asia
California Bank	1.418.562	2.494.161	California Bank
Mizuho Bank	1.227.895	1.746.946	Mizuho Bank
Bank Muamalat	1.152.822	351.891	Bank Muamalat
National Australian Bank	728.974	1.977.850	National Australian Bank
Bank Permata	566.309	2.648.768	Bank Permata
CIMB Niaga	-	2.618.884	CIMB Niaga
Lloyds Bank Ltd	-	1.012.035	Lloyds Bank Ltd
Lain-lain (masing-masing dibawah USD 300.000)	4.691.830	2.621.427	Other banks (each below USD 300,000)
Jumlah bank	<u>244.727.225</u>	<u>258.885.324</u>	Total bank
Deposito berjangka			Time deposits
Pihak berelasi (Catatan 45)			Related parties (Note 45)
Bank Rakyat Indonesia	33.913.915	14.361.489	Bank Rakyat Indonesia
Bank Syariah Mandiri	8.204.118	-	Bank Syariah Mandiri
Bank Rakyat Indonesia Syariah	6.563.295	-	Bank Rakyat Indonesia Syariah
Bank Negara Indonesia	5.579.582	4.472.251	Bank Negara Indonesia
Pihak ketiga			Third parties
Bank Muamalat	86.388.793	33.609.100	Bank Muamalat
Bank Permata	66.714.415	-	Bank Permata
Bank Mega	19.256.002	1.240.951	Bank Mega
Bank Bukopin	666.175	1.282.187	Bank Bukopin
Bank Artha Graha	506.174	242.622	Bank Artha Graha
Bank Mega Syariah	365.212	433.133	Bank Mega Syariah
Bank CIMB Niaga	246.124	8.368.769	Bank CIMB Niaga
Bank Jatim	-	103.412	Bank Jatim
Bank Himpunan Saudara	-	155.119	Bank Himpunan Saudara
Jumlah deposito berjangka	<u>228.403.805</u>	<u>64.269.033</u>	Total time deposits
Jumlah	<u>475.260.630</u>	<u>325.784.942</u>	Total
Tingkat bunga deposito berjangka per tahun:			Interest rate per annum on time deposit
Rupiah	5,00% - 11,00%	3,80% - 8,00%	Rupiah
Dolar Amerika Serikat	0,10% - 3,75%	0,25% - 3,35%	U.S. Dollar

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Kas dan setara kas berdasarkan mata uang:

Cash and cash equivalent by currency:

	2013	2012	
	USD	USD	
Rupiah	265.099.069	74.446.068	Rupiah
Dolar Amerika Serikat	130.010.406	190.235.436	U.S. Dollar
Renmimbi China	21.088.383	14.552.907	Chinese Renmimbi
Dolar Australia	18.827.232	13.678.402	Australian Dollar
Yen Jepang	12.644.695	13.593.379	Japanese Yen
Euro	7.085.143	4.652.488	Euro
Won Korea	4.841.640	3.851.437	Korean Won
Dolar Singapura	3.068.188	2.064.078	Singapore Dollar
Dolar Hongkong	2.616.116	1.461.584	Hongkong Dollar
Riyal Saudi Arabia	2.507.521	1.921.528	Saudi Arabian Riyal
Poundsterling Inggris	2.469.824	1.026.833	Great Britain Poundsterling
Baht Thailand	1.663.453	1.458.975	Thailand Bath
Dirham Uni Emirat Arab	466.000	510.192	United Arab Emirates Dirham
Dolar Taiwan	461.976	329.620	Taiwan Dollar
Mata uang lainnya (masing-masing dibawah USD 300.000)	2.410.984	2.002.015	Other currencies (each under USD 300,000)
Jumlah	475.260.630	325.784.942	Total

6. PIUTANG USAHA

6. TRADE ACCOUNTS RECEIVABLES

a. Berdasarkan Debitur

a. By Debtors

	2013	2012	
	USD	USD	
Pihak berelasi (Catatan 45)			Related parties (Note 45)
PT Jiw asraya	1.966.795	2.479.139	PT Jiw asraya
PT Gapura Angkasa	920.503	934.252	PT Gapura Angkasa
PT POS Indonesia	532.813	843.371	PT POS Indonesia
Abacus International Ltd	410.871	478.751	Abacus International Ltd
PT Bukit Asam (Persero) Tbk	113.915	198.306	PT Bukit Asam (Persero) Tbk
Kementrian Agama RI	26.672	102.417	Ministry of Religious Affairs
Lain-lain	63.397	48.907	Others
Jumlah	4.034.966	5.085.143	Total
Pihak ketiga			Third parties
Jasa penerbangan			Airlines services
Agen penumpang	59.210.984	54.550.046	Passenger agents
Agen kargo	15.051.367	14.588.829	Cargo agents
Kartu kredit	3.494.044	5.732.009	Credit cards
Perusahaan penerbangan	1.819.882	1.626.701	Airlines
Lain-lain	3.605.040	4.731.557	Others
Sub jumlah	83.181.317	81.229.142	Sub total
Non jasa penerbangan	55.733.466	44.660.444	Non airlines services
Jumlah	138.914.783	125.889.586	Total
Cadangan kerugian penurunan nilai	(2.968.386)	(1.503.631)	Allowance for impairment loss
Jumlah	135.946.397	124.385.955	Total
Jumlah Piutang Usaha	139.981.363	129.471.098	Total Trade Accounts Receivable

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b. Berdasarkan Mata Uang

	2013
	USD
Rupiah	54.672.498
Dolar Amerika Serikat	53.552.044
Yen Jepang	8.816.761
Euro	4.157.581
Dolar Australia	4.062.138
Won Korea	2.673.552
Renmimbi China	2.037.590
Riyal Saudi Arabia	1.749.217
Ringgit Malaysia	1.303.554
Dolar Singapura	759.599
Mata uang lainnya	9.165.215
Jumlah	<u>142.949.749</u>
Cadangan kerugian penurunan nilai	<u>(2.968.386)</u>
Jumlah bersih	<u>139.981.363</u>

b. By Currency

	2012	
	USD	
Rupiah	79.688.200	Rupiah
U.S. Dollar	20.804.844	U.S. Dollar
Japanese Yen	11.064.385	Japanese Yen
Euro	2.476.335	Euro
Australian Dollar	3.081.409	Australian Dollar
Korean Won	4.385.212	Korean Won
Chinese Renmimbi	1.343.965	Chinese Renmimbi
Saudi Arabian Riyal	622.233	Saudi Arabian Riyal
Malaysian Ringgit	1.303.023	Malaysian Ringgit
Singapore Dollar	193.838	Singapore Dollar
Other currencies	6.011.285	Other currencies
Total	<u>130.974.729</u>	Total
Allowance for impairment loss	<u>(1.503.631)</u>	Allowance for impairment loss
Total - net	<u>129.471.098</u>	Total - net

c. Berdasarkan Umur Piutang Usaha Tetapi Tidak Mengalami Penurunan Nilai

	2013
	USD
Belum jatuh tempo	21.070.158
Jatuh tempo	
1- 60 hari	104.171.808
61 - 180 hari	5.849.245
181 - 360 hari	3.885.956
> 360 hari	5.004.196
Jumlah	<u>139.981.363</u>

c. Aging of Trade Accounts Receivable Not Impaired

	2012	
	USD	
Not yet due	17.398.954	Not yet due
Past due		Past due
1- 60 days	90.708.666	1- 60 days
61 - 180 days	7.222.480	61 - 180 days
181 - 360 days	6.143.162	181 - 360 days
> 360 days	7.997.836	> 360 days
Total	<u>129.471.098</u>	Total

Jangka waktu rata-rata kredit penjualan adalah 30 - 60 hari untuk tahun yang berakhir 31 Desember 2013 dan 2012. Bunga tidak dikenakan kepada pelanggan yang umur piutang usaha telah jatuh tempo.

The average credit term is 30 - 60 days for the year ended December 31, 2013 and 2012. No interest is charged on the overdue trade accounts receivables.

Mutasi cadangan kerugian penurunan nilai:

Changes in the allowance for impairment loss:

	2013
	USD
Saldo awal	1.503.631
Penambahan	1.777.925
Pemulihan	<u>(313.170)</u>
Jumlah	<u>2.968.386</u>

	2012	
	USD	
Beginning balance	-	Beginning balance
Addition	1.503.631	Addition
Recovery	-	Recovery
Ending balance	<u>1.503.631</u>	Ending balance

Umur piutang usaha yang mengalami penurunan nilai adalah umur piutang diatas 360 hari.

The age of impaired trade accounts receivables is above 360 days.

Beban cadangan kerugian penurunan nilai secara individual dan kolektif adalah sebagai berikut:

Allowance for impairment loss from individual and collective impairment are as follows:

	2013
	USD
Penilaian Individu	348.023
Penilaian kolektif	<u>1.429.902</u>
Jumlah	<u>1.777.925</u>

	2012	
	USD	
Individual assessments	810.614	Individual assessments
Collective assessments	<u>693.017</u>	Collective assessments
Total	<u>1.503.631</u>	Total

Dalam menentukan pemulihan dari piutang usaha, Grup mempertimbangkan setiap perubahan dalam kualitas kredit dari piutang usaha dari tanggal awalnya kredit diberikan sampai dengan akhir periode pelaporan. Konsentrasi risiko kredit terbatas pada basis pelanggan adalah besar dan tidak saling berhubungan.

Berdasarkan penelaahan yang dilakukan oleh manajemen atas piutang usaha yang telah jatuh tempo tetapi tidak mengalami penurunan nilai, manajemen beranggapan bahwa piutang usaha tersebut masih dapat dipulihkan karena tidak terdapat perubahan yang signifikan atas kualitas kredit dari pelanggan tersebut. Untuk piutang usaha yang berasal dari jasa non-penerbangan, Grup tidak memiliki jaminan atau peningkatan kredit lainnya atas piutang usaha dan juga tidak memiliki hak hukum yang saling hapus dengan setiap jumlah yang terhutang oleh Grup kepada pihak lawan. Untuk piutang dari penjualan tiket pesawat, lebih lanjut akan dibahas dalam Catatan 46 tentang risiko kredit.

Penurunan nilai piutang usaha secara individu terdiri atas beberapa rekening yang dianggap oleh manajemen tidak terpulihkan berdasarkan penilaian atas kualitas kredit dan kondisi keuangan pelanggan tersebut. Grup tidak memiliki jaminan atas saldo tersebut.

Manajemen berpendapat bahwa cadangan kerugian penurunan nilai atas piutang kepada pihak ketiga adalah cukup. Manajemen juga berpendapat bahwa tidak terdapat risiko yang terkonsentrasi secara signifikan atas piutang kepada pihak ketiga. Tidak diadakan pencadangan kerugian penurunan nilai atas piutang kepada pihak berelasi karena manajemen berpendapat seluruh piutang tersebut dapat ditagih.

7. PIUTANG LAIN-LAIN

	2013
	USD
Pendapatan masih harus diterima	3.946.418
Piutang pegawai ai	2.702.460
Lain-lain	2.096.203
Jumlah	<u>8.745.081</u>

Manajemen berpendapat seluruh piutang tersebut dapat ditagih sehingga cadangan kerugian penurunan nilai tidak dibentuk.

In determining the recoverability of a trade account receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited as the customer base is large and unrelated.

Based on management's identification for trade accounts receivables that are past due but not impaired, management considers that those receivables are still realizable because based on its assessment there is no significant change in credit quality from those customers. For accounts receivables from non-airlines services, the Group does not maintain any collateral or credit enhancement over those accounts receivable and doesn't have any legal right of offset against any amounts owed by the Group to the counterparty. For receivable from sales of airline ticket, further discussion about credit policy is set forth in Note 46 about credit risk.

Individually impaired trades receivables consist of accounts which management considers are no longer recoverable based on its assessment of credit quality and financial condition of the customers. The Group doesn't have any collateral over those balances.

Management believes that the allowance for impairment losses from third parties is adequate. Management also believes that there are no significant concentrations of credit risk in third party receivable. No allowance for impairment loss was provided on receivables from related parties, as management believes that all such receivables are collectible.

7. OTHER RECEIVABLES

	2012	
	USD	
	3.530.753	Accrued revenues
	2.790.444	Employee receivables
	1.556.416	Others
	<u>7.877.613</u>	Total

Management believes that all such receivables are collectible thus allowance for impairment losses was not provided.

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8. PERSEDIAAN

	2013	2012	
	USD	USD	
Suku cadang	66.955.494	56.345.654	Spare parts
Jasa boga	18.372.071	23.386.819	Catering
Dokumen tiket	1.105.954	617.816	Ticketing document
Lain-lain	4.339.773	3.592.215	Others
Jumlah	90.773.292	83.942.504	Total
Penyisihan penurunan nilai persediaan	(444.835)	(498.627)	Allowance for decline in value
Jumlah bersih	90.328.457	83.443.877	Net amount

Mutasi penyisihan penurunan nilai persediaan adalah sebagai berikut:

	2013	2012	
	USD	USD	
Saldo awal	498.627	-	Beginning balance
Penambahan	-	498.627	Additions
Pemulihan	(53.792)	-	Recovery
Saldo akhir	444.835	498.627	Ending balance

Manajemen berpendapat bahwa penyisihan penurunan nilai persediaan tersebut cukup untuk menutup kerugian yang mungkin timbul dari penurunan nilai persediaan.

Pada tanggal 31 Desember 2013 dan 2012, persediaan Perusahaan telah diasuransikan kepada PT Asuransi Jasa Indonesia terhadap risiko kebakaran dan risiko lainnya berdasarkan suatu paket polis dengan nilai pertanggungan masing-masing USD 207.224.954 dan USD 250.000.000. Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutup kemungkinan kerugian atas persediaan yang dipertanggungkan.

Pada tanggal 31 Desember 2013 dan 2012, tidak terdapat persediaan yang digunakan sebagai jaminan.

8. INVENTORIES

Changes in the allowance for decline in value of inventories are as follows:

Management believes that the allowance for decline in value of inventories is adequate to cover possible losses on the decline in inventory value.

At December 31, 2013 and 2012, the inventories of the Company were insured with PT Asuransi Jasa Indonesia against fire and other risks under pool policies with total sum insured of USD 207,224,954 and USD 250,000,000 respectively. Management believes that the insurance coverage is adequate to cover possible losses on the inventories insured.

As of December 31, 2013 and 2012, no inventories were used as collateral.

9. UANG MUKA DAN BIAYA DIBAYAR DIMUKA

	2013	2012	
	USD	USD	
Sewa dibayar dimuka	41.152.438	27.022.376	Prepaid rent
Sewa pesawat	21.527.352	12.502.839	Aircraft rental
Bahan bakar	6.520.618	6.822.858	Fuel
Sewa gedung	3.664.789	2.161.665	Building rental
Suku cadang	3.460.239	13.122.596	Spare parts
Perjalanan dinas	2.010.476	2.904.595	Duty trip
Perbaikan pesawat	1.520.335	7.962.428	Aircraft maintenance
Asuransi	1.127.983	2.952.388	Insurance
Lain-lain	8.259.216	9.357.797	Others
Jumlah	89.243.446	84.809.542	Total

9. ADVANCES AND PREPAID EXPENSES

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10. PERPAJAKANa. Pajak Dibayar Dimuka

	<u>2013</u>	<u>2012</u>
	USD	USD
<u>Perusahaan</u>		
Taksiran Pajak Penghasilan Badan Lebih Bayar Tahun 2013	7.521.917	-
<u>Entitas Anak</u>		
Taksiran Pajak Penghasilan Badan Lebih Bayar		
Tahun 2013	1.667.804	-
Tahun 2012	1.637.000	1.752.097
Tahun 2011	55.282	129.100
Tahun 2010	782.504	1.057.826
Tahun 2009	136.930	136.930
Tahun 2008	462.011	462.065
Pajak Pertambahan Nilai	3.311.498	1.641.128
Sub jumlah	<u>8.053.029</u>	<u>5.179.146</u>
Jumlah	<u>15.574.946</u>	<u>5.179.146</u>

b. Utang Pajak

	<u>2013</u>	<u>2012</u>
	USD	USD
<u>Perusahaan</u>		
Pajak penghasilan		
Pasal 21	1.367.488	1.385.438
Pasal 23	962.182	729.491
Pasal 22	10.371	-
Pasal 26	9.883	40.575
Pasal 4 (2)	56.641	28.716
PPh badan	-	7.138.584
Pajak Pertambahan Nilai	4.201.956	4.607.733
Pajak lain-lain	83.241	107.739
Sub jumlah	<u>6.691.762</u>	<u>14.038.276</u>
<u>Entitas anak</u>		
Pajak penghasilan		
Pasal 21	2.374.541	1.459.122
Pasal 23	305.027	260.168
Pasal 25	260.079	226.079
Pasal 26	27.206	9.673
Pasal 4 (2)	289.592	56.934
PPh badan	2.845.844	1.223.596
Pajak Pertambahan Nilai	1.516.576	165.581
Pajak Pembangunan 1	2.158.841	1.966.280
Pajak lain-lain	568.308	1.001.943
Sub jumlah	<u>10.346.014</u>	<u>6.369.376</u>
Jumlah	<u>17.037.776</u>	<u>20.407.652</u>

10. TAXATIONa. Prepaid Taxes

	<u>2013</u>	<u>2012</u>
	USD	USD
<u>The Company</u>		
Estimated Overpayment of Corporate Income Tax Year 2013	-	-
<u>Subsidiaries</u>		
Estimated Overpayment of Corporate Income Tax		
Year 2013	-	-
Year 2012	1.752.097	1.752.097
Year 2011	129.100	129.100
Year 2010	1.057.826	1.057.826
Year 2009	136.930	136.930
Year 2008	462.065	462.065
Value Added Tax	1.641.128	1.641.128
Sub total	<u>5.179.146</u>	<u>5.179.146</u>
Total	<u>5.179.146</u>	<u>5.179.146</u>

b. Taxes Payable

	<u>2013</u>	<u>2012</u>
	USD	USD
<u>The Company</u>		
Income taxes		
Article 21	1.385.438	1.385.438
Article 23	729.491	729.491
Article 22	-	-
Article 26	40.575	40.575
Article 4 (2)	28.716	28.716
Income tax article 29	7.138.584	7.138.584
Value Added Taxes	4.607.733	4.607.733
Other taxes	107.739	107.739
Sub total	<u>14.038.276</u>	<u>14.038.276</u>
<u>Subsidiaries</u>		
Income taxes		
Article 21	1.459.122	1.459.122
Article 23	260.168	260.168
Article 25	226.079	226.079
Article 26	9.673	9.673
Article 4 (2)	56.934	56.934
Income tax article 29	1.223.596	1.223.596
Value Added Taxes	165.581	165.581
Local Government Taxes 1	1.966.280	1.966.280
Other taxes	1.001.943	1.001.943
Sub total	<u>6.369.376</u>	<u>6.369.376</u>
Total	<u>20.407.652</u>	<u>20.407.652</u>

c. <u>Manfaat (Beban) Pajak</u>	2013 USD	2012 USD	c. <u>Tax Benefit (Expense)</u>
<u>Pajak kini</u>			<u>Current tax</u>
Perusahaan	-	(14.691.874)	The Company
Entitas anak	(9.350.882)	(7.210.035)	Subsidiaries
Jumlah pajak kini	<u>(9.350.882)</u>	<u>(21.901.909)</u>	Total current tax
<u>Pajak tangguhan</u>			<u>Deferred tax</u>
Perusahaan	(2.731.077)	(21.814.137)	The Company
Entitas anak	14.466.736	3.047.606	Subsidiaries
Jumlah pajak tangguhan	<u>11.735.659</u>	<u>(18.766.531)</u>	Total deferred tax
Beban pajak Perusahaan dan entitas anak sehubungan dengan SKP dan SPT pembetulan	-	(19.541)	Tax expense of Company and its subsidiaries related to tax assessment letter and revised annual tax return
Jumlah	<u>2.384.777</u>	<u>(40.687.981)</u>	Total
<u>Pajak Kini</u>			<u>Current Tax</u>
Rekonsiliasi antara laba sebelum pajak menurut laporan laba rugi komprehensif konsolidasian dengan laba (rugi) fiskal Perusahaan adalah sebagai berikut:			A reconciliation between profit before tax per consolidated statements of comprehensive income and taxable income (fiscal loss) of the Company is as follows:
	2013 USD	2012 USD	
Laba sebelum pajak menurut laporan laba rugi komprehensif konsolidasian	8.815.603	151.530.554	Profit before tax per consolidated statements of comprehensive income
Eliminasi dan penyesuaian	<u>34.113.477</u>	<u>18.204.299</u>	Elimination and adjustments
Laba sebelum pajak penghasilan Perusahaan	<u>42.929.080</u>	<u>169.734.853</u>	Income before tax of the Company
<u>Perbedaan temporer:</u>			<u>Temporary differences:</u>
Cadangan kerugian penurunan nilai piutang	316.420	(64.381)	Allowance for impairment losses of accounts receivable
Penyisihan penurunan nilai persediaan	(28.567)	(17.247)	Allowance for decline in value of inventories
Beban penyusutan	5.573.535	(34.933.900)	Depreciation expense
Penurunan nilai aset	5.093.951	6.790.884	Impairment of assets
Perbedaan perlakuan aset pemeliharaan	(37.314.909)	(66.991.037)	Maintenance assets
Imbalan pasca kerja	(19.559.059)	(6.070.505)	Post employment benefits
Beban akrual	-	1.079.153	Accrued expense
Beban emisi saham	<u>(3.118.571)</u>	<u>(3.118.571)</u>	Stock issuance cost
Sub jumlah	<u>(49.037.200)</u>	<u>(103.325.604)</u>	Sub total
<u>Perbedaan yang tidak dapat diperhitungkan menurut fiskal:</u>			<u>Nondeductible expenses/ Non taxable income</u>
Sewa pembiayaan	(66.042.949)	(58.503.068)	Lease liabilities
Penghasilan yang dikenakan pajak final	(15.325.404)	(11.186.962)	Income subjected to final tax
Beban yang tidak dapat diperhitungkan menurut fiskal	55.561.776	65.599.283	Expenses that are not deductible for tax purposes
Pinjaman sindikasi	(6.208.877)	(2.550.927)	Syndicated loan
Opsi saham	-	(1.130.226)	Stock option
Biaya bergabung pilot	-	130.144	Pilot joining fee
Sub jumlah	<u>(32.015.454)</u>	<u>(7.641.756)</u>	Sub total
Laba kena pajak (rugi fiskal) Perusahaan	<u>(38.123.574)</u>	<u>58.767.493</u>	Taxable income (fiscal loss) of the Company

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Laba kena pajak (rugi fiskal) dalam laporan keuangan konsolidasi ini menjadi dasar dalam pengisian Surat Pemberitahuan Tahunan (SPT).

Taxable income (fiscal loss) in this consolidated financial statement will be the basis for filling Annual Tax Return (SPT).

Laba kena pajak tahun 2012 berbeda dengan SPT yang dilaporkan disebabkan karena adanya perubahan atas perbedaan yang tidak dapat diperhitungkan menurut fiskal.

Taxable income in 2012 was different with SPT that has been reported due to a change on difference that cannot be calculated based on fiscal.

Rincian beban pajak dan utang (lebih bayar) pajak kini adalah sebagai berikut:

The details of current tax expense and tax payable (overpayment) are as follows:

	2013	2012	
	USD	USD	
<u>Perusahaan</u>			<u>The Company</u>
Beban pajak kini	-	14.691.874	Current tax expense
Dikurangi pajak dibayar dimuka			Less prepaid taxes
Pajak penghasilan - Pasal 25	(4.900.895)	(5.029.049)	Income tax - Article 25
Pajak penghasilan - Pasal 22	(1.775.610)	(1.705.395)	Income tax - Article 22
Pajak penghasilan - Pasal 23	(524.942)	(427.974)	Income tax - Article 23
Pajak penghasilan - Pasal 15	(320.470)	(390.872)	Income tax - Article 15
Sub jumlah	<u>(7.521.917)</u>	<u>(7.553.290)</u>	Sub total
Kurang (lebih) bayar pajak kini	<u>(7.521.917)</u>	<u>7.138.584</u>	Current tax under (over) payment
<u>Entitas anak</u>			<u>Subsidiaries</u>
Beban pajak kini			Current tax expense
PT Garuda Maintenance Facility			PT Garuda Maintenance Facility
Aero Asia	5.716.637	4.066.920	Aero Asia
PT Aero Wisata dan entitas anak	3.229.494	2.948.154	PT Aero Wisata and subsidiaries
PT Aero Systems Indonesia	404.751	194.961	PT Aero Systems Indonesia
Jumlah	<u>9.350.882</u>	<u>7.210.035</u>	Total
Dikurangi pajak dibayar dimuka	<u>(8.172.842)</u>	<u>(7.738.536)</u>	Less prepaid taxes
Jumlah	<u>1.178.040</u>	<u>(528.501)</u>	Total
Disajikan sebagai:			Presented as:
Pajak dibayar dimuka	(1.667.804)	(1.752.097)	Prepaid tax
Utang Pajak	2.845.844	1.223.596	Tax payable
Bersih	<u>1.178.040</u>	<u>(528.501)</u>	Net

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Pajak Tangguhan

Rincian dari aset dan liabilitas pajak tangguhan adalah sebagai berikut:

Deferred Tax

Details of deferred tax assets and liabilities are as follows:

	1 Januari/ January 1, 2013 USD	Dikreditkan (dibebankan) ke laporan laba rugi/ Credited (charged) to income for the year USD	Dicatat di pendapatan komprehensif lain/ Recognized in other comprehensive income USD	Penjabaran laporan Keuangan/ Translation Adjustments USD	31 Desember/ December 31, 2013 USD	
Aset pajak tangguhan						Deferred tax assets
<u>Entitas anak</u>						<u>Subsidiaries</u>
PT Citilink Indonesia	721.959	14.542.774	590.854	-	15.855.587	PT Citilink Indonesia
PT Abacus Distribution Systems Indonesia	141.138	(72.423)	15.993	-	84.708	PT Abacus Distribution Systems Indonesia
PT Garuda Maintenance Facility Aero Asia	8.755.666	(79.706)	5.326	-	8.681.286	PT Garuda Maintenance Facility Aero Asia
PT Aero Wisata dan entitas anak	1.450.319	94.989	42.196	-	1.587.504	PT Aero Wisata and its subsidiaries
Jumlah aset pajak tangguhan - bersih	<u>11.069.083</u>	<u>14.485.634</u>	<u>654.369</u>	<u>-</u>	<u>26.209.085</u>	Total deferred tax asset - net
Liabilitas pajak tangguhan						Deferred tax liabilities
<u>Perusahaan</u>						<u>The Company</u>
Cadangan kerugian penurunan nilai piutang	7.068.822	79.105	-	-	7.147.927	Allowance for impairment loss of account receivable
Penyisihan penurunan nilai persediaan	117.132	(21.362)	-	-	95.770	Allowance for decline in value of inventories
Aset tetap	(27.907.056)	(1.372.972)	303.944	-	(28.976.084)	Property and equipment
Penurunan nilai aset	(1.106.789)	66.498	-	-	(1.040.291)	Impairment of asset
Cadang piutang jangka panjang	4.225.574	-	-	-	4.225.574	Provision for long term receivable
Aset pemeliharaan	(34.440.639)	(5.621.770)	-	-	(40.062.409)	Maintenance assets
Liabilitas estimasi biaya pengembalian dan pemeliharaan pesawat	12.374.024	1.374.809	-	-	13.748.833	Estimated liabilities for aircraft return and maintenance cost
Imbalan pasca kerja	25.830.357	(4.889.765)	-	-	20.940.592	Employment benefits obligation
Beban akrual	1.096.872	(1.096.872)	-	-	-	Accrued expense
Biaya emisi saham	1.559.286	(779.643)	-	-	779.643	Share issuance cost
Akumulasi rugi fiskal	-	9.530.895	-	-	9.530.895	Tax loss carry forward
Jumlah	<u>(11.182.417)</u>	<u>(2.731.077)</u>	<u>303.944</u>	<u>-</u>	<u>(13.609.550)</u>	Total
<u>Entitas anak</u>						<u>Subsidiaries</u>
PT Aero Systems Indonesia	393.774	(501.928)	-	-	(108.154)	PT Aero Systems Indonesia
PT Aero Wisata dan entitas anak	<u>(3.837.481)</u>	<u>483.030</u>	<u>621.116</u>	<u>(536.714)</u>	<u>(3.270.049)</u>	PT Aero Wisata and its subsidiaries
Jumlah liabilitas pajak tangguhan - bersih	<u>(14.626.124)</u>	<u>(2.749.975)</u>	<u>925.060</u>	<u>(536.714)</u>	<u>(16.987.753)</u>	Total deferred tax liabilities - net

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Aset pajak tangguhan						Deferred tax assets
<u>Entitas anak</u>						<u>Subsidiaries</u>
PT Citilink Indonesia	-	2.827.021	(2.105.062)	-	721.959	PT Citilink Indonesia
PT Abacus Distribution Systems Indonesia	156.165	(8.000)	(7.027)	-	141.138	PT Abacus Distribution Systems Indonesia
PT Garuda Maintenance Facility Aero Asia	8.898.361	(134.329)	(8.366)	-	8.755.666	PT Garuda Maintenance Facility Aero Asia
PT Aero Wisata dan entitas anak	1.187.463	(411.071)	-	673.927	1.450.319	PT Aero Wisata and its subsidiaries
PT Aero Systems Indonesia	312.084	81.690	-	-	393.774	PT Aero Systems Indonesia
Jumlah aset pajak tangguhan - bersih	10.554.073	2.355.311	(2.120.455)	673.927	11.462.857	Total deferred tax asset - net
Liabilitas pajak tangguhan						Deferred tax liabilities
<u>Perusahaan</u>						<u>The Company</u>
Cadangan kerugian penurunan nilai piutang	6.465.465	603.357	-	-	7.068.822	Allowance for impairment loss of account receivable
Penyisihan penurunan nilai persediaan	1.875.810	(1.758.678)	-	-	117.132	Allowance for decline in value of inventories
Aset tetap	(13.850.705)	(7.982.000)	(6.074.351)	-	(27.907.056)	Property and equipment
Penurunan nilai aset	(1.148.966)	42.177	-	-	(1.106.789)	Impairment of asset
Cadangan piutang jangka panjang	4.224.648	926	-	-	4.225.574	Provision for long term receivable
Aset pemeliharaan	(25.231.261)	(9.209.378)	-	-	(34.440.639)	Maintenance assets
Liabilitas estimasi biaya pengembalian dan pemeliharaan pesawat	13.857.084	(1.483.060)	-	-	12.374.024	Estimated liabilities for aircraft return and maintenance cost
Imbalan pasca kerja	27.347.983	(1.517.626)	-	-	25.830.357	Employment benefits obligation
Beban akrual	827.084	269.788	-	-	1.096.872	Accrued expense
Biaya emisi saham	2.338.929	(779.643)	-	-	1.559.286	Share issuance cost
Jumlah	16.706.071	(21.814.137)	(6.074.351)	-	(11.182.417)	Total
<u>Entitas anak</u>						<u>Subsidiaries</u>
PT Aero Wisata dan entitas anak	(3.559.838)	692.295	(122.168)	(847.770)	(3.837.481)	PT Aero Wisata and its subsidiaries
Jumlah liabilitas pajak tangguhan - bersih	13.146.233	(21.121.842)	(6.196.519)	(847.770)	(15.019.898)	Total deferred tax liabilities - net

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Rekonsiliasi laba pajak dan hasil perkalian laba akuntansi sebelum pajak penghasilan dengan tarif pajak yang berlaku adalah sebagai berikut:

A reconciliation total taxable income and the amounts computed by applying the effective tax rate to profit before income tax is as follows:

	2013 USD	2012 USD	
Laba sebelum pajak menurut laporan laba rugi komprehensif konsolidasian	8.815.603	151.530.554	Income before tax per consolidated statements of comprehensive income
Manfaat (beban) pajak dengan tarif yang berlaku	(2.203.901)	(37.882.639)	Tax benefit (expense) at effective tax rates
Dampak pajak atas perbedaan yang tidak dapat diperhitungkan menurut fiskal			Tax effects of non deductible expenses:
Perusahaan	8.003.864	1.910.438	The Company
Entitas anak	(1.528.548)	(3.615.945)	Subsidiaries
Penyesuaian yang diketahui pada tahun berjalan terkait pajak tangguhan tahun sebelumnya entitas anak	(1.280.163)	3.811.978	Adjustment recognized in current year in relation to the prior year deferred tax of subsidiaries
Beban pajak Perusahaan dan entitas anak sehubungan dengan SKP dan SPT Pembetulan	-	(19.541)	Tax expenses of the Company and its subsidiaries related to SKP and SPT correction
Rugi fiskal yang tidak diakui pada entitas anak	(606.475)	(4.892.272)	Unrecognized tax loss in subsidiaries
Beban pajak menurut laporan laba rugi komprehensif konsolidasian	<u>2.384.777</u>	<u>(40.687.981)</u>	Tax expense per consolidated statements of comprehensive income

11. DANA PERAWATAN PESAWAT DAN UANG JAMINAN

11. MAINTENANCE RESERVE FUND AND SECURITY DEPOSITS

	2013 USD	2012 USD	
Dana perawatan pesawat (Catatan 47)	473.179.589	350.678.928	Aircraft maintenance reserve funds (Note 47)
Uang jaminan sewa operasi (Catatan 47)	<u>144.443.468</u>	<u>111.254.884</u>	Operating lease security deposits (Note 47)
Jumlah	<u>617.623.057</u>	<u>461.933.812</u>	Total

12. UANG MUKA PEMBELIAN PESAWAT

Akun ini merupakan uang muka pembelian pesawat Boeing 777-300ER, Boeing 737-800, Airbus A-330-200, Airbus A320-200, Bombardier CRJ1000, dan ATR 72-600 serta peralatan simulator. Rincian atas perjanjian tersebut telah dijelaskan dalam Catatan 48.

12. ADVANCES FOR PURCHASE OF AIRCRAFT

This account represents advances for the purchase of Boeing 777-300ER, Boeing 737-800, Airbus A-330-200, Airbus A320-200, Bombardier CRJ1000, and ATR 72-600 and simulator equipment. Details of related agreements have been disclosed in Note 48.

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Berikut dengan rincian uang muka pembelian pesawat:

Below are the details of advances for purchase of aircraft:

	2013	2012	
	USD	USD	
A330			A330
Saldo Awal	151.389.855	61.815.277	Beginning balance
Penambahan	158.692.055	124.912.043	Additions
Pengurangan	(120.208.103)	(35.337.465)	Deductions
Saldo Akhir	<u>189.873.807</u>	<u>151.389.855</u>	Ending balance
A320			A320
Saldo Awal	44.217.895	24.248.967	Beginning balance
Penambahan	35.308.620	19.968.928	Additions
Pengurangan	(6.253.227)	-	Deductions
Saldo Akhir	<u>73.273.288</u>	<u>44.217.895</u>	Ending balance
B777-300ER			B777-300ER
Saldo Awal	279.424.180	81.032.560	Beginning balance
Penambahan	203.653.739	198.391.620	Additions
Pengurangan	(263.780.419)	-	Deductions
Saldo Akhir	<u>219.297.500</u>	<u>279.424.180</u>	Ending balance
B737-800			B737-800
Saldo Awal	14.771.356	60.057.488	Beginning balance
Penambahan	8.351.064	6.728.850	Additions
Pengurangan	(13.457.700)	(52.014.982)	Deductions
Saldo Akhir	<u>9.664.720</u>	<u>14.771.356</u>	Ending balance
CRJ1000 NextGen			CRJ1000 NextGen
Saldo Awal	7.354.133	300.000	Beginning balance
Penambahan	8.525.699	23.811.393	Additions
Pengurangan	(11.412.461)	(16.757.260)	Deductions
Saldo Akhir	<u>4.467.371</u>	<u>7.354.133</u>	Ending balance
ATR 72-600			ATR 72-600
Saldo Awal	-	-	Beginning balance
Penambahan	2.418.000	-	Additions
Pengurangan	-	-	Deductions
Saldo Akhir	<u>2.418.000</u>	<u>-</u>	Ending balance
Peralatan Simulator Pesawat			Flight Simulator Equipment
Saldo Awal	-	-	Beginning balance
Penambahan	1.371.750	-	Additions
Pengurangan	-	-	Deductions
Saldo Akhir	<u>1.371.750</u>	<u>-</u>	Ending balance
Jumlah	<u>500.366.436</u>	<u>497.157.419</u>	Total

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13. INVESTASI PADA ENTITAS ASOSIASI13. INVESTMENT IN ASSOCIATES

	Tempat kedudukan/ <i>Domicile</i>	Persentase kepemilikan/ <i>Percentage of Ownership</i> %	2013 USD	2012 USD
PT Gapura Angkasa	Jakarta	37,50	16.487.829	15.337.925
PT Aeroprime	Jakarta	40,00	846.645	1.005.469
PT Aeronurti Catering Services	Jakarta	45,00	125.442	174.095
Jumlah/ <i>Total</i>			17.459.916	16.517.489

Entitas asosiasi yang dimiliki oleh Grup seluruhnya beroperasi di Indonesia.

The associates of the Group are operating exclusively in Indonesia.

Mutasi investasi pada entitas asosiasi:

Changes in investments in associates:

	2013 USD	2012 USD	
PT Gapura Angkasa			PT Gapura Angkasa
Saldo awal tahun	15.337.925	14.477.200	Balance at beginning of year
Bagian laba bersih	1.833.870	1.651.197	Equity in net income
Dividen	(683.966)	(790.472)	Dividends
Saldo akhir tahun	16.487.829	15.337.925	Balance at end of year
PT Aeroprime			PT Aeroprime
Saldo awal tahun	1.005.469	852.798	Balance at beginning of year
Bagian laba bersih	56.463	273.203	Equity in net income
Dividen	-	(69.702)	Dividends
Selisih kurs penjabaran	(215.287)	(50.830)	Translation adjustment
Saldo akhir tahun	846.645	1.005.469	Balance at end of year
PT Aeronurti Catering Services			PT Aeronurti Catering Services
Saldo awal tahun	174.095	179.393	Balance at beginning of year
Bagian laba (rugi) bersih	(29.917)	3.146	Equity in net income (loss)
Selisih kurs penjabaran	(18.736)	(8.444)	Translation adjustment
Saldo akhir tahun	125.442	174.095	Balance at end of year

Ringkasan informasi keuangan dari entitas asosiasi yang dipertanggung jawabkan dengan metode ekuitas adalah sebagai berikut:

Summarized financial information in respect of associates is set out below:

	Aset/ Assets USD	Liabilitas/ Liabilities USD	Pendapatan/ Revenue USD	Laba (rugi)/ Profit (loss) USD	
<u>2013</u>					<u>2013</u>
PT Gapura Angkasa	58.472.120	24.732.914	92.965.047	4.890.320	PT Gapura Angkasa
PT Aeroprime	4.026.270	1.920.626	3.762.142	141.158	PT Aeroprime
PT Aeronurti Catering Services	682.529	503.798	893.767	(66.482)	PT Aeronurti Catering Services
Jumlah	63.180.919	27.157.338	97.620.956	4.964.996	Total
<u>2012</u>					<u>2012</u>
PT Gapura Angkasa	61.796.936	22.415.061	88.839.886	4.403.192	PT Gapura Angkasa
PT Aeroprime	5.003.254	2.518.434	5.270.071	683.008	PT Aeroprime
PT Aeronurti Catering Services	658.699	371.850	1.098.394	6.989	PT Aeronurti Catering Services
Jumlah	67.458.889	25.305.345	95.208.351	5.093.189	Total

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14. ASET TETAP

14. PROPERTY AND EQUIPMENT

	1 Januari/ January 1, 2013		Penambahan/ Additions		Pengurangan/ Deductions		Reklasifikasi/ Reclassification		Selisih kurs penjabaran/ Currency conversion		Jumlah sebelum penyesuaian revaluasi/ Total before revaluation adjustment		Surplus revaluasi/ Revaluations surplus		31 Desember/ December 31, 2013		31 Desember/ December 31, 2013		Acquisition Cost/Revaluation: Aircraft assets		
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD			
Biaya Perolehan/revaluasi:																					
Aset pesawat																					
Pemilikan langsung																					
Rangka pesawat	32.292.731	-	-	(2.795.352)	(6.318.576)	-	24.178.803	488.769	-	24.667.572	-	24.667.572	-	24.667.572	-	24.667.572	-	24.667.572	Direct Acquisition		
Mesin	84.175.232	3.715.377	(3.705.028)	(16.177.369)	(16.177.369)	-	68.008.212	(168.846)	-	67.839.366	-	67.839.366	-	67.839.366	-	67.839.366	-	67.839.366	Airframes		
Simulator	68.419.311	28.486.940	(2.129.356)	(28.176)	-	-	94.776.895	-	-	94.776.895	-	94.776.895	-	94.776.895	-	94.776.895	-	94.776.895	Engines		
Rotable parts	133.106.348	3.852.142	(28.176)	-	-	-	136.930.314	-	-	136.930.314	-	136.930.314	-	136.930.314	-	136.930.314	-	136.930.314	Simulators		
Aset pemeliharaan																				Rotable parts	
Rangka pesawat	22.886.865	11.595.417	(190.155)	(4.064.541)	(4.064.541)	-	38.356.668	-	-	38.356.668	-	38.356.668	-	38.356.668	-	38.356.668	-	38.356.668	Maintenance assets		
Mesin sewa	95.015.073	30.252.344	(12.292.463)	(4.414.800)	(4.414.800)	-	108.560.154	-	-	108.560.154	-	108.560.154	-	108.560.154	-	108.560.154	-	108.560.154	Airframes		
Aset dalam penyelesaian	3.047.465	10.452.454	-	(13.499.919)	(13.499.919)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Assets in progress	
Aset sewa pembiayaan																				Leased assets	
Rangka pesawat	574.631.029	39.748.632	(3.123.333)	3.371.294	3.371.294	-	614.627.621	-	-	614.627.621	-	614.627.621	-	614.627.621	-	614.627.621	-	614.627.621	Airframes		
Mesin	154.869.506	39.017.372	(6.576.695)	(1.087.273)	(1.087.273)	-	186.222.911	-	-	186.222.911	-	186.222.911	-	186.222.911	-	186.222.911	-	186.222.911	Engines		
Pemugaran kabin pesawat	50.777.728	778.207	(681.761)	-	-	-	50.874.174	-	-	50.874.174	-	50.874.174	-	50.874.174	-	50.874.174	-	50.874.174	-	Cabin refurbishment	
Pengembangan aset sewa	72.016.988	2.303.648	-	-	-	-	74.320.636	-	-	74.320.636	-	74.320.636	-	74.320.636	-	74.320.636	-	74.320.636	-	Leasehold improvement	
Aset non-pesawat																				Non aircraft assets	
Pemilikan langsung																				Direct Acquisition	
Peralatan	140.545.088	17.169.075	(259.148)	1.751.378	1.751.378	-	155.406.350	-	(3.800.044)	155.406.350	-	155.406.350	-	155.406.350	-	155.406.350	-	155.406.350	-	Equipment	
Perangkat keras	4.477.522	75.466	-	-	-	-	4.552.988	-	-	4.552.988	-	4.552.988	-	4.552.988	-	4.552.988	-	4.552.988	-	Hardware	
Kendaraan	91.577.808	7.741.366	(3.729.739)	189.755	189.755	-	90.427.904	-	(5.351.286)	90.427.904	-	90.427.904	-	90.427.904	-	90.427.904	-	90.427.904	-	Vehicles	
Mesin	9.013.648	1.666.846	(223.206)	1.730.528	1.730.528	-	10.096.539	-	(2.091.280)	10.096.539	-	10.096.539	-	10.096.539	-	10.096.539	-	10.096.539	-	Engines	
Instalasi	6.021.825	629.829	(56.907)	845.609	845.609	-	5.974.038	-	(1.466.318)	5.974.038	-	5.974.038	-	5.974.038	-	5.974.038	-	5.974.038	-	Installation	
Tanah	87.673.267	111.667	(13.832)	670.285	670.285	-	77.772.864	-	(10.668.524)	77.772.864	-	77.772.864	-	77.772.864	-	77.772.864	-	77.772.864	-	Land	
Hak atas tanah	62.202	-	-	-	-	-	62.202	-	-	62.202	-	62.202	-	62.202	-	62.202	-	62.202	-	Land right	
Bangunan dan prasarana	96.717.485	87.763.663	(48.736)	(835.991)	(835.991)	-	92.817.184	-	(90.779.237)	92.817.184	-	92.817.184	-	92.817.184	-	92.817.184	-	92.817.184	-	Buildings and infrastructure	
Aset dalam penyelesaian	10.413.266	38.456.346	-	(11.640.202)	(11.640.202)	-	36.425.753	-	(803.657)	36.425.753	-	36.425.753	-	36.425.753	-	36.425.753	-	36.425.753	-	Assets under construction	
Aset sewa kendaraan	89.638	-	-	(100.173)	(100.173)	-	-	-	534	-	-	-	-	-	-	-	-	-	-	Lease assets vehicles	
Pengembangan aset sewa																				Leasehold improvement	
Bangunan	5.428.036	698.324	-	1.400.132	1.400.132	-	7.726.491	-	-	7.726.491	-	7.726.491	-	7.726.491	-	7.726.491	-	7.726.491	-	Buildings	
Bangun, kelola, alih																					Building, operate, transfer
Bangunan dan prasarana	2.267.475	-	-	(226.773)	(226.773)	-	2.040.703	-	-	2.040.703	-	2.040.703	-	2.040.703	-	2.040.703	-	2.040.703	-	Buildings and infrastructure	
Mesin	317.223	-	(249)	-	-	-	285.312	-	(31.662)	285.312	-	285.312	-	285.312	-	285.312	-	285.312	-	Engines	
Instalasi	472.561	-	-	(32.017)	(32.017)	-	440.544	-	-	440.544	-	440.544	-	440.544	-	440.544	-	440.544	-	Installation	
Jumlah	1.746.325.320	324.715.116	(85.854.135)	(39.050.779)	(39.050.779)	-	1.880.885.259	9.047.138	(115.250.264)	1.869.932.397	1.618.108.196	1.880.885.259	1.618.108.196	1.880.885.259	1.618.108.196	1.880.885.259	1.618.108.196	1.880.885.259	1.618.108.196	Total	

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	1 Januari/ January 1,	Penambahan/ Additions	Pengurangan/ Deductions	Reklasifikasi/ Reclassification	Selisih kurs penjabaran/ Currency conversion	Jumlah sebelum penyesuaian revaluasi/ Total before revaluation adjustment	Surplus revaluasi/ Revaluation surplus	31 Desember/ December 31,
	USD	USD	USD	USD	USD	USD	USD	USD
Akumulasi penyusutan:								
Aircraft assets								
Direct Acquisition								
Peralatan	114.642.354	10.423.256	(3.123.333)	(110.235)	(2.926.137)	121.769.564	-	121.769.564
Perangkat keras	5.044.881	300.069	(259.674)	(110.235)	-	5.344.950	-	5.344.950
Kendaraan	72.045.978	8.164.616	(2.239.612)	17.750	(1.793.176)	76.195.556	-	76.195.556
Mesin	4.290.127	765.965	(222.723)	(24.505)	(989.661)	3.819.204	-	3.819.204
Instalasi	6.660.760	483.533	(56.907)	(74.228)	(94.1475)	6.071.703	-	6.071.703
Bangunan dan prasarana	-	6.896.241	(362)	(5.690.611)	(701.058)	504.210	-	504.210
Aset sewa	-	-	-	-	-	-	-	-
Kendaraan	109.252	6.502	-	(106.850)	27.244	36.149	-	36.149
Pengembangan aset sewa	-	-	-	-	-	-	-	-
Bangunan	2.130.388	1.615.193	-	-	-	3.745.581	-	3.745.581
Bangun, kelola, alih	-	-	-	-	-	-	-	-
Bangunan dan prasarana	2.281.961	4.498	(249)	-	(224.807)	2.061.652	-	2.061.652
Mesin	340.343	-	(249)	-	(91.662)	308.432	-	308.432
Instalasi	433.275	-	-	-	(32.017)	401.257	-	401.257
Jumlah	948.246.186	153.913.655	(28.662.812)	(39.050.780)	(7.612.748)	1.026.833.500	-	1.026.833.500
Nilai tercatat	798.079.135	-	-	-	-	-	-	863.098.897
								Net carrying value

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	Eliminasi dalam rangka kuasi reorganisasi/ Elimination due to quasi reorganization		1 Januari/ January 1, 2012		Penambahan/ Additions		Pengurangan/ Deductions		Reklasifikasi/ Reclassifications		Selisih kurs penjabaran/ Currency conversion		Jumlah sebelumnya/ Total before revaluation adjustment		Surplus revaluasi/ Revaluations surplus		31 Desember/ December 31, 2012		31 Desember/ December 31, 2012		
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	
Biaya Penjualan/Revaluasi:																					
Aset pesawat																					
Pemilikan langsung																					
Rangka pesawat	32.882.495	2.837		32.885.332	1.730.043			(6.573.215)						28.042.160		4.250.571	32.292.731			32.292.731	
Mesin	77.413.402	-		77.413.402	15.850.162		(21.309.973)							71.953.591		12.221.641	84.175.232			84.175.232	
Simulator	62.234.571	6.184.740		68.419.311	-									68.419.311		-	68.419.311			-	
Rotable parts	124.262.526	(439.290)		123.823.236	9.283.112									133.106.348		-	133.106.348			-	
Aset pemeliharaan																					
Rangka pesawat	20.670.604	-		20.670.604	2.216.261									22.886.865		-	22.886.865			-	
Mesin sewa	56.745.591	-		56.745.591	36.269.482									95.015.073		-	95.015.073			-	
Aset dalam penyelesaian	2.461.657	-		2.461.657	595.808									3.047.465		-	3.047.465			-	
Aset sewa pembiayaan																					
Rangka pesawat	510.610.017	-		510.610.017	64.021.012									574.631.029		-	574.631.029			-	
Mesin	95.291.171	-		95.291.171	55.247.777		4.330.558							154.869.506		-	154.869.506			-	
Pengukuran kabin pesawat	50.777.728	-		50.777.728	-									50.777.728		-	50.777.728			-	
Pengembangan aset sewa	56.686.518	-		56.686.518	15.330.470									72.016.988		-	72.016.988			-	
Aset non-pesawat																					
Pemilikan langsung																					
Penilaian	125.247.065	6.709.011		131.956.076	9.304.051	(511.974)		718.635						140.545.088		-	140.545.088			-	
Penggilet keras	3.141.516	638.771		3.780.287	687.235									4.477.522		-	4.477.522			-	
Kendaraan	80.151.505	10.865.697		91.033.531	6.946.195	(5.736.157)		486.177	(1.151.938)					91.577.808		-	91.577.808			-	
Mesin	6.760.133	239.557		7.019.690	918.954	(1.600)		935.116						9.013.648		-	9.013.648			-	
Instalasi	6.024.612	(76.852)		5.947.660	197.803			272.088	(995.726)					6.021.825		-	6.021.825			-	
Tanah	71.430.150	-		71.430.150	360.315			1.085.506	1.591.848					74.457.819		13.215.448	87.673.267			87.673.267	
Hak atas tanah	-	-		648.909	-	(666.707)								62.202		-	62.202			-	
Bangunan dan pasarana	93.246.798	-		93.246.798	2.831.433			(7.355.118)	1.353.424					90.076.537		6.640.948	96.717.485			96.717.485	
Aset dalam penyelesaian	3.970.937	(101.779)		3.869.158	8.459.473	(22.003)		(1.571.553)	(321.809)					10.413.266		-	10.413.266			-	
Aset sewa kendaraan	130.359	-		130.359	-				(30.721)					99.638		-	99.638			-	
Pengembangan aset sewa																					
Bangunan	3.234.574	(33.343)		3.201.231	2.222.118			4.687	-					5.428.036		-	5.428.036			-	
Bangun, kelola, alih	2.340.323	-		2.340.323	-				(72.848)					2.267.475		-	2.267.475			-	
Bangunan dan pasarana	327.415	-		327.415	-				(10.192)					317.223		-	317.223			-	
Mesin	482.846	-		482.846	-				(10.285)					472.561		-	472.561			-	
Instalasi																					
Jumlah	1.488.534.513	23.989.249		1.513.168.000	232.461.704	(6.856.441)	(26.977.092)	161.541	1.708.986.712	36.328.608	1.746.325.320	1.445.466.605	300.856.715								

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Akumulasi penyusutan:											
Asset pesawat											
Pemilikan langsung											
Rangka pesawat	-	-	-	7.713.298	-	(7.713.298)	-	-	-	-	
Mesin	-	-	-	22.267.942	-	(22.267.942)	-	-	-	-	
Simulator	46.496.395	-	46.496.395	2.217.495	-	-	-	48.713.890	-	48.713.890	
Roable parts	107.050.861	-	107.050.861	3.920.222	-	-	-	110.971.083	-	110.971.083	
Aset pemeliharaan	-	-	-	-	-	-	-	-	-	-	
Rangka pesawat	6.090.123	-	6.090.123	2.732.669	-	-	-	8.822.792	-	8.822.792	
Mesin sewa	36.397.140	-	36.397.140	24.887.389	-	-	-	61.284.529	-	61.284.529	
Aset sewa pembiayaan	-	-	-	-	-	-	-	-	-	-	
Rangka pesawat	375.849.499	-	375.849.499	11.667.407	-	-	-	387.516.906	-	387.516.906	
Mesin	62.902.738	-	62.902.738	10.982.185	-	-	-	73.884.923	-	73.884.923	
Refurbishment Cabin	22.229.219	-	22.229.219	12.485.060	-	-	-	34.714.279	-	34.714.279	
Leasehold Improvement	8.163.117	-	8.163.117	6.195.328	-	-	-	14.358.445	-	14.358.445	
Aset non pesawat											
Pemilikan langsung											
Perengkapan dan Peralatan	104.625.909	-	104.625.909	7.787.438	(1.111.904)	2.851.830	489.081	114.642.354	-	114.642.354	
Perangkat keras	1.259.099	-	1.259.099	937.353	-	2.848.429	-	5.044.881	-	5.044.881	
Kendaraan	62.406.735	-	62.406.735	9.683.525	(4.078.435)	2.109.173	1.924.980	72.045.978	-	72.045.978	
Mesin	3.813.010	-	3.813.010	600.571	(1.067)	130.811	(253.198)	4.290.127	-	4.290.127	
Instalasi	3.902.585	-	3.902.585	319.261	-	2.698.241	(259.307)	6.660.780	-	6.660.780	
Bangunan dan prasarana	-	-	-	4.519.814	-	(3.861.210)	(658.604)	-	-	-	
Aset sewa	69.286	-	69.286	31.932	-	6.955	1.079	109.252	-	109.252	
Kendaraan	-	-	-	-	-	-	-	-	-	-	
Pengembangan aset sewa	1.127.031	-	1.127.031	1.003.357	-	-	-	2.130.388	-	2.130.388	
Bangunan	2.349.296	-	2.349.296	4.388	-	-	(71.723)	2.281.961	-	2.281.961	
Bangun, kelola, alih	350.535	-	350.535	-	-	-	(10.192)	340.343	-	340.343	
Bangunan dan prasarana	443.560	-	443.560	-	-	-	(10.285)	433.275	-	433.275	
Mesin	-	-	-	-	-	-	-	-	-	-	
Instalasi	-	-	-	-	-	-	-	-	-	-	
Jumlah	845.526.138	-	845.526.138	129.956.634	(5.191.406)	(23.197.011)	1.151.831	948.246.186	-	948.246.186	
Nilai tercatat	643.008.375	-	667.662.863	-	-	-	-	798.079.135	-	798.079.135	

Accumulated depreciation:

Aircraft assets

Direct Acquisition

Airframes

Engines

Simulators

Rotable parts

Maintenance assets

Airframes

Engines

Leased assets

Airframes

Engines

Cabin refurbishment

Leasehold Improvement

Non aircraft assets

Direct Acquisition

Supplies and equipment

Hardware

Vehicles

Engines

Installation

Buildings and infrastructure

Leased assets

Vehicles

Leasehold improvement

Buildings

Buildings, operate, transfer

Buildings and infrastructure

Engines

Installation

Total

Net carrying value

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Beban penyusutan yang dibebankan dalam beban operasional untuk tahun yang berakhir 31 Desember 2013 dan 2012 masing-masing sebesar USD 153.913.595 dan USD 129.956.634.

Depreciation expense charged to operations for the year ended December 31, 2013 and 2012 amounted to USD 153,913,595 and USD 129,956,634, respectively.

Pelepasan aset tetap adalah sebagai berikut:

Disposal of property and equipment are as follows:

	2013 USD	2012 USD	
Nilai tercatat	7.191.323	1.667.035	Net carrying value
Hasil penjualan setelah dikurangi biaya penjualan	<u>10.314.619</u>	<u>3.893.794</u>	Proceeds net of the selling expenses
Keuntungan penjualan aset tetap	<u><u>3.123.296</u></u>	<u><u>2.226.759</u></u>	Gain on sale of property and equipment

Pada bulan April 2013, satu pesawat register PK-GGN milik PT Citilink Indonesia, entitas anak, mengalami kerusakan akibat "hard landing" di Bandara Internasional Minangkabau, Padang. Entitas anak telah mengajukan klaim asuransi kepada PT Asuransi Jasa Indonesia sebesar USD 8.715.000 dan telah diterima oleh entitas anak. Nilai buku pesawat tersebut sebesar USD 4.763.179. Selisih antara klaim yang disetujui dengan nilai buku asset sebesar USD 3.951.821 dicatat sebagai pendapatan lain-lain (Catatan 42).

In April 2013, one aircraft registered as PK-GGN owned by PT Citilink Indonesia, a subsidiary, was damaged from a "hard landing" at the Minangkabau International Airport, Padang. The subsidiary claimed and received the insurance coverage from PT Asuransi Jasa Indonesia amounting to USD 8,715,000. The book value of the aircraft amounted to USD 4,763,179. The difference of USD 3,951,821 between the agreed claim and the book value of the aircraft is recorded as other income (Note 42).

Penilaian atas nilai wajar aset tetap berupa tanah, bangunan dan pesawat dilakukan oleh penilai independen yang telah teregistrasi di Bapepam, KJPP Fuadah, Rudi & Rekan tahun 2013 dan 2012.

The revaluation of land, buildings and aircrafts was performed by independent appraisers registered in Bapepam, KJPP Fuadah, Rudi & Rekan in 2013 and 2012.

Berdasarkan laporannya penilaian tersebut dilakukan sesuai dengan Standar Penilaian Indonesia (SPI) yang ditentukan berdasarkan transaksi terkini dalam ketentuan yang wajar. Metode penilaian yang digunakan adalah pendekatan nilai pasar dan biaya.

Based on the appraisal reports the valuation was determined in accordance with the Indonesian Appraisal Standards (SPI), referring to recent arm's length market transaction. Appraisal method used is the market value approach and cost approach.

Selisih nilai wajar asset dengan nilai tercatat dikurangi dengan penghasilan pajak tangguhan, dibukukan pada pendapatan komprehensif lainnya dan akumulasi dalam ekuitas pada bagian "Cadangan Revaluasi Aset".

The difference between the fair value and carrying amount of the assets net of tax, was recorded in other comprehensive income and accumulated in equity as "Revaluation Surplus Reserve".

Jika aset tetap berupa pesawat, tanah, bangunan dan prasarana dicatat sebesar biaya perolehan, nilai tercatatnya adalah sebagai berikut:

If property and equipment, aircraft, land, building and improvements were stated at the historical cost basis, the carrying amount would be as follows:

	2013 USD	2012 USD	
Pesawat	78.386.414	119.746.530	Aircraft
Tanah	38.679.620	29.714.970	Land
Bangunan dan prasarana	<u>29.944.840</u>	<u>42.069.930</u>	Building and improvements
Jumlah	<u><u>147.010.874</u></u>	<u><u>191.531.430</u></u>	Total

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Manajemen berpendapat bahwa tidak ada perbedaan yang signifikan antara nilai wajar dan nilai tercatat aset, jika aset lainnya selain pesawat, tanah, bangunan dan prasarana diukur menggunakan nilai wajar.

Pada tanggal 31 Desember 2013, aset dalam penyelesaian terdiri dari:

	31 Desember/ December 31, 2013			
	Nilai tercatat/ <i>Carrying amount</i>	Jumlah kontrak/ <i>Total contract</i>	Persentase penyelesaian/ <i>Percentage of completion</i>	Estimasi Penyelesaian/ <i>Estimated completion</i>
	USD	USD	%	
Perangkat lunak/ <i>Software</i>	1.178.537	3.463.846	30%-94%	2014
Instalasi mesin/ <i>Machinery construction</i>	27.289	35.628	77%	2014
Konstruksi bangunan/ <i>Building construction</i>	35.219.927	50.137.752	68%-90%	2014
	<u>36.425.753</u>	<u>53.637.226</u>		

Jumlah tercatat bruto dari setiap aset tetap yang telah disusutkan penuh dan masih digunakan per 31 Desember 2013 sebesar USD 29.000.549.

Aset tetap Grup digunakan sebagai jaminan utang bank, jaminan pinjaman jangka panjang dan utang sewa pembiayaan (Catatan 18, 23 dan 24).

Pada tanggal 31 Desember 2013, empat pesawat Boeing 737-300 yang dimiliki PT Citilink Indonesia, entitas anak, tidak digunakan untuk sementara dengan nilai tercatat sebesar USD 16.928.140.

Pada tanggal 31 Desember 2013 dan 2012, aset tetap kecuali tanah, telah diasuransikan kepada perusahaan asuransi terhadap risiko kebakaran, pencurian dan risiko lainnya sebagai berikut:

Tahun/ Year	Perusahaan asuransi/ Insurance company	Nilai pertanggungan/ Sum insured	
		USD	Rupiah
2013	PT Asuransi Jasa Indonesia, PT Tugu Pratama Indonesia, PT Asuransi Central Asia dan/ and PT Himalaya Pelindung	261.088.683	1.826.624.232.028
2012	PT Asuransi Jasa Indonesia, PT Tugu Pratama Indonesia, dan/and PT Asuransi Takaful Umum	103.850.000	2.868.594.809.125

Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutupi kemungkinan kerugian atas aset yang dipertanggungkan.

Management believes that there is no significant difference between the fair value and carrying value of property and equipment, if those assets (excluding aircraft, land, building and infrastructure) have been measured at fair value basis.

As of December 31, 2013, assets under construction consisted of the following:

Gross carrying amount of property that have been fully depreciated and still in use as of December 31, 2013 amounted to USD 29,000,549.

Property and equipment of the Group are used as collateral for bank loan, long-term loans and lease liabilities (Notes 18, 23 and 24).

As of December 31, 2013, four Boeing 737-300 aircraft owned by PT Citilink Indonesia, a subsidiary, are temporarily idle with carrying amount of USD 16,928,140.

As of December 31, 2013 and 2012, property and equipment except land, were insured with insurance companies against fire, theft and other possible risk as follows:

Management believes that the insurance coverage is adequate to cover possible losses on the assets insured.

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15. PROPERTI INVESTASI

	2013 USD	2012 USD	
Saldo awal	18.912.898	18.230.877	Beginning balance
Keuntungan atas revaluasi	<u>3.107.892</u>	<u>682.021</u>	Gain on revaluation
Jumlah	<u><u>22.020.790</u></u>	<u><u>18.912.898</u></u>	Ending balance

Grup mempunyai properti investasi berupa tanah dan bangunan.

Penilaian atas nilai wajar properti investasi dilakukan oleh penilai independen yang telah teregistrasi di Bapepam, KJPP Fuadah, Rudi & Rekan tahun 2013 dan 2012.

Berdasarkan laporannya penilaian tersebut dilakukan sesuai dengan standar penilaian Standar Penilaian Indonesia (SPI) yang ditentukan berdasarkan transaksi terkini dalam ketentuan yang wajar. Metode penilaian yang digunakan adalah nilai pasar dan biaya.

Selisih nilai wajar aset dengan nilai tercatat, dibukukan sebagai keuntungan atas revaluasi properti investasi.

15. INVESTMENT PROPERTIES

The Group has investment properties in land and building.

The revaluation of investment properties was performed by independent appraisers registered with Bapepam, KJPP Fuadah, Rudi & Rekan in 2013 and 2012.

Based on the appraisal reports the valuation was determined in accordance with the Indonesian Appraisal Standards (SPI) valuation standards, with reference to recent arm's length term market transactions. Appraisal method used is the market value and cost approach.

The difference between the fair value and carrying amount of the asset is recorded as gain on revaluation of investment properties.

16. ASET TAKBERWUJUD - BERSIH

	1 Januari/ January 1, 2013 USD	Penambahan/ Additions USD	Reklasifikasi/ Reclassifications USD	31 Desember/ December 31, 2013 USD	
Biaya perolehan:					Acquisition cost:
Pemilikan langsung					Direct acquisitions
Perangkat lunak	619.335	19.275		638.610	Software
Lisensi	10.721.677	574.162	1.551.520	12.847.359	License
Aset sewa pembiayaan					Leased assets
Perangkat lunak	1.073.866	352.000	-	1.425.866	Software
Lisensi	175.042	-	-	175.042	License
Perangkat lunak dalam penyelesaian	1.606.018	5.250	(1.551.520)	59.748	Software still under installation
Jumlah	<u>14.195.938</u>	<u>950.687</u>	<u>-</u>	<u>15.146.625</u>	Total
Akumulasi penyusutan:					Accumulated amortization:
Pemilikan langsung					Direct acquisitions
Perangkat lunak	468.284	32.625	-	500.909	Software
Lisensi	6.249.365	1.081.607	-	7.330.972	License
Aset sewa pembiayaan					Leased assets
Perangkat lunak	197.240	214.810	-	412.050	Software
Lisensi	63.943	15.870	-	79.813	License
Jumlah	<u>6.978.832</u>	<u>1.344.912</u>	<u>-</u>	<u>8.323.744</u>	Total
Nilai buku	<u><u>7.217.106</u></u>			<u><u>6.822.881</u></u>	Net carrying value

16. INTANGIBLE ASSETS- NET

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	1 Januari/ January 1, 2012	Penambahan/ Additions	Reklasifikasi/ Reclassifications	31 Desember/ December 31, 2012	
	USD	USD	USD	USD	
Biaya perolehan:					Acquisition cost:
Pemilikan langsung					Direct acquisitions
Perangkat lunak	553.880	7.017	58.438	619.335	Software
Lisensi	6.122.081	-	4.599.596	10.721.677	License
Aset sewa pembiayaan					Leased assets
Perangkat lunak	438.942	634.924	-	1.073.866	Software
Lisensi	175.042	-	-	175.042	License
Perangkat lunak dalam penyelesaian	2.872.457	3.391.595	(4.658.034)	1.606.018	Software still under installation
Jumlah	10.162.402	4.033.536	-	14.195.938	Total
Akumulasi penyusutan:					Accumulated amortization:
Pemilikan langsung					Direct acquisitions
Perangkat lunak	443.081	25.203	-	468.284	Software
Lisensi	5.692.332	557.033	-	6.249.365	License
Aset sewa pembiayaan					Leased assets
Perangkat lunak	99.852	97.388	-	197.240	Software
Lisensi	40.788	23.155	-	63.943	License
Jumlah	6.276.053	702.779	-	6.978.832	Total
Nilai buku	3.886.349			7.217.106	Net carrying value

Aset takberwujud merupakan sistem COMPASS ARGAs, pembelian lisensi yang berkaitan dengan jasa sistem teknologi informasi Perusahaan berupa *Profitline Yield, Netline Shed, Netline Plan, Profitline Price* yang dibeli dari Lufthansa Systems Asia Pasific, Pte, Ltd., *Fare Management Systems (FMS), Revenue Management Systems (RMS)*, dan juga pembelian lisensi oracle dari PT Oracle Indonesia dan *Internet Booking Engine (IBE)*.

Beban amortisasi untuk tahun yang berakhir 31 Desember 2013 dan 2012 masing-masing sebesar USD 1.344.912 dan USD 702.779 disajikan sebagai beban operasional jaringan.

Perangkat lunak dalam penyelesaian merupakan beban ditangguhkan atas implementasi system aplikasi ERP.

Manajemen berpendapat bahwa tidak terdapat kejadian atau perubahan keadaan yang mengindikasikan penurunan nilai aset takberwujud pada tanggal pelaporan.

Pada 31 Desember 2013 dan 2012 tidak terdapat aset takberwujud yang dijamin.

Intangible assets represent COMPASS ARGAs system, purchase of licenses from Lufthansa Systems Asia Pasific Pte, Ltd., in relation to the Company's information technology service, such as *Profitline Yield, Netline Shed, Netline Plan, Profitline Price, Fare Management Systems (FMS), Revenue Management Systems (RMS)*, and purchase of oracle license from PT Oracle Indonesia and *Internet Booking Engine (IBE)*.

Amortization expense for the year ended December 31, 2013 and 2012 amounted to USD 1,344,912 and USD 702,779, respectively, which are presented as network operation expenses.

Software still under installation consists of deferred expenses for the implementation of ERP application.

Management believes that there are no events or changes in circumstances which may indicate impairment of intangible assets as of reporting date.

On December 31, 2013 and 2012, there were no intangible assets used as collateral.

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17. ASET LAIN-LAIN- BERSIH

	2013
	USD
Piutang lain-lain - bersih	16.845.647
Aset program (Catatan 28)	10.722.622
Uang jaminan ECA (Catatan 24)	9.845.339
<i>Manufacturer's incentive</i>	9.039.498
Aset keuangan lainnya - tersedia untuk dijual	8.800.031
Uang jaminan - <i>non aircraft</i>	6.486.194
Aset tidak digunakan	4.161.164
Kas yang dibatasi penggunaannya	3.876.173
Lain-lain	4.053.764
Jumlah	<u>73.830.432</u>

Piutang lain-lain – bersih

Perusahaan memiliki piutang jangka panjang kepada PT Merpati Nusantara Airlines (MNA) atas jasa perawatan pesawat. MNA merupakan entitas afiliasi karena kepemilikan pemerintah. Berdasarkan Perjanjian tanggal 10 Maret 1999, MNA setuju untuk melunasi dalam jangka waktu 8 tahun dengan tingkat bunga 7% per tahun untuk tagihan dalam USD dan 15% per tahun untuk tagihan dalam Rupiah.

Pada tahun 2003, manajemen Perusahaan dan MNA telah sepakat mengkonversi piutang tersebut menjadi Obligasi Wajib Konversi (MCB) sebesar USD 30.502.683 dan Rp 999.003.673, sementara piutang sebesar USD 2.770.572 diselesaikan secara terpisah. Menteri Negara BUMN telah menyetujui penerbitan MCB tersebut dengan jangka waktu 5 tahun, bunga 3% per tahun dan imbal hasil sampai jatuh tempo 18%. Namun, MNA tidak dapat menyetujui beberapa klausul yang ingin ditambahkan Perusahaan dalam draft perjanjian tersebut.

Pada tahun 2004, MNA membatalkan proses MCB dan mengusulkan untuk dikonversi menjadi saham. Hal ini diperkuat dengan surat Menteri Negara BUMN No. S-89/MBU/2005 tanggal 25 Pebruari 2005. Menanggapi surat tersebut, MNA telah mengirimkan surat kepada Menteri Negara BUMN No. DF-2108/05 tanggal 15 April 2005 yang menyatakan bahwa MNA sedang melaksanakan program restrukturisasi utang hingga tahun 2010 dan selama melaksanakan program tersebut MNA harus tunduk pada batasan yang telah ditetapkan masing-masing kreditur sesuai komitmen dalam perjanjian restrukturisasi utang, termasuk keputusan investasi MNA.

17. OTHER ASSETS- NET

	2012	
	USD	
Others receivables - net	16.886.623	Others receivables - net
Plan assets (Note 28)	9.625.374	Plan assets (Note 28)
Security deposits - ECA (Note 24)	9.627.083	Security deposits - ECA (Note 24)
Manufacturer's incentive	5.572.643	Manufacturer's incentive
Other financial assets - available for sale	9.201.350	Other financial assets - available for sale
Security deposits - non aircraft	6.694.547	Security deposits - non aircraft
Non productive assets	4.427.155	Non productive assets
Restricted cash	2.286.799	Restricted cash
Others	4.510.231	Others
Total	<u>68.831.805</u>	Total

Other receivables – net

The Company has long term receivables from PT Merpati Nusantara Airlines (MNA) which arose from the maintenance of aircrafts. MNA is an affiliated entity due to government ownership. Based on the agreement dated March 10, 1999, MNA agreed to settle its payables within 8 years with interest rate of 7% per annum for receivable denominated in USD and 15% per annum for receivable denominated in Rupiah.

In 2003, the Company's management and MNA agreed to convert the accounts receivable into Mandatory Convertible Bonds (MCB) amounting to USD 30,502,683 and Rp 999,003,673, while the remaining balance of USD 2,770,572 will be settled separately. The Minister of State-Owned Enterprise had approved the issuance of MCB with a term of 5 years at interest rate of 3% per annum and yield to maturity of 18%. However, MNA did not agree with several clauses that the Company added in the agreement.

In 2004, MNA has cancelled the MCB process and proposed the conversion into shares. This proposal was confirmed by the Minister of State-Owned Enterprise in his letter No. S-89/MBU/2005 dated February 25, 2005. In response to the letter, MNA sent a letter to the Minister of State-Owned Enterprise No. DF-2108/05 dated April 15, 2005 which stated that MNA is still conducting the restructuring program until year 2010 and during the restructuring program; MNA should comply with the covenants determined by each creditor in accordance with the commitment stated in the loan restructuring agreement, including MNA's investment decision.

Pada bulan Maret 2009, Perusahaan dan MNA telah menandatangani Nota Kesepahaman dimana kedua belah pihak setuju bahwa MNA akan memenuhi liabilitasnya kepada Perusahaan sebesar USD 33.273.256 dan Rp 999.003.673 dalam jangka waktu 13 (tiga belas) tahun terhitung sejak ditandatanganinya perjanjian Restrukturisasi Utang. Pada tanggal 28 Pebruari 2012, nota kesepahaman ini telah diperpanjang sampai dengan 11 Maret 2013. Di samping itu, pada tanggal 10 Januari 2012, Perusahaan juga memperoleh surat dari Kementerian Negara Badan Usaha Milik Negara (BUMN), yang menyatakan bahwa utang Merpati kepada Perusahaan akan dilakukan penjadualan kembali pembayaran secara cicilan dimulai pada tahun 2016.

Pada tanggal 18 November 2013 Perusahaan dan MNA menandatangani Nota Kesepahaman untuk melakukan perpanjangan jangka waktu MOU sampai dengan 11 Maret 2014.

Sejak 2009 sampai tanggal 31 Desember 2013, Perusahaan memiliki cadangan penurunan nilai sebesar USD 16.898.932. Atas piutang tersebut, manajemen berpendapat bahwa cadangan penurunan nilai cukup untuk menutupi kerugian piutang tersebut.

Manufacturer's Incentive

Mutasi *manufacturer's incentive* adalah sebagai berikut:

	2013	2012	
	USD	USD	
Saldo awal	5.572.643	7.980.258	Beginning balance
Penambahan	31.641.634	3.642.940	Additions
Pengurangan	(28.174.779)	(6.050.555)	Deductions
Saldo Akhir	<u>9.039.498</u>	<u>5.572.643</u>	Ending balance

In March 2009, the Company and MNA have signed a Memorandum of Understanding where both parties agreed that MNA will settle its liabilities to the Company of USD 33,273,256 and Rp 999,003,673 in 13 (thirteen) years since the signing of Debt Restructuring Agreement. On February 28, 2012, this memorandum of understanding has been extended until March 11, 2013. Moreover on January 10, 2012, the Company received a letter from The Ministry of State Owned Enterprise, which stated that the loan owed by Merpati to the Company will be rescheduled with installment payment to start by 2016.

On November 18, 2013, the Company and MNA signed a Memorandum of Understanding to reschedule the term of MOU until March 11, 2014.

In 2009 until December 31, 2013, the Company has an impairment reserve amounting to USD 16,898,932. The management believes that the impairment reserve is adequate to cover possible losses on this receivable.

Manufacturer's Incentive

Movements of manufacturer's incentive are as follows:

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Aset keuangan lainnya - tersedia untuk dijual

Saldo investasi tersedia untuk dijual Grup adalah sebagai berikut:

	Tempat kedudukan/ <i>Domicile</i>	Persentase kepemilikan/ <i>Percentage of Ownership</i>	2013 USD	2012 USD
		%		
Investasi saham - sebesar biaya/ <i>Investments in shares - at cost</i>				
PT Merpati Nusantara Airlines	Jakarta	4,21	4.588.112	4.588.112
Papas Limited	Hongkong	17,65	1.243.019	1.243.019
Abacus International Holdings Ltd	Singapura/ <i>Singapore</i>	2,06	1.730.948	1.730.948
PT Nusa Dua Graha International	Bali	8,00	1.067.603	1.326.421
PT Arthaloka Indonesia	Jakarta	3,00	94.168	118.698
PT Bumi Minang Padang Plaza	Padang	10,00	76.181	194.152
Jumlah Aset Keuangan Lainnya/ <i>Total Other Financial Assets</i>			<u>8.800.031</u>	<u>9.201.350</u>

Grup memiliki saham-saham tersebut dimaksudkan untuk memperoleh potensi keuntungan dalam jangka panjang karena Perusahaan tersebut bergerak dalam industry sama dengan Grup. Perusahaan tersebut tidak terdaftar di bursa efek sehingga tidak tersedia nilai wajar dari sahamnya, oleh karena itu investasi tersebut dinyatakan sebesar biaya perolehan.

Other financial assets - available for sale

The Group available for sale investments are as follows:

The Group owns shares held primarily for long-term growth potential since such companies are engaged in the same industry similar to the Group. Those companies are non-listed and there is no readily available measure of fair value of shares thus the investment is stated at cost.

Aset tidak digunakan

Aset tidak digunakan terdiri dari bangunan gedung Garuda Indonesia Training Center (GITC) dan *rotable*.

Non productive assets

Non productive assets consist of Garuda Indonesia Training Center (GITC) building and *rotables*.

	2013 USD	2012 USD	
Nilai buku - sebelum penurunan	4.667.323	4.667.323	Net carrying amount - before impairment
Penyisihan penurunan nilai aset Bersih	<u>(506.199)</u>	<u>(240.208)</u>	Provision for impairment of assets
	<u>4.161.124</u>	<u>4.427.115</u>	Net
Mutasi penyisihan sebagai berikut:			The movement of the provision is follow s:
Saldo awal	(240.208)	-	Beginning balance
Perubahan bersih tahun berjalan	<u>(265.991)</u>	<u>(240.208)</u>	Net changes for the year
Saldo akhir	<u>(506.199)</u>	<u>(240.208)</u>	Ending balance

Uang jaminan – non aircraft

Akun ini merupakan uang jaminan atas sewa gedung kantor cabang dan biaya utilitas.

Security deposits – non aircraft

This account represents security deposits for branch office buildings and utilities.

Kas yang dibatasi penggunaannya

Akun ini merupakan kas yang dibatasi penggunaannya sehubungan dengan pinjaman sindikasi II dan III serta BCA Club Deal (Pinjaman Sindikasi).

Restricted cash

This account represents restricted cash related to syndicated loan II and III and BCA Club Deal (Syndicated Loan).

18. UTANG BANK DAN LEMBAGA KEUANGAN

	2013	2012
	USD	USD
Bank Negara Indonesia	40.222.668	5.651.251
Indonesia Infrastructure Finance	5.000.000	-
Jumlah	<u>45.222.668</u>	<u>5.651.251</u>

Bank Negara Indonesia

- Perusahaan

Pada tanggal 28 September 2012, Perusahaan memperoleh fasilitas kredit dari Bank Negara Indonesia yang selanjutnya disebut sebagai Surat Kredit Berdokumen Dalam Negeri ("SKBDN") Bank Negara Indonesia ("BNI"). Berdasarkan perjanjian kredit antara Perusahaan dan BNI dengan jumlah plafon maksimal yang dapat digunakan oleh Perusahaan adalah USD 15 juta.

Fasilitas BNI SKBDN hanya khusus digunakan untuk pembelian bahan bakar avtur dari PT Pertamina (Persero) dan Perusahaan diwajibkan untuk memelihara saldo deposito atau rekening giro di BNI pada saat 2 hari kerja sebelum tanggal jatuh tempo pelunasan pokok sebesar nilai pokok ditambah dengan bunga.

Pada tanggal 19 April 2013 sesuai dengan akte No 16 dari Wenda Taurista Anindya, S.H. Fasilitas ini diamandemen dari USD 15 juta menjadi USD 40 juta dengan tingkat bunga 3.5% per tahun. Fasilitas tersebut digunakan untuk pembelian bahan bakar pesawat dan kebutuhan operasi.

Jumlah saldo utang bank per 31 Desember 2013 dan 2012 masing-masing adalah sebesar USD 39.618.118 dan USD 4.957.664.

- PT Aerotrans Services Indonesia (ATS)

Pada tanggal 29 Nopember 2012, ATS memperoleh pinjaman Kredit Modal Kerja (KMK) BNI dengan maksimum kredit Rp 7.500.000.000, tingkat bunga efektif 11% per tahun, dengan jatuh tempo berakhir tanggal 28 Nopember 2014. Pinjaman ini di jamin dengan seluruh piutang ATS kepada GMFAA.

Jumlah saldo utang bank per 31 Desember 2013 dan 2012 masing-masing adalah sebesar Rp 7.368.853.033 (setara dengan USD 604.550) dan Rp 6.706.994.303 (setara dengan USD 693.587).

18. LOANS FROM BANKS AND FINANCIAL INSTITUTION

	2013	2012
	USD	USD
Bank Negara Indonesia	5.651.251	5.651.251
Indonesia Infrastructure Finance	-	-
Total	<u>5.651.251</u>	<u>5.651.251</u>

Bank Negara Indonesia

- The Company

On June 28, 2012, the Company obtained credit facility from Bank Negara Indonesia, herein referred to as Surat Kredit Berdokumen Dalam Negeri ("SKBDN") Bank Negara Indonesia ("BNI"). Under the credit facility, the maximum credit limit is USD 15 million.

The purpose of the BNI SKBDN is for purchase of fuel from PT Pertamina (Persero). The Company is required to maintain deposits or checking account balances with BNI during the 2 working days before the due date of repayment amounting to the principal amount plus interest.

On April 19, 2013, in accordance with deed No. 16 by Wenda Taurista Anindya, S.H., the maximum credit has been amended from USD 15 million to USD 40 million with interest rate at 3,5% per annum. The facility is to be used for jet fuel purchase and operating activities.

The outstanding balance as of December 31, 2013 and 2012 amounted to USD 39,618,118 and USD 4,957,664, respectively.

- PT Aerotrans Services Indonesia (ATS)

In November 29, 2012, ATS obtained Working Capital Loans (KMK) BNI with maximum limit of Rp 7,500,000,000, effective interest rate of 11% per annum, and with last maturity date on November 28, 2014. This loan is guaranteed with all ATS's receivable from GMFAA.

The outstanding balance as of December 31, 2013 and 2012 amounted to Rp 7,368,853,033 (equivalent to USD 604,550) and Rp 6,706,994,303 (equivalent to USD 693,587), respectively.

Indonesia Infrastructure Finance (IIF)

- PT Garuda Maintenance Facility Aero Asia (GMFAA)

Pada 23 Desember 2013, GMFAA, entitas anak menandatangani perjanjian fasilitas modal kerja dengan PT Indonesia Infrastructure Finance sebesar USD 5.000.000 dengan tingkat bunga Libor 3 bulan + margin 3.5%. Fasilitas ini berlaku 1 tahun sejak ditandatanganinya perjanjian tersebut. Pinjaman ini digunakan untuk melaksanakan pembangunan, penyelesaian dan pengoperasian hangar baru di pulau Batam/Bintan dan atau untuk pengadaan peralatan mesin.

Per 31 Desember 2013, jumlah saldo pinjaman sebesar USD 5.000.000.

Indonesia Infrastructure Finance (IIF)

- PT Garuda Maintenance Facility Aero Asia (GMFAA)

On December 23, 2013, GMFAA, a subsidiary entered a working capital facility agreement with PT Indonesia Infrastructure Finance amounting to USD 5,000,000 with interest rate Libor 3 months + margin at 3,5%. This facility is valid for 1 year from the date of signing of the agreement. This loan is used to finance the development of a new hangar in Batam/Bintan, and/or the procurement of machine and equipment.

As of December 31, 2013, outstanding balance amounted to USD 5,000,000.

19. UTANG USAHA

a. Berdasarkan Pemasok

	2013	2012
	USD	USD
Pihak-pihak berelasi (Catatan 45)		
PT Pertamina (Persero)	108.911.066	72.434.320
PT Gapura Angkasa	3.706.367	4.680.787
Perum LPPNI	3.568.602	-
PT Angkasa Pura II (Persero)	3.133.425	3.526.065
PT Angkasa Pura I (Persero)	2.279.948	1.561.545
PT Telekomunikasi Indonesia (Persero) Tbk	694.318	903.361
PT Abacus International Pte Ltd	-	667.411
Subjumlah	<u>122.293.726</u>	<u>83.773.489</u>
Pihak ketiga		
Jasa penerbangan		
Bahan bakar	21.865.753	15.326.642
Administrasi dan umum	10.281.904	6.462.056
Bandara	7.432.440	7.912.975
Pemeliharaan dan perbaikan	1.574.181	1.874.477
Jasa boga	1.438.306	1.249.977
Maskapai penerbangan	498.079	61.873
Sewa pesawat	-	462.284
Sub jumlah	<u>43.090.663</u>	<u>33.350.284</u>
Non jasa penerbangan	<u>40.801.887</u>	<u>56.345.858</u>
Subjumlah	<u>83.892.550</u>	<u>89.696.142</u>
Jumlah	<u>206.186.276</u>	<u>173.469.631</u>

19. TRADE ACCOUNTS PAYABLE

a. By Creditor

	2013	2012
	USD	USD
Related parties (Note 45)		
PT Pertamina (Persero)	108.911.066	72.434.320
PT Gapura Angkasa	3.706.367	4.680.787
Perum LPPNI	3.568.602	-
PT Angkasa Pura II (Persero)	3.133.425	3.526.065
PT Angkasa Pura I (Persero)	2.279.948	1.561.545
PT Telekomunikasi Indonesia (Persero) Tbk	694.318	903.361
PT Abacus International Pte Ltd	-	667.411
Subtotal	<u>122.293.726</u>	<u>83.773.489</u>
Third parties		
Airline services		
Fuel	21.865.753	15.326.642
General and administrative	10.281.904	6.462.056
User charges and station	7.432.440	7.912.975
Maintenance and overhaul	1.574.181	1.874.477
Catering	1.438.306	1.249.977
Airline	498.079	61.873
Aircrafts leasing	-	462.284
Sub total	<u>43.090.663</u>	<u>33.350.284</u>
Non airline services	<u>40.801.887</u>	<u>56.345.858</u>
Subtotal	<u>83.892.550</u>	<u>89.696.142</u>
Total	<u>206.186.276</u>	<u>173.469.631</u>

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b. Berdasarkan Mata Uang

	2013	2012	
	USD	USD	
Rupiah	111.253.893	112.024.897	Rupiah
Dolar Amerika Serikat	76.983.171	42.022.833	U.S. Dollar
Yen Jepang	3.444.371	2.467.767	Japanese Yen
Dolar Singapura	2.847.791	3.958.654	Singapore Dollar
Riyal Saudi Arabia	1.066.898	2.293.078	Arabian Riyal
Euro	1.030.500	2.521.003	Euro
Dolar Australia	891.930	78.267	Australian Dollar
Won Korea	543.720	2.128.585	Korean Won
Mata uang lainnya	8.124.002	5.974.547	Other currencies
Jumlah	<u>206.186.276</u>	<u>173.469.631</u>	Total

b. By Currency

20. UTANG LAIN-LAIN

	2013	2012	
	USD	USD	
Retribusi bandara luar negeri	13.374.631	12.307.071	Foreign airport retribution
Asuransi tiket penumpang	677.884	1.766.890	Passenger ticket insurance
Asuransi dan kesehatan	56.208	134.503	Insurance and healthcare
Lain-lain	2.163.163	2.461.079	Others
Jumlah	<u>16.271.886</u>	<u>16.669.543</u>	Total

20. OTHER PAYABLES21. BEBAN AKRUAL

	2013	2012	
	USD	USD	
Administrasi dan umum	56.701.745	72.446.326	General and administrative
Pemeliharaan dan perbaikan	25.210.421	30.652.214	Maintenance and overhaul
Bandara	19.969.586	26.779.234	User charges and station
Operasional penerbangan	18.357.595	10.571.908	Flight operations
Tiket penjualan dan promosi	17.634.954	10.049.695	Ticketing sales and promotion
Pelayanan penumpang	5.743.449	5.876.600	Passenger services
Bunga	5.560.750	2.349.056	Interest
Pembangunan hangar IV	3.790.416	-	Hangar IV construction
Lain-lain	7.998.165	10.543.132	Others
Jumlah	<u>160.967.081</u>	<u>169.268.165</u>	Total

21. ACCRUED EXPENSES22. PENDAPATAN DITERIMA DIMUKA

	2013	2012	
	USD	USD	
Jasa penerbangan berjadwal	168.012.509	160.582.183	Traffic scheduled flight
Lain-lain	1.252.887	1.688.395	Others
Jumlah	<u>169.265.396</u>	<u>162.270.578</u>	Total

22. UNEARNED REVENUES

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23. PINJAMAN JANGKA PANJANG

Rincian pinjaman jangka panjang Grup pada tanggal 31 Desember 2013 dan 2012 setelah memperhitungkan biaya transaksi sebelum diamortisasi.

	2013 USD	2012 USD
<u>Pihak Berelasi (Catatan 45)</u>		
Bank Negara Indonesia	42.803.615	14.885.592
PT Pertamina (Persero)	43.137.490	57.516.654
Bank Rakyat Indonesia	40.198.427	-
PT Angkasa Pura II (Persero)	16.104.859	16.104.859
PT Angkasa Pura I (Persero)	5.798.472	7.308.953
Indonesia Eximbank	-	100.000.000
Sub jumlah	<u>148.042.863</u>	<u>195.816.058</u>
<u>Pihak ketiga</u>		
Pinjaman sindikasi II	119.708.057	117.635.644
Bank Pan Indonesia	74.105.017	-
Pinjaman sindikasi - BCA Club Deal	73.488.690	-
Bank Permata	69.591.334	-
Pinjaman sindikasi III		
Dolar Amerika Serikat	45.640.043	-
Rupiah	34.620.710	-
Wesel bayar bunga mengambang		
Dolar Amerika Serikat	30.418.159	44.719.965
Rupiah	3.385.111	6.495.698
Bank CIMB Niaga	4.542.238	5.880.542
PT Mandiri Tunas Finance	1.099.859	2.890.818
Bringin Indotama Sejatera	53.409	168.483
Pinjaman sindikasi	-	27.319.373
National Australia Bank Limited	-	20.909
Sub jumlah	<u>456.652.628</u>	<u>205.131.432</u>
Jumlah pinjaman jangka panjang	604.695.491	400.947.490
Dikurangi bagian yang jatuh tempo dalam satu tahun	<u>280.075.641</u>	<u>106.125.048</u>
Bagian jangka panjang	<u>324.619.850</u>	<u>294.822.442</u>

23. LONG-TERM LOANS

Details of long-term loans at December 31, 2013 and 2012 net of unamortized transaction cost.

Related Parties (Note 45)

Bank Negara Indonesia
PT Pertamina (Persero)
Bank Rakyat Indonesia
PT Angkasa Pura II (Persero)
PT Angkasa Pura I (Persero)
Indonesia Eximbank

Third parties

Syndicated loan II
Bank Pan Indonesia
BCA Club Deal - Syndicated loan
Bank Permata
Syndicated loan III
U.S. Dollar
Rupiah
Floating Rate Notes
U.S. Dollar
Rupiah
Bank CIMB Niaga
PT Mandiri Tunas Finance
Bringin Indotama Sejatera
Syndicated loan
National Australia Bank Limited

Sub total

Total long term liabilities

Less current maturities

Long term loans portion

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Detail pembayaran untuk 31 Desember 2013 dan 2012 adalah sebagai berikut:

Payment details at December 31, 2013 and 2012 are as follows:

	2013 USD	2012 USD	
Indonesia Eximbank	100.000.000	15.000.000	Indonesia Eximbank
Pinjaman sindikasi	27.500.000	27.500.000	Syndicated loan
Wesel bayar bunga mengambang			Floating Rate Notes
Dolar Amerika Serikat	14.545.479	14.545.479	U.S. Dollar
Rupiah	2.209.363	2.055.198	Rupiah
PT Pertamina (Persero)	14.379.163	-	PT Pertamina (Persero)
Bank Negara Indonesia	2.731.464	1.843.689	Bank Negara Indonesia
Bank CIMB Niaga	2.258.280	3.135.001	Bank CIMB Niaga
PT Mandiri Tunas Finance	1.566.474	1.486.029	PT Mandiri Tunas Finance
PT Bank Rakyat Indonesia	1.558.143	-	PT Bank Rakyat Indonesia
Bringin Indotama Sejatera	39.642	38.382	Bringin Indotama Sejatera
St. George Bank Australia dan National Australia Bank Limited	21.043	39.200	St. George Bank Australia and National Australia Bank Limited
PT Angkasa Pura II (Persero)	-	2.105.210	PT Angkasa Pura II (Persero)
PT Angkasa Pura I (Persero)	-	921.586	PT Angkasa Pura I (Persero)
Bank Jabar Banten	-	1.541.375	Bank Jabar Banten
Jumlah	<u>166.809.051</u>	<u>70.211.149</u>	Total

Rata-rata tingkat suku bunga sebagai berikut:

The average interest rate are as follows:

	2013 USD	2012 USD	
Dolar Amerika Serikat	1,159% - 4,750%	1.325% - 5.173%	U.S. Dollar
Rupiah	6,500% - 11,152%	6.500% - 7.580%	Rupiah

PT Bank Negara Indonesia

PT Bank Negara Indonesia

a. GMFAA

a. GMFAA

Pada tanggal 31 Maret 2010, GMFAA, entitas anak, memperoleh fasilitas kredit investasi sebesar Rp 100 miliar, jatuh tempo tanggal 30 Desember 2015 dan suku bunga mengambang dari Bank Negara Indonesia. Fasilitas kredit berjangka waktu 5 tahun 9 bulan ini ditujukan untuk pembiayaan pengembangan usaha berupa sarana dan prasarana baru serta pengadaan mesin dan peralatan sebesar 52,32% dari nilai pembiayaan aset. Fasilitas pinjaman ini dijamin dengan aset yang dibiayai melalui fasilitas ini.

On March 31, 2010, GMFAA, a subsidiary, obtained a Rp 100 billion loan facility which will mature on December 30, 2015 and subject to floating interest rate from Bank Negara Indonesia. The term of credit facility is 5 years and 9 months the purpose of which is for business development financing of new facilities and infrastructure and also for machine and equipment procurement of 52.32% from value of asset financing. This credit facility is secured by assets financed by the facility.

Pada tanggal 25 Juni 2012, GMFAA memperoleh tambahan fasilitas kredit investasi sebesar Rp 55 miliar, jatuh tempo tanggal 25 Mei 2018 dengan tingkat suku bunga mengambang. Fasilitas kredit berjangka waktu 6 tahun ini ditujukan untuk pembiayaan pengembangan kemampuan dan penambahan kapasitas perawatan pesawat.

On June 25, 2012, GMFAA obtained an additional investment credit facility with maximum amount of Rp 55 billion, due on May 25, 2018 at a floating interest rate. The facility has a term of 6 years and is intended to finance the capability development and increased capacity for aircraft maintenance.

Pada tanggal 31 Mei 2013, GMFAA memperoleh tambahan fasilitas kredit investasi dengan plafon maksimal sebesar Rp 490 milyar dan USD 6 juta, jatuh tempo pada tanggal 30 Nopember 2025 dan suku bunga mengambang dari Bank Negara Indonesia. Fasilitas kredit berjangka waktu 12 tahun ini ditujukan untuk pembiayaan pembangunan hanggar IV dan pengadaan peralatan hanggar dengan jaminan aset yang dibiayai.

Perusahaan akan membayar bunga pada tanggal 25 setiap bulannya yang dihitung mulai bulan Juni 2013. Pembayaran pokok atas fasilitas ini akan dibayar setiap triwulan sebesar Rp 11.112.500.000 yang dihitung mulai tanggal 25 Agustus 2014.

Pembatasan penting dalam perjanjian fasilitas pinjaman ini adalah:

- a. *Current ratio* minimum 1 kali
- b. *Debt to equity ratio* maksimal 2,5 kali
- c. *Debt service coverage ratio* minimal 100%

Pada tanggal 31 Desember 2013, GMFAA telah memenuhi seluruh rasio keuangan yang dipersyaratkan.

Pada tanggal 31 Desember 2013 dan 2012, saldo pinjaman masing-masing sebesar Rp 403.285.640.026 (setara dengan USD 33.086.032) dan Rp 103.912.736.960 (setara dengan USD 10.745.888).

b. PT Aerofood ACS

Pada tanggal 20 Juni 2012, PT Aerofood ACS, entitas anak, memperoleh pinjaman dari Bank Negara Indonesia dengan jumlah maksimum sebesar Rp 110 milyar dan jatuh tempo pada tanggal 19 Juni 2018. Pinjaman ini digunakan untuk pembiayaan pembangunan fasilitas dapur di Denpasar, Medan dan Balikpapan. Pinjaman ini dijamin secara fidusia dengan fasilitas *kitchen* yang dibiayai.

Per 31 Desember 2013 dan 2012, jumlah *outstanding* pinjaman adalah masing-masing sebesar Rp 90.302.457.964 (setara dengan USD 7.408.521) dan Rp 40.030.930.664 (setara dengan USD 4.139.704).

c. PT Aerowisata

Pada bulan Maret 2013, PT Aerowisata memperoleh pinjaman dari Bank Negara Indonesia dengan jumlah maksimum sebesar Rp 18 milyar dan jatuh tempo pada tanggal 19 Juni 2018. Fasilitas ini digunakan untuk biaya renovasi Hotel Grand Preanger.

On May 31, 2013, GMFAA obtained additional investment credit facility with maximum plafond of Rp 490 billion and USD 6 million, due on November 30, 2025 at a floating interest rate from Bank Negara Indonesia. The facility has a term of 12 years and intended to finance the building of hanggar IV and hanggar equipment. The loan facility is secured with assets financed by this facility.

Interest is payable on the 25th of each month starting on June 2013. The loan principal of this facility is payable in quarterly installment of Rp 11,112,500,000 starting on August 25, 2014.

The major covenant of this facility include the following:

- a. Minimum *Current ratio* is 1 time
- b. *Debt to equity ratio* is maximum of 2.5 times
- c. *Debt service coverage ratio* is minimum of 100%

On December 31, 2013, GMFAA has met the financial ratio requirement based on the agreement.

As of December 31, 2013 and 2012, outstanding balance amounted to Rp 403,285,640,026 (equivalent to USD 33,086,032) and Rp 103,912,736,960 (equivalent to USD 10,745,888), respectively.

b. PT Aerofood ACS

On June 20, 2012, PT Aerofood ACS, a subsidiary, obtained loan from Bank Negara Indonesia with maximum credit of Rp 110 billion and will be due on June 19, 2018. This loan is used for project development of kitchen facilities in Denpasar, Medan and Balikpapan. The loan is secured by fiduciary right over the related kitchen facility.

As of December 31, 2013 and 2012, the outstanding balance of the loan amounted to Rp 90,302,457,964 (equivalent to USD 7,408,521) and Rp 40,030,930,664 (equivalent to USD 4,139,704).

c. PT Aerowisata

In March 2013, PT Aerowisata obtained loan from Bank Negara Indonesia with maximum amount of Rp 18 billion and maturity date on June 19, 2018. The loan is used to finance the renovation of Hotel Grand Preanger.

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Per 31 Desember 2013, jumlah *outstanding* pinjaman sebesar Rp 28.145.161.200 (setara dengan USD 2.309.062).

As of December 31, 2013, the outstanding balance of the loan amounted to Rp 28,145,161,200 (equivalent to USD 2,309,062).

PT Pertamina (Persero)

Berdasarkan perjanjian pada tanggal 19 Oktober 2009, PT Pertamina (Persero) setuju untuk mengkonversikan utang usaha Perusahaan atas pembelian avtur sejumlah USD 76.484.911 menjadi pinjaman jangka panjang dengan pembayaran cicilan. Pinjaman ini akan jatuh tempo pada tanggal 31 Desember 2015.

PT Pertamina (Persero)

Based on agreement dated October 19, 2009, PT Pertamina (Persero) agreed to convert the Company's trade payable for fuel purchase transactions amounting to USD 76,484,911 into a long-term loan payable with installment terms. This loan is due on December 31, 2015.

Pada tanggal 31 Desember 2013 dan 2012, saldo pinjaman masing-masing berjumlah USD 43.137.490 dan USD 57.516.654.

As of December 31, 2013 and 2012, outstanding loan balance amounted to USD 43,137,490 and USD 57,516,654, respectively.

Bank Rakyat Indonesia

a. Perusahaan

Pada tanggal 29 Mei 2013, Perusahaan menandatangani Perjanjian Kredit Modal Kerja dengan PT Bank Rakyat Indonesia (Persero) Tbk dengan jumlah fasilitas sebesar USD 40.000.000 dengan jangka waktu 24 Bulan sejak ditanda tangani perjanjian ini. Pinjaman tersebut digunakan untuk pembiayaan *general purpose* termasuk pembiayaan pra-pengiriman pesawat 2013.

Bank Rakyat Indonesia

a. The Company

On May 29, 2013, the Company has signed a Credit Facility with PT Bank Rakyat Indonesia (Persero) Tbk with a total facility of USD 40,000,000 and term of 24 months. This facility is used for general purposes including pre-delivery financing of aircraft purchases in 2013.

Pada tanggal 31 Desember 2013 Perusahaan telah memenuhi pembatasan penting yang dipersyaratkan dalam perjanjian ini. Pembatasan penting dalam perjanjian diantaranya adalah *debt to equity ratio* tidak melebihi 5 kali.

As of December 31, 2013 the Company has complied with the financial covenant stipulated in the agreement. Major covenant of the agreement includes, among other the debt-to-equity ratio not to exceed 5 times.

Pada tanggal 31 Desember 2013, saldo pinjaman berjumlah USD 39.870.262.

As of December 31, 2013, the outstanding loan amounted to USD 39,870,262.

b. PT Aerofood ACS

ACS entitas anak AWS memperoleh pinjaman dari Bank Rakyat Indonesia dengan jumlah plafon maksimum sebesar Rp 40 Milyar yang jatuh tempo pada tanggal 28 Juni 2014. Pinjaman ini dijamin dengan hak fidusia atas persediaan dan piutang usaha milik ACS.

b. PT Aerofood ACS

ACS, a subsidiary of AWS, obtained loan from Bank Rakyat Indonesia with maximum plafond of Rp 40 billion, due in June 28, 2014. This loan is secured by inventory and account receivables of ACS.

Jumlah saldo pinjaman per 31 Desember 2013 adalah sebesar Rp 4 milyar (setara dengan USD 328.165).

The outstanding balance on December 31, 2013 amounted to Rp 4 billion (equivalent to USD 328,165).

PT Angkasa Pura II (Persero)

Berdasarkan perjanjian tanggal 27 Mei 2009, PT Angkasa Pura II (Persero) setuju untuk mengkonversikan utang usaha Perusahaan sejumlah Rp 195.910.872.304 atau setara dengan USD 21.052.103 menjadi pinjaman jangka panjang dengan pembayaran cicilan. Pinjaman ini akan jatuh tempo pada tanggal 30 Desember 2015. Pada tanggal 31 Desember 2013 dan 2012, saldo pinjaman masing-masing berjumlah USD 16.104.859.

PT Angkasa Pura I (Persero)

Berdasarkan perjanjian tanggal 27 Mei 2009, PT Angkasa Pura I (Persero) setuju untuk mengkonversikan utang usaha Perusahaan sejumlah Rp 91.465.097.646 atau setara dengan USD 8.872.465 menjadi pinjaman jangka panjang dengan pembayaran cicilan. Pinjaman ini jatuh tempo tanggal 30 Desember 2015 masing-masing berjumlah Rp 70.677.575.510 (atau setara dengan USD 5.798.472) dan Rp 70.677.575.510 (atau setara dengan USD 7.308.953).

Indonesia Eximbank

Pada tanggal 12 Pebruari 2010, Perusahaan menandatangani Perjanjian Kredit fasilitas Pembiayaan Tranche A dengan plafon USD 15 juta dengan tingkat bunga LIBOR (6 bulan) + 3,5% per tahun, dimana tingkat bunga LIBOR akan di-reviu setiap 6 bulan dan akan jatuh tempo dalam jangka waktu 2 tahun. Pinjaman ini digunakan untuk pembiayaan dan pembiayaan kembali *Pre-Delivery Payment* (PDP) pesawat Boeing 737-800 NG yang telah memperoleh komitmen pembiayaan melalui perjanjian jual dan sewa balik dengan *lessor*. Pinjaman ini dijamin dengan saham Perusahaan di GMFAA, entitas anak.

Perjanjian kredit telah diamandemen pada tanggal 29 Oktober 2010 dan 28 Juni 2011, dengan menambahkan PDP pesawat Boeing B777-300 ER dan fasilitas pembiayaan Tranche B dengan plafon USD 27 juta sehingga total plafon fasilitas menjadi USD 42 juta. Pada tanggal 10 Pebruari 2012, perjanjian tersebut diamandemen kembali menjadi kredit modal kerja transaksional (KMK) dengan plafon USD 42 juta yang akan jatuh tempo dalam waktu 4 tahun. Selanjutnya, pada tanggal 15 Agustus 2012, Perusahaan dan Indonesia Eximbank setuju untuk mengamandemen fasilitas plafon USD 42 juta menjadi USD 25 juta.

PT Angkasa Pura II (Persero)

Based on agreement dated May 27, 2009, PT Angkasa Pura II (Persero) agreed to convert the Company's trade payable of Rp 195,910,872,304 or equivalent to USD 21,052,103 into a long-term loan payable with installment terms. This loan will fall due on December 30, 2015 and as of December 31, 2013 and 2012, the outstanding loan balance amounted to USD 16,104,859, respectively.

PT Angkasa Pura I (Persero)

Based on agreement dated May 27, 2009, PT Angkasa Pura I (Persero) agreed to convert the Company's trade payable amounting to Rp 91,465,097,646 or equivalent to USD 8,872,465 into a long-term loan payable with installment terms. This loan will fall due on December 30, 2015. As of December 31, 2013 and 2012, the outstanding loan balance amounted to Rp 70,677,575,510 (equivalent to USD 5,798,472) and Rp 70,677,575,510 (equivalent to USD 7,308,953) respectively.

Indonesia Eximbank

On February 12, 2010, the Company signed a Credit Agreement for Financing Tranche A with a credit limit of USD 15 million due in 2 years and interest rate of LIBOR (6 months) + 3.5% per year. The LIBOR rate will be reviewed every 6 months. This loan is used to finance and refinance the *Pre-Delivery Payment* (PDP) for Boeing 737-800 NG aircraft, which is already subject to financing commitment through sale and leaseback agreement with a lessor company and collateralized with the Company's shares in GMFAA, a subsidiary.

The credit agreement was amended on October 29, 2010 and again on June 28, 2011, by adding a PDP for Boeing B777-300 ER and Tranche B financing facility with a plafond of USD 27 million; thus the total facility limit amounted to USD 42 million. On February 10, 2012, the facilities were amended to transactional working capital facilities (KMK) with a plafond of USD 42 million due in 4 years. Furthermore, on August 15, 2012, the Company and Indonesia Eximbank approved to amend the maximum plafond from USD 42 million to USD 25 million.

Pada tanggal 15 Agustus 2012 Perusahaan dan Lembaga Pembiayaan Expor Impor Indonesia menandatangani perjanjian kredit dengan nilai total sebesar USD 75 juta yang dibagi menjadi dua kelompok yaitu *tranche* A sebesar USD 25 juta dan *tranche* B sebesar USD 50 juta yang dipergunakan untuk pembayaran *pre-delivery payment* (PDP) untuk pembelian seluruh pesawat dari Boeing, Airbus, Embraer dan Bombardier yang memperoleh komitmen pembiayaan dalam bentuk *sale and leaseback agreement* dari *lessor*. Jangka waktu perjanjian ini adalah 24 bulan terhitung sejak ditandatanganinya perjanjian. Pembayaran bunga dilakukan per 3 bulan.

Jaminan atas perjanjian kredit adalah akta gadai saham Perusahaan ke PT GMFAA, entitas anak, sebesar USD 100 juta.

Saldo pinjaman pada tanggal 31 Desember 2013 dan 2012 adalah masing-masing sebesar nihil dan USD 100 juta.

Pinjaman Sindikasi II

Pada tanggal 6 Nopember 2012, Perusahaan menandatangani Perjanjian Fasilitas Pinjaman sindikasi yang difasilitasi oleh Citicorp International Limited dan secara sirkuler dengan delapan bank : Citigroup global markets Singapore Pte Ltd, PT Bank Panin Tbk, PT Bank ICBC Indonesia, First Gulf Bank PJSC, Cabang Singapura, Korea Development Bank, KDB Asia Limited, Standard Chartered Bank, Cabang Jakarta dan Bank of China limited, Cabang Jakarta. Plafon fasilitas sebesar USD 120 juta dalam jangka waktu 24 bulan. Pembayaran pokok akan dilakukan pada bulan ke 15, 18, 21 dan 24 setelah periode tutup buku dengan jumlah yang sama, yaitu sebesar USD 30 juta. Pinjaman ini digunakan untuk tujuan yang umum (*general purposes*). Pinjaman ini dijamin dengan saldo rekening USD di Citibank NA Cabang Jakarta dengan rekening No. 0100193574.

Perusahaan mencairkan seluruh plafon fasilitas pada tanggal 31 Desember 2012 dengan rincian sebagai berikut:

<u>Agen fasilitas/ Facility agents</u>	<u>Jumlah/Total</u> USD
Citigroup global markets Singapore Pte Ltd	15.000.000
PT Bank Panin Tbk	25.000.000
PT Bank ICBC Indonesia	24.000.000
First Gulf Bank PJSC, Singapore Branch	20.000.000
Korea Development Bank *)	15.000.000
Standard Chartered Bank, Jakarta Branch	15.000.000
Bank of China Limited, Jakarta branch	6.000.000
	<u>120.000.000</u>

*) Komitmen senilai USD 15.000.000 akan dipisahkan antara Korea Development Bank dan KDB Asia Limited/
USD 15,000,000 commitment to be split between Korea Development Bank and KDB Asia Limited

On August 15, 2012, the Company and Indonesia Exim Bank signed a credit agreement with a total value of USD 75 million which is divided into two tranches: *tranche* A with credit limit of USD 25 million and *tranche* B with credit limit of USD 50 million used for the payment of *pre-delivery payment* (PDP) of the entire aircrafts purchase from Boeing, Airbus, Embraer and Bombardier which are covered by financing commitments in the form of *sale and leaseback agreement* of the *lessor*. The term of this agreement is 24 months from the signing. Interest payments are made every 3 months.

The loan is collateralized by a deed of pledge over the Company's shares in PT GMFAA, subsidiary, for USD 100 million.

The outstanding loan at December 31, 2013 and 2012 amounted to nil and USD 100 million respectively.

Syndicated loan II

On November 6, 2012, the Company entered into a Syndicated Loan Facility which was facilitated by Citicorp International Limited and circularly with eight banks: Citigroup global markets Singapore Pte Ltd, PT Bank Panin Tbk, PT Bank ICBC Indonesia, First Gulf Bank PJSC, Singapore Branch, Korea Development Bank, KDB Asia Limited, Standard Chartered Bank, Jakarta Branch and Bank of China Limited, Jakarta Branch. The maximum credit facility is USD 120 million with term of 24 months. Principal payments will be made at month 15, 18, 21 and 24 by the same amount of USD 30 million. This facility is used for general purposes. The loan is secured by an existing USD bank account held with Citibank NA Jakarta Branch No. 0100193574.

The Company has used all the facility as of December 31, 2012 with details as follow:

Pembatasan penting dalam perjanjian diantaranya adalah:

- *Coverage ratio* tidak kurang dari 1,05.
- *Debt ratio* tidak melebihi 5,75 kali.
- Persentase kas minimum 5 persen.

Pada tanggal 31 Desember 2013 Perusahaan telah memenuhi pembatasan penting yang dipersyaratkan dalam perjanjian ini.

Pada tanggal 31 Desember 2013 dan 2012, saldo pinjaman berjumlah masing-masing USD 119.708.057 dan USD 117.635.644.

Pinjaman Sindikasi III

Pada tanggal 21 Pebruari 2013, Perusahaan menerima pinjaman sindikasi III yang difasilitasi oleh Citibank dengan nilai total pinjaman sebesar USD 90 juta. Pinjaman sindikasi tersebut dihimpun dari beberapa bank yaitu: PT Bank Panin Tbk sebesar USD 20 juta dan Rp 213.378.000.000 (setara dengan USD 24 juta), PT Bank ICBC Indonesia sebesar USD 6 juta, PT Bank Central Asia Tbk sebesar Rp 213.378.000.000 (setara dengan USD 24 juta), dan Emirates NBD PJSC, Singapore Branch sebesar USD 20 juta.

Jangka waktu pinjaman adalah 24 bulan terhitung mulai tanggal 7 Nopember 2012 dengan pembayaran pokok pinjaman pada bulan ke 15, 18, 21 dan 24.

Saldo pinjaman pada tanggal 31 Desember 2013 adalah sebesar USD 45.640.043 untuk pinjaman Sindikasi III dalam mata uang Dolar Amerika Serikat dan Rp 421.991.834.190 (atau setara dengan USD 34.620.710) untuk pinjaman Sindikasi III dalam Rupiah.

PT Bank Pan Indonesia

Pada tanggal 2 Agustus 2013, Perusahaan menandatangani perjanjian pinjaman komersial dengan PT Bank Pan Indonesia. Jumlah fasilitas pinjaman yang diberikan kepada Perusahaan sebesar USD 75 juta dengan jangka waktu 36 bulan.

Saldo pinjaman pada tanggal 31 Desember 2013 sebesar USD 74.105.017.

BCA Club Deal- Pinjaman Sindikasi

Pada tanggal 2 Desember 2013, Perusahaan menandatangani Perjanjian Fasilitas Pinjaman Sindikasi yang difasilitasi oleh PT Bank Central Asia Tbk., dan secara sirkuler dengan lima bank:

- Lembaga Pembiayaan Ekspor Indonesia
- PT Bank Central Asia, Tbk
- PT Bank Internasional Indonesia Tbk
- PT Bank CTBC Indonesia
- Bank of China Limited

The major covenants of the agreement include the following:

- Coverage ratio not less than 1.05.
- Debt ratio not to exceed 5.75 times.
- The minimum cash percentage of the Group shall not be less than 5 percent.

As of December 31, 2013 the Company has complied with the financial covenants in the agreement.

As of December 31, 2013 and 2012, the outstanding loan amounted to USD 119,708,057 and USD 117,635,644, respectively.

Syndicated Loan III

On February 21, 2013, the Company entered into a USD 90 million syndicated loan III facilitated by Citibank. This syndicated loan is raised from several banks, namely: PT Bank Panin Tbk amounting to USD 20 million and Rp 213,378,000,000 (equivalent to USD 24 million), PT Bank ICBC Indonesia amounting to USD 6 million, PT Bank Central Asia Tbk amounting to Rp 213,378,000,000 (equivalent to USD 24 million), and Emirates NBD PJSC, Singapore Branch for USD 20 million.

The loan has a term of 24 months from November 7, 2012 with principal payments at month 15, 18, 21 and 24.

The outstanding loan at December 31, 2013 amounted to USD 45,640,043 for Syndicated loan III in U.S Dollar currency and Rp 421,991,834,190 (equivalent to USD 34,620,710) for syndicated loan III in Rupiah.

PT Bank Pan Indonesia

On August 2, 2013, the Company entered into a commercial loan agreement with PT Bank Pan Indonesia Tbk. The total loan facility amounted to USD 75 million with term of 36 months.

The outstanding loan at December 31, 2013 amounted to USD 74,105,017.

BCA Club Deal – Syndicated Loan

On December 2, 2013, the Company entered into a Syndicated Loan Agreement facilitated by PT Bank Central Asia, Tbk., and in circular with five banks:

- Lembaga Pembiayaan Ekspor Indonesia
- PT Bank Central Asia, Tbk
- PT Bank Internasional Indonesia Tbk
- PT Bank CTBC Indonesia
- Bank of China Limited

Pinjaman Sindikasi ini berjumlah USD 100 juta dan Rp 1.193.000.000.000 untuk kebutuhan pendanaan Perusahaan secara umum.

Fasilitas Pinjaman Sindikasi ini memiliki jangka waktu selama 36 (tiga puluh enam) bulan dan akan jatuh tempo pada tanggal 2 Desember 2016. Pembayaran pokok dilakukan secara mencicil setiap 3 (tiga) bulan dimulai pada bulan ke 12 (dua belas) semenjak tanggal penandatanganan Perjanjian.

Pinjaman ini dijamin dengan rekening penampungan untuk pembayaran bunga selama 3 (tiga) bulan ke depan di PT Bank Central Asia, Tbk selaku Agen Fasilitas dan Agen Jaminan.

Pada tanggal 31 Desember 2013, fasilitas yang telah digunakan Perusahaan adalah sebesar USD 75 juta.

Pembatasan-pembatasan penting dalam perjanjian ini antara lain menjaga rasio keuangan sebagai berikut:

- *Debt ratio* maksimum 5,75 kali
- *Coverage ratio* minimum 1,00
- Persentase kas minimum 5,00%

Pada tanggal 31 Desember 2013 Perusahaan telah memenuhi pembatasan penting yang dipersyaratkan dalam perjanjian ini.

Pada tanggal 31 Desember 2013, saldo pinjaman berjumlah USD 73.488.690.

PT Bank Permata

Pada tanggal 18 Pebruari 2013, Perusahaan menandatangani perjanjian pinjaman komersial dengan PT Bank Permata Tbk. Jumlah fasilitas pinjaman yang diberikan kepada Perusahaan sebesar USD 70 juta dengan jangka waktu 24 bulan dan bunga tetap 4,5% per tahun. Seluruh pembayaran pokok di bulan ke 24 yaitu pada bulan 18 Pebruari 2015.

Saldo pinjaman pada tanggal 31 Desember 2013 adalah sebesar USD 69.591.334.

Wesel Bayar Bunga Mengambang

Perusahaan menerbitkan Wesel Bayar Bunga Mengambang (*Floating Rate Note (FRN)*) dalam mata uang Dolar Amerika Serikat dan Rupiah. Dalam penerbitan FRN ini, *The Chase Manhattan Bank - London Branch* bertindak sebagai *Trustee*. FRN tersebut jatuh tempo tahun 2007.

Sesuai dengan akta perubahan dan perjanjian kembali tertanggal 21 Januari 2010, FRN yang belum dilunasi masing-masing sebesar USD 75 juta dan Rp 108 miliar direstrukturisasi dan akan jatuh tempo pada tahun 2018.

The syndicated loan facility amounted to USD 100 million and Rp 1,193,000,000,000 for general purpose of the Company.

The loan has a term of 36 (thirty six) months due on December 2, 2016. The principal will be repaid every 3 (three) months in which the first repayment will be made 12 (twelve) months from the signing date.

The loan is secured by an interest reserve account in which the balance is to be kept sufficient for 3 (three) months of interest payments. The account is held with PT Bank Central Asia, Tbk as the Facility Agent as well as the Security Agent.

As of December 31, 2013, the Company has utilized USD 75 million of the loan facility.

The major covenants include maintaining certain financial covenants as follow:

- Debt ratio not to exceed 5.75 times
- Coverage ratio not less than 1.00
- The minimum cash percentage of the Group shall not be less than 5.00%

As of December 31, 2013, the Company has complied with the financial covenants in the agreement.

As of December 31, 2013 the outstanding loan amounted to USD 73,488,690.

PT Bank Permata

On February 18, 2013, the Company entered into a commercial loan agreement with PT Bank Permata Tbk. The total loan facility amounted to USD 70 million with term of 24 months and fixed interest rate at 4.5% per annum. The loan principal will be paid on the 24th month which on February 18, 2015.

The outstanding loan at December 31, 2013 amounted to USD 69,591,334.

Floating Rate Note Payable

The Company issued Floating Rate Notes payable (FRN) in U.S. Dollar and Rupiah currencies. The Chase Manhattan Bank - London Branch acted as Trustee in the issuance of the FRN. The FRN matured in 2007.

Based on deed of changes and buyback agreement dated January 21, 2010, the remaining unsettled FRN which amounted to USD 75 million and Rp 108 billion respectively, was restructured and will be due in 2018.

Saldo FRN per tanggal 31 Desember 2013 berjumlah sebesar USD 30.418.159 dan Rp 41.261.123.098 (setara USD 3.385.111) dan per 31 Desember 2012 sebesar USD 44.719.965 dan Rp 62.813.399.660 (setara dengan USD 6.495.698).

Bank CIMB Niaga

a. PT Aerowisata

Pada 6 Oktober 2009, PT Aerowisata, entitas anak, memperoleh fasilitas pinjaman khusus investasi dari Bank CIMB Niaga dengan jumlah kredit maksimum sebesar Rp 20 miliar. Fasilitas ini digunakan untuk biaya renovasi Hotel Irian Biak. Jangka waktu pinjaman adalah 8 tahun, termasuk didalamnya *grace period* 18 bulan, dan akan berakhir pada 6 Oktober 2017. Pinjaman ini dijamin dengan tiga sertifikat kepemilikan tanah dimana hotel tersebut berdiri (Catatan 14).

Pada tanggal 31 Desember 2013 dan 2012, saldo pinjaman masing-masing berjumlah Rp 9.499.000.022 (setara dengan USD 779.309) dan Rp 12.421.769.246 (setara dengan USD 1.284.568).

b. PT Aerotrans Service

PT Aerotrans Services Indonesia memperoleh fasilitas pinjaman dari Bank CIMB Niaga yang digunakan sebagai pembiayaan dalam pengadaan kendaraan baru untuk kegiatan operasional dengan jangka waktu 3-4 tahun.

Perjanjian pinjaman tersebut mencakup persyaratan jangka waktu dan kondisi tertentu untuk membatasi PT Aerotrans Services Indonesia dalam melakukan pembagian dividen dan merubah struktur organisasi tanpa ada pemberitahuan secara tertulis kepada pihak bank.

PT Aerotrans Services Indonesia memperoleh pinjaman khusus untuk pendanaan talangan atas kekurangan likuiditas yang timbul akibat kegiatan investasi. Pinjaman ini berjangka waktu maksimum satu tahun atau selama masa perjanjian sewa, dengan tingkat bunga per tahun sebesar 1,25% diatas bunga deposito dijamin Pemerintah. Pinjaman ini dijamin dengan deposito berjangka.

Pada tanggal 24 Juni 2010, PT Aerotrans Services Indonesia telah melakukan restrukturisasi atas pinjaman tersebut. Hal-hal yang direstrukturisasi adalah sebagai berikut:

- a. Mengurangi tingkat bunga dari 13% - 16% per tahun menjadi 11% - 12,25% per tahun.

Outstanding balance of FRN at December 31, 2013 amounted to USD 30,418,159 and Rp 41,261,123,098 (equivalent to USD 3,385,111) and at December 31, 2012 amounted to USD 44,719,965 and Rp 62,813,399,660 (equivalent to USD 6,495,698).

Bank CIMB Niaga

a. PT Aerowisata

On October 6, 2009, PT Aerowisata, a subsidiary, obtained on investment credit loan facility from Bank CIMB Niaga with maximum credit of Rp 20 billion. The loan is used to finance the renovation of Irian Biak Hotel. The term of the loan is 8 years, which includes a grace period of 18 months and will mature on October 6, 2017. The loan is secured by three landright certificates on the land area where the hotel is located (Note 14).

As of December 31, 2013 and 2012, outstanding loan balance amounted Rp 9,499,000,022 (equivalent to USD 779,309) and Rp 12,421,769,246 (equivalent to USD 1,284,568).

b. PT Aerotrans Service

PT Aerotrans Services Indonesia obtained investment loan facility from Bank CIMB Niaga to finance the purchase of new vehicle for operations with term of 3 to 4 years per annum.

Such loan agreement includes certain terms and conditions that restrict PT Aerotrans Services Indonesia to distribute dividends and change its organizational structure without written notification to the bank.

PT Aerotrans Services Indonesia obtained a loan facility to be used as bridging financing for liquidity gap arising from investment activities. This loan has a maximum term of one year or the period of leased agreement whichever is shorter, with interest rate per annum at 1.25% plus the interest rate of time deposits guaranteed by the government. This loan is secured by time deposit.

On June 24, 2010, PT Aerotrans Services Indonesia restructured its loan. The agreed restructured terms are as follows:

- a. Reduce interest rate from 13% - 16% per annum to 11% - 12.25% per annum.

b. Mengubah alokasi dari fasilitas pinjaman sebagai berikut:

- Pinjaman Transaksi Khusus (PTK) Investasi No. 2 dan Novasi sebagian dari pinjaman tetap *back to back* senilai Rp 7 miliar digabungkan menjadi PTK Investasi No. 5.
- PTK Investasi No. 3 dan Novasi sebagian dari pinjaman tetap *back to back* sebesar Rp 4 miliar digabungkan menjadi PTK Investasi No. 6.

Fasilitas ini memiliki jangka waktu 36 bulan sampai 42 bulan.

Utang yang telah direstrukturisasi dijamin dan diikat secara fidusia dengan kendaraan bermotor yang dibeli dengan total nilai minimum sebesar Rp 175.124.150.000, piutang yang timbul dari kontrak sewa kendaraan dengan total nilai minimum sebesar Rp 10.504.404.158 dan penyerahan/ pengelolaan escrow account serta comfort letter dari PT Aerowisata.

Pada tanggal 31 Desember 2013 dan 2012, saldo pinjaman masing-masing berjumlah Rp 40.199.683.876 (atau setara dengan USD 3.298.030) dan Rp 36.776.406.852 (atau setara dengan USD 3.803.144).

c. PT Aerofoods ACS

Pada bulan Oktober 2011, ACS entitas anak AWS memperoleh pinjaman dari CIMB Niaga dengan jumlah plafon maksimum Rp 10 milyar yang jatuh tempo pada tanggal 24 Oktober 2016. Pinjaman ini dijamin dengan hak fidusia kendaraan Hi Lift Truck dengan nilai pinjaman sebesar Rp. 12,5 miliar.

Pada tanggal 31 Desember 2013 dan 2012, saldo pinjaman masing-masing berjumlah Rp 5.666.666.673 (setara dengan USD 464.900) dan Rp 7.666.666.665 (setara dengan USD 792.830).

PT Mandiri Tunas Finance

Merupakan pinjaman PT Aerotrans Services Indonesia, entitas anak, atas pembelian 27 unit kendaraan dengan jangka waktu pinjaman selama 36 bulan. Pinjaman ini dijamin secara fidusia dengan kendaraan bermotor yang dibiayai.

Pada tanggal 31 Desember 2013 dan 2012 saldo pinjaman masing-masing berjumlah Rp 13.406.183.732 (setara dengan USD 1.099.859) dan Rp 27.954.210.586 (setara dengan USD 2.890.818).

b. Change in allocation of loan facility as follows:

- Investment loan transaction (PTK) No. 2 and partial Novation from fixed back to back loan amount of Rp 7 billion was combined into PTK investment No. 5.
- PTK investment No. 3 and partial Novation from fixed back to back loan amount of Rp 4 billion was combined into PTK investment No. 6.

These facilities have a term of 36 months to 42 months.

The restructured loan is secured by related vehicles purchased with a minimum amount of Rp 175,124,150,000, accounts receivable from rental of vehicles with minimum amount of Rp 10,504,404,158 and opening of escrow account and a comfort letter from PT Aerowisata.

As of December 31, 2013 and 2012, outstanding loan balances amounted Rp 40,199,683,876 (equivalent with USD 3,298,030) and Rp 36,776,406,852 (equivalent to USD 3,803,144), respectively.

c. PT Aerofoods ACS

On October 2011, ACS, subsidiary of AWS obtained loan from CIMB Niaga with maximum limit of 10 billion which maturity date on October 24, 2016. The loan is pledged by fiduciary right of Hi Lift Truck amounting to Rp 12.5 billion.

As of December 31, 2013 and 2012, outstanding loan balance amounted to Rp 5,666,666,673 (equivalent to USD 464,900) and Rp 7,666,666,665 (equivalent to USD 792,830).

PT Mandiri Tunas Finance

This loan was obtained by PT Aerotrans Services Indonesia, a subsidiary, for the purchase of 27 vehicles with term of 36 months. This loan is secured by the financed vehicles.

As of December 31, 2013 and 2012, the outstanding loan balance amounted to Rp 13,406,183,732 (equivalent to USD 1,099,859) and Rp 27,954,210,586 (equivalent to USD 2,890,818), respectively.

Bringin Indotama Sejahtera

Pada tahun 2012, ATS melakukan kerjasama pembiayaan pembelian kendaraan dengan Bringin Indotama Sejahtera untuk pembelian kendaraan. Jangka waktu pinjaman 3 tahun dengan tingkat bunga pinjaman tetap sebesar 12,25% per tahun.

Saldo pinjaman pada tanggal 31 Desember 2013 dan 2012 masing-masing sebesar Rp 651.008.040 (atau setara dengan USD 53.409) dan Rp 1.629.233.440 (setara dengan USD 168.483).

Pinjaman Sindikasi

Pada tanggal 24 Juni 2011, Perusahaan menandatangani Perjanjian Fasilitas Pinjaman Club Deal secara sirkuler dengan tujuh bank : Citibank, UBS AG, PT Bank Central Asia, PT Bank ICBC Indonesia, PT Bank International Indonesia, PT Bank Permata Tbk dan Bank of China Limited. Plafon fasilitas sebesar USD 55 juta dalam jangka waktu 24 bulan. Pembayaran pokok akan dilakukan pada bulan ke 15, 18, 21 dan 24 dengan jumlah yang sama, yaitu sebesar USD 13,75 juta. Pinjaman ini digunakan untuk tujuan yang umum (*general purposes*). Pinjaman ini dijamin dengan 3 bulan pembayaran bunga yang disimpan pada rekening perusahaan di Citibank (*interest reserve account*). Saldo jaminan ini akan dijaga mengikuti fluktuasi LIBOR 1 bulan serta tidak akan diambil sampai pinjaman dilunasi. Perusahaan mencairkan seluruh plafon fasilitas pada tanggal 31 Desember 2011 dengan rincian sebagai berikut:

Facility Agents

Citibank N.A. Jakarta Branch	
PT Bank Central Asia	
PT Bank ICBC Indonesia	
PT Bank International Indonesia Tbk	
PT Bank Permata Tbk	
Bank of China Limited, Jakarta Branch	

Nilai komitmen PT Bank International Indonesia Tbk (BII) USD 17 juta terdiri dari komitmen dua bank yaitu BII dan UBS AG, cabang Singapura masing-masing senilai USD 8,5 juta. Pada saat perjanjian kredit ini disetujui, Perusahaan belum memiliki ijin PKLN (Persetujuan Kredit Luar Negeri) dari Kementerian BUMN sehingga UBS AG, Cabang Singapura tidak bisa memberikan pinjaman langsung ke Perusahaan dan melakukan *fronting* ke BII.

Pembatasan penting dalam perjanjian diantaranya adalah:

- *Coverage ratio* tidak kurang dari 1,05.
- *Debt ratio* tidak melebihi 5,75 kali.
- Persentase kas minimum 5 persen.

Bringin Indotama Sejahtera

In 2012, ATS entered into vehicle purchase financing with Bringin Indotama Sejahtera for the purchase of vehicles. The finance lease has a term of 3 years and a fixed interest rate of 12.25% per annum.

The outstanding balance of this loan as of December 31, 2013 and 2012 amounted to Rp 651,008,040 (equivalent to USD 53,409) and Rp 1,629,233,440 (equivalent to USD 168,483), respectively.

Syndicated Loan

On June 24, 2011, the Company entered into a Loan Facility Deal Club circularly with seven banks: Citibank, UBS AG, PT Bank Central Asia, PT Bank ICBC Indonesia, PT Bank International Indonesia, PT Bank Permata Tbk and Bank of China Limited. Maximum credit facility is USD 55 million with term of 24 months. Principal payments will be made at month 15, 18, 21 and 24 by the same amount, amounting to USD 13.75 million. This facility is used for general purposes. The loan is secured by 3 months of interest payments that are deposited on a Company account in Citibank (interest reserve account). The balance of this collateral will be adjusted for fluctuations of 1-month LIBOR and will not be taken until the loan is settled. The Company has used all the facility as of December 31, 2011 with details as follow:

<u>Jumlah/Total</u>
USD
8.500.000
8.500.000
8.500.000
17.000.000
8.500.000
4.000.000
<u>55.000.000</u>

The commitment value of PT Bank International Indonesia Tbk (BII) of USD 17 million consists of two banks, i.e. BII and UBS AG, Singapore Branch amounting to USD 8.5 million, respectively. The Company does not have permission for PKLN (*Persetujuan Kredit Luar Negeri*) from the Ministry of SOEs, thus UBS AG, Singapore branch can not provide loans directly to the Company and used BII as front.

The major covenants of the agreement include the following:

- Coverage ratio not less than 1.05.
- Debt ratio not to exceed 5.75 times.
- The minimum cash percentage of the Group shall not be less than 5 percent.

Pada tanggal 31 Desember 2013 seluruh pinjaman ini telah dilunasi dan tanggal 31 Desember 2012 jumlah saldo pinjaman sindikasi adalah sebesar USD 27.319.373.

National Australia Bank Limited

Pada 9 Agustus 2010, GOH Australia, entitas anak PT Aerowisata, memperoleh utang sewa pembiayaan aset dari National Australia Bank Limited. Jangka waktu perjanjian sewa pembiayaan adalah 3 tahun dan telah dilunasi pada 9 Juli 2013.

On December 31, 2013, all the outstanding loan has been settled and at December 31, 2012, the outstanding loan amounted to USD 27,319,373.

National Australia Bank Limited

On August 9, 2010, GOH Australia, a subsidiary of PT Aerowisata, obtained finance lease for purchase of assets from National Australia Bank Limited. The term of finance lease is 3 years and settled on July 9, 2013.

24. LIABILITAS SEWA PEMBIAYAAN

Grup melakukan transaksi sewa pesawat Airbus tipe A-330 yang dibiayai oleh Lloyd (ECA) dengan masa sewa sejak tahun 1996 – 2016, Export Development Canada (EDC) untuk sewa pesawat CRJ1000 dengan masa sewa 2012 – 2022.

Grup juga melakukan transaksi sewa dengan PT Hewlett-Packard Finance Indonesia dan PT Orix Indonesia atas transaksi sewa perangkat keras dan lunak dengan masa sewa 3 tahun.

Pembayaran minimum sewa berdasarkan perjanjian sewa adalah sebagai berikut:

	2013 USD	2012 USD	
Dalam satu tahun	58.814.443	65.127.902	Within one year
Lebih dari satu tahun tapi tidak lebih dari lima tahun	98.416.610	123.360.688	Over one year but not longer than five years
Lebih dari lima tahun	58.290.805	41.545.655	Over five years
Jumlah pembayaran sewa masa depan	215.521.858	230.034.245	Total future lease payment
Dikurangi beban keuangan di masa depan	23.770.914	23.681.647	Less future finance charges
Nilai kini pembayaran minimum sewa	<u>191.750.944</u>	<u>206.352.598</u>	Present value of minimum lease payments
Disajikan di laporan posisi keuangan konsolidasian sebagai:			Presented in consolidated statement of financial position as:
Jatuh tempo dalam satu tahun	53.268.680	58.132.590	Current maturities
Jangka panjang	138.482.264	148.220.008	Non current maturities
Jumlah	<u>191.750.944</u>	<u>206.352.598</u>	Total

Export Credit Agency (ECA)

Pada tanggal 21 Desember 2010, Perusahaan telah selesai melaksanakan restrukturisasi atas utang ECA. Dalam restrukturisasi tersebut dijelaskan hal-hal sebagai berikut:

24. LEASE LIABILITIES

The Group entered into lease transaction for the lease of aircraft Airbus type A-330 which were financed by Lloyd (ECA), with lease period of 1996 – 2016 and Export Development Canada (EDC) for lease of aircraft CRJ1000 with lease period of 2012 – 2022.

The Group also entered into lease agreement with PT Hewlett-Packard Finance Indonesia and PT Orix Indonesia for the lease of software and hardware with lease period of 3 years.

The minimum lease payments based on the lease agreements are as follows:

Export Credit Agency (ECA)

On December 21, 2010, the Company completed the restructuring of the ECA debt. The restructuring clarified the following matters:

- Saldo utang ECA pada tanggal 21 Desember 2010 yang terdiri dari utang kepada Commercial Lender sebesar USD 78.782.738 dan kepada ECA sebesar USD 175.461.456 dijadwal ulang dan jatuh tempo setiap bulan sampai dengan Desember 2016. Tingkat bunga atas pinjaman ECA sebesar LIBOR + 0,9/0,95%, sedangkan tingkat bunga atas pinjaman *Commercial Lender* sebesar LIBOR + 1,75%. Utang ECA dan *Commercial Lender* dijamin dengan 6 (enam) pesawat Airbus A330-300 dan 3 (tiga) mesin Rolls Royce model Trent 768 engines. Tambahan jaminan untuk sebagian dari utang ECA (Tranche A dan B1) sebesar USD 50 juta adalah 7 pesawat Boeing 737-400. Jaminan ini telah dilepaskan sesuai *Deed of Release* tanggal 2 Maret 2011.
- Pada tanggal 21 Desember 2010, Perusahaan membeli kembali pinjamannya melalui proses *reverse dutch auction* sebesar USD 15.546.270 dengan nilai USD 11 juta, sehingga memperoleh keuntungan sebesar USD 4.546.270.

Pembatasan penting dalam perjanjian sewa pembiayaan diantaranya adalah:

- Perusahaan tidak akan dan akan menjaga bahwa tidak terdapat perusahaan dalam Garuda grup yang memiliki liabilitas keuangan kecuali untuk:
 - Liabilitas keuangan yang terjadi berdasarkan perjanjian ini, perjanjian sewa tambahan, dokumen-dokumen sewa lain dan liabilitas kepada kreditur yang terdapat pada tanggal efektif dan diungkapkan dalam *Deed Poll*.
 - Liabilitas keuangan yang timbul akibat sewa operasi dimana penyewa adalah perusahaan dalam Garuda grup.
 - Sejak tanggal efektif sampai dengan 30 Juni 2011, total liabilitas keuangan Garuda grup tidak boleh melebihi USD 80 juta, setelahnya (sejak tanggal 1 Juli 2011) sampai berakhirnya perjanjian, pembatasan ini telah dihapuskan.
 - Garuda grup harus memenuhi pembatasan *financial covenant* yang dipersyaratkan dalam perjanjian, antara lain:
 - *Coverage ratio* tidak kurang dari 1,3.
 - *Debt ratio* tidak melebihi 5 kali.
 - Tahun 2010 – 2016 maksimum belanja modal tiap tahun adalah 2,5% dari total penerimaan operasional.
- Perusahaan juga menyetujui untuk melakukan pembayaran kembali kepada para kreditur dengan dana dari kelebihan kas Perusahaan sebagaimana diatur dalam *Cash Sweep Deed of Covenant*.

- The outstanding ECA debt balance as of December 21, 2010 consisting of debt to Commercial Lenders amounting to USD 78,782,738 and ECA amounting to USD 175,461,456 was rescheduled and will now fall due each month until December 2016. The interest on the ECA loan is LIBOR + 0.9/0.95%, while the interest rate on loans to Commercial Lenders is LIBOR+1.75%. The debt with ECA and Commercial Lenders is secured by 6 (six) Airbus A330-300 aircraft and three 3 (three) Rolls Royce model Trent 768 engines. Additional collateral for a portion of ECA debt (Tranche A and B1) amounting to USD 50 million is 7 Boeing 737-400 aircraft. All collateral has been released based on *Deed of Release* dated March 2, 2011.

- On December 21, 2010, the Company repurchased USD 15,546,270 of its loan through reverse dutch auction process, for USD 11 million, generating a gain of USD 4,546,270.

The major covenants in the finance lease agreement include the following:

- The Company will not, and will ensure that no companies in the Garuda group, have any financial liabilities except for:
 - Financial liabilities arising from this agreement, supplementary rental agreements, other rental documents, and liabilities to creditors already existing on the effective date and disclosed in the *Deed Poll*.
 - Financial liabilities incurred from operating leases in which the lessee is a company in the Garuda group.
 - From the effective date of the agreement until June 30, 2011, the total financial liabilities incurred by the companies in the Garuda group may not exceed USD 80 million, thereafter (starting from July 1, 2011) until the termination of the agreement such restriction has been waived.
 - Garuda group shall meet the financial covenant restrictions required in the agreement, such as:
 - Coverage ratio not less than 1.3.
 - Debt ratio not to exceed 5 times.
 - For the years 2010 – 2016 the maximum capital expenditure each year shall be 2.5% of the total operating revenue.
- The Company also agreed to settle the above-mentioned loans to the creditors using the excess cash of the Company as stipulated in the *Cash Sweep Deed of Covenant*.

Dalam perjanjian restrukturisasi ECA tersebut terdapat *negative covenant* yaitu Perusahaan tidak diperkenankan untuk membayar atau mengumumkan dividen atau distribusi lainnya kecuali:

- a) Dividen tersebut tidak melebihi: (i) 10% dari laba bersih Perusahaan sebelum IPO atau (ii) 50% dari laba bersih Perusahaan setelah IPO.
- b) Dividen dibagikan jika terdapat kelebihan kas (*excess cash* Perusahaan) seperti yang didefinisikan dalam perjanjian pada tahun bersangkutan.
- c) Diperbolehkan berdasarkan hukum bagi Perusahaan untuk melakukan pembayaran atau pengumuman.
- d) Tidak ada saldo yang jatuh tempo dan belum dibayar atas perjanjian sewa dan tidak ada saldo lainnya yang jatuh tempo dan belum dibayar atas peminjaman utang lainnya.
- e) Tidak ada kejadian sehubungan dengan pailit dan ketidakmampuan membayar liabilitas yang ada.

Pada tanggal 15 Desember 2010, Perusahaan telah melakukan pembayaran atas *tax security deposit tranche A* dan *security deposit tranche B* masing-masing sebesar EUR 7 juta dan EUR 1 juta, sebagai salah satu syarat yang harus dipenuhi Perusahaan dalam restrukturisasi utang ECA (Catatan 17).

Pada tanggal 31 Desember 2013, *Coverage ratio* Perusahaan sebesar 1,13 dan Debt Ratio sebesar 6,28 kali. Manajemen telah mereviu perjanjian ECA dan menyimpulkan bahwa terlampainya batasan-batasan *financial covenants* tidak menyebabkan pinjaman Perusahaan menjadi jatuh tempo seketika dan terutang.

Pada tanggal 31 Desember 2013 dan 2012, saldo utang sewa pembiayaan ECA sebesar USD 83.743.135 dan USD 137.089.080.

Export Development Canada (EDC)

Pada 27 Juli 2012 Perusahaan memperoleh fasilitas pembiayaan dari EDC terkait sewa pesawat *CRJ1000 Next Generation* sebesar plafon maksimal USD 135 juta sampai dengan 31 Desember 2012, dan Perusahaan telah menggunakan, Pada 31 Desember 2013, fasilitas yang digunakan sebesar USD 112.678.853 dari maksimum plafon yang ditentukan.

Terdapat dua tingkat bunga yang diaplikasikan untuk pinjaman ini: Bunga Tetap dan Bunga Mengambang.

- Bunga tetap yang berlaku adalah *Semi-annual 6-years swap rate + Margin + Premium*.
- Bunga mengambang yang berlaku adalah: *3-months LIBOR + Margin + Premium*.

In the ECA debt restructuring agreement, there is a negative covenant that does not allow the Company to pay or announce any dividend or other distribution, except:

- a) The dividend does not exceed: (i) 10% of the distributable profit for such financial year prior to an IPO or (ii) 50% of the distributable profit for such financial year after an IPO.
- b) Dividend is distributed if the Company has excess cash in the year concerned as defined in the agreement.
- c) It is allowed by law for the Company to make payment or announcement.
- d) There is no outstanding balance that has fallen due and has not been paid for any rental agreement and no other balances that have fallen due and not been paid for other debt borrowings.
- e) There are no occurrences relating to continuing inability to pay.

On December 15, 2010, the Company has paid the tax security deposit tranche A and security deposit tranche B, of EUR 7 million and EUR 1 million, respectively, as one of the conditions to be met by the Company in the ECA debt restructuring process (Note 17).

At December 31, 2013, the Company's coverage ratio is 1.13 and Debt Ratio is 6.28 times. Management has reviewed the terms of the ECA agreement and concluded that exceeding the limit of such financial covenant does not make the loan to become immediately due and payable.

As of December 31, 2013 and 2012, the outstanding balance of ECA finance lease obligation amounted to USD 83,743,135 and USD 137,089,080, respectively.

Export Development Canada (EDC)

On July 27, 2012, the Company obtained financing from EDC facility related to CRJ1000 Next-Generation with a maximum credit of USD 135 million. Until December 31, 2012, the Company has used USD 67,029,003 of the maximum credit. At December 31, 2013, used facility amounted to USD 112,678,853 from the maximum plafond available.

There are two interest rates applicable to these financing: Fixed Rate and Floating Rate.

- Fixed interest rate is computed using the semi-annual 6-year swap rate + margin + premium.
- Floating interest rate is computed using the 3-month LIBOR + margin + premium.

Perusahaan diminta untuk memberikan konfirmasi terlebih dahulu mengenai jenis tingkat bunga yang akan diaplikasikan pada saat pengiriman pesawat.

The Company is required to confirm in advance the applicable interest rate to be used upon delivery of the aircraft.

Pada saat eksekusi Pinjaman, tingkat suku bunga yang direalisasikan adalah:

Upon execution of financing agreement, the interest rate is realized as follows:

1. Perusahaan memilih pembayaran bunga tetap untuk pembiayaan atas PK-GRA. Pembayaran dilakukan setiap kuartal dimulai pada tanggal 7 Januari 2013.
2. Perusahaan memilih pembayaran bunga tetap untuk pembiayaan atas PK-GRC. Pembayaran dilakukan setiap kuartal dimulai pada tanggal 30 Januari 2013.
3. Perusahaan memilih pembayaran bunga tetap untuk pembiayaan atas PK-GRE. Pembayaran dilakukan setiap kuartal dimulai pada tanggal 9 Pebruari 2013.
4. Perusahaan memilih pembayaran bunga tetap untuk pembiayaan atas PK-GRM. Pembayaran dilakukan setiap kuartal dimulai pada tanggal 25 September 2013.
5. Perusahaan memilih pembayaran bunga mengambang untuk pembiayaan atas PK-GRN. Pembayaran dilakukan setiap kuartal dimulai pada tanggal 29 Nopember 2013.

1. The Company elected fixed interest payment for the loan tied to PK-GRA. Payments are made each quarter beginning on January 7, 2013.
2. The Company elected fixed interest payment for the loan tied to PK-GRC. Payments are made each quarter beginning on January 30, 2013.
3. The Company elected fixed interest payment for the loan tied to PK-GRE. Payments are made each quarter beginning on February 9, 2013.
4. The Company elected fixed interest payment for the loan tied to PK-GRM. Payments are made each quarter beginning on September 25, 2013.
5. The Company elected floating interest payment for the loan tied to PK-GRN. Payments are made each quarter beginning on November 29, 2013.

Pembatasan-pembatasan penting dalam fasilitas pinjaman ini adalah:

Significant covenants of the financing facility are as follow:

1. *Debt Ratio* Grup tidak lebih atau sama dengan 7.25 kali.
2. *Coverage Ratio* Grup tidak boleh sama atau kurang dari (i) 1.3 kali pada tanggal yang lebih awal antara tanggal 20 April 2015 atau tanggal di mana Pembiayaan tersebut dibayar lunas dan (ii) 1.1 kali setelahnya.
3. Prosentase kas minimum tidak harus sama dengan atau kurang dari 5% selama lebih dari dua (2) kuartal berturut-turut.

1. Debt ratio of the Group shall not be equal to or more than 7.25 times.
2. Coverage ratio of the Group shall not be equal to or less than (i) 1.3 times on the earlier of April 20, 2015 or the date on which the Relevant Financing is fully repaid and (ii) 1.1 times thereafter.
3. Minimum cash percentage of the Group shall not be equal to or less than 5% for more than two (2) consecutive quarters.

Pada tanggal 31 Desember 2013, Perusahaan memenuhi seluruh covenant yang disyaratkan.

At December 31, 2013, the Company is in compliance with the required covenants.

Jangka waktu pembiayaan adalah 10 tahun dengan tanggal jatuh tempo sebagai berikut:

Financing period is 10 years with maturity as follows:

1. CRJ1000 PK-GRA jatuh tempo tanggal 5 tiap bulan. Pembayaran pertama tanggal 5 Januari 2013, sedangkan jatuh tempo terakhir pada tanggal 5 Oktober 2022.
2. CRJ1000 PK-GRC jatuh tempo tanggal 30 tiap bulan. Pembayaran pertama tanggal 30 Januari 2013, sedangkan jatuh tempo terakhir pada tanggal 30 Oktober 2022.

1. CRJ1000 PK-GRA will be due every 5th of each month. The first payment date is on January 5, 2013, with final maturity on October 5, 2022.
2. CRJ1000PK-GRC will be due every 30th of each month. The first payment date is on January 30, 2013, with final maturity on October 30, 2022.

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3. CRJ1000 PK-GRE jatuh tempo tanggal 9 tiap bulan. Pembayaran pertama tanggal 5 Pebruari 2013, sedangkan jatuh tempo terakhir pada tanggal 9 Nopember 2022.
4. CRJ1000 PK-GRM jatuh tempo setiap tanggal 25 pada bulan ketiga. Pembayaran pertama tanggal 25 September 2013, sedangkan jatuh tempo terakhir pada tanggal 25 Juni 2023.
5. CRJ1000 PK-GRN jatuh tempo setiap tanggal 29 pada bulan ketiga. Pembayaran pertama tanggal 29 Nopember 2013, sedangkan jatuh tempo terakhir pada tanggal 29 Agustus 2023.

Tidak ada uang jaminan atas pembiayaan ini. Pada tanggal 31 Desember 2013 dan 2012, saldo utang sewa pembiayaan EDC masing-masing sebesar USD 105.784.435 dan USD 67.029.003.

PT Hewlett-Packard Finance Indonesia dan PT Orix Indonesia

Merupakan utang pembelian perangkat keras dan perangkat lunak dengan jangka waktu sewa 36 bulan dengan tingkat bunga efektif sebesar 7% dan 8% tahun 2013 dan 2012.

Pada tanggal 31 Desember 2013 dan 2012 saldo utang sewa pembiayaan masing-masing sebesar USD 2.223.374 dan USD 2.234.515.

3. CRJ1000PK-GRE will be due on 9th of each month. The first payment date is on February 5, 2013, with final maturity on November 9, 2022.
4. CRJ1000PK-GRM will be due on 25th of each quarter. The first payment date is on September 25, 2013, with final maturity on June 25, 2023.
5. CRJ1000PK-GRN will be due on 29th of each quarter. The first payment date is on November 29, 2013, with final maturity on August 29, 2023.

No security deposit is issued for this financing. At December 31, 2013 and 2012, the outstanding balance of EDC financing amounted to USD 105,784,435 and USD 67,029,003, respectively.

PT Hewlett-Packard Finance Indonesia and PT Orix Indonesia

The loan is related to the purchase of hardware and software with lease term of 36 months and effective interest rate per annum of 7% and 8% in 2013 and 2012, respectively.

As of December 31, 2013 and 2012, the outstanding balance amounted to USD 2,223,374 and USD 2,234,515, respectively.

25. LIABILITAS ESTIMASI BIAYA PENGEMBALIAN DAN PEMELIHARAAN PESAWAT

25. ESTIMATED LIABILITY FOR AIRCRAFT RETURN AND MAINTENANCE COST

	2013 USD	2012 USD	
Saldo awal tahun	52.331.790	55.428.337	Balance at beginning of year
Penambahan tahun berjalan	33.946.760	19.052.718	Provision during the year
Jumlah digunakan	(19.509.300)	(24.578.223)	Amount utilised
Amortisasi diskonto	3.483.000	2.428.958	Amortized discount
Saldo akhir tahun	<u>70.252.250</u>	<u>52.331.790</u>	Balance at end of year
Penyajian			Presentation
Jatuh tempo dalam satu tahun	15.060.990	21.795.528	Current maturities
Jangka panjang	55.191.260	30.536.262	Non current maturities
Jumlah	<u>70.252.250</u>	<u>52.331.790</u>	Total

26. UTANG OBLIGASI

Di Juli 2013, Perusahaan melakukan penawaran efek grup bernama "Obligasi Garuda Indonesia Berkelanjutan 1". Perusahaan menargetkan untuk meraih Rp 4,000,000,000,000 dari penawaran tersebut. Pada fase pertama Bond yang ditawarkan sebesar Rp 2,000,000,000,000 (setara dengan USD 200,724,972). 80% dari hasil yang diperoleh akan digunakan sebagai uang muka untuk pembelian pesawat dan 20% sisanya akan digunakan sebagai capital untuk pembayaran sewa pesawat.

Pembayaran obligasi dilakukan secara penuh (*bullet payment*) saat jatuh tempo. Tingkat bunga sebesar 9,25% per tahun dan dibayar setiap 3 bulanan, dimulai 5 Oktober 2013 sampai 5 Juli 2018. Pembelian kembali obligasi dapat dilakukan setelah satu tahun dari tanggal penjatahan berdasarkan harga pasar.

PT CIMB Niaga Tbk bertindak sebagai wali amanat. Obligasi tersebut mendapatkan IdA fitch rating dan tercatat pada Bursa Efek Indonesia pada 8 Juli 2013. Obligasi tidak dijamin oleh apapun atau siapapun.

Saldo per 31 December 2013 sebesar USD 162.850.383.

27. LIABILITAS TIDAK LANCAR LAINNYA

	2013	2012	
	USD	USD	
Pendapatan ditangguhkan atas jual dan sewa balik (Catatan 47)	22.720.707	5.014.143	Deferred income from sale and leaseback (Note 47)
Uang muka agen	2.742.732	2.116.789	Advances from agent
Lain-lain	408.068	113.981	Others
Jumlah	<u>25.871.507</u>	<u>7.244.913</u>	Total

28. LIABILITAS IMBALAN PASCA KERJA

a. Imbalan Pasca-kerja

Program Iuran Pasti

Perusahaan dan PT Garuda Maintenance Facility Aero Asia (GMFAA), entitas anak, menyelenggarakan program pensiun iuran pasti untuk seluruh karyawan tetapnya. Program pensiun tersebut dikelola oleh Dana Pensiun Garuda Indonesia (DPGA), yang akta pendiriannya telah disahkan oleh Menteri Keuangan Republik Indonesia dengan Surat Keputusan No. KEP-403/KM.17/1999 tanggal 15 Nopember 1999. Iuran dana pensiun masing-masing berjumlah 7,5% dari gaji dasar karyawan dimana sebesar 2% ditanggung karyawan dan sisanya ditanggung Perusahaan dan GMFAA.

26. BONDS PAYABLE

In July 2013, the Company carried out a sustainable public offering called "Garuda Indonesia Sustainable Bond 1". The Company is aiming to raise Rp 4,000,000,000,000 from the offering. In the first phase, the Company offered Sustainable Bond Garuda Indonesia 2013 amounting to Rp 2,000,000,000,000 (equivalent to USD 200,724,972). About 80% of the proceeds will be used as advance payment for the purchase of aircrafts and the remaining 20% will be used as working capital to pay for aircraft lease rentals.

The bond principal is to be settled at bullet payment on maturity. Interest is fixed at 9.25% per annum, payable every three months starting on October 5, 2013 to July 5, 2018. Buy-back of bond can be made one year after allotment date at market price.

The Trustee for the bonds is PT CIMB Niaga Tbk. The bond received Fitch rating of IdA, and listed in the Indonesian Stock Exchange on July 8, 2013. The bond is not secured by any collateral and not guaranteed by any party.

Balance at December 31, 2013 amounted to USD 162,850,383.

27. OTHER NONCURRENT LIABILITIES

28. POST-EMPLOYMENT BENEFITS OBLIGATION

a. Post-employment Benefits

Defined Contribution Plan

The Company and PT Garuda Maintenance Facility Aero Asia (GMFAA), a subsidiary, established a defined contribution pension plan for all their permanent employees. The pension plan is managed by Dana Pensiun Garuda Indonesia (DPGA), whose deed of establishment was approved by the Minister of Finance of the Republic of Indonesia in his Decision Letter No. KEP-403/KM.17/1999 dated November 15, 1999. The pension fund contributions are equivalent to 7.5% of employees' basic salaries wherein 2% are assumed by the employees and the difference is assumed by the Company and GMFAA.

Berdasarkan hasil Rapat Umum Pemegang Saham Tahunan (RUPST) Perusahaan tanggal 26 April 2013, di setuju dan ditetapkan perubahan iuran dana pensiun Perusahaan dari yang semula 7,5% dari gaji dasar karyawan menjadi 10% dan perubahan iuran yang ditanggung karyawan dari yang semula 2% menjadi 3% dan sisanya menjadi tanggungan Perusahaan.

PT Abacus Distribution Systems Indonesia (ADSI), entitas anak, menyelenggarakan program penutupan asuransi atas jaminan hari tua untuk semua karyawan yang memenuhi persyaratan. Program jaminan hari tua ini memberikan manfaat jaminan hari tua yang ditentukan berdasarkan penghasilan terakhir peserta. Program jaminan hari tua ini dikelola oleh PT Asuransi Jiwasraya (Persero). Pendanaan jaminan hari tua berasal dari kontribusi entitas anak tersebut dan karyawannya masing-masing sebesar 7,5% dan 2,5% dari gaji dasar.

Beban iuran pasti untuk tahun-tahun yang berakhir 31 Desember 2013 dan 2012 masing-masing sebesar USD 7.432.668 dan USD 7.581.136 dicatat sebagai beban operasional.

Program Imbalan Pasti

PT Aero Wisata, entitas anak, menyelenggarakan program pensiun manfaat pasti untuk seluruh karyawan tetapnya yang dikelola oleh Dana Pensiun Aero Wisata yang akta pendiriannya telah disahkan oleh Menteri Keuangan Republik Indonesia dengan Surat Keputusan No. KEP-044/KM.10/2007 tanggal 26 Maret 2007. Iuran dana pensiun berasal dari kontribusi PT Aero Wisata dan karyawan masing-masing sebesar 11,40% dan 5% dari gaji kotor. Pada masa pensiun, karyawan akan memperoleh manfaat sebesar 2,5% kali masa kerja kali penghasilan dasar pensiun.

GMFAA, ADSI, ASI dan AWS juga memberikan imbalan kepada karyawan yang memenuhi persyaratan sesuai dengan kebijakan Perusahaan yang didasarkan pada Undang-undang Ketenagakerjaan No. 13 Tahun 2003. Tidak terdapat pendanaan yang disisihkan oleh Perusahaan sehubungan dengan imbalan kerja ini.

b. Imbalan Kerja Jangka Panjang Lain

GMFAA, ADSI, ASI dan AWS memberikan penghargaan masa bakti kepada karyawan yang telah bekerja selama 20 tahun sesuai dengan kebijakan Perusahaan. Tidak terdapat pendanaan yang disisihkan oleh Perusahaan sehubungan dengan imbalan kerja ini.

Based on the Company's Annual General Shareholder Meeting (RUPST) dated April 26, 2013, RUPST agreed and approved the changes in pension funding from 7,5% of employee basic salary to become 10%, while the contribution ratio as borne by an employees was changed from 2% to become 3% with the remaining portion is borne by the Company.

PT Abacus Distribution Systems Indonesia (ADSI), a subsidiary, established an insurance program covering post-retirement benefits for all qualified permanent employees. This program provides post-retirement benefits based on the participants latest salaries. This program is managed by PT Asuransi Jiwasraya (Persero). The program is funded by contributions from the subsidiary and its employees at 7.5% and 2.5%, of the employees' basic salaries, respectively.

Pension expense was recorded as part of operating expense for the years ended December 31, 2013 and 2012 amounting to USD 7,432,668 and USD 7,581,136, respectively.

Defined Benefit Plan

PT Aero Wisata, a subsidiary, established a defined benefit pension plan for all its permanent employees. The plan is managed by Dana Pensiun Aero Wisata whose deed of establishment was approved by the Minister of Finance of Republic of Indonesia in his Decision Letter No. KEP-044/KM.10/2007 dated March 26, 2007. The pension fund is funded by contribution from PT Aero Wisata and its employees at 11.40% and 5%, respectively, of the employees gross salaries. At retirement age, the employees will obtain benefit of 2.5% times working period times basic pension income.

The GMFAA, ADSI, ASI and AWS also provide benefits to their qualifying employees in accordance with the Company's policies based on Labor Law No. 13 Year 2003. No funding has been made to this defined benefit plan.

b. Other Long-term Benefit

The GMFAA, ADSI, ASI and AWS provide long service awards to their employees who have already rendered 20 years of service in accordance with their policies. No funding has been made to this long-term benefit.

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Pada 31 Desember 2013 dan 2012, perhitungan imbalan kerja program imbalan pasti dan imbalan kerja jangka panjang lainnya dihitung oleh PT Padma Radya Aktuarial, aktuarial independen, dengan menggunakan asumsi utama sebagai berikut:

At December 31, 2013 and 2012, the cost of providing defined benefit plan and other long-term benefits is calculated by PT Padma Radya Aktuarial, an independent actuary, using the following key assumptions:

	2013	2012	
Tingkat diskonto	8,6% - 9%	5,75% - 6,5%	Discount rate
Tingkat kenaikan gaji	3% - 8%	6% - 8%	Future salary increment rate
Tingkat kematian	TMI	TMI	Mortality rate
Tingkat cacat	10% dari tingkat kematian/	10% of mortality rate	Disability rate
Tingkat pengunduran diri	5% usia 25 tahun menurun secara garis lurus sampai 0% usia 56 tahun/ 5% at age 25 and decreasing linearly to 0% at age 56	56 tahun/56 years	Resignation rate
Tingkat pensiun normal	56 tahun/56 years	56 tahun/56 years	Normal retirement rate
Tingkat kenaikan biaya kesehatan - untuk kesehatan	6,1% sampai tahun 2017 kemudian flat 5%/ 6,1% until year 2017 then 5% flat rate	7,2% sampai tahun 2014 kemudian flat 5%/ 7,2% until year 2014 then 5% flat rate	Medical cost increment rate - for healthcare

Jumlah yang dibebankan atas imbalan pasca-kerja program imbalan pasti dan jangka panjang lain adalah sebagai berikut:

The amounts recognized in profit or loss arising from the post-employment defined benefits plan and other long-term benefits, are as follows:

	2013				Jumlah/ Total	
	Imbalan pasca-kerja/ Post-employment benefit					
Imbalan kesehatan/ Healthcare plan USD	Program imbalan pasti/ Defined benefit plan USD	Pensiun kesehatan/ Health care USD	Penghargaan masa bakti/ Long service award USD	Jumlah/ Total USD		
Biaya jasa kini	-	9.765.992	39.130	1.512.637	11.317.759	Current service cost
Biaya jasa lalu	-	876.504	-	46.688	923.192	Past service cost
Beban bunga	-	9.972.893	2.806.779	1.203.702	13.983.374	Interest costs
Keuntungan (kerugian) aktuarial	-	4.964.403	(4.001.795)	(1.261.908)	(299.300)	Actuarial gain (losses)
Dampak kurtailmen	-	(402.973)	-	(56.257)	(459.230)	Effect of curtailment
Hasil aset program diharapkan	-	-	(2.587.857)	-	(2.587.857)	Expected return on plan assets
Jumlah	-	25.176.819	(3.743.743)	1.444.862	22.877.938	Total

	2012				Jumlah/ Total	
	Imbalan pasca-kerja/ Post-employment benefit					
Imbalan kesehatan/ Healthcare plan USD	Program imbalan pasti/ Defined benefit plan USD	Pensiun kesehatan/ Health care USD	Penghargaan masa bakti/ Long service award USD	Jumlah/ Total USD		
Biaya jasa kini	-	10.220.571	71.723	1.576.454	11.868.748	Current service cost
Biaya jasa lalu	-	1.424.644	-	-	1.424.644	Past service cost
Beban bunga	283.586	13.699.527	2.375.776	1.488.273	17.847.162	Interest costs
Keuntungan (kerugian) aktuarial	-	5.969.097	(321.931)	(35.981)	5.611.185	Actuarial gain (losses)
Dampak kurtailmen	-	(1.283.458)	-	(339.294)	(1.622.752)	Effect of curtailment
Hasil aset program diharapkan	-	-	(4.592.518)	-	(4.592.518)	Expected return on plan assets
Jumlah	283.586	30.030.381	(2.466.950)	2.689.452	30.536.469	Total

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Liabilitas imbalan kerja pasca-kerja program imbalan pasti dan jangka panjang lain yang termasuk dalam laporan keuangan konsolidasian adalah sebagai berikut:

The amounts included in the consolidated statements of financial position arising from the post-employment defined benefits plan and other long-term benefit are as follows:

2013						
Liabilitas imbalan pasca kerja/ Employee benefit obligations						
Imbalan kesehatan/ Healthcare plan USD	Program imbalan pasti/ Defined benefit plan USD	Pensiun kesehatan/ Health care USD	Penghargaan masa bakti/ Long service award USD	Jumlah/ Total USD		
Nilai tunai kewajiban	-	155.771.612	29.756.445	15.969.303	201.497.359	Present value of obligation
Biaya jasa lalu yang masih akan diakui dimasa mendatang	-	(1.421.066)	-	-	(1.421.066)	Unrecognized past service cost
Keuntungan (kerugian) aktuarial belum diakui	-	(52.777.586)	-	-	(52.777.586)	Unrecognized actuarial gains (losses)
Nilai wajar aset program	-	-	(40.479.066)	-	(40.479.066)	Fair value of plan assets
Selisih Kurs	-	11.200.788	-	-	11.200.788	Foreign exchange differential
Kewajiban bersih	-	112.773.748	(10.722.622)	15.969.303	118.020.429	Net liability
Liabilitas imbalan kerja	-	112.773.748	-	15.969.303	128.743.051	Employee benefit obligations
Surplus imbalan kerja	-	-	(10.722.622)	-	(10.722.622)	Plan assets
2012						
Liabilitas imbalan pasca kerja/ Employee benefit obligations						
Imbalan kesehatan/ Healthcare plan USD	Program imbalan pasti/ Defined benefit plan USD	Pensiun kesehatan/ Health care USD	Penghargaan masa bakti/ Long service award USD	Jumlah/ Total USD		
Nilai tunai kewajiban	72.380	203.147.676	47.692.880	23.231.912	274.144.848	Present value of obligation
Biaya jasa lalu yang masih akan diakui dimasa mendatang	-	(1.345.156)	-	-	(1.345.156)	Unrecognized past service cost
Keuntungan (kerugian) aktuarial belum diakui	-	(75.847.250)	1.676.777	-	(74.170.473)	Unrecognized actuarial gains (losses)
Nilai wajar aset program	-	-	(58.890.645)	-	(58.890.645)	Fair value of plan assets
Selisih kurs	-	3.727.551	(104.386)	-	3.623.165	Foreign exchange differential
Kewajiban bersih	72.380	129.682.821	(9.625.374)	23.231.912	143.361.739	Net liability
Kewajiban imbalan kerja	72.380	129.682.821	-	23.231.912	152.987.113	Employee benefit obligations
Surplus imbalan kerja	-	-	(9.625.374)	-	(9.625.374)	Plan assets

Mutasi nilai kini kewajiban adalah sebagai berikut:

Movements in the present value obligation are as follows:

2013					
Liabilitas imbalan pasca kerja/ Employee benefit obligations					
Imbalan kesehatan/ Healthcare plan USD	Program imbalan pasti/ Defined benefit plan USD	Pensiun kesehatan/ Health care USD	Penghargaan masa bakti/ Long service award USD	Jumlah/ Total USD	
Nilai kini kewajiban					Present value obligation
- imbalan pasti - awal tahun	72.380	203.147.676	47.692.880	23.231.912	- beginning balance
Biaya jasa kini	-	9.765.992	39.130	1.512.637	Current service cost
Biaya bunga	-	9.972.893	2.806.779	1.203.702	Interest expense
Biaya jasa lalu	-	37.025	-	46.688	Past service cost
Kurtailment dan penyelesaian	-	(497.965)	-	(56.257)	Curtailment and settlement
Imbalan yang dibayarkan (Keuntungan) kerugian aktuarial dan koreksi data	(66.263)	(12.488.528)	(1.873.308)	(4.208.901)	Benefit payment
Perubahan kurs valuta asing	(6.117)	(40.425.933)	(7.661.663)	(4.498.570)	Actuarial gain/loss and data correction
Perubahan kurs valuta asing	(6.117)	(40.425.933)	(7.661.663)	(4.498.570)	Foreign exchange differential
Nilai kini kewajiban	-	155.771.612	29.756.444	15.969.303	Present value obligation
- imbalan pasti - akhir tahun	-	155.771.612	29.756.444	15.969.303	- ending balance

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	2012					
	Liabilitas imbalan pasca kerja/ Employee benefit obligations					
	Imbalan kesehatan/ Healthcare plan	Program imbalan pasti/ Defined benefit plan	Pensiun kesehatan/ Health care	Penghargaan masa bakti/ Long service award	Jumlah/ Total	
	USD	USD	USD	USD	USD	
Nilai kini kewajiban imbalan pasti - awal tahun	13.628.718	220.262.982	50.616.726	24.862.307	309.370.733	Present value obligation - beginning of the year
Biaya jasa kini	-	10.220.571	71.723	1.576.454	11.868.748	Current service cost
Biaya bunga	283.586	13.699.527	2.375.776	1.488.273	17.847.162	Interest expense
Biaya jasa lalu	-	7.937	-	-	7.937	Past service cost
Kurtailmen dan penyelesaian	-	(2.775.969)	-	(343.855)	(3.119.824)	Curtailment and settlement
Imbalan yang dibayarkan (Keuntungan) kerugian aktuaria dan data koreksi	(13.330.107)	(10.290.100)	(1.895.528)	(2.793.355)	(28.309.090)	Benefit payment and data correction
Perubahan kurs valuta asing	(509.817)	(13.049.897)	(3.806.686)	(1.518.315)	(18.884.715)	Foreign exchange differential
Nilai kini kewajiban imbalan pasti - saldo akhir	72.380	203.147.676	47.692.880	23.231.912	274.144.848	Present value obligation - end of the year

Mutasi liabilitas imbalan kerja pasca-kerja program imbalan pasti dan jangka panjang lain adalah sebagai berikut:

Movements in the net liability of the post-employment defined benefits plan and other long-term benefit are as follows:

	2013					
	Imbalan pasca-kerja/ Post-employment benefit					
	Imbalan kesehatan/ Healthcare plan	Program imbalan pasti/ Defined benefit plan	Pensiun kesehatan/ Health care	Penghargaan masa bakti/ Long service award	Jumlah/ Total	
	USD	USD	USD	USD	USD	
Saldo awal tahun	72.380	129.682.821	(9.625.374)	23.231.912	143.361.739	Balance of beginning of year
Beban tahun berjalan	-	25.176.819	(3.743.743)	1.444.862	22.877.938	Expense for the year
Selisih kurs	(6.117)	(29.597.364)	2.715.443	(4.498.570)	(31.386.608)	Foreign exchange differential
Pembayaran imbalan	(66.263)	(12.488.528)	(68.948)	(4.208.901)	(16.832.640)	Payments of benefits
Saldo akhir tahun	-	112.773.748	(10.722.622)	15.969.303	118.020.429	Balance at end of year

	2012					
	Imbalan pasca-kerja/ Post-employment benefit					
	Imbalan kesehatan/ Healthcare plan	Program imbalan pasti/ Defined benefit plan	Pensiun kesehatan/ Health care	Penghargaan masa bakti/ Long service award	Jumlah/ Total	
	USD	USD	USD	USD	USD	
Saldo awal tahun	13.628.718	117.745.460	(7.553.118)	24.862.307	148.683.367	Balance of beginning of year
Beban tahun berjalan	283.586	30.030.381	(2.466.950)	2.689.452	30.536.469	Expense for the year
Selisih kurs	(509.817)	(7.802.920)	538.076	(1.526.492)	(9.301.153)	Foreign exchange differential
Pembayaran imbalan	(13.330.107)	(10.290.100)	(143.382)	(2.793.355)	(26.556.944)	Payments of benefits
Saldo akhir tahun	72.380	129.682.821	(9.625.374)	23.231.912	143.361.739	Balance at end of year

Perusahaan telah menghentikan imbalan kesehatan atas karyawan yang pensiun pada periode tertentu.

The Company has discontinued the healthcare plan program for the employee who retired for certain period.

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Mutasi nilai wajar aset program kesehatan adalah sebagai berikut:

Movements in the present value of health care plan assets are as follows:

	2013 USD	2012 USD	
Nilai wajar aset program			Fair value of plan assets
- awal tahun	58.890.645	58.606.534	- beginning balance
Imbal hasil ekspektasian aset program	2.587.857	4.592.518	Expected return on plan assets
(Keuntungan) kerugian aktuarial dan koreksi data	(8.097.324)	1.197.306	Actuarial gain/loss and data correction
Kontribusi pemberi kerja	68.948	143.382	The Company contribution
Pembayaran manfaat	(1.873.308)	(1.895.528)	Benefit payment
Perubahan kurs valuta asing	(11.097.752)	(3.753.567)	Foreign exchange differential
Nilai wajar aset program			Fair value of plan assets
- akhir tahun	<u>40.479.066</u>	<u>58.890.645</u>	- ending balance

Pengaruh kenaikan/penurunan 1% dalam tingkat tren biaya kesehatan yang diasumsikan atas:

The effect of an increase/decrease of 1% in the assumed medical cost trend rate on:

	2013 USD	2012 USD	
Biaya jasa kini agregat dan biaya bunga	3.225.401	2.448.539	The aggregate of the current service cost and interest cost
Akumulasi kewajiban imbalan pasca kerja untuk biaya kesehatan	33.063.368	48.986.796	The accumulated post-employment benefit for medical costs.

Kategori utama aset program, dan tingkat imbal hasil ekspektasian pada akhir periode pelaporan untuk setiap kategori, adalah sebagai berikut:

The major category of plan assets, and the expected rate of return at the end of the reporting period for each category, are as follows:

	Tingkat imbal hasil ekspektasian/ <i>Expected return</i>		Nilai wajar aset program/ <i>Fair value of plan assets</i>		
	2013 %	2012 %	2013 USD	2012 USD	
Instrumen ekuitas	85,18%	52,06%	34.481.000	27.990.837	Equity instruments
Deposito dan lainnya	8,42%	47,94%	3.410.209	25.770.825	Time deposits and others
Imbalan hasil ekspektasian rata-rata	<u>6,39%</u>	<u>8,71%</u>	<u>2.587.857</u>	<u>5.128.983</u>	Investment result expected average
Nilai wajar aset program					Fair value of plan assets
- akhir tahun	<u>100%</u>	<u>109%</u>	<u>40.479.066</u>	<u>58.890.645</u>	- ending balance

Tingkat imbal hasil ekspektasian keseluruhan adalah rata-rata tertimbang dari imbal hasil ekspektasian dari berbagai kategori aset program yang diselenggarakan. Penilaian direksi atas imbal hasil ekspektasian didasarkan pada tren pengembalian historis dan analisis prediksi pasar untuk aset selama masa kewajiban tersebut.

The overall expected rate of return is a weighted average of the expected returns of the various categories of plan assets held. The directors' assessment of the expected return is based on historical return trends and analysis' predictions of the market for the assets over the life of the related obligation.

Imbalan hasil aset program adalah USD 2.587.857 dan USD 4.592.518 masing-masing pada tahun-tahun yang berakhir 31 Desember 2013 dan 2012.

The actual return on plan assets was USD 2,587,857 and USD 4,592,518 in the years ended December 31, 2013 and 2012, respectively.

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Riwayat penyesuaian pengalaman adalah sebagai berikut:

The history of experience adjustment is as follows:

	2013 USD	2012 USD	2011 USD	2010 USD	2009 USD	
Nilai kini kewajiban imbalan pasti	201.497.359	274.144.848	309.370.733	281.707.923	230.842.134	Present value of defined benefit obligation
Nilai wajar aset program	(40.479.066)	(58.890.645)	(58.606.534)	(53.825.294)	(35.444.768)	Fair value of plan assets
Defisit	161.018.293	215.254.203	250.764.199	227.882.629	195.397.366	Deficit
Penyesuaian pengalaman liabilitas program	22.241.577	(11.107.613)	8.973.931	4.645.283	23.041.304	Experience adjustment on plan liabilities
Penyesuaian pengalaman aset program	(6.920.093)	1.166.177	85.610	1.989.757	766.357	Experience adjustment on plan assets

29. MODAL SAHAM

29. CAPITAL STOCK

	2013			
	Jumlah saham/ <i>Number of shares</i>	Persentase kepemilikan/ <i>Percentage of ownership</i> %	Jumlah modal disetor/ <i>Total paid-up capital</i> USD	
Saham seri A Dw i w arna:				Series A Dw i w arna share:
Pemerintah Negara Republik Indonesia	1	0,0000%	0,10	Government of the Republic of Indonesia
Saham biasa seri B:				Series B share:
Pemerintah Negara Republik Indonesia	15.653.127.999	69,1362%	792.323.085	Government of the Republic of Indonesia
Credit Suisse AG Singapore TC AR CL PT Trans Airw ays	2.466.965.725	10,8960%	124.871.776	Credit Suisse AG Singapore TC AR CL PT Trans Airw ays
Credit Suisse AG Singapore Trust A/C Clients	462.691.000	2,0436%	23.420.288	Credit Suisse AG Singapore Trust A/C Clients
Komisaris:				Commisioners:
Wendy Aritenang Yazid	231.534	0,0010%	11.720	Wendy Aritenang Yazid
Direktur:				Directors:
Emirsyah Satar	1.904.369	0,0084%	96.395	Emirsyah Satar
Batara Silaban	285.207	0,0013%	14.436	Batara Silaban
Heriyanto Agung Putra	181.829	0,0008%	9.204	Heriyanto Agung Putra
Faik Fahmi	166.094	0,0007%	8.407	Faik Fahmi
Novijanto Herupratomo	123.816	0,0005%	6.267	Novijanto Herupratomo
Handrito Hardjono	97.118	0,0004%	4.916	Handrito Hardjono
Masyarakat (kepemilikan di baw ah 2%)	4.055.221.308	17,9110%	205.265.396	Public (each holding below 2%)
Jumlah	22.640.996.000	100,0000%	1.146.031.889	Total

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	2012			
	Jumlah saham/ <i>Number of shares</i>	Persentase kepemilikan/ <i>Percentage of ownership</i> %	Jumlah modal disetor/ <i>Total paid-up capital</i> USD	
Saham seri A Dw iwar na:				Series A Dw iwar na share:
Pemerintah Negara				Government of the Republic
Republik Indonesia	1	0,0000%	0,10	of Indonesia
Saham biasa seri B:				Series B share:
Pemerintah Negara				Government of the Republic
Republik Indonesia	15.653.127.999	69,1362%	792.323.087	of Indonesia
Credit Suisse AG Singapore				Credit Suisse AG Singapore
TC AR CL PT Trans Airw ays	2.466.965.725	10,8960%	124.871.776	TC AR CL PT Trans Airw ays
PT Angkasa Pura II (Persero)	403.634.000	1,7828%	20.430.967	PT Angkasa Pura II (Persero)
PT Angkasa Pura I (Persero)	248.496.000	1,0975%	12.578.260	PT Angkasa Pura I (Persero)
Komisaris:				Commisioners:
Wendy Aritenang Yazid	231.534	0,0010%	11.720	Wendy Aritenang Yazid
Direktur:				Directors:
Emirsyah Satar	1.904.369	0,0084%	96.395	Emirsyah Satar
Elisa Lumbantoruan	968.835	0,0043%	49.040	Elisa Lumbantoruan
Batara Silaban	285.207	0,0013%	14.436	Batara Silaban
Heriyanto Agung Putra	181.829	0,0008%	9.204	Heriyanto Agung Putra
Novijanto Herupratomo	123.816	0,0005%	6.267	Novijanto Herupratomo
Faik Fahmi	116.094	0,0005%	5.876	Faik Fahmi
Handrito Hardjono	97.118	0,0004%	4.916	Handrito Hardjono
Masyarakat				Public
(kepemilikan di baw ah 2%)	3.864.863.473	17,0702%	195.629.945	(each holding below 2%)
Jumlah	<u>22.640.996.000</u>	<u>100,0000%</u>	<u>1.146.031.889</u>	Total

Saham "Seri A" adalah saham khusus yang dimiliki oleh Pemerintah dan mempunyai hak suara khusus. Hak dan batasan yang berlaku pada saham "Seri B" juga berlaku bagi saham "Seri A", kecuali bahwa Pemerintah tidak dapat mengalihkan saham "Seri A", dan mempunyai hak veto sehubungan dengan (i) perubahan maksud dan tujuan Perusahaan; (ii) penambahan modal tanpa hak memesan terlebih dahulu; (iii) penggabungan, peleburan, pengambilalihan dan pemisahan; (iv) perubahan atas ketentuan-ketentuan yang mengatur hak-hak saham "Seri A" sebagaimana diatur dalam Anggaran Dasar; dan (v) pembubaran, kepailitan dan likuidasi Perusahaan. Saham "Seri A" juga memiliki hak untuk menunjuk satu orang Direktur dan satu orang Komisaris Perusahaan.

Berdasarkan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) pada tanggal 28 Juni 2012, pemegang saham menyetujui pelaksanaan kuasi-reorganisasi sesuai dengan ketentuan yang tertuang di PSAK 51 (Revisi 2003) dan Peraturan Bapepam No. IX.L1 tentang tata cara pelaksanaan Kuasi-Reorganisasi, lampiran keputusan ketua Bapepam No. Kep-16/PM/2004 tanggal 13 April 2004. Kuasi-reorganisasi dilakukan berdasarkan laporan keuangan per 1 Januari 2012 yang telah disajikan dalam mata uang US Dolar sebagai mata uang penyajian.

"Series A" share is a special share owned by the Government that has special voting rights. The rights and restrictions in effect on "Series B" share also applies to "Series A" share, except that the Government cannot transfer the "Series A" share, and has a veto in connection with (i) changes in scope of the Company, (ii) capital increase without rights issue in advance, (iii) a merger, consolidation, acquisition and separation, (iv) changes of the provisions governing the rights of shares of "Series A" as stipulated in the Articles of Association, and (v) the dissolution, bankruptcy and liquidation of the Company. "Series A" share also has the right to appoint one director and one commissioner.

Based on Extraordinary Shareholder Meeting (RUPSLB) dated June 28, 2012, the shareholders agreed to carry out a quasi-reorganization in accordance with PSAK 51 (Revised 2003) and Bapepam rules No. IX.L1 related to quasi-reorganization procedures, supplementary to the Bapepam Chairman Decision Letter No. Kep-16/PM/2004 dated April 13, 2004. The Company performed the procedures of quasi-reorganization based on the opening consolidated financial statement as of January 1, 2012, as remeasured in U.S. Dollar which is the Company's functional and presentation currency.

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Sehubungan dengan kuasi-reorganisasi, RUPSLB menyetujui pengurangan modal Perusahaan dengan cara menurunkan nilai nominal saham Perusahaan dari semula sebesar Rp 500 menjadi sebesar Rp 459 yang akan dilaksanakan setelah Peraturan Pemerintah terkait pengurangan modal tersebut diterbitkan. Setelah tanggal efektif, struktur modal Perusahaan akan menjadi:

1. Modal dasar, semula Rp 15.000.000.000.000 menjadi sebesar Rp 13.770.000.000.000.
2. Modal ditempatkan dan disetor semula Rp 11.320.498.000.000 menjadi Rp 10.392.217.164.000.

Pada tanggal 27 Desember 2012, Pemerintah Republik Indonesia menerbitkan Peraturan Pemerintah No. 114 tahun 2012 sehubungan dengan pengurangan penyertaan modal Pemerintah pada Perusahaan sebesar Rp 641.778.248.000. Perusahaan juga menerima Surat Keputusan Menteri Hukum dan Hak Azasi Manusia Republik Indonesia No. AHU-66159.AH.01.02.tahun 2012 tentang Persetujuan Perubahan Anggaran Dasar Perusahaan terkait proses Kuasi-reorganisasi. Dikarenakan komponen ekuitas selain modal saham tidak mencukupi untuk mengeliminasi saldo defisit yang ada, maka dilakukan penurunan modal saham sebesar USD 1.145.905.003 sehingga saldo modal saham setelah Kuasi-reorganisasi menjadi USD 1.146.031.889.

In connection with quasi-reorganization, the RUPSLB approved the capital reduction by lowering the nominal value of shares from the original amount of Rp 500 to Rp 459 to be carried out after the government regulation related with new capital structure is issued. After the effective date, the capital structure of the Company will be:

1. Authorized capital reduced from Rp 15,000,000,000,000 to Rp 13,770,000,000,000.
2. Issued and paid-up capital reduced from Rp 11,320,498,000,000 to Rp 10,392,217,164,000.

On December 27, 2012, the Government of Republic of Indonesia issued Government Regulation No. 114 year 2012 related to the decrease of the Government Equity participation in the Company amounting to Rp 641,778,248,000. The Company also received the Decision Letter from Minister of Law and Human Rights of the Republic Indonesia No. AHU-66159.AH.01.02.tahun 2012 related with the amendment of the Company, articles of association in connection with quasi-reorganization. Because the component of equity other than the capital stock is not sufficient to eliminate the deficit balance, the Company reduced its capital stock by USD 1,145,905,003. The capital stock after quasi-reorganization amounted to USD 1,146,031,889.

30. TAMBAHAN MODAL DISETOR

30. ADDITIONAL PAID-IN CAPITAL

	2013 USD	2012 USD	
Cadangan modal	106	106	Capital reserve
PMP atas 2 pesawat Boeing 747-400 dan 7 pesawat Boeing 737-400 sesuai PP No. 70 tahun 2000	10	10	GEP on 2 boeing 747-400 aircrafts and 7 boeing 737-400 aircrafts based on Government Regulation No. 70/2000
PMP atas <i>jet engine test cell</i> berdasarkan Keputusan Menteri Keuangan Republik Indonesia No. S-124/MK.016/1998	4.088.185	4.088.185	GEP on jet engine test cell based on the Decision Letter of Ministry of Finance of the Republic of Indonesia No. S-124/MK.016/1998
Pengeluaran saham melalui penawaran umum perdana kepada masyarakat	121.453.020	121.453.020	Issuance of shares through public offering
Biaya Emisi Efek	(12.474.286)	(12.474.286)	Share issuance cost
Eliminasi defisit dalam rangka kuasi reorganisasi	(108.518.998)	(108.518.998)	Elimination of deficit in connection with quasi-reorganization
Jumlah	<u>4.548.037</u>	<u>4.548.037</u>	Total

Penyertaan Modal Pemerintah (PMP) sebesar Rp 8.401.219.715 atau setara dengan USD 4.088.185 dicatat sebagai tambahan modal disetor karena Perusahaan belum melakukan peningkatan modal disetor.

The Government Equity Participation (GEP) of Rp 8,401,219,715 or equivalent with USD 4,088,185 was presented as additional paid-in capital since the Company has not yet increased its paid-up capital.

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Agio saham berasal dari selisih nilai par sebesar Rp 750 per saham dan nilai nominal sebesar Rp 500 per saham pada saat penawaran umum perdana Perusahaan pada tahun 2011. Total agio saham sebelum biaya emisi efek sebesar Rp 1.100.000.000.000 setara dengan USD 121.453.020.

Share premium arose from the market value of Rp 750 per share and nominal value of Rp 500 per share at initial public offering in 2011. Total share premium recorded before stock issuance cost amounted Rp 1,100,000,000,000 equivalent with USD 121,453,020.

Penyesuaian atas tambahan modal disetor sebesar USD 108.518.998 merupakan penyesuaian terkait dengan kuasi-reorganisasi untuk menghapus saldo defisit Perusahaan pada tanggal 1 Januari 2012.

The adjustment in additional paid in capital of USD 108,518,998 was made in connection with kuasi-reorganization to eliminate opening deficit balance as of January 1, 2012.

31. KOMPONEN EKUITAS LAINNYA

31. OTHER COMPONENT OF EQUITY

	2013 USD	2012 USD	
Surplus revaluasi			Revaluation surplus
Saldo awal	38.412.435	-	Beginning Balance
Peningkatan	18.993.491	46.699.641	Additions
Penurunan	(4.345.839)	-	Deductions
Dipindahkan ke laba ditahan	(2.283.780)	-	Transferred to retained earning
Pembalikan pajak tangguhan	2.327.626	-	Deferred tax realization
Dampak pajak tangguhan	(747.118)	(8.316.974)	Deferred tax effect
Kepentingan non pengendali	17.066	29.768	Non controlling interest
Sub jumlah	<u>52.373.880</u>	<u>38.412.435</u>	Sub total
Akumulasi selisih kurs penjabaran laporan keuangan			Cumulative translation adjustments
Penilik entitas induk	(213.967.790)	(188.261.422)	Owner of the parent company
Kepentingan non pengendali	-	611.390	Non controlling interest
Sub jumlah	<u>(213.967.790)</u>	<u>(187.650.032)</u>	Sub total
Jumlah	<u>(161.593.910)</u>	<u>(149.237.597)</u>	Total

32. OPSI SAHAM

32. STOCK OPTION

Pada tahun 2011, Perusahaan memberikan opsi saham kepada komisaris, direksi dan karyawan dengan persyaratan yang telah ditetapkan. Biaya kompensasi saham pada tanggal penerbitan dihitung berdasarkan nilai wajar dari opsi saham tersebut dan diakui dalam beban kompensasi. Berdasarkan program hak yang diakui pada tahun berjalan (*cliff-vesting*) dengan metode garis lurus selama masa tunggu. Akumulasi biaya kompensasi saham diakui sebagai Opsi saham dalam bagian ekuitas pada tahun 2011 sebesar Rp 19.740.236.981 atau setara dengan USD 2.278.677, yang terdiri dari 87.847.064 saham untuk opsi tahap 1 dan 65.885.298 saham untuk opsi tahap 2.

In 2011, the Company granted stock options to qualifying commissioners, directors and employees. Stock compensation expense is calculated based on the fair value of stock options granted and recognized as compensation expense. Based on the program, compensation expenses are recognized (*cliff-vesting*) using straight-line method during the vesting period. The accumulated costs are recognized as stock options in equity in 2011 which amounted to Rp 19,740,236,981 or equivalent with USD 2,278,677, consisting of 87,847,064 shares for phase 1 and 65,885,298 shares for phase 2.

Nilai wajar dari opsi saham tersebut dinilai oleh appraisal independen Towers Watson Purbajaga dalam laporannya tertanggal 19 Mei 2011 untuk tahap 1 dan 29 Pebruari 2012 untuk tahap 2 dengan menggunakan model penentuan harga opsi *Black-Scholes*.

The fair value of stock options are valued by Towers Watson an independent appraisal, in its report dated May 19, 2011 for phase 1 and February 29, 2012 for phase 2 which used Black-Scholes model to measure the option price.

Pelaksanaan program MESOP dilakukan dengan cara sebagai berikut:

- a) Hak opsi pembelian saham diberikan kepada seluruh peserta yang memenuhi persyaratan yang ditentukan.
- b) Hak opsi pembelian saham yang dibagikan dalam program MESOP dapat digunakan oleh Peserta untuk membeli saham baru Perusahaan dengan harga yang akan ditetapkan dengan memperhatikan peraturan dan perundangan yang berlaku.
- c) Hak Opsi pembelian saham akan diterbitkan oleh Perusahaan dalam tiga tahapan selama periode dua tahun setelah tanggal pencatatan di Bursa Efek Indonesia.
- d) Hak Opsi, tahap pertama diberikan bersamaan dengan tanggal pencatatan saham di Bursa Efek Indonesia. Tahap kedua diberikan selambat-lambatnya pada Bulan Desember 2011. Tahap ketiga diberikan selambat-lambatnya pada bulan Desember 2012.
- e) Hak Opsi yang diterbitkan dalam setiap tahap akan dikenakan masa tunggu selama 1 tahun atau 12 bulan sejak tanggal penerbitannya yaitu periode transaksi yang diperkenankan untuk mengkonversi hak opsi menjadi saham.
- f) Harga pelaksanaan hak opsi akan ditetapkan berdasarkan peraturan yang berlaku, peserta yang akan menggunakan hak opsi untuk membeli saham, wajib membayar secara penuh harga pelaksanaan dan biaya-biaya lainnya yang timbul dalam rangka pelaksanaan hak opsi tersebut.
- g) *Vesting period* selama 12 bulan
- h) *Option life* selama 5 tahun

Pada tahun 2012, Perusahaan memberikan opsi saham Tahap ke 3 dengan jumlah lembar saham 65.885.298. Akumulasi biaya kompensasi saham diakui sebagai opsi saham dalam bagian ekuitas per 31 Desember 2013 dan 2012 masing-masing sebesar USD 2.770.970 dan USD 1.148.451

Nilai wajar dari opsi saham tersebut dinilai oleh appraisal independen Towers Watson Purbajaga dalam laporannya tertanggal 26 Pebruari 2013 untuk tahap 3 dengan menggunakan model penentuan harga opsi *Black-Scholes*.

The implementation of MESOP program is carried out through the following:

- a) Share purchase option rights granted to all participants who meet the specified requirements.
- b) Share purchase option rights that were distributed in MESOP program can be used by participants to purchase the Company's new shares at a price to be determined with due regard to rules and regulations.
- c) Right to purchase stock options will be issued by the Company in three stages over a period of two years after the date of listing on the Indonesia Stock Exchange.
- d) Stock option on first stage is given on the date of listing of shares on the Indonesia Stock Exchange. The second stage is given not later than December 2011. The third stage is given not later than December 2012.
- e) Stock option issued in each stage will be subject to the vesting period of one year or 12 months from the date of issuance within the transaction period allowed to convert into stock option rights.
- f) Right to exercise the option will be determined based on state laws, participants will use the option to purchase stock, must pay the full price of implementation and cost incurred in implementation of the option rights.
- g) Vesting period within 12 months
- h) Option life in 5 years

In 2012, the Company granted stock option phase 3 of 65,885,298 shares. The accumulated cost recognized as stock option in equity as of December 31, 2013 and 2012 amounted USD 2,770,970 and USD 1,148,451, respectively.

The fair values of stock options are valued by Towers Watson an independent appraisal, in its report dated February 26, 2013 for phase 3 which used Black-Scholes model to measure the option price.

33. SALDO LABA DICADANGKAN

Berdasarkan Undang-Undang Perseroan Terbatas, Perusahaan wajib menyisihkan jumlah tertentu dari Laba Bersih setiap tahun untuk cadangan apabila Perusahaan mempunyai saldo laba positif. Penyisihan Laba Bersih tersebut dilakukan sampai cadangan wajib mencapai paling sedikit 20% dari jumlah modal yang ditempatkan disetor penuh.

Berdasarkan Rapat Umum Pemegang Saham Tahunan (RUPST) tanggal 26 April 2013 yang dinyatakan dalam akta No. 128 yang dibuat oleh Aryanti Artisari, S.H., M.Kn Notaris di Jakarta menyebutkan bahwa RUPST menyetujui dan menetapkan penggunaan Laba Yang Diatribusikan kepada Pemilik Entitas Induk untuk tahun buku 2012 sebesar USD 110.598.370 adalah sebagai berikut:

1. Dividen sebesar 0%.
2. Sebesar 5% dari Laba Yang Diatribusikan kepada Pemilik Entitas Induk berdasarkan laporan keuangan konsolidasian untuk tahun yang berakhir 31 Desember 2012 atau sebesar USD 5.529.919 digunakan untuk Cadangan Wajib Perusahaan.
3. Sebesar 95% dari laba yang diatribusikan kepada pemilik entitas induk berdasarkan laporan keuangan konsolidasian untuk tahun yang berakhir 31 Desember 2012 atau sebesar USD 105.068.451 digunakan untuk cadangan lainnya.

Saldo laba dicadangkan Perusahaan pada tanggal 31 Desember 2013 adalah sebesar USD 5.529.919 atau sebesar 0,48% dari modal ditempatkan dan disetor penuh.

34. KEPENTINGAN NON PENGENDALI

33. APPROPRIATED RETAINED EARNINGS

Under Indonesian Company Law, companies are obliged to allocate certain amount from the net earnings of each accounting year to reserve fund if the Company has a positive profit balance. The allocation of net earnings shall be performed up to an amount of 20% of the company's issued and paid up capital.

At the Annual General Meeting of Shareholders (RUPST) dated April 26, 2013 as stated in Deed No. 128 of Aryanti Artisari, S.H., M.Kn, notary in Jakarta the RUPST approved and stipulated the use of Net Income Attributable to Owners of the Parent Company for the fiscal year 2012 amounting to USD 110,598,370 with details as follows:

1. Dividend of 0%.
2. 5% of the Net Income Attributable to Owners of the Parent Company based on the consolidated financial statements for the year ended December 31, 2012 or in the amount of USD 5,529,919 shall be used as the Company's Mandatory Reserve.
3. 95% of the net income attributable to owners of the Parent Company based on the consolidated financial statements for the year ended December 31, 2012 or in the amount of USD 105,068,451 shall be used as other reserves.

The balance of the Company's appropriated retained earnings as of December 31, 2013 amounted USD 5,529,919 or 0.48% of the Company's issued and paid up capital.

34. NON CONTROLLING INTEREST

	Kepentingan non pengendali atas aset bersih/ <i>Non controlling interests in net assets</i>		Kepentingan non pengendali atas atas laba (rugi) bersih/ <i>Net income attributable to non controlling interests</i>	
	2013	2012	2013	2012
	USD	USD	USD	USD
PT Abacus Distribution Systems Indonesia PT Aero Wisata dan entitas anak/ <i>and its subsidiaries</i>	250.859	261.669	6.256	3.575
	1.219.281	1.609.259	155.281	240.628
Jumlah/ <i>Total</i>	1.470.140	1.870.928	161.537	244.203

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35. PENDAPATAN USAHA

	<u>2013</u>	<u>2012</u>
	USD	USD
Penerbangan berjadwal		
Penumpang	2.955.288.708	2.687.450.057
Kargo	195.952.040	184.889.000
Kelebihan bagasi	10.081.118	7.029.768
Surat dan dokumen	8.764.325	7.881.919
Sub jumlah	<u>3.170.086.191</u>	<u>2.887.250.744</u>
Penerbangan tidak berjadwal		
Haji	195.192.932	247.262.921
Charter	20.772.955	21.828.656
Sub jumlah	<u>215.965.887</u>	<u>269.091.577</u>
Lain-lain		
Biro perjalanan	81.964.385	79.878.710
Pemeliharaan dan perbaikan pesawat	68.308.243	67.362.378
Jasa boga	60.461.986	50.136.002
Pelayanan penerbangan	47.393.619	47.575.662
Fasilitas	22.873.959	21.204.424
Hotel	22.218.301	21.357.575
Transportasi	5.818.113	5.874.813
Teknologi informasi	4.869.580	3.892.417
Kesehatan	2.874.851	2.409.227
Pelatihan	499.477	898.822
Lain-lain	12.741.994	15.536.611
Sub jumlah	<u>330.024.508</u>	<u>316.126.641</u>
Jumlah	<u><u>3.716.076.586</u></u>	<u><u>3.472.468.962</u></u>

SCHEDULED AIRLINE SERVICES

Passenger
Cargo
Excess baggage
Mail and document
Sub total

NON-SCHEDULED AIRLINE SERVICES

Haji
Charter
Sub total

OTHERS

Travel agent
Aircraft maintenance and overhaul
Catering
Airline related
Facilities
Hotel
Transportation
Information technology
Healthcare service
Training service
Others
Sub total

TOTAL

Tidak terdapat pendapatan dari pelanggan individu yang melebihi 10% dari jumlah pendapatan usaha.

No revenue earned from individual customers exceeded 10% of total operating revenue.

36. BEBAN OPERASIONAL PENERBANGAN

	<u>2013</u>	<u>2012</u>
	USD	USD
Bahan bakar	1.420.139.208	1.255.126.779
Sewa dan charter pesawat	592.251.660	448.601.352
Gaji dan tunjangan	144.911.938	116.443.700
Beban penyusutan	62.155.939	51.501.031
Asuransi	16.691.989	24.561.135
Beban imbalan pasca kerja	6.950.541	10.438.528
Lain-lain	1.738.869	2.302.588
Jumlah	<u><u>2.244.840.144</u></u>	<u><u>1.908.975.113</u></u>

36. FLIGHT OPERATIONS EXPENSES

Fuel
Aircraft rental and charter
Salaries and allowances
Depreciation expenses
Insurance
Employee benefit expenses
Others
Total

72% tahun 2013 dan 63% tahun 2012 dari total biaya operasi penerbangan yang berkaitan dengan pembelian bahan bakar dilakukan dengan pihak berelasi (Catatan 45),

72% in 2013 and 63% in 2012 of total flight operations expenses pertains to purchases of fuel from related party (Note 45).

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37. BEBAN TIKET, PENJUALAN DAN PROMOSI

	<u>2013</u>	<u>2012</u>	
	USD	USD	
Komisi	117.819.462	119.288.145	Commissions
Reservasi	111.457.234	96.216.046	Reservations
Gaji dan tunjangan	47.532.130	42.678.492	Salaries and allowances
Promosi	41.504.898	41.566.759	Promotions
Sewa	9.289.844	9.064.071	Rental
Jasa profesional dan pelatihan	2.401.356	950.897	Professional services and training
Beban imbalan pasca kerja	1.348.838	1.969.508	Employee benefit expenses
Lain-lain	4.488.373	5.710.017	Others
Jumlah	<u>335.842.135</u>	<u>317.443.935</u>	Total

37. TICKETING, SALES AND PROMOTION EXPENSES

38. BEBAN PELAYANAN PENUMPANG

	<u>2013</u>	<u>2012</u>	
	USD	USD	
Pelayanan penumpang	175.481.145	157.351.404	Passenger services
Gaji dan tunjangan	100.908.081	97.371.195	Salaries and allowances
Pemakaian persediaan umum	2.225.273	2.088.304	General inventories consumption
Beban imbalan pasca kerja	1.676.588	2.519.680	Employee benefit expenses
Jasa profesional dan pelatihan	1.624.865	1.693.605	Professional services and training
Lain-lain	1.584.909	2.925.230	Others
Jumlah	<u>283.500.861</u>	<u>263.949.418</u>	Total

38. PASSENGER SERVICE EXPENSES

39. BEBAN BANDARA

	<u>2013</u>	<u>2012</u>	
	USD	USD	
Pelayanan pesawat dan penerbangan	229.242.835	200.761.647	Aircraft and flight services
Gaji dan tunjangan	20.231.807	23.782.036	Salaries and allowances
Sewa	12.951.822	10.923.247	Rental
Beban imbalan pasca kerja	851.859	1.483.712	Employee benefit expenses
Beban penyusutan	1.961.552	2.310.306	Depreciation expenses
Lain-lain	1.758.481	1.218.554	Others
Jumlah	<u>266.998.356</u>	<u>240.479.502</u>	Total

39. USER CHARGE AND STATION EXPENSES

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40. BEBAN ADMINISTRASI DAN UMUM

	2013	2012	
	USD	USD	
Gaji dan tunjangan	85.236.646	91.045.462	Salaries and allowances
Beban penyusutan	23.405.558	19.765.763	Depreciation expenses
Pajak	19.794.132	16.241.432	Taxes
Sewa	18.953.719	17.322.651	Rental
Utilitas	14.754.097	14.689.277	Utilities
Pemeliharaan dan perbaikan	12.995.228	12.739.440	Maintenance and repairs
Jasa profesional dan pelatihan	10.786.536	9.844.897	Professional services and training
Asuransi	8.982.388	5.361.438	Insurances
Beban imbalan pasca kerja	6.013.391	7.870.581	Employee benefit expenses
Perlengkapan kantor	3.423.127	3.590.454	Office supplies
Kesehatan	1.294.699	3.523.752	Healthcare services
Iuran keanggotaan	1.265.750	1.566.588	Membership dues and subscription
Lain-lain	11.867.093	10.176.092	Others
Jumlah	<u>218.772.364</u>	<u>213.737.827</u>	Total

40. GENERAL AND ADMINISTRATIVE EXPENSES

41. BEBAN PEMELIHARAAN DAN PERBAIKAN

	2013	2012	
	USD	USD	
Pemeliharaan dan perbaikan	91.000.588	104.868.442	Maintenance and overhaul
Beban penyusutan	67.952.167	56.396.134	Depreciation expenses
Suku cadang	59.914.151	60.142.618	Spareparts
Gaji dan tunjangan	55.022.379	52.469.171	Salaries and allowances
Beban imbalan pasca kerja	6.189.182	6.941.855	Employee benefit expenses
Sewa	5.116.843	5.042.888	Rental
Bahan bakar	1.467.728	1.527.369	Fuel
Asuransi	1.220.779	508.342	Insurances
Lain-lain	329.898	956.845	Others
Jumlah	<u>288.213.715</u>	<u>288.853.664</u>	Total

41. MAINTENANCE AND OVERHAUL EXPENSES

42. PENDAPATAN (BEBAN) LAIN-LAIN – BERSIH

	2013	2012	
	USD	USD	
Klaim asuransi	11.726.217	-	Gain on insurance claim
Keuntungan revaluasi properti investasi	3.107.892	682.021	Gain on revaluation of investment property
Pendapatan dividen	1.130.000	1.044.636	Dividend income
Keuntungan (kerugian) <i>sale and leaseback</i>	846.147	(6.732.412)	Income (loss) on sale and leaseback
Penurunan nilai aset	(10.649.525)	(10.371.034)	Impairment loss on property and equipment
Premium kontrak	(6.528.600)	(5.361.580)	Contract premium
Keuntungan penjualan aset tetap dan aset tidak produktif (Catatan 14)	3.123.296	2.226.759	Gain on sale of property and equipment and non productive assets (Note 14)
Lain-lain - bersih	(562.149)	(912.360)	Others - net
Jumlah	<u>2.193.278</u>	<u>(19.423.970)</u>	Total

42. OTHER INCOME (CHARGES) – NET

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43. BEBAN KEUANGAN

	2013	2012	
	USD	USD	
Beban bunga			Interest expense
Pinjaman jangka panjang	24.394.888	13.088.380	Long-term loans
Utang obligasi	7.896.630	-	Bonds payable
Sewa pembiayaan	7.048.681	7.018.031	Leases
Utang bank	1.224.877	479.062	Bank loans
Lain-lain	3.883.989	1.438.194	Others
Sub jumlah	44.449.065	22.023.667	Sub total
Beban keuangan lainnya	15.391.023	3.201.252	Other finance cost
Jumlah beban bunga	59.840.088	25.224.919	Total finance cost

43. FINANCE COST44. LABA PER SAHAM

Laba per saham dasar dihitung dengan membagi laba yang diatribusikan kepada pemilik entitas induk dengan jumlah rata-rata tertimbang saham biasa yang beredar pada periode yang bersangkutan.

Berikut ini data yang digunakan untuk perhitungan laba per saham dasar:

	2013	2012	
	USD	USD	
Laba yang dapat diatribusikan kepada pemilik entitas induk	11.038.843	110.598.370	Net income attributable to owner of the parent
Jumlah rata-rata tertimbang saham untuk tujuan perhitungan laba per saham dasar	22.640.996.000	22.640.996.000	Weighted average number of share for calculation of basic earning per share
Laba per saham - dasar	0,00049	0,00488	Earnings per share - basic

44. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing income attributable to parent company owners by the weighted average number of ordinary shares outstanding during the period.

Below is the data used for the computation of basic earnings per share:

Perusahaan tidak menghitung laba per saham dilusian karena potensi saham biasa (seperti opsi) bersifat anti-dilusian.

The Company did not compute diluted earnings per share because the potential ordinary shares (i.e. options) are anti-dilutive.

45. SIFAT HUBUNGAN DAN TRANSAKSI DENGAN PIHAK BERELASIi) Sifat hubungan berelasi

Pemerintah Republik Indonesia melalui Kementerian Keuangan adalah pemegang saham utama Perusahaan.

Seluruh entitas yang dimiliki dan dikendalikan oleh Kementerian Keuangan Pemerintah Republik Indonesia serta entitas dimana Kementerian Keuangan Pemerintah Republik Indonesia memiliki pengaruh signifikan.

Komisaris dan direksi merupakan manajemen kunci.

ii) Transaksi dengan Pihak Berelasi45. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIESi) Nature of relationship

The Government of the Republic of Indonesia represented by Ministry of Finance, is the majority stockholder of the Company.

All entities that are owned and controlled by the Ministry of Finance of the Republic of Indonesia and also entities where the Ministry of Finance Republic of Indonesia have significant influence.

Commissioners and directors are key management personnel.

ii) Transactions with Related Parties

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- Continued

Dalam kegiatan usahanya, Grup melakukan transaksi tertentu dengan pihak berelasi.

In the normal course of business, the Group entered into certain transactions with related parties.

a. Rincian akun signifikan dengan pihak-pihak berelasi (pemerintah, entitas pemerintah atau dinyatakan lain) adalah sebagai berikut:

a. Details of significant accounts with related parties (government - owned entities unless otherwise indicated) are as follows:

	Jumlah/ Total		% terhadap Aset/ Liabilitas % to Assets/ Liabilities	
	2013 USD	2012 USD	2013 %	2012 %
Kas dan setara kas (Catatan 5)/ Cash and Cash Equivalents (Note 5)				
Bank Negara Indonesia	55.816.521	52.801.185		
Bank Mandiri	37.336.951	56.299.467		
Bank Rakyat Indonesia	54.179.461	14.952.513		
Bank Syariah Mandiri	8.204.118	-		
Bank Rakyat Indonesia Syariah	6.563.295	-		
	<u>162.100.346</u>	<u>124.053.165</u>	5,49%	4,93%
Piutang usaha (Catatan 6)/ Trade Accounts Receivable (Note 6)				
PT Jiw asraya	1.966.795	2.479.139		
PT Abacus International Ltd	410.871	478.751		
PT Gapura Angkasa	920.503	934.252		
PT POS Indonesia	532.813	843.371		
PT Bukit Asam (Persero) Tbk	113.915	198.306		
Kementerian Agama/Ministry of Religious Affairs	26.672	102.417		
Lain-lain/ Others	63.397	48.907		
	<u>4.034.966</u>	<u>5.085.143</u>	0,14%	0,28%
Aset lain-lain (Catatan 17)/ Other assets (Note 17)				
PT Merpati Nusantara	<u>16.845.647</u>	<u>16.886.623</u>	0,57%	0,67%
Utang bank (Catatan 18)/ Bank Loans (Note 18)				
Bank Negara Indonesia	<u>40.222.668</u>	<u>5.651.251</u>	2,19%	0,40%
Utang usaha (Catatan 19)/ Trade Accounts Payable (Note 19)				
PT Pertamina (Persero)	108.911.066	72.434.320		
PT Gapura Angkasa	3.706.367	4.680.787		
Perum LPPNPI	3.568.602	-		
PT Angkasa Pura II (Persero)	3.133.425	3.526.065		
PT Angkasa Pura I (Persero)	2.279.948	1.561.545		
PT Telekomunikasi Indonesia (Persero) Tbk	694.318	903.361		
PT Abacus International Pte. Ltd.	-	667.411		
	<u>122.293.726</u>	<u>83.773.489</u>	6,66%	5,97%
Pinjaman Jangka Panjang (Catatan 23)/ Long term liabilities (Note 23)				
Bank Negara Indonesia	42.803.615	14.885.592		
PT Pertamina (Persero)	43.137.490	57.516.654		
Bank Rakyat Indonesia	40.198.427	-		
PT Angkasa Pura II (Persero)	16.104.859	16.104.859		
PT Angkasa Pura I (Persero)	5.798.472	7.308.953		
Indonesia Eximbank	-	100.000.000		
	<u>148.042.863</u>	<u>195.816.058</u>	8,06%	13,96%

PT. GARUDA INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK
CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN
31 DESEMBER 2013 DAN UNTUK TAHUN YANG
BERAKHIR PADA TANGGAL TERSEBUT - Lanjutan

PT. GARUDA INDONESIA (PERSERO) Tbk
AND ITS SUBSIDIARIES
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- b. 30,03% dan 26,29% dari jumlah beban usaha masing-masing pada tahun-tahun yang berakhir 31 Desember 2013 dan 2012, merupakan beban usaha dari pihak berelasi. Pada tanggal pelaporan, utang atas beban tersebut dicatat sebagai bagian dari utang usaha, yang meliputi 6,66% dan 5,97% dari jumlah liabilitas masing-masing pada tanggal 31 Desember 2013 dan 2012.

Rincian beban usaha dari pihak berelasi sebagai berikut:

	2013	2012
	USD	USD
PT Pertamina (Persero)	1.020.854.735	784.715.722
PT Gapura Angkasa	52.843.455	48.246.437
PT Angkasa Pura II (Persero)	23.765.076	21.038.109
PT Angkasa Pura I (Persero)	12.718.756	14.626.959
Perum LPPNPI	3.748.853	-
Jumlah	<u>1.113.930.875</u>	<u>868.627.227</u>

Prosentase terhadap:
Total beban usaha 30,03%

- b. Operating expenses from related parties constituted 30,03% and 26,29% of the total operating expenses for the years ended December 31, 2013 and 2012, respectively. At reporting date, the liabilities for these expenses were presented as trade accounts payable which constituted 6,66% and 5,97%, respectively, of the total liabilities as of December 31, 2013 and 2012.

The details of operating expenses from related parties are as follows:

	2013	2012
	USD	USD
PT Pertamina (Persero)	1.020.854.735	784.715.722
PT Gapura Angkasa	52.843.455	48.246.437
PT Angkasa Pura II (Persero)	23.765.076	21.038.109
PT Angkasa Pura I (Persero)	12.718.756	14.626.959
Perum LPPNPI	3.748.853	-
Total	<u>1.113.930.875</u>	<u>868.627.227</u>

Percentage of:
Total operating expense 26,29%

- c. Transaksi perusahaan dengan PT Pertamina (Persero) berupa transaksi pembelian bahan bakar pesawat khususnya rute domestik dan beberapa rute internasional sedangkan PT Gapura Angkasa, PT Angkasa Pura I (Persero) dan PT Angkasa Pura II (Persero) berkaitan dengan jasa kebandaraan.

- d. Kompensasi Komisaris dan Direksi

- c. The transactions with PT Pertamina (Persero) were related to aircraft fuel purchase mainly for domestic route and certain international route while the transactions, with PT Gapura Angkasa, PT Angkasa Pura I (Persero) and PT Angkasa Pura II (Persero) are related to airport operation and ground handling.

- d. Remuneration of Commissioners and Directors

	2013	2012
	USD	USD
<u>Komisaris</u>		
Imbalan kerja jangka pendek	629.373	831.689
Imbalan kerja pasca kerja	53.091	198.591
Pesangon pemutusan kontrak kerja	-	97.449
	<u>682.464</u>	<u>1.127.729</u>
<u>Direksi</u>		
Imbalan kerja jangka pendek	2.152.120	2.826.033
Imbalan kerja pasca kerja	257.494	701.412
Pesangon pemutusan kontrak kerja	-	342.946
	<u>2.409.614</u>	<u>3.870.391</u>

	2013	2012
	USD	USD
<u>Commissioners</u>		
Short term benefits	629.373	831.689
Post employment benefits	53.091	198.591
Termination benefits	-	97.449
	<u>682.464</u>	<u>1.127.729</u>
<u>Directors</u>		
Short term benefits	2.152.120	2.826.033
Post employment benefits	257.494	701.412
Termination benefits	-	342.946
	<u>2.409.614</u>	<u>3.870.391</u>

46. INSTRUMEN KEUANGAN, MANAJEMEN RISIKO
KEUANGAN DAN RISIKO MODAL

A. Manajemen permodalan

Grup berupaya untuk mencapai struktur modal yang optimal dalam mencapai tujuan usaha, termasuk mempertahankan rasio modal yang sehat dan peringkat kredit yang kuat, guna memaksimalkan nilai pemegang saham dan kelangsungan usaha Grup.

Struktur modal Grup terdiri dari pinjaman seperti diungkapkan dalam Catatan 18, 23 dan 24, kas dan setara kas, dan ekuitas yang terdiri dari modal saham, tambahan modal disetor, laba ditahan dan kepentingan non pengendali.

Gearing ratio pada tanggal 31 Desember 2013 dan 2012 adalah sebagai berikut:

	2013	2012	
	USD	USD	
Pinjaman			Debt
Utang bank dan lembaga keuangan	45.222.668	5.651.251	Loan from banks and financial institution
Pinjaman jangka panjang	604.695.491	400.947.490	Long-term loans
Obligasi	162.850.383	-	Bonds payable
Liabilitas sewa pembiayaan	191.750.944	206.352.598	Lease liabilities
Jumlah pinjaman	1.004.519.486	612.951.339	Total debt
Kas dan setara kas	475.260.630	325.784.942	Cash and cash equivalents
Pinjaman bersih	529.258.856	287.166.397	Net debt
Ekuitas	1.117.148.117	1.114.960.078	Equity
Rasio pinjaman bersih terhadap modal	47%	26%	Net debt to equity ratio

Dewan Komisaris dan Direksi secara berkala melakukan reviu performa keuangan Grup. Sebagai bagian dari reviu ini, Dewan Komisaris dan Direksi mempertimbangkan eksposur risiko keuangan.

B. Kategori instrumen keuangan

Klasifikasi aset keuangan dan liabilitas keuangan Grup adalah sebagai berikut:

	2013	2012	
	USD	USD	
<u>Tersedia untuk dijual</u>			<u>Available-for-sale</u>
Aset keuangan lainnya	8.800.031	9.201.350	Other financial assets
Pinjaman yang diberikan dan piutang			Loan and receivables
Kas dan setara kas	475.260.630	325.784.942	Cash and cash equivalents
Piutang usaha	139.981.363	129.471.098	Trade accounts receivables
Piutang lain-lain	8.745.081	7.877.613	Other receivables
Dana perawat an pesaw at dan uang jaminan	617.623.057	461.933.812	Maintenance reserve fund and security deposits
Aset lain-lain	33.164.537	31.874.533	Other assets
Jumlah	1.283.574.699	966.143.348	Total

46. FINANCIAL INSTRUMENTS, FINANCIAL RISK
AND CAPITAL RISK MANAGEMENT

A. Capital management

The Group strives to achieve an optimum capital structure in achieving the business goals, including maintaining a sound capital ratio and a strong credit rating, in order to maximize shareholder value and ensure the Group's business continuity.

The capital structure of the Group consists of debt as disclosed in Notes 18, 23 and 24, cash and cash equivalents, and total equity comprising issued capital, additional paid-in capital, retained earnings and non-controlling interest.

The gearing ratio as of December 31, 2013 and 2012 are as follows:

B. Categories of financial instruments

Classification of the Groups' financial assets and liabilities are as follows:

	2013	2012	
	USD	USD	
<u>Liabilitas keuangan - amortized cost</u>			<u>Financial liabilities - amortized cost</u>
Utang bank dan lembaga keuangan	45.222.668	5.651.251	Bank loans and financial institution
Utang usaha	206.186.276	173.469.631	Trade payables
Utang lain-lain	16.271.886	16.669.543	Other payable
Beban akrual	160.967.081	169.268.165	Accrued expenses
Pinjaman jangka panjang	604.695.491	400.947.490	Long-term loans
Liabilitas sewa	191.750.944	206.352.598	Lease liabilities
Utang obligasi	162.850.383	-	Bonds payable
Jumlah	<u>1.387.944.729</u>	<u>972.358.678</u>	Total

Grup tidak memiliki instrumen keuangan yang diklasifikasikan sebagai investasi dimiliki hingga jatuh tempo.

The Group does not have financial assets classified as Held-to-Maturity.

C. Kebijakan dan tujuan manajemen risiko keuangan

Sebagai Perusahaan yang bergerak di bidang industri penerbangan domestik dan internasional, Grup dihadapkan dan banyak dipengaruhi oleh risiko keuangan seperti risiko pasar, risiko likuiditas dan risiko kredit. Secara keseluruhan pendekatan manajemen risiko bertujuan untuk meminimalkan efek dari setiap risiko kinerja keuangan pada Grup. Kebijakan Grup menggunakan derivatif hanya untuk tujuan lindung nilai.

C. Financial risk management policies and objectives

As a Group of companies that operates in the domestic and international aviation industry and other related areas, the Group faces and is strongly affected by various financial risks such as market risk, liquidity risk, and credit risk. The overall risk management approach is to minimize the effect of such risks on the Group's financial performance. The Group's policy is to use derivatives only for hedging purposes.

Setiap kebijakan manajemen risiko keuangan yang dibuat harus senantiasa diarahkan kepada tujuan:

All financial risk management policies must constantly adhere to the following objectives:

- Melindungi pendapatan bersih Grup dari pengaruh perubahan harga keuangan bahkan mampu memanfaatkan perubahan harga tersebut sebagai suatu kesempatan untuk meningkatkan laba;
- Mencapai atau bahkan lebih baik dari anggaran Grup;
- Membatasi tingkat dampak negatif pergerakan harga terhadap arus kas dan profitabilitas sampai pada tingkat yang dapat ditolerir.

- To protect the Group's net revenue against price changes, and when possible to make use of such price changes as an opportunity to increase profits;
- To achieve or do better than the Group's budget plan;
- To limit to a tolerable level the negative impact of price movements on cash flow and profitability.

Direksi telah menelaah kebijakan manajemen risiko keuangan secara berkala.

The Directors review the financial risk management policies periodically.

Manajemen risiko pasar

Market risk management

Grup memiliki eksposur terhadap risiko pasar yaitu diantaranya risiko harga bahan bakar pesawat, risiko nilai tukar mata uang, dan risiko tingkat bunga.

The Group is exposed to market risk in particular aircraft fuel price risk, currency exchange rate risk and interest rate.

Perusahaan melakukan transaksi lindung nilai atas *Fuel Call Option* untuk mengelola risiko harga bahan bakar pesawat khusus untuk penerbangan haji. Tidak terdapat saldo transaksi lindung nilai pada tanggal 31 Desember 2013 dan 2012.

The Company entered into Fuel Call Option derivative financial instruments to manage its exposure to aircraft fuel price risk for hajj flight. There are no derivatives outstanding as of December 31, 2013 and 2012.

(i) Risiko harga bahan bakar pesawat

Risiko harga bahan bakar pesawat didefinisikan sebagai penurunan nilai aset/pendapatan atau peningkatan nilai liabilitas/pengeluaran yang disebabkan perubahan harga komoditi bahan bakar.

Paparan risiko dan strategi

Paparan risiko Perusahaan dari harga bahan bakar pesawat adalah menggunakan referensi pasar dengan 100% harga mengambang, sehingga fluktuasi kenaikan harga akan sangat berdampak signifikan terhadap pencapaian target perusahaan. Biaya harga bahan bakar pesawat merupakan komponen biaya yang cukup besar dalam struktur biaya Perusahaan selain biaya sewa dan perawatan pesawat. Komposisi biaya bahan bakar untuk saat ini di kisaran 30% - 40% dari rata-rata biaya operasional Perusahaan.

Strategi untuk meminimalisir risiko fluktuasi kenaikan harga yang dilakukan oleh Perusahaan pada saat ini adalah dengan melakukan lindung nilai arus kas dengan instrumen lindung nilai "*plain vanilla call option*", khusus untuk penerbangan haji. Risiko tersebut diantisipasi dengan mengukur harga *Mark to Market* yang dihasilkan setiap bulan saat jatuh tempo transaksi.

Selain upaya mengurangi risiko pergerakan harga melalui transaksi lindung nilai, Perusahaan juga terus melakukan upaya pengelolaan pemakaian bahan bakar secara operasional yaitu penghematan biaya dengan penggunaan alternatif pesawat secara efektif dan efisien, termasuk juga melakukan evaluasi untuk kontrak-kontrak berjalan. Upaya efisiensi ini dituangkan dalam program kinerja Perusahaan.

Analisa sensitivitas risiko harga bahan bakar pesawat berdasarkan asumsi bahwa semua faktor tetap termasuk biaya-biaya lain dan *uplifted volume*, yang dianalisa berdasarkan kontrak yang masih *outstanding* pada periode pelaporan atas penggunaan bahan bakar penerbangan regular dan haji.

Jika terjadi kenaikan (penurunan) harga sebesar 1 Dolar Amerika Serikat per barel, sebagai akibat perubahan harga bahan bakar, maka laba setelah pajak Perusahaan untuk tahun-tahun yang berakhir 31 Desember 2013 dan 2012, akan mengalami kenaikan (penurunan) sebesar USD 5.780.348 dan USD 6.030.750.

(i) Aircraft fuel price risk

Aircraft fuel price risk is defined as decline in the value of assets/revenue or increase in the value of liabilities/expenditures caused by changes in the prices of fuel commodities.

Risk exposure and strategy

The Company's exposure to aircraft fuel price risk uses market references with 100% floating prices, with the result that any upward price fluctuations will have a significant impact on achievement of the Company's targets. Aircraft fuel expenditure is a major cost component of the Company's cost structure, as well as the costs of aircraft leasing and maintenance. Fuel cost accounts for around 30% to 40% of the Company's overall operational expense.

Strategy implemented by the Company to minimize the risk of fluctuations in the price increase in the current year is to use cash flow hedge with a hedge instruments "*plain vanilla call option*", especially for hajj flight. Such risk is anticipated by monitoring the monthly Mark to Market at maturity date.

Apart from these efforts to reduce price fluctuation risk through hedging transactions, the Company also constantly strives to ensure that costs are controlled by using fuel efficiently in all flight operations through effective and efficient use of alternative aircraft and evaluation of current contracts. These efficiency efforts are set forth in the Company's work programs.

The aircraft fuel price risk sensitivity analysis is based on the assumption that all other factors, such as uplifted volume and other costs, remain constant. The aircraft price risk analysis is based on regular and hajj flight contracts that are still outstanding at reporting date.

If the aircraft fuel price had increased (decreased) in price of USD 1 per barrel, as the result of change in price of fuel, the profit after tax for years ended December 31, 2013 and 2012 would increased (decreased) by USD 5,780,348 and USD 6,030,750.

(ii) Risiko nilai tukar mata uang non-fungsional

Risiko nilai tukar mata uang non-fungsional didefinisikan sebagai penurunan nilai aset/pendapatan atau peningkatan nilai liabilitas/pengeluaran yang disebabkan fluktuasi nilai tukar mata uang non-fungsional tersebut.

Paparan risiko dan strategi

Sebagai perusahaan jasa penerbangan kelas internasional, Grup memerlukan dana serta biaya dan investasi yang cukup besar dengan melibatkan pelanggan ataupun kreditur baik dalam maupun luar negeri dengan kondisi dimana transaksi dicatat berdasarkan satuan mata uang (*transaction by currency*). Pergerakan nilai tukar non-fungsional terhadap mata uang lainnya sangat mempengaruhi laporan keuangan konsolidasian.

Kebijakan berkaitan dengan risiko nilai tukar yang saat ini dijalankan adalah secara natural (tanpa lindung nilai) yaitu:

- Grup memanfaatkan peluang harga pasar nilai tukar mata uang lainnya (*multi currency*) untuk menutup kemungkinan risiko melemahnya nilai tukar fungsional dan begitu sebaliknya, sehingga secara natural risiko adanya pergerakan nilai tukar mata uang non-fungsional bisa saling menghilangkan. Transaksi valuta mata uang bisa dilakukan dengan selalu mempertimbangkan kurs yang menguntungkan Grup.
- Grup mengatur risiko dengan berusaha menyelaraskan penerimaan dan pembayaran untuk setiap jenis mata uang.

Rincian aset dan liabilitas yang terexpose terhadap resiko nilai tukar diungkapkan pada Catatan 50.

Berikut ini sensitivitas untuk perubahan 100 basis point nilai tukar mata uang Dolar Amerika Serikat terhadap saldo mata uang non-fungsional lainnya yang signifikan pada tanggal 31 Desember 2013 dan 2012, dengan variabel lain konstan terhadap laba setelah pajak Grup. 100 basis point adalah tingkat sensitivitas yang digunakan ketika melaporkan secara internal risiko mata uang asing kepada para karyawan kunci, dan merupakan penilaian manajemen terhadap perubahan yang mungkin terjadi pada nilai tukar valuta asing. Analisis sensitivitas hanya mencakup item mata uang asing moneter yang ada dan menyesuaikan translasinya pada akhir periode untuk perubahan 100 basis point dalam nilai tukar mata uang asing.

(ii) Non-functional currency exchange rate risk

Non-functional currency exchange rate risk is defined as decline in the value of assets/revenue or increase in the value of liabilities/expenditures caused by fluctuation in non-functional currency exchange rates.

Risk exposure and strategy

As a world-class airline, the Group requires significant amounts of funds, expenses and investment, involving both domestic and foreign customers and creditors, with situations in which transactions are denominated in certain currencies (transactions per currency). Movements in the non-functional exchange rate against other currencies strongly affect the consolidated financial statements.

The policy currently applied in connection with exchange rate risk is natural (i.e. without hedging), as follows:

- The Group takes advantage of opportunities in the market prices of other currencies (multi currency) to cover possible risk of weakening value of the functional currency, and vice versa; thus, in a natural way, the risks of non-functional currency exchange rate movements will be mutually eliminated/reduced. Currency transactions are always done with consideration to the exchange rate favorable to the Group.
- The Group helps manage the risk by matching receipt and payment in each individual currency.

Details of monetary assets and liabilities exposed to foreign exchange risk are set forth in Note 50.

Following is the sensitivity to a 100 basis point change in exchange rate of functional currency of U.S. Dollar against significant outstanding non-functional currency as of December 31, 2013 and 2012, with other variables held constant, of the Group's profit after tax. The 100 basis point is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 100 basis point change in foreign currency rates.

	Perubahan kurs/ <i>Changes in</i> <i>currency rate</i>	Dampak terhadap laba setelah pajak/ <i>Effect on profit after tax</i>		
		2013	2012	
		USD	USD	
Mata uang selain fungsional				Other functional currency rates
Penguatan (pelemahan)				Strengthening (w eakening)
Rupiah	100 bp	732.783	595.163	Rupiah
Yen	100 bp	(95.067)	(159.116)	Yen
AUD	100 bp	(165.325)	(372.042)	AUD
(iii) Risiko suku bunga				(iii) Interest rate risk
Risiko suku bunga didefinisikan sebagai penurunan nilai aset/pendapatan atau peningkatan nilai liabilitas/pengeluaran yang disebabkan perubahan tingkat suku bunga.				Interest rate risk is defined as decline in value of assets/revenue or increase in value of liabilities/expenditures caused by changes in interest rates.
<u>Paparan risiko dan strategi</u>				<u>Risk exposure and strategy</u>
Pendapatan Grup dipengaruhi oleh beban bunga yang berdampak terhadap perubahan tingkat bunga dari pinjaman jangka pendek maupun jangka panjang termasuk juga pembayaran bunga untuk sewa pesawat.				The Group earnings are affected by changes in interest rate, such as changes on interest of short-term and long-term borrowings, including interest payments for aircraft leasing.
Acuan tingkat suku bunga yang digunakan adalah mengambang yaitu LIBOR untuk pinjaman USD dan rata-rata tingkat suku bunga Bank Pemerintah untuk pinjaman dalam mata uang Rupiah. Pergerakan tingkat suku bunga sangat berpengaruh terhadap beban bunga yang harus dibayar oleh Grup.				The interest rate references used are floating, i.e. LIBOR for USD loans and the average interest of government banks for loans in Rupiah. Interest rate movements strongly affect the total amount of interest expense that must be paid by the Group.
Kebijakan Grup terkait risiko suku bunga adalah dengan mengelola eksposur pada pinjaman bersuku bunga mengambang dengan strategi lindung nilai tingkat suku bunga. Kontrak transaksi lindung nilai sampai dengan 31 Desember 2013 belum berjalan meskipun kebijakan lindung nilai risiko tingkat suku bunga sudah disetujui oleh manajemen Grup. Hal ini disebabkan selama periode 2013 tingkat suku bunga LIBOR di pasar sangat rendah sebagai dampak dari melemahnya perekonomian dunia. Dengan demikian Grup dapat memanfaatkan tingkat suku bunga yang rendah sehingga dapat menekan beban bunga.				The Group's policy regarding interest rate risk is to manage exposure in loans with floating interest rates through an interest rate hedging strategy. As of December 31, 2013, no hedging transaction contract is yet in effect, although the interest rate risk hedging policy has been approved by the Group's management. This is because in 2013, the rate of LIBOR market is very low as a result of the weakening world economy. Thus, the Group can take advantage of low interest rates that reduce the burden of interest charges.
Instrumen keuangan Grup tersebut yang terekspos terhadap risiko tingkat bunga seperti diungkapkan pada table likuiditas seksi iv dibawah ini.				The Group's financial liabilities that are exposed to interest rate risk are included in the liquidity table in section iv below.

Berikut ini analisis sensitivitas, ditentukan berdasarkan eksposur suku bunga terhadap liabilitas keuangan yang menggunakan suku bunga mengambang pada tanggal 31 Desember 2013 dan 2012. Analisis ini disajikan dengan asumsi liabilitas keuangan pada akhir periode pelaporan masih beredar sepanjang periode, dengan variabel lain konstan terhadap laba setelah pajak Grup.

The sensitivity analysis below had been determined based on the exposure of the financial liabilities to floating interest rates as of December 31, 2013 and 2012. The analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole period, with other variables held constant, of the Group's profit after tax.

	Perubahan tingkat suku bunga/ <i>Changes in interest rate</i>	Dampak terhadap laba setelah pajak/ <i>Effect on profit after tax</i>		Interest rate Strengthening (w eakening) LIBOR SBI
		2013	2012	
		USD	USD	
Suku bunga				
Penguatan (pelemahan)				
LIBOR	1%	423.821	563.919	LIBOR
SBI	0,5%	9.220	11.089	SBI

(iv) Risiko Likuiditas

Risiko Likuiditas didefinisikan sebagai ketidakmampuan Grup untuk memenuhi liabilitas keuangannya yang selanjutnya mengakibatkan Grup tidak dapat memanfaatkan peluang investasi atau tidak dapat memenuhi liabilitas keuangan jangka pendek yang pada akhirnya mengakibatkan *default*, peminjaman yang berlebihan atau tingkat suku bunga yang buruk.

Dalam mengelola risiko likuiditas, Grup memantau dan menjaga tingkat kas dan setara kas yang dianggap memadai untuk membiayai operasional Grup dan untuk mengatasi dampak dari fluktuasi arus kas.

Grup juga secara rutin mengevaluasi proyeksi arus kas dan arus kas aktual, termasuk jadwal jatuh tempo pinjaman jangka panjang, dan terus menelaah kondisi pasar keuangan untuk mengambil inisiatif mencari dana sebagai modal kerja. Aktivitas tersebut dapat meliputi penerbitan utang bank.

Tabel berikut ini merupakan analisis likuiditas instrumen keuangan pada 31 Desember 2013 dan 2012 berdasarkan jatuh tempo atas liabilitas keuangan Grup dalam rentang waktu yang menunjukkan kontraktual tidak terdiskonto untuk semua aset dan liabilitas keuangan non-derivatif. Jatuh tempo didasarkan pada tanggal yang paling awal dimana Grup dapat diminta untuk membayar:

(iv) Liquidity risk

Liquidity risk is defined as the Group's inability to fulfill its financial liabilities, which in turn makes the Group unable to take advantage of investment opportunities or unable to meet its short-term financial liabilities, ultimately leading to default, excessive borrowing, or unfavorable interest rates.

To manage liquidity risk, the Group monitors and maintains a level of cash and cash equivalents that is considered adequate to finance the Group's operations and to overcome the impact of cash flow fluctuations.

The Group also routinely evaluates the projected and actual cash flow, including scheduled maturity of long-term debts, and continually reviews conditions in the financial markets to take initiatives to seek funds for working capital. This activity may include obtaining bank loans.

The following table represents the liquidity analysis of financial instruments as of December 31, 2013 and 2012 based on exposure on due date on undiscounted contractual maturities for all non-derivative financial assets and liabilities. The contractual maturity is based on the earliest date on which the Group may be required to pay:

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2013						
Tingkat bunga efektif rata-rata tertimbang/ <i>Weighted average effective interest rate</i>	Dalam satu tahun/ <i>Within one year</i>	Lebih dari satu tahun tetapi tidak lebih dari lima tahun/ <i>Over one year but longer than five years</i>	Lebih dari lima tahun/ <i>Over than five years</i>	Jumlah/ <i>Total</i>		
%	USD	USD	USD	USD		
Tanpa bunga					Non-interest bearing	
Kas dan setara kas	-	2.129.600	-	-	2.129.600	Cash and cash equivalents
Piutang usaha	-	139.981.363	-	-	139.981.363	Account receivables
Piutang lain-lain	-	7.873.547	-	-	7.873.547	Others receivables
Dana perawatan pesawat dan uang jaminan		225.007.400	228.469.390	202.157.359	655.634.149	Maintenance reserved fund and security deposits
Tingkat bunga variabel					Variable interest rate	
Kas dan setara kas	0,1% - 11%	258.309.586	-	-	258.309.586	Cash and cash equivalents
Piutang lain-lain	0,1% - 11%	919.904	-	-	919.904	Others receivables
Kas yang dibatasi penggunaannya	0,51% - 4,25%	3.836.528	62.513	-	3.899.041	Restricted cash
Tingkat bunga tetap					Fixed interest rate	
Kas dan setara kas	0,1% - 11%	241.080.216	-	-	241.080.216	Cash and cash equivalents
Jumlah		879.138.144	228.531.903	202.157.359	1.309.827.406	
Tanpa bunga					Non-interest bearing	
Utang usaha	-	206.186.276	-	-	206.186.276	Trade payables
Utang lain-lain	-	16.010.192	-	-	16.010.192	Other payables
Beban akrual	-	160.967.081	-	-	160.967.081	Accrued expenses
Tingkat bunga variabel					Variable interest rate	
Pinjaman jangka panjang	1,15% - 11,15%	308.507.800	252.332.921	5.193.217	566.033.938	Long-term loans
Liabilitas sewa	1,13% - 8%	42.311.559	41.431.576	-	83.743.135	Lease liabilities
Tingkat bunga tetap					Fixed interest rate	
Pinjaman jangka panjang	1,15% - 11,15%	6.237.669	74.906.143	255.369.571	336.513.383	Long-term loans
Liabilitas sewa	1,13% - 8%	10.957.121	43.632.984	53.417.704	108.007.809	Lease liabilities
Utang bank dan lembaga keuangan	1,15% - 11,15%	41.774.848	-	-	41.774.848	Loans from banks and financial institution
Jumlah		792.952.546	412.303.624	313.980.492	1.519.236.662	Total
2012						
Tingkat bunga efektif rata-rata tertimbang/ <i>Weighted average effective interest rate</i>	Dalam satu tahun/ <i>Within one year</i>	Lebih dari satu tahun tetapi tidak lebih dari lima tahun/ <i>Over one year but longer than five years</i>	Lebih dari lima tahun/ <i>Over than five years</i>	Jumlah/ <i>Total</i>		
%	USD	USD	USD	USD		
Tanpa bunga					Non-interest bearing	
Kas dan setara kas	-	2.630.585	-	-	2.630.585	Cash and cash equivalents
Piutang usaha	-	129.471.098	-	-	129.471.098	Account receivables
Piutang lain-lain	-	3.122.588	-	-	3.122.588	Others receivables
Tingkat bunga variabel					Variable interest rate	
Kas dan setara kas	0,25% - 8%	269.564.344	-	-	269.564.344	Cash and cash equivalents
Piutang lain-lain	0,25% - 8%	220.719	-	-	220.719	Others receivables
Kas yang dibatasi penggunaannya	0,51% - 4,25%	254.147	2.085.806	-	2.339.953	Restricted cash
Tingkat bunga tetap					Fixed interest rate	
Kas dan setara kas	0,25% - 8%	66.920.131	-	-	66.920.131	Cash and cash equivalents
Dana perawatan pesawat dan uang jaminan	0,59%	193.344.404	137.945.159	143.760.966	475.050.529	Maintenance reserved fund and security deposits
Jumlah		665.528.016	140.030.965	143.760.966	949.319.947	Total
Tanpa bunga					Non-interest bearing	
Utang usaha	-	174.469.631	-	-	174.469.631	Trade payables
Utang lain-lain	-	16.669.543	-	-	16.669.543	Other payables
Beban akrual	-	169.268.165	-	-	169.268.165	Accrued expenses
Tingkat bunga variabel					Variable interest rate	
Pinjaman jangka panjang	1,32% - 7,58%	136.247.869	325.549.359	-	461.797.228	Long-term loans
Liabilitas sewa	1,13% - 8%	53.111.845	86.211.750	-	139.323.595	Lease liabilities
Tingkat bunga tetap					Fixed interest rate	
Pinjaman jangka panjang	1,32% - 7,58%	3.116.693	14.474.476	-	17.591.169	Long-term loans
Liabilitas sewa	1,13% - 8%	5.469.908	24.418.675	37.140.420	67.029.003	Lease liabilities
Utang bank dan lembaga keuangan	1,32% - 7,58%	5.913.458	-	-	5.913.458	Loans from banks and financial institution
Jumlah		564.267.112	450.654.260	37.140.420	1.052.061.792	Total

Fasilitas pembiayaan

Grup memperoleh pembiayaan dari bank dan lembaga keuangan lainnya untuk menunjang operasional dan modal kerja Grup seperti diungkapkan di Catatan 18, 23 dan 24.

Berikut komposisi fasilitas pembiayaan Grup:

	2013	2012
	USD	USD
Fasilitas pembiayaan tanpa jaminan:		
- Jumlah yang digunakan	526.527.409	285.017.444
- Jumlah yang tidak digunakan	152.438.281	77.096.852
Jumlah	<u>678.965.690</u>	<u>362.114.296</u>
Fasilitas utang dengan jaminan dan tanggal jatuh tempo yang berbeda mulai tahun 2013 yang diperpanjang dengan perjanjian bersama:		
- Jumlah yang digunakan	49.431.837	128.679.634
- Jumlah yang tidak digunakan	51.161.649	26.482.923
Jumlah	<u>100.593.486</u>	<u>155.162.557</u>

(v) Risiko kredit

Risiko kredit yang dihadapi Grup adalah risiko ketidakmampuan dari pihak-pihak yang berhutang (debitur) untuk memenuhi liabilitas keuangan mereka sesuai dengan persyaratan-persyaratan yang telah disepakati bersama.

Eksposur tersebut terutama berasal dari:

- risiko pelanggan akan gagal memenuhi liabilitasnya,
- risiko dana atau instrumen keuangan tidak diserahkan oleh rekanan sebagaimana yang diharapkan.

Dalam sebagian besar kasus, penjualan pasasi dan kargo ditangani melalui agen yang berada dalam pengaruh dan naungan IATA. Agen-agen ini terhubung dengan sistem kliring untuk setiap negara untuk penyelesaian penjualan pasasi atau kargo. Agen individual diperiksa oleh *clearing house* tertentu.

Risiko kredit dari agen penjualan relatif rendah. Kecuali perjanjian yang menjadi dasar pembayaran tidak menyatakan lain, klaim dan liabilitas yang timbul antar maskapai penerbangan biasanya diselesaikan secara bilateral atau melalui IATA *Clearing House*. Penyelesaian dilakukan terutama dengan cara menandingkan piutang dan liabilitas secara berkala, yang menyebabkan berkurangnya risiko gagal bayar secara signifikan.

Financing facilities

The Group obtained financing facilities from banks and other financial institution for the Group's operational and working capital activities as described in Notes 18, 23 and 24.

Below is the Group's composition of financing facilities as follows:

	2013	2012
	USD	USD
Unsecured financing facilities:		
- Amount used	285.017.444	285.017.444
- Amount unused	77.096.852	77.096.852
Total	<u>362.114.296</u>	<u>362.114.296</u>
Secured bank facilities with various maturity dated through 2013 and which may be extended:		
- Amount used	128.679.634	128.679.634
- Amount unused	26.482.923	26.482.923
Total	<u>155.162.557</u>	<u>155.162.557</u>

(v) Credit risk

The credit risk faced by the Group is the risk of inability of debtors to fulfill their financial obligations in accordance with the terms of the agreement.

This exposure derives mainly from:

- risk of customers failing to fulfill their obligations,
- risk that funds or financial instruments are not transferred by counterparties.

In most cases, sales of passenger ticket and cargo are handled by agents under the influence and auspices of IATA. These agents are connected with a clearing system for every country for settlement of passage or cargo sales. Individual agents are audited by certain clearing houses.

The credit risk from sales agents is relatively low. Except when the contract that serves as the basis for payment stipulates otherwise, claims and liabilities incurred between airlines are normally settled bilaterally or through the IATA Clearing House. Settlement is mainly done by periodically offsetting payables and receivables, which significantly reduces the risk of failure to pay.

Risiko kredit transaksi dari investasi dan instrumen keuangan derivatif dengan pihak ketiga yang timbul dari tidak dilakukannya pembayaran sesuai kontrak, relatif rendah karena transaksi hanya dilakukan dengan pihak yang memiliki peringkat kredit yang tinggi.

Grup melakukan hubungan usaha hanya dengan pihak ketiga yang kredibel. Semua lawan transaksi harus mendapat persetujuan sebelumnya dari manajemen sebelum kesepakatan dilakukan. Batasan lawan transaksi (jumlah dan waktu kredit) harus ditetapkan terhadap masing-masing lawan transaksi dan ditelaah secara tahunan oleh manajemen. Di samping itu, saldo piutang dimonitor secara berkelanjutan untuk mengurangi eksposur piutang bermasalah.

Nilai tercatat aset keuangan pada laporan keuangan konsolidasian dikurangi dengan pencadangan kerugian penurunan nilai yang mencerminkan eksposur maksimum risiko kredit pada tanggal pelaporan adalah sebagai berikut:

	2013	2012	
	USD	USD	
Kas dan setara kas	475.260.630	325.784.942	Cash and cash equivalents
Piutang usaha	139.981.363	129.471.098	Trade receivable
Piutang lain-lain	8.745.081	7.877.613	Other receivable
Dana peraw atan pesaw at dan uang jaminan	617.623.057	461.933.812	Maintenance reserve fund and security deposits
Aset lain-lain	33.164.537	31.874.533	Other assets
Jumlah	<u>1.274.774.668</u>	<u>956.941.998</u>	Total

Resiko kredit pada dana likuid terbatas karena *counterparty* adalah bank dengan peringkat kredit tinggi yang dinilai oleh lembaga pemeringkat kredit.

Transaction counterpart credit risk from investments and derivative financial instruments, arising from failure to make payments as per the contract, is relatively low because such transactions are only conducted with parties with a high credit rating.

The Group enters into business relationships only with credible third parties. All transaction counterparts must be approved in advance by the management before an agreement is made. Restrictions on transaction counterparts (amounts and periods of loans) must be stipulated for each transaction counterpart and are reviewed annually by the management. In addition, the outstanding receivables are continually monitored to reduce exposure to bad debts.

The carrying amount of financial assets recorded in the consolidated financial statements, net any of allowance for losses represents the maximum credit risk exposure at the reporting date as follows:

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies.

D. Estimasi Nilai Wajar Instrumen Keuangan

Nilai wajar instrumen keuangan yang dicatat pada biaya perolehan diamortisasi

Kecuali sebagaimana tercantum dalam tabel berikut, direksi menganggap bahwa nilai tercatat aset keuangan dan liabilitas keuangan diakui dalam laporan keuangan konsolidasian mendekati nilai wajarnya.

	2013		2012		
	Nilai tercatat/ <i>Carrying amount</i>	Nilai wajar/ <i>Fair value</i>	Nilai tercatat/ <i>Carrying amount</i>	Nilai wajar/ <i>Fair value</i>	
	USD	USD	USD	USD	
Dana peraw atan pesaw at dan uang jaminan	617.623.057	601.450.216	461.933.812	468.028.816	Maintenance reserve fund and security deposit
Pinjaman jangka panjang	604.695.491	601.555.736	400.947.490	401.518.540	Long-term loans
Liabilitas sewa pembiayaan	191.750.944	184.361.683	206.352.598	194.935.133	Lease liabilities
Utang obligasi	162.850.383	139.452.393	-	-	Bond payable

D. Fair Value Estimation of Financial Instruments

Fair value of financial instruments recorded as amortized cost

Except as detailed in the table below, management considers that the carrying amount of financial assets and liabilities recorded in consolidated financial statements approximately agreed the fair value.

Teknik penilaian dan asumsi yang diterapkan untuk tujuan pengukuran nilai wajar

Nilai wajar aset keuangan dan liabilitas keuangan ditentukan sebagai berikut:

- Nilai wajar aset keuangan dan liabilitas keuangan dengan syarat dan kondisi standar dan diperdagangkan di pasar aktif ditentukan dengan mengacu pada harga pasar.
- Nilai wajar aset keuangan dan liabilitas keuangan lainnya (tidak termasuk yang dijelaskan di atas) ditentukan sesuai dengan model penentuan harga yang berlaku umum berdasarkan analisis *discounted cash flow* menggunakan harga dari transaksi pasar yang dapat diamati saat ini dan kutipan dealer untuk instrumen sejenis

Secara khusus, asumsi signifikan yang digunakan dalam menentukan nilai wajar dari liabilitas keuangan ditetapkan di bawah ini:

Pinjaman jangka panjang

Nilai wajar dari pinjaman jangka panjang untuk tahun yang berakhir 31 Desember 2013 dan 2012 diperkirakan masing-masing sebesar USD 601.555.736 dan USD 401.518.540, dengan tingkat suku bunga diskonto tahun 2013 sebesar 1,159% - 4,750% untuk USD dan 6,5% - 11,15% untuk Rupiah.

Liabilitas sewa pembiayaan

Nilai wajar dari liabilitas sewa pembiayaan untuk tahun yang berakhir 31 Desember 2013 dan 2012 diperkirakan masing-masing sebesar USD 184.361.683 dan USD 194.935.133, dengan tingkat diskonto 7,33% - 8,59% dan berdasarkan tingkat bunga Libor 3 bulan.

Utang obligasi

Nilai wajar dari utang obligasi untuk tahun yang berakhir 31 Desember 2013 diperkirakan USD 139.452.393 dengan menggunakan tingkat bunga pasar 11,15% berdasarkan Indonesia Government Bond Yield Curve.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair values of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Specifically, significant assumptions used in determining the fair value of the following financial liabilities are set out below:

Long-term loan

The fair value of long-term loan as at December 31, 2013 and 2012 are estimated to be USD 601,555,736 and USD 401,518,540 with discount rate in 2013 are estimated to 1.159% - 4.750% in USD and 6.5% - 11.15% in Rupiah.

Lease liabilities

The fair value of lease liabilities as at December 31, 2013 and 2012 are estimated to be USD 184,361,683 and USD 194,935,133 using 7.33% - 8.59% discount rates and interest Libor 3 months.

Bond payable

The fair value of bond payable as at December 31, 2013 estimated to be USD 139,452,393 million using the market interest rate of 11.15% by Indonesian Government Bond Yield Curve.

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47. PERJANJIAN SEWA OPERASI

Grup mengadakan perjanjian sewa operasi antara lain:

1. Pesawat

Perusahaan sewa operasi/ <i>Lessors</i>	Aset Sewaan/ <i>Leased Assets</i>	Jatuh Tempo/ <i>Year of Maturity</i>
<u>Pesawat/ Airline</u>		
GECAS (FRANCE) SARL	1 Boeing 737-800	2016
	3 Boeing 737-800	2022
	4 Boeing 737-800	2023
	3 Boeing 737-800	2025
AABS Aviation 1 France S.A.R.L	2 Boeing 737-800	2016
GY Aviation Lease (France) SARL	2 Boeing 737-800	2022
Int'l Lease Finance Corporation (ILFC)	2 Airbus 330-200	2016
	2 Boeing 737-800	2016
	1 Boeing 737-800	2021
Nice Location SARL	1 Airbus 330-200	2016
AerCo France S.A.R.L	1 Boeing 737-300	2014
ALS France S.A.R.L.	1 Boeing 737-300	2014
	1 Boeing 737-800	2015
SARL MASA FRANCE	1 Boeing 737-800	2014
SARL MASB FRANCE	1 Boeing 737-800	2014
SARL MASC FRANCE	1 Boeing 737-800	2016
MSN 30151 Leasing France SARL	1 Boeing 737-800	2021
MSN 30155 Leasing France SARL	1 Boeing 737-800	2021
MSN 30156 Leasing France SARL	1 Boeing 737-800	2021
MSN 30157 Leasing France SARL	1 Boeing 737-800	2021
MSN 30140 Leasing France SARL	1 Boeing 737-800	2021
MSN 30141 Leasing France SARL	1 Boeing 737-800	2022
MSN 30142 Leasing France SARL	1 Boeing 737-800	2022
MSN 30143 Leasing France SARL	1 Boeing 737-800	2022
Biarritz Location S.A.R.L	1 Airbus 330-200	2016
BANK OF UTAH	2 Boeing 737-800	2020
BBAM Aircraft Holding 121 SARL	1 Boeing 737-800	2020
BBAM Aircraft Holding 122 SARL	1 Boeing 737-800	2020
CIT Aerospace International (France) SARL	1 Boeing 737-800	2022
Trojan Aircraft Leasing (France) SARL	1 Airbus 330-200	2025
	2 Boeing 737-800	2017

47. OPERATING LEASE AGREEMENTS

The Group entered into the following operating lease agreements:

1. Aircraft

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Perusahaan sewa operasi/ <i>Lessors</i>	Aset Sewaan/ <i>Leased Assets</i>	Jatuh Tempo/ <i>Year of Maturity</i>
<u>Pesawat/ Airline</u>		
La Victoire 3 Holding SARL	1 Boeing 737-800	2017
Centennial Aviation (France) 2, SARL	1 Airbus 330-200	2020
	1 Airbus 330-200	2021
MITSUBISHI France S.A.S	3 Boeing 737-800	2022
PEMBROKE LEASE FRANCE SAS	1 Boeing 737-800	2023
	4 Boeing 737-800	2022
	4 Boeing 737-800	2020
	1 Boeing 737-800	2021
	1 Boeing 737-800	2019
ICIL Paris (A Limited Liability Company)	1 Boeing 737-800	2018
BBAM Aircraft Holding 129 SARL	1 Boeing 737-800	2022
BBAM Aircraft Holding 130 SARL	1 Boeing 737-800	2022
AWAS 1214 S.A.R.L.	1 Airbus 330-200	2021
AWAS 29928 SARL	1 Boeing 737-800	2017
AWAS 29929 SARL	1 Boeing 737-800	2017
AWAS (France) Two SARL	2 Boeing 737-800	2023
ALC A332 1288, LCC	1 Airbus 330-200	2024
Java Aircraft Leasing (France) SARL	1 Airbus 330-200	2024
NAC Aviation France 1 SAS	2 Bombardier CRJ-1000	2024
	5 Bombardier CRJ-1000	2025
SMBC Aviation Capital Paris Leasing 1 SARL	2 Boeing 737-800	2025
ACG Acquisition 38884 LLC	1 Boeing 737-800	2025
ACG Acquisition 38885 LLC	1 Boeing 737-800	2025
Salwa Aircraft Leasing (One) Limited	2 Boeing 777-300	2025
Gold Coast Aircraft Leasing	1 Airbus 330-300	2025
Sailes 4, LLC	2 Boeing 777-300	2025
NAC Aviation France 2 SAS	2 ATR 72-600	2025
ALC B738 41310, LLC	1 Boeing 737-800	2025
ALC B738 41312, LLC	1 Boeing 737-800	2025
Sumatra Aircraft Leasing (France) SARL	1 Airbus 330-200	2025
Wells Fargo Bank Northwest	1 Airbus 320-200	2018
ACG Acquisition XX LLC	1 Airbus 320-200	2018
ILFC France SARL	1 Airbus 320-200	2018
ILFC France SARL	1 Airbus 320-200	2019
ALS France SARL	3 Airbus 320-200	2016
Whitney France Leasing SARL	1 Airbus 320-200	2019
BOC Aviation (France) SARL	1 Airbus 320-200	2018
SMBC Aviation Capital Limited	2 Airbus 320-200	2024
SMBC Aviation Capital Limited	2 Airbus 320-200	2025
Centennial Aviation (France) 2 SARL	3 Airbus 320-200	2024
Gecas France	6 Airbus 320-200	2025

2. Mesin2. Engine

Perusahaan sewa operasi/ <i>Lessors</i>	Aset Sewaan/ <i>Leased Assets</i>	Jatuh Tempo/ <i>Year of Maturity</i>
<u>Mesin / Engine</u>		
Aviation Lease Finance	1 Mesin Boeing B747-400	2014
Engine Lease Finance Corp.	1 Mesin Boeing B737-800	2017
GECAS (France) S.A.R.L	2 Mesin Boeing B737-800	2021
	1 Mesin Boeing B737-800	2022
	1 Mesin Boeing B777-300	2020
Willis Lease Finance	2 Mesin Boeing B737-300	2014
	1 Mesin Boeing B747-400	2014

Pembayaran Sewa Operasi

Total komitmen sewa adalah sebagai berikut:

	Pembayaran sewa operasi masa depan/ <i>Future lease payments</i>		
	2013	2012	
	USD	USD	
Dalam satu tahun	581.065.537	374.493.616	Within one year
Lebih dari satu tahun tapi tidak lebih dari lima tahun	2.108.428.274	1.318.832.678	Over one year but not longer than five years
Lebih dari lima tahun	2.333.773.641	1.131.273.419	Over five years
Jumlah	<u>5.023.267.452</u>	<u>2.824.599.713</u>	Total

Uang Jaminan

Grup diharuskan untuk membayar uang jaminan atas kewajiban Perusahaan terhadap pembayaran sewa. Pada tanggal 31 Desember 2013 dan 2012, saldo uang jaminan masing-masing sebesar USD 144.443.468 dan USD 111.254.884 (Catatan 11).

Dana Perawatan Pesawat

Sesuai dengan perjanjian sewa operasi untuk pesawat, Perusahaan diharuskan untuk membayar dana perbaikan dan pemeliharaan untuk pesawat yang disewa kepada lessor.

Dana perbaikan didasarkan atas penggunaan pesawat selama periode sewa yang mencakup dana perbaikan untuk rangka pesawat, pengembalian kinerja mesin, dan suku cadang mesin, serta alat pendaratan dan *Auxiliary Power Unit* (APU).

Selama masa sewa, Perusahaan diwajibkan untuk melakukan pemeliharaan dan perbaikan rangka pesawat, mesin, APU dan seluruh suku cadang sesuai dengan standar yang disetujui. Pekerjaan perbaikan dan perawatan rangka pesawat, mesin dan bagian lainnya secara teratur dikerjakan oleh perusahaan perbaikan pesawat yang telah ditunjuk (MRO) yang telah memenuhi standar. Berdasarkan Perjanjian sewa, Perusahaan akan mengajukan biaya penggantian sesuai dengan yang diperbolehkan dalam perjanjian, setelah pekerjaan selesai dan setelah perbaikan rangka pesawat, mesin, alat pendaratan atau APU keluar dari bengkel, dengan melampirkan faktur dan dokumen terkait beberapa hari setelah pekerjaan selesai.

Sampai tanggal berakhirnya perjanjian, Perusahaan berkewajiban untuk membayar dana cadangan, dan klaim biaya penggantian akan dikaji dan dibayarkan, sepanjang tidak terjadi gagal bayar. Mengacu kepada masing-masing perjanjian, lessor dapat menguasai atau mengembalikan sisa dana perawatan.

Operating Rental Payments

Total rental commitments are as follows:

Security Deposits

The Group is required to pay security deposits that will serve as guarantee for the payment of the Company's obligations. As of December 31, 2013 and 2012, the balance of the security deposits amounted to USD 144,443,468 and USD 111,254,884, respectively (Note 11).

Maintenance Reserve Funds

Based on operating lease arrangements for aircrafts, the Company is required to pay maintenance and repair reserve funds for the leased aircraft to the lessors.

Maintenance reserve funds are based on the use of the aircraft during the lease term consisting of reserves funds for airframe structure maintenance, engine performance restoration maintenance, engine life limited parts maintenance, landing gear maintenance and Auxiliary Power Unit (APU) maintenance.

During the lease term, the Company is obliged to maintain and repair the airframes, engines, APU and all the parts in accordance with agreed standard. The maintenance and repair work on the airframes, engines and other part, or engines will be regularly performed by authorized maintenance repair and overhaul companies (MRO). Based on the lease agreement, the Company will be entitled to its reimbursement of applicable maintenance and repair reserve funds after the work is completed and the workshop company releases the airframe, engine, landing gear or APU, by submitting invoices and proper documentation within certain days after the completion of the work.

Up to the termination date, the Company shall have the obligation to pay contribution into the reserve funds, and any outstanding reimbursable expenses shall be reviewed and disbursed, provided no default occurred. Depending on the specific agreements, the lessor may or may not retain the remaining balance of the maintenance reserve funds.

Pada tanggal 31 Desember 2013 dan 2012, saldo dana perawatan pesawat masing-masing sebesar USD 473.179.589 dan USD 350.678.928.

Jual dan sewa kembali

Perusahaan mencatat pendapatan ditangguhkan atas transaksi jual dan sewa kembali pesawat. Pada tanggal 31 Desember 2013 dan 2012, jumlah pendapatan ditangguhkan setelah dikurangi nilai amortisasi masing-masing sebesar USD 22.720.707 dan USD 5.014.143.

3. Sewa Operasi Non Pesawat

- a. Pada tanggal 25 Januari 2008, GMFAA mengadakan Perjanjian Pemanfaatan Tanah dan Konsesi Usaha dengan PT Angkasa Pura II (Persero) sehubungan dengan pemanfaatan tanah seluas ± 900.000 m² untuk digunakan dalam kegiatan usaha pemeliharaan pesawat di Bandara Udara Soekarno-Hatta, Cengkareng, Tangerang. Perjanjian ini berlaku sampai dengan 31 Desember 2011 dengan kompensasi dan konsesi sesuai dengan tarif yang disepakati. GMFAA wajib memberikan jaminan bank yang diterbitkan oleh bank umum untuk menjamin pembayaran kompensasi tersebut. Masa berlaku jaminan tersebut selama 1 tahun dan diperpanjang setiap tahunnya sampai berakhirnya perjanjian ini.
- b. GMFAA juga mengadakan perjanjian sewa operasi peralatan operasional, koneksi internet, dan lainnya dengan beberapa pihak.
- c. Perusahaan mengadakan perjanjian pemanfaatan tanah di Bandara Soekarno-Hatta seluas 6.246 m² dengan PT Angkasa Pura II (Persero), untuk jangka waktu 30 tahun yang berakhir 30 September 2021. Tanah tersebut digunakan Perusahaan untuk lokasi gedung perkantoran kargo. Kompensasi atas tanah tersebut sebesar Rp 800 per m² per bulan atau seluruhnya Rp 1.798.848.000 dan dapat ditinjau kembali setiap 5 tahun. Uang muka sebesar 10% atau Rp 179.884.800. Pembayaran dilakukan setiap tahun sebesar Rp 53.965.440.

Pada akhir periode perjanjian, tanah beserta seluruh fasilitas di atasnya diserahkan kepada PT Angkasa Pura II.

On December 31, 2013 and 2012, aircraft maintenance reserve funds amounted to USD 473,179,589 and USD 350,678,928, respectively.

Sale and leaseback

The Company recognized deferred income from sale and leaseback of aircrafts. As of December 31, 2013 and 2012, the outstanding deferred income net of the related amortization amounted to USD 22,720,707 and USD 5,014,143, respectively.

3. Non Aircraft Operating Lease

- a. On January 25, 2008, GMFAA entered into Land Utilization and Business Concession Agreements with PT Angkasa Pura II (Persero) in relation to land utilization measuring approximately 900,000 square meters used for aircraft maintenance business activities in Soekarno-Hatta Airport, Cengkareng, Tangerang. The term of this agreement is effective until December 31, 2011, with compensation and concession based on agreed tariffs. GMFAA is obliged to provide bank guarantee issued by general bank to secure the payment of such compensation. The term of such guarantee is 1 year and renewable annually until the expiration of the agreement.
- b. GMFAA also entered into operating lease agreements of operational equipment, internet connection, and others with several parties.
- c. The Company entered into an agreement for utilization of 6,246 square meters of land at the Soekarno-Hatta Airport with PT Angkasa Pura II (Persero), for 30-year period until September 30, 2021. The land is used for the purpose of cargo office building. The compensation for the use of the land is Rp 800 per square meter per month or a total of Rp 1,798,848,000, which is subject for review every 5 years. A deposit of 10% or Rp 179,884,800 was also paid. Payment of Rp 53,965,440 is made annually.

At the expiration of the agreement, the Company will return the land and all the facilities to PT Angkasa Pura II.

Perusahaan juga mengadakan perjanjian pemanfaatan tanah di Bandara Soekarno-Hatta seluas 164.742 m² dengan PT Angkasa Pura II (Persero), untuk jangka waktu 20 tahun yang berakhir 31 Desember 2011. Perusahaan membangun gedung perkantoran di atas tanah tersebut. Sampai dengan tanggal laporan keuangan konsolidasian, perpanjangan perjanjian tersebut masih dalam proses finalisasi.

Dalam perjanjian sewa operasi tersebut terdapat opsi perpanjangan masa sewa. Perusahaan tidak memiliki hak opsi untuk membeli aset sewaan pada akhir masa sewa. Perjanjian tersebut juga memuat ketentuan yang dapat mengakibatkan pengakhiran perjanjian sebelum masa sewa berakhir.

Jumlah komitmen sewa lainnya adalah sebagai berikut:

	2013	2012	
	USD	USD	
Dalam satu tahun	1.940.614	2.460.575	Within one year
Lebih dari satu tahun tapi tidak lebih dari lima tahun	4.997.221	6.356.732	Longer than one year not longer than five years
Lebih dari lima tahun	7.583.167	9.616.307	Over five year
Jumlah	<u>14.521.002</u>	<u>18.433.614</u>	Total

The Company also entered into an agreement with PT Angkasa Pura II (Persero) for the use of another parcel of land with an area of 164,742 square meters at the Soekarno-Hatta Airport, for a period of 20 years until December 31, 2011. The Company constructed on such land the office building. As of the issuance date of the consolidated financial statements, the extension agreement is under finalization process.

The operating lease agreements contain option to renew the lease term. The Company does not have an option to purchase the lease asset at the expiry of the lease term. The lease agreements include certain conditions that may cause the leases to be terminated prior to the expiry of the lease terms.

Total of other lease commitments is as follows:

48. IKATAN

a. Pembelian Pesawat

(i). Pesawat Boeing 777-300ER

Sesuai dengan *Purchase Agreement* No. 1938 tanggal 4 Juni 1996 yang terakhir diamandemen melalui *Supplemental Agreement* No. 4 tanggal 29 Desember 2005, Perusahaan mengadakan kontrak pembelian pesawat Boeing 777-200ER sebanyak 6 pesawat dengan harga dasar (*aircraft basic price*) USD 198.192.610. Harga pesawat akan ditetapkan pada saat penyerahan dengan penyesuaian harga sesuai perjanjian. Penyerahan direncanakan pada bulan Juni 2010 sampai dengan Agustus 2011.

Berdasarkan konfirmasi dari The Boeing Company No. 6-1176-DJH-1049R-1 tanggal 30 Maret 2007, pembelian 6 pesawat tipe Boeing 777-200ER diubah menjadi pembelian 10 pesawat tipe Boeing 787 dengan jadwal pengiriman April 2014 sampai dengan Juli 2015. Konfirmasi tersebut kemudian dilanjutkan dengan adanya penawaran pembaharuan *Purchase Agreement* No. 1938 oleh Boeing menjadi sepuluh pesawat jenis B 777-200ER/ 300ER/200LR.

48. COMMITMENTS

a. Purchase of Aircrafts

(i). Boeing 777-300ER Aircraft

Based on Purchase Agreement No. 1938 dated June 4, 1996, which had been amended several times, most recently by Supplemental Agreement No. 4 dated December 29, 2005, the Company entered into a contract to purchase 6 Boeing 777-200ER with basic price of USD 198,192,610. The price of the aircrafts will be determined at the time of delivery by calculating the price adjustments in accordance with the agreement. Delivery was scheduled within the period of June 2010 up to August 2011.

However, based on confirmation from The Boeing Company No. 6-1176-DJH-1049R-1, dated March 30, 2007, the purchase of 6 Boeing 777-200ER was replaced with purchase of 10 Boeing 787 and will be delivered April 2014 up to July 2015. The confirmation is preceded by the Boeing's offering to renew the Purchase Agreement No. 1938 into purchase of ten B 777-200ER/300ER/200LR aircrafts.

Menanggapi penawaran tersebut, Perusahaan merencanakan menambah pembelian pesawat B 777 dari 6 pesawat B 777-200 menjadi 10 pesawat B 777-300ER, melalui *Supplemental Agreement* No. 5 atas *Purchase Agreement* No. 1938. Melalui *Supplemental Agreement* No. 9 atas *Purchase Agreement* No. 1938 jadwal pengiriman pesawat telah diubah dari mulai Agustus 2012 menjadi mulai Mei 2013 sampai dengan Januari 2016. Harga dasar pesawat (*aircraft basic price*) untuk sepuluh (10) pesawat B 777-300 ER adalah USD 251.397.000.

Sehubungan dengan penambahan row pada *First Class seat* pada pesawat B777 yang mengakibatkan perubahan jadwal pengiriman pesawat pertama B777 dari bulan Mei 2013 menjadi bulan Juni 2013. Pada 23 April 2012, Perusahaan telah menandatangani *Supplemental Agreement* No. 10 atas *Purchase Agreement* No. 1938 dengan The Boeing Company.

Pada tanggal 23 Mei 2012, Perusahaan dan The Boeing Company menandatangani *Supplemental Agreement* No. 11 atas *Purchase Agreement* No. 1938 sehubungan dengan finalisasi konfigurasi pesawat B777.

Pada tanggal 6 Juli 2012, Perusahaan dan The Boeing Company menandatangani *Supplemental Agreement* No. 12 atas *Purchase Agreement* No. 1938 sehubungan dengan percepatan pengiriman pesawat B777 dari Januari 2014 menjadi Oktober 2013, perubahan tabel harga serta perubahan formula penghitungan. Perusahaan mengadakan perjanjian jual dan sewa balik dengan Alafco dan Gugenheim atas 4 pesawat. Harga jual ditentukan pada saat kedatangan pesawat.

Pada tahun 2013, sebanyak 4 pesawat Boeing 777-300ER yang telah diikat dengan perjanjian jual dan sewa balik telah dikirim, dengan jangka waktu sewa 12 tahun dan diklasifikasikan sebagai sewa operasi.

Pembayaran uang muka untuk pembelian pesawat dilakukan secara bertahap mulai dari saat penandatanganan nota kesepahaman penandatanganan perjanjian, yaitu 30 atau 24 bulan sampai dengan 6 bulan sebelum pengiriman. Pada tanggal 31 Desember 2013 dan 2012, jumlah uang muka pembelian pesawat yang telah dibayarkan masing-masing berjumlah USD 219.297.500 dan USD 279.424.180.

In response to the offer, the Company plans to increase the number of units purchased from 6 aircrafts B777-200 into 10 aircrafts B777-300ER by submitting *Supplemental Agreement* No. 5 to *Purchase Agreement* No. 1938. Through *Supplemental Agreement* No. 9 to *Purchase Agreement* No. 1938, the schedule for aircraft delivery was revised from an original date starting August 2012 and changed to May 2013 until January 2016. The aircraft basic price for ten (10) B777-300 ER aircraft is USD 251,397,000.

In relation with the addition of additional rows in First Class seat on B777 aircrafts which caused a change in delivery schedule of the first B777 aircraft from May 2013 to June 2013. On April 23, 2012, the Company signed *Supplemental Agreement* No. 10 to *Purchase Agreement* No. 1938 with The Boeing Company.

On May 23, 2012, the Company and The Boeing Company executed *Supplemental Agreement* No. 11 to *Purchase Agreement* No. 1938 with regard to the finalisation of B777 aircraft configuration.

On July 6, 2012, the Company and The Boeing Company executed *Supplemental Agreement* No. 12 to *Purchase Agreement* No. 1938 with regard to the acceleration of the delivery of B777 aircraft from January 2014 to October 2013, revision of the pricing table and the change of calculation formula. The Company entered into a sale and leaseback with Alafco and Gugenheim for 4 aircrafts. The selling price is determined at the time of arrival of aircraft.

In 2013, 4 Boeing 777-300ER aircraft under sale and leaseback agreement has been delivered, with 12 years lease period and classified as operating lease.

Advance payments for acquisition of aircrafts were made in stages starting from the signing of the memorandum of understanding until the signing of the agreement, ie. 30 or 24 months up to 6 months prior to aircraft delivery. At December 31, 2013 and 2012, the amount of advances for purchase of aircrafts that has been paid amounted to USD 219,297,500 and USD 279,424,180, respectively.

(ii). Pesawat Boeing 737-800

Perusahaan juga melakukan *Purchase Agreement* No. 2158 tanggal 19 Juni 1998 untuk pembelian 18 pesawat Boeing 737-800, yang terakhir diamandemen melalui *Supplemental Agreement* No. 8 tanggal 18 Januari 2010, di mana Perusahaan menambah jumlah pesawat menjadi 25 pesawat tipe B 737-800 dengan harga dasar (*aircraft basic price*) USD 67.518.600. Harga pesawat ditetapkan pada saat penyerahan dengan penyesuaian harga sesuai perjanjian. Jadwal pengiriman pesawat adalah dari Juni 2009 sampai dengan Pebruari 2016. Selanjutnya pada tahun 2009 dan 2010, Perusahaan mengadakan perjanjian jual dan sewa balik dengan Dubai Aerospace Enterprise (DAE) atas 8 pesawat dan MCAP atas 3 pesawat dan Pembroke Lease France SAS atas 9 Pesawat. Harga jual ditentukan pada saat kedatangan pesawat.

Pada tahun 2013, sebanyak 1 pesawat Boeing 737-800 yang telah diikat dengan perjanjian jual dan sewa balik telah dikirim, dengan jangka waktu sewa 10 tahun dan diklasifikasikan sebagai sewa operasi.

Pada tahun 2012, sebanyak 4 unit pesawat Boeing 737-800 yang telah diikat dengan perjanjian jual dan sewa balik telah dikirim, dengan jangka waktu sewa 10 tahun dan diklasifikasikan sebagai sewa operasi.

Pembayaran uang muka untuk pembelian pesawat dilakukan secara bertahap mulai dari saat penandatanganan nota kesepahaman penandatanganan perjanjian, yaitu 30 atau 24 bulan sampai dengan 6 bulan sebelum pengiriman. Pada tanggal 31 Desember 2013 dan 2012, jumlah uang muka pembelian pesawat yang telah dibayarkan masing-masing berjumlah USD 9.664.720 dan USD 14.771.356.

(iii). Pesawat Airbus A-330-300

Pada tanggal 4 Nopember 1989, Perusahaan melakukan *Purchase Agreement* dengan Airbus untuk pembelian dan pengiriman 9 pesawat Airbus A-330-300. Perusahaan telah menerima pengiriman 6 pesawat, akan tetapi berupaya melakukan perpanjangan waktu atas pengiriman 3 pesawat sisanya, yang berdasarkan *Side Letter* tanggal 21 Desember 1995 dinyatakan bahwa penyerahan 3 pesawat terakhir dijadwalkan bulan Juli 1998, Agustus 1998 dan Januari 1999.

(ii). Boeing 737-800 Aircraft

The Company also entered into Purchase Agreement No. 2158 dated June 19, 1998 for the purchase of 18 Boeing 737-800, which had been amended several times, most recently by Supplemental Agreement No. 8 dated January 18, 2010, whereby the Company increased the number of units purchased into 25 Boeing 737-800 aircrafts with basic price of USD 67,518,600. The price of the aircraft will be determined at the time of delivery by calculating the price adjustments in accordance with the agreement. Delivery of the aircrafts is within the period of June 2009 up to February 2016. In relation to these scheduled deliveries, during 2009 and 2010, the Company entered into a sale and leaseback with Dubai Aerospace Enterprise (DAE) for 8 aircrafts and MCAP for 3 aircrafts and Pembroke Lease Finance SAS for 9 aircrafts. The selling price is determined at the time of arrival of aircraft.

In 2013, 1 aircraft of Boeing 737-800 under sale and leaseback agreement has been delivered, with 10 years lease period and classified as operating lease.

In 2012, 4 units of Boeing 737-800 aircraft under sale and leaseback agreement has been delivered, with 10 years lease period and classified as operating lease.

Advance payment for the purchase of aircrafts were made in stages starting from the signing of a memorandum of understanding until signing of the agreement, ie. 30 or 24 months up to 6 months prior to aircraft delivery. At December 31, 2013 and 2012, the amount of advance for purchase of aircrafts that has been paid amounted to USD 9,664,720 and USD 14,771,356, respectively.

(iii). Airbus A-330-300 Aircraft

On November 4, 1989, the Company entered into a Purchase Agreement with Airbus for the purchase and delivery of 9 Airbus A-330-300 aircrafts. The Company has received 6 of the aircrafts but has sought rolling extension for the delivery of the final 3 aircrafts, in which based on a Side Letter dated December 21, 1995, the final delivery of 3 aircrafts was scheduled in July 1998, August 1998 and January 1999.

Pengiriman pesawat tersebut belum dapat dilakukan karena Perusahaan belum mencapai kesepakatan formal dengan Airbus sehubungan dengan kewajiban dalam *Purchase Agreement* untuk pengiriman 3 pesawat Airbus A-330-300 sisanya. Berdasarkan *side letter* tanggal 9 Nopember 2009, pengiriman sisa 3 pesawat Airbus A-330-300 digantikan dengan pemesanan 6 pesawat Airbus A-330-200 dengan jadwal pengiriman mulai Oktober 2012 sampai dengan Oktober 2014. Harga dasar pesawat (*aircraft basic price*) untuk 6 pesawat A-330-200 sebesar USD 173.949.317.

Pada bulan Juli 2011 Perusahaan dan Airbus menandatangani *Amendment* No. 3 atas Perjanjian Pembelian pesawat sebelumnya Melalui Perjanjian tersebut Perusahaan menggantikan 3 dari pemesanan 6 pesawat Airbus A330-200 menjadi Airbus A330-300 dan membeli tambahan 4 pesawat Airbus A330-300.

Pada tanggal 19 Desember 2011, Perusahaan dan Airbus menandatangani *Amendment* No. 4, 5 dan 6 atas *Purchase Agreement* dimana Perusahaan melakukan pembelian 11 (sebelas) Airbus tipe A330-300 dan 3 (tiga) Airbus tipe A330-200F.

Perusahaan mengadakan perjanjian jual dan sewa balik dengan Aircastle atas 4 pesawat. Harga jual ditentukan pada saat kedatangan pesawat.

Pada tahun 2013, sebanyak 2 pesawat Airbus A-330-200 dan 1 pesawat Airbus A-330-300 yang telah diikat dengan perjanjian jual dan sewa balik telah dikirim, dengan jangka waktu sewa 12 tahun dan diklasifikasikan sebagai sewa operasi.

Pembayaran uang muka untuk pembelian pesawat dilakukan secara bertahap mulai dari saat penandatanganan nota kesepahaman penandatanganan perjanjian, yaitu 30 atau 24 bulan sampai dengan 6 bulan sebelum pengiriman. Pada tanggal 31 Desember 2013 dan 2012, jumlah uang muka pembelian pesawat yang telah dibayarkan masing-masing berjumlah USD 189.873.807 dan USD 151.389.855.

These deliveries have not taken place because the Company has not reached any subsequent formal agreement with Airbus in relation to its obligation under the Purchase Agreement for the delivery of the remaining 3 Airbus A-330-300 aircrafts. Based on side letter dated November 9, 2009, delivery of the remaining 3 Airbus A-330-300 was replaced with 6 Airbus A-330-200 with delivery schedule starting in October 2012 until October 2014. The aircraft basic price for 6 aircraft A-330-200 amounted to USD 173,949,317.

On July 2011 the Company and Airbus signed Amendment No. 3 related to Purchase Agreement. Under this agreement, the Company replaced 3 of remaining 6 Airbus A330-200 into A330-300 and purchased additional 4 Airbus A330-300.

On December 19, 2011, the Company and Airbus signed Amendment No. 4, 5 and 6 to the Purchase Agreement. Under those agreement the Company purchase 11 (eleven) Airbus aircraft type A330-300 and 3 (three) aircraft type A330-200F.

The Company entered into a sale and leaseback with Aircastle for 4 aircrafts. The selling price is determined at the time of arrival of aircraft.

In 2013, 2 aircraft Airbus A-330-200 and 1 aircraft Airbus A-330-300 has been delivered which is under sale and leaseback agreements, with a lease term of 12 years and are classified as operating leases.

Advance payment for purchase of aircrafts were made in stages starting from the signing of the memorandum of understanding until the signing of the agreement, ie. 30 or 24 months up to 6 months prior to aircraft delivery. At December 31, 2013 and 2012, the amount of advance for purchase of aircrafts that has been paid amounted to USD 189,873,807 and USD 151,389,855, respectively.

(iv). Pembelian Pesawat Airbus A320-200

Pada tanggal 2 Agustus 2011 Perusahaan dan Airbus menandatangani Perjanjian Pembelian pesawat A320-200 untuk pembelian 25 pesawat Airbus tipe A320-200. Jadwal pengiriman mulai 2014 sampai dengan 2018. Harga dasar pesawat masing-masing adalah USD 83.041.000. Terkait dengan pembelian pesawat ini Perusahaan juga menandatangani Perjanjian dengan CFM International untuk pengadaan mesin tipe CFM56-5B4 untuk 15 (lima belas) pesawat A320-200 dan mesin tipe Leap-X1A26 untuk 10 (sepuluh) A320 NEO aircraft.

Pada Juli 2012, Perusahaan dan Airbus SAS menandatangani *Amendment No. 1 to the Purchase Agreement A320* tentang pelaksanaan opsi untuk menambah jumlah pesawat yang dibeli yaitu sebanyak 25 pesawat.

Pembayaran uang muka untuk pembelian pesawat dilakukan secara bertahap mulai dari saat penandatanganan nota kesepahaman penandatanganan perjanjian, yaitu 30 atau 24 bulan sampai dengan 6 bulan sebelum pengiriman. Pada tanggal 31 Desember 2013 dan 2012, jumlah uang muka pembelian pesawat yang telah dibayarkan masing-masing berjumlah USD 73.273.288 dan USD 44.217.895.

(v). Pembelian Pesawat Bombardier CRJ1000 NextGen Series Aircraft

Pada tanggal 18 Desember 2011, Perusahaan dan Bombardier Aerospace telah menandatangani Proposal untuk pembelian pasti (firm) atas 6 (enam) pesawat dan memiliki opsi membeli sebanyak 18 (delapan belas) CRJ1000 NextGen Series.

Pada tanggal 13 Pebruari 2012 Perusahaan dan Nordic Aviation Capital A/S telah menandatangani "Letter of Intent" sehubungan dengan sewa 12 (dua belas) pesawat CRJ1000 NextGen.

Aircraft Lease Agreement sebagai dasar pelaksanaan sewa 12 (dua belas) pesawat Bombardier CRJ1000 NextGen dimaksud tandatangani Perusahaan dan Nordic Aviation Capital A/S pada tanggal 19 Juni dan 25 Juni 2012.

(iv). Purchase of Airbus A320-200 Aircrafts

On August 2, 2011 the Company and Airbus signed an Agreement for the purchase of 25 Airbus Aircraft type A320-200. Delivery schedule begins in 2014 until 2018. The base price of each aircraft is USD 83,041,000. Related to this aircraft purchase, the Company also signed an agreement with CFM International for the procurement of engine type CFM56-5B4 for 15 (fifteen) A320-200 aircrafts and engine type Leap-X1A26 for 10 (ten) A320 NEO aircrafts.

In July 2012, the Company and Airbus SAS signed Amendment No. 1 to the Purchase Agreement of A320 with regards to exercise of an option to increase the number of aircrafts purchased to 25 aircrafts.

Advance payment for the purchase of aircrafts were made in stages starting from the signing of the memorandum of understanding until the signing of the agreement, ie. 30 or 24 months up to 6 months prior to aircraft delivery. At December 31, 2013 and 2012, the amount of advance for purchase of aircrafts that has been paid amounted to USD 73,273,288 and USD 44,217,895, respectively.

(v). Purchase of Bombardier CRJ1000NextGen Series Aircraft

On December 18, 2011, the Company and Bombardier Aerospace signed a proposal for a firm commitment to purchase 6 (six) aircrafts and option to purchase 18 (eighteen) CRJ1000 NextGen Series.

On February 13, 2012, the Company and Nordic Aviation Capital A/S signed "Letter of Intent" regarding lease of 12 (twelve) CRJ1000 NextGen aircrafts.

Aircraft Lease Agreement as a basis of the implementation of such 12 (twelve) Bombardier CRJ1000 NextGen aircrafts lease was signed between the Company and Nordic Aviation Capital A/S on June 19 and June 25, 2012.

Pembayaran uang muka untuk pembelian pesawat dilakukan secara bertahap mulai dari saat penandatanganan nota kesepahaman penandatanganan perjanjian, yaitu 30 atau 24 bulan sampai dengan 6 bulan sebelum pengiriman. Pada tanggal 31 Desember 2013 dan 2012, jumlah uang muka pembelian pesawat yang telah dibayarkan masing-masing berjumlah USD 4.467.371 dan USD 7.354.133.

Advance for purchase of aircraft were made in stages starting from the signing of the memorandum of understanding, i.e. 30 or 24 months up to 6 months prior to aircraft delivery. At December 31, 2013 and 2012, the amount of advance for purchase of aircrafts that has been paid amounted to USD 4,467,371 and USD 7,354,133, respectively.

(vi). Pembelian Pesawat ATR 72-600

(vi). Purchase of ATR 72-600 Aircrafts

Pada tanggal 7 Pebruari 2013, CI dan Avions De Transport Regional G.I.E. ("ATR") menandatangani Letter Of Intent ("LOI") sehubungan dengan pembelian 25 (dua puluh lima) pesawat New ATR 72-600 dan opsi membeli sampai dengan 25 (dua puluh lima) Pesawat New ATR 72-600. Jadwal pengiriman mulai September 2013 sampai dengan Desember 2015 untuk pesawat yang dibeli, dan Pebruari 2016 sampai dengan Agustus 2018 untuk pesawat opsi. Harga dasar masing-masing pesawat adalah USD 19.180.000. Pada tanggal 15 Pebruari 2013, CI telah melakukan pembayaran uang Muka Pembelian Pesawat sebesar USD 2.418.000.

On February 7, 2013, CI and Avions De Transport Regional G.I.E ("ATR") signed Letter of Intent ("LOI") regarding the purchase of 25 (twenty five) New ATR 72-600 aircrafts and option to purchase up to 25 (twenty five) New ATR 72-600 aircrafts. Delivery schedule will begin in September 2013 until December 2015 for purchased aircrafts, and February 2016 until August 2018 for option aircrafts. The base price of each aircraft is USD 19,180,000. On February 15, 2013, CI has paid USD 2,418,000 as pre-delivery payment.

Pada tanggal 6 September 2013 telah dilakukan pengalihan kepemilikan atas pembelian tersebut kepada PT Garuda Indonesia.

On September 6, 2013, the ownership of the aircraft purchase agreement has been transferred to PT Garuda Indonesia.

b. Perjanjian *Pooling* Komponen dengan SR Technics Switzerland ("SR Technics")

b. Component Pooling Agreement with SR Technics Switzerland ("SR Technics")

Perusahaan mengadakan perjanjian *component pooling* A-330 dengan SR Technics. Perusahaan berpartisipasi sebagai anggota pool A-330 untuk menggunakan persediaan komponen A-330 yang berada di penyimpanan persediaan induk Zurich. Perusahaan juga berhak meminta SR Technics untuk memberikan *temporary services*, tim asistensi lapangan atau pelayanan khusus lainnya serta memberikan pelatihan teknik dan administrasi kepada personil Perusahaan pada tempat perawatan pesawat Perusahaan di Jakarta atau pada *line station*-nya.

The Company entered into a component pooling agreement for A-330 with SR Technics. As a participant to the A-330 pool, the Company is allowed to use A-330 components which are available in the main storage at Zurich. The Company also has the right to ask SR Technics to provide temporary services, field assistance team or other special services, as well as technical and administrative training in the Company's maintenance facility in Jakarta or in any other line stations of SR Technics.

Perjanjian ini telah diperpanjang beberapa kali dengan amendemen terakhir. Setelah tanggal tersebut, salah satu pihak dapat mengakhiri perjanjian dengan syarat pemberitahuan 6 bulan sebelumnya kepada pihak lainnya. Biaya *pooling* ditentukan dengan menggunakan tarif sesuai dengan komponen yang digunakan.

This agreement has been extended several times with the latest amendment, relating to each party may cancel the agreement by giving to the other party 6 months notice. The corresponding pooling expense is determined according to the tariff applied to the components used.

Perusahaan juga melakukan perjanjian *critical spare* untuk jenis pesawat Boeing 737-800 dengan SR Technics melalui memorandum of understanding tanggal 25 Pebruary 2011.

The Company also entered into a critical spare component agreement for Boeing 737-800 aircraft component with SR Technics with memorandum of Understanding dated February 25, 2011.

Perusahaan juga berhak meminta SR Technic untuk melakukan pengujian, perbaikan, *overhaul* dan modifikasi atas komponen-komponen tersebut.

The Company also has the right to ask SR Technics to perform test repair, overhaul and modification of the component.

c. Perjanjian Sistem Layanan Penumpang

c. Service Agreement for Passenger Service Systems

Pada tanggal 20 April 2012, Perusahaan dan Amadeus IT Group, S.A, menandatangani Service Agreement for Passenger Service Systems, untuk sistem layanan penumpang (*Passenger Services Systems (PSS)*) "Amadeus Altéa". Sistem ini merupakan platform sistem yang digunakan oleh maskapai-maskapai penerbangan di aliansi global "Sky Team", sehingga sistem Garuda akan terhubung (*connected*) dengan maskapai penerbangan anggota *SkyTeam* lainnya.

On April 20, 2012, the Company and Amadeus IT Group, S.A, signed Service Agreement for Passenger Service Systems, for "Amadeus Altéa" Passenger Services Systems (PSS). This system is a platform system which is used by airlines which are members of "Sky Team" global alliance, so that Garuda system shall be connected with other Sky Team members.

d. Perjanjian dengan Rolls Royce.

d. Agreements with Rolls Royce.

Pada bulan Juli 2012, Perusahaan dan Rolls Royce menandatangani beberapa perjanjian yaitu:

In July 2012, the Company and Rolls Royce executed the following agreements:

- (i). *Product Agreement* sehubungan dengan *Trent 772B* dan *Trent 772C engines* DEG 6159.
- (ii). *Supplementary Financial Assistance Agreement* dengan *Rolls Royce* terkait *Trent 772B* dan *Trent 772C engines* DEG 6734.
- (iii). *Total Care Service Agreement* relating to *Trent 772B engines* DEG 6584.
- (iv). *Thrust Upgrade Offer* for Garuda Indonesia sehubungan dengan penawaran *upgrade thrust*.

- (i). Product Agreement relating to Trent 772B and Trent 772C engines DEG 6159.
- (ii). Supplementary Financial Assistance Agreement relating to Trent 772B and Trent 772C engines DEG 6734.
- (iii). Total Care Service Agreement relating to Trent 772B engines DEG 6584.
- (iv). Thrust Upgrade Offer agreement with regards to Airbus offer on thrust upgrade.

Perjanjian tersebut diatas terkait dengan perawatan *engine* dengan konsep *prognostic maintenance* untuk *engine* tipe TREN 700 (engine Airbus A330), dimana metode perawatan *engine* yang dimaksud dilakukan secara keseluruhan dari mulai pemantauan *engine* selama beroperasi (*On-wing Health Monitoring*) hingga perencanaan *overhaul* engine dan pengerjaan *overhaul*.

The above-mentioned agreements are related to engine maintenance with prognostic maintenance concept for TREN 700 engine type (engine Airbus A330), where the engine treatment method is performed in its entirety from start of monitoring engine during operation (on-wing Health Monitoring) to engine overhaul planning and execution overhaul.

e. Perjanjian pemasangan *galley* pada A330-200

Perusahaan menandatangani perjanjian dengan BE Aerospace sehubungan dengan pemasangan *galley* pada pesawat Airbus 330-200. Perusahaan juga menandatangani *General Terms Agreement For The Purchase Of Aircraft Galley Insert For 3 X A330 BFE Program* dengan Driessen Aircraft Interiors Systems (Europe) BV sehubungan dengan pembelian *galley* untuk 3 (tiga) pesawat Airbus 330 dengan nilai EUR 938.050 per pesawat. Jangka waktu pemasangan *galley* A330-200 adalah sampai dengan sebelum *on dock date* seperti yang telah ditetapkan oleh Airbus yaitu tahun 2013.

f. Perjanjian dengan General Electric (GE)

Pada bulan Juni 2012, Perusahaan menandatangani *General Terms Agreement* dengan GE terkait dengan suku cadang, peralatan/*tooling*, publikasi dan pelatihan sehubungan dengan mesin pesawat jenis GE90-115B dan CF34-8C.

g. Perjanjian *Sub-distribution* dengan Abacus International Pte., Ltd

ADSI, entitas anak, mengadakan perjanjian *sub-distribution* dengan Abacus International Pte., Ltd (dahulu Abacus Distribution Systems Pte., Ltd), Singapura, (AIPL) yang efektif sejak tanggal 11 April 1995. Dalam perjanjian ini, AIPL memberikan hak sub-lisensi eksklusif kepada ADSI untuk memasarkan dan mendistribusikan sendiri sistem reservasi komputer (Sistem Abacus) di wilayah Indonesia. Sistem ini memadukan suatu paket perangkat lunak yang melakukan berbagai fungsi termasuk reservasi seketika tempat duduk pesawat, jadwal pemesanan pelayanan udara, mobil dan hotel, pembelian tiket otomatis serta tampilan ongkos. Perjanjian ini akan berlanjut kecuali diakhiri lebih awal sebagaimana ditentukan dalam perjanjian.

Sebagai imbalan atas pemesanan bersih yang dilakukan pelanggan melalui sistem Abacus atas jasa penyedia produk perjalanan yang ditawarkan berdasarkan sistem Abacus. AIPL diwajibkan membayar imbalan jasa tertentu kepada ADSI sebagaimana ditentukan dalam perjanjian.

Efektif tanggal 1 Pebruari 2009, imbalan tersebut diubah menjadi sebesar 25% dari tarif dasar tahun 2009 yang dikenakan pada pesawat udara per segmen pemesanan bersih yang dilakukan pelanggan setelah dikurangi biaya-biaya tertentu sebagaimana ditentukan dalam perjanjian.

e. Agreement for installing galley in A330-200

The Company entered into an agreement with BE Aerospace with regards to galley installation on Airbus 330-200 aircraft. The Company also entered into General Terms Agreement For The Purchase Of Aircraft Galley Installation For 3 X A330 BFE Program with Driessen Aircraft Interiors Systems (Europe) BV regarding the purchase of aircraft galley for 3 (three) Airbus 330 aircrafts with a value of EUR 938,050 per aircraft. Installation period of galley for A330-200 is up to before on dock date as specified by Airbus in 2013.

f. Agreement with General Electric (GE).

In June 2012, the Company executed General Terms Agreement with GE related to spare part, tooling, publication, training regarding engine model GE90-115B and CF34-8C.

g. The Sub-distribution Agreement with Abacus International Pte., Ltd

ADSI, a subsidiary, entered into the sub-distribution agreement with Abacus International Pte., Ltd (formerly Abacus Distribution Systems Pte., Ltd), Singapore (AIPL) effective since April 11, 1995. Under this agreement, AIPL grants ADSI an exclusive sub-license to operate its own marketing and distribution of computer reservation systems (Abacus Systems) in Indonesia territory. This system incorporate a software package which performs various function, including real-time air line seat reservation, schedules/booking for a variety of air, car and hotel service, automated ticketing and fare display. The agreement shall remain valid, except for early termination as stipulated in the agreements.

In return for each net booking made by a subscriber through the Abacus Systems for any travel product offered in the system, AIPL shall pay a certain fee to ADSI as stipulated in the agreement.

Effective from February 1, 2009, such fee is at 25% of the 2009 basic rates payable by airline per net segment for air bookings made by subscribers after deducting certain expenses as stipulated in the agreement.

- h. GMFAA melakukan perjanjian jangka panjang untuk pemeliharaan dan perbaikan dengan beberapa *airline*

GMFAA melakukan perjanjian jangka panjang untuk pemeliharaan dan perbaikan pesawat dengan PT Sriwijaya Air, Hellenic Imperial Airways, Yemen Airways, International Air Parts Pty Ltd, Gatewick Aviation Service, dan Southern Air. GMFAA memperoleh pendapatan atas jasa ini sesuai tarif yang disepakati dalam perjanjian.

- i. Pada tanggal 16 Desember 2013, GMFAA mengadakan perjanjian dengan PT Bank Syariah Mandiri mengenai pemberian fasilitas Ijarah Muntahia Bit-Tamlik dengan jangka waktu 8 tahun. Fasilitas ini ditujukan untuk penyewaan peralatan test cell untuk perawatan dan perbaikan besar Industrial Gas Turbine Engine (IGTE) *Oil Company*. GMFAA mendapatkan fasilitas maksimal sebesar USD 9.562.955.

- j. *Commodity Call option* atas bahan bakar untuk penerbangan

Perusahaan melakukan transaksi lindung nilai untuk meminimalkan risiko kenaikan harga bahan bakar penerbangan reguler dan penerbangan haji 2013 dengan tujuan dan strategi manajemen risiko untuk mengantisipasi adanya risiko kenaikan harga bahan bakar pesawat (jet fuel) pada penerbangan reguler dan penerbangan haji tahun 2013.

Tipe dari transaksi lindung nilai yang dilakukan adalah lindung nilai arus kas dengan sifat risiko yang dilindungi nilai adalah lindung nilai harga bahan bakar sebesar USD 121-122 untuk penerbangan reguler dan sebesar USD 115-119 untuk penerbangan haji.

Item yang dilindungi adalah pemakaian biaya bahan bakar penerbangan reguler flight untuk periode April sampai dengan Desember 2013 dan untuk penerbangan haji untuk periode September sampai dengan Nopember 2013.

Instrumen lindung nilai yang digunakan oleh Perusahaan adalah *Platts Jet/Kero Sing – Asian Close*.

Perusahaan mengakui beban premi instrument derivative sebesar USD 6.528.600 untuk tahun 2013 dan USD 5.361.580 untuk tahun 2012.

- h. GMFAA entered into a long-term contract for maintenance and repair of aircrafts

GMFAA entered into a long-term contract for maintenance and repair of aircraft with PT Sriwijaya Air, Hellenic Imperial Airways, Yemen Airways, International Air Parts Pty Ltd, Gatewick Aviation Service, and Southern Air. GMFAA earns revenue for these services according to rates agreed in the contract.

- i. On December 16, 2013, GMFAA entered into an agreement with PT Bank Syariah Mandiri regarding Ijarah Muntahia Bit - Tamlik facility with terms of 8 years. This facility is used for the rental of test cell equipment for maintenance and overhaul of Industrial Gas Turbine Engine (IGTE) *Oil Company*. GMFAA obtained a facility with maximum credit of USD 9,562,955.

- j. *Commodity call option* for flight fuel

The Company uses hedging in minimizing the risk of upward fuel price for regular flight and hajj flight in 2013 consistent with the risk management objective and strategy to protect highly probable purchase of jet fuel for regular flight and Hajj flight in 2013 against unfavorable movements in jet fuel price.

The type of hedge relationship is cash flow hedge with the nature of risk being hedge is for regular flight and Hajj fuel price hedge, by setting fuel price of USD 121-122 for regular flight and for USD 115-119 for hajj flight.

The hedge items are regular flight for the period April to December 2013 and hajj flight costs for the period September to November 2013.

Hedge instrument used by the Company is *Platts Jet/Kero Sing – Asian Close*.

For entering into the contract, the Company paid a premium of USD 6,528,600 in 2013 and USD 5,361,580 in 2012.

49. KONTINJENSI

- a. Pada tanggal 6 Agustus 2004, Perusahaan dan PT World Simulator Technology (WST) menandatangani Perjanjian Sewa Ruang Simulator beserta Fasilitas Pendukung dimana Perusahaan setuju untuk menyewakan ruang simulator beserta fasilitas pendukungnya di lokasi SBU Garuda Indonesia Training Center untuk digunakan sebagai tempat pemasangan Full Flight Simulator B 737-200 Level D Six Axis milik WST.

Karena Perusahaan dianggap tidak melaksanakan perjanjian, pada tanggal 19 Desember 2006, WST mengajukan gugatan perdata di Pengadilan Negeri Jakarta Pusat atas dasar wanprestasi terhadap perjanjian tersebut dan perbuatan melawan hukum.

Pada tanggal 4 Juni 2007, Pengadilan Negeri Jakarta Pusat telah mengeluarkan putusan yang mengabulkan gugatan WST dan memerintahkan Perusahaan membayar ganti rugi kepada WST sebesar USD 1.360.800 dan Rp 1.590.000.000. Pada tanggal 21 Agustus 2008, Pengadilan Tinggi DKI Jakarta memutuskan menguatkan putusan Pengadilan Jakarta Pusat tersebut dan menghukum Perusahaan membayar ganti rugi sebesar USD 1.984.500 dan Rp 1.590.000.000.

Perusahaan mengajukan permohonan kasasi tanggal 7 Nopember 2008. Pada tanggal 4 Maret 2010, Mahkamah Agung mengeluarkan putusan dalam perkara menolak permohonan kasasi yang diajukan oleh Perusahaan. Sehingga pada tanggal 28 Januari 2011 Perusahaan melakukan pembayaran ganti rugi kepada WST sebesar Rp 590.000.000 dan USD 1.984.500, dan berdasarkan kesepakatan antara Perusahaan dengan WST. Pada tanggal 15 Juli 2011 Perusahaan telah melakukan pembayaran sisa kewajiban ganti rugi sebesar Rp 1.000.000.000.

Meskipun Perusahaan telah melaksanakan sebagian kewajibannya berdasarkan putusan kasasi Mahkamah Agung tersebut, Perusahaan tetap mengajukan peninjauan kembali kepada Mahkamah Agung sebagaimana telah didaftarkan di Pengadilan Negeri Jakarta Pusat pada tanggal 19 Nopember 2010. Pada tanggal 20 Maret 2013, Perusahaan telah menerima putusan PK No. 267 PK/PDT/2011 tanggal 20 Maret 2013 yang memutuskan menolak permohonan peninjauan kembali dari Perusahaan.

49. CONTINGENCIES

- a. On August 6, 2004, the Company and PT World Simulator Technology (WST) entered into Rental Agreement on Area for Simulator and Support Facilities whereby the Company agreed to rent its simulator area and support facilities located at SBU Garuda Indonesia Training Center to be used as space for Full Flight Simulator B 737-200 Level D Six Axis owned by WST.

As the Company is considered not in compliance with the agreement, on December 19, 2006, WST filed a lawsuit with the Central Jakarta District Court against the Company for breach of contract and for committing illegal act.

On June 4, 2007, the Central Jakarta District Court issued a verdict accepting claim of WST and ordered the Company to pay to WST the amount of USD 1,360,800 and Rp 1,590,000,000. On August 21, 2008, the High Court of DKI Jakarta decided to uphold the verdict of the District Court of Central Jakarta and ordered the Company to pay USD 1,984,500 and Rp 1,590,000,000.

The Company filed cassation dated November 7, 2008. On March 4, 2010, the Supreme Court issued a decision rejecting the request for cassation filed by the Company. Thus on January 28, 2011, the Company has paid to WST Rp 590,000,000 and USD 1,984,500, based on agreement between the Company and WST. On July 15, 2011, the Company paid the remaining claim amounted to Rp 1,000,000,000.

Although the Company has complied with some of the obligations under the decision of the Supreme Court, the Company still filed a judicial review to the Supreme Court that was registered with the Central Jakarta District Court on November 19, 2010. On March 20, 2013, the Company received the judicial review Decision No. 267 PK/PDT/2011 dated March 20, 2013 under which the judicial review from the Company was rejected.

- b. Pada tanggal 17 Desember 2007, Perusahaan telah menerima *Notice to Furnish Information and Produce Document dari Australian Competition and Commerce Commission* ("ACCC") terkait dugaan kartel bersama maskapai penerbangan internasional lain dalam penetapan harga *Fuel Surcharge* Kargo. Saat ini, perkara masih dalam proses pemeriksaan oleh Pengadilan Federal Australia.
- c. Pada tanggal 16 Nopember 2009, Perusahaan telah menerima Pemberitahuan Pemeriksaan Lanjutan Perkara dari Komisi Pengawas Persaingan Usaha ("KPPU") terkait dugaan kartel penetapan harga *Fuel Surcharge* tiket domestik.

Pada tanggal 4 Mei 2010, KPPU telah memutus perkara ini dan menyatakan Perusahaan bersalah serta menghukum untuk membayar denda sebesar Rp 25 miliar dan ganti rugi sebesar Rp 162 miliar.

Pada tanggal 17 Juni 2010 ke Pengadilan Negeri Jakarta Pusat. Pada tanggal 28 Pebruari 2011, Pengadilan Negeri Jakarta Pusat telah mengabulkan permohonan keberatan yang diajukan oleh Perusahaan dan membatalkan putusan KPPU tanggal 4 Mei 2010 serta menghukum KPPU untuk membayar biaya perkara.

KPPU telah mengajukan upaya Kasasi atas Putusan Pengadilan Negeri Jakarta Pusat tersebut ke Mahkamah Agung Republik Indonesia. Perusahaan juga telah mengajukan kontra memori kasasi pada tanggal 27 April 2011. Pada tanggal 29 Mei 2013 telah menerima turunan Putusan No. 613 K/pt. Sus/2011 tanggal 27 Pebruari 2012, yang menyatakan bahwa Mahkamah Agung Republik Indonesia menolak permohonan kasasi dari KPPU. Putusan ini telah mengikat dan berkekuatan hukum tetap.

- d. Pada tanggal 8 Agustus 2008, GMFAA, entitas anak, Perusahaan dan Menteri Negara Badan Usaha Milik Negara menghadapi gugatan ganti rugi dari PT Metro Batavia (MB) untuk: (1) siklus tidak terpakai sebesar USD 73.215.579 (atau setara Rp 673.583.333.330) (2) kerugian material sebesar Rp 500.000.000 setiap hari dan USD 50,000 (atau setara Rp 460.000.000) setiap bulan sejak tanggal 23 Oktober 2007 sampai pesawat dapat beroperasi (3) kerugian imaterial sebesar USD 10 juta (atau setara Rp 92 miliar) dan (4) memperbaiki mesin yang rusak. Tuntutan ganti rugi timbul karena GMFAA dinyatakan melanggar kontrak terkait dengan garansi yang diberikan GMFAA atas penggantian dan pemasangan 5 mesin pesawat ESN 857854 yang dimiliki MB.

- b. On December 17, 2007, the Company has received a Notice to Furnish Information and Produce Document from Australian Competition and Commerce Commission ("ACCC") related to allegation of price fixing cartel on Cargo Fuel Surcharge with other international carriers. Currently, the case is still under examination by Federal Court of Australia.

- c. On November 16, 2009, the Company has received Notice of Advance Proceeding (Commercial List) from The Supervision of Business Competition Committee ("KPPU") related to allegations of price fixing cartel on Fuel Surcharge of Domestic tickets.

On May 4, 2010, KPPU has issued a verdict and ordered the Company to pay the fine amounting to Rp 25 billion and the claim of Rp 162 billion.

On June 17, 2010, the Company filed an objection to Central Jakarta District Court. On February 28, 2011, the Central Jakarta District Court accepted the request for an objection by the Company and canceled KPPU decision dated May 4, 2010 and ordered KPPU to pay for legal cost.

The KPPU has filed Cassation of the verdict to the Supreme Court of the Republic of Indonesia. The Company has also filed a statement of counter cassation on April 27, 2011. On May 29, 2013, the Company received decision No. 613 K/pt. Sus/2011 dated February 27, 2012, under which the Supreme Court of the Republic of Indonesia rejected the KPPU cassation. This decision is binding and have permanent legal effect.

- d. On August 8, 2008, GMFAA, subsidiary, the Company and State Minister of State-owned Enterprise faced a lawsuit claim from PT Metro Batavia (MB) for: (1) unused cycles amounting to USD 73,215,579 (or equivalent to Rp 673,583,333,330) (2) material loss amounting to Rp 500,000,000 each day and USD 50,000 (or equivalent to Rp 460,000,000) every month starting October 23, 2007 until the aircraft is able to be operated (3) immaterial loss amounting to USD 10 million (or equivalent to Rp 92 billion) and (4) repairs on engine failure. The lawsuit claims arise from the declaration that GMFAA has conducted a breach of contract in relation to the warranty given by GMFAA regarding the replacement and installation of bearing in 5 engine ESN 857854 owned by MB.

Sehubungan dengan kasus ini, GMFAA mengajukan gugatan balik kepada MB karena MB tidak memenuhi kewajiban pembayaran utang kepada GMFAA atas jasa penggantian dan perbaikan mesin tersebut sebesar USD 256.266 ditambah bunga sebesar 6% per tahun sejak tanggal 15 Juli 2008 sampai dengan keputusan ditetapkan.

Pada tanggal 11 Maret 2009, Pengadilan Negeri Jakarta Pusat telah memutuskan untuk menolak tuntutan MB kepada GMFAA dan menerima gugatan balik GMFAA sebesar USD 256.266 dan bunga 6% per tahun terhitung sejak tanggal 17 Nopember 2007.

Pada tanggal 18 Mei 2009, MB mengajukan memori banding ke Pengadilan Tinggi Jakarta Pusat. Sebagai respon, pada tanggal 16 Juli 2009 GMFAA mengajukan kontra memori banding. Pada tanggal 15 Januari 2010 Pengadilan Tinggi menolak banding yang diajukan oleh MB. MB kemudian mengajukan upaya kasasi ke Mahkamah Agung Republik Indonesia pada tanggal 25 Maret 2010. GMFAA mengajukan kontra kasasi pada tanggal 17 Mei 2010. Pada tanggal 15 April 2013, GMFAA telah menerima pemberitahuan isi putusan kasasi tertanggal 22 Pebruari 2013 dari Mahkamah Agung Republik Indonesia yang memutuskan menolak permohonan kasasi MB.

Manajemen berpendapat bahwa tuntutan ganti tersebut tidak berpengaruh material terhadap laporan keuangan dan kegiatan usaha GMFAA.

- e. Pada tanggal 25 September 2008, GMFAA menuntut ganti rugi kepada MB atas (1) pembayaran utang MB kepada GMFAA sebesar USD 1.191.615, (2) bunga hutang MB sebesar 6% per tahun sejak tanggal 15 Juli 2008 sampai dengan keputusan ditetapkan dan (3) membayar kerugian sebesar USD 200 juta.

Pada tanggal 22 April 2009, Pengadilan Negeri Jakarta Pusat memutuskan menerima gugatan GMFAA terhadap MB sebesar USD 1.191.615 dan bunga 6% per tahun terhitung sejak tanggal 15 Juli 2008 serta kerugian GMFAA sebesar USD 500.000. Pengadilan juga menyatakan sita jaminan terhadap 4 pesawat MB.

Pada tanggal 28 April 2009, MB mengajukan permohonan banding ke Pengadilan Tinggi Jakarta Pusat. Selanjutnya, pada tanggal 19 Agustus 2009 GMFAA mengajukan kontra banding. Pada tanggal 30 Oktober 2009, Pengadilan Tinggi DKI Jakarta mengeluarkan putusan yang menolak permohonan banding MB.

In relation to this case, GMFAA has filed counterclaims lawsuit against MB for failure to fulfill the obligation to pay GMFAA for such engine replacement and installation services of USD 256,266 and interest amounting to 6% per annum starting July 15, 2008 until the judgment is final and binding.

On March 11, 2009, the District Court of Central Jakarta has decided to reject MB's claims against GMFAA and accepted the counterclaim from the GMFAA amounting to USD 256,266 with interest 6% per annum calculated from November 17, 2007.

On May 18, 2009, MB filed a statement of appeal to the High Court of Central Jakarta. As a response on July 16, 2009, GMFAA filed a statement of counter appeal. On January 15, 2010, the High Court rejected MB's appeal. MB then filed an appeal to the Supreme Court of the Republic of Indonesia dated March 25, 2010. GMFAA filed a counter appeal dated May 17, 2010. On April 15, 2013, GMFAA received the decision letter dated February 22, 2013 under which the Supreme Court of the Republic of Indonesia rejected MB's appeals.

Management believes that the demand for compensation does not materially affect the financial statements and activities of GMFAA.

- e. On September 25, 2008, GMFAA has filed claims against MB for: (1) payment of MB's debt to GMFAA amounting to USD 1,191,615, (2) interest on MB's debt amounting to 6% per annum on debts starting July 15, 2008 until the judgment is final and binding and (3) payment of loss amounting to USD 200 million.

On April 22, 2009, the District Court of Central Jakarta decided to accept the claim from GMFAA amounting to USD 1,191,615 with interest of 6% per annum, calculated since July 15, 2008 and GMFAA loss amounting to USD 500,000. The Court also declared the security of attachment of 4 airplanes owned by MB.

On April 28, 2009, MB has filed a statement of appeal to High Court of Central Jakarta. As a response, on August 19, 2009, GMFAA filed a statement of counter appeal. On October 30, 2009, the High Court rejected MB's appeal.

Pada tanggal 25 Maret 2010, MB mengajukan Memori Kasasi ke Mahkamah Agung Republik Indonesia atas Perkara Banding No. 504. Sebagai tanggapan, pada tanggal 29 Juli 2010 GMFAA mengajukan kontra memori kasasi. Perkara ini telah dihapus oleh Mahkamah Agung yang menolak permohonan kasasi MB. GMFAA telah menerima pemberitahuan putusan Mahkamah Agung tersebut pada tanggal 15 April 2013.

- f. Pada tanggal 4 Agustus 2010, Hutomo Mandala Putera ("Tommy Suharto") menyampaikan gugatan atas beberapa Tergugat, termasuk Perusahaan, sehubungan dengan artikel yang dipublikasikan oleh in-flight magazine, Majalah Garuda edisi Desember 2009.

Tommy Suharto menyampaikan gugatan ke Pengadilan Negeri Jakarta Selatan dan menuntut ganti rugi material dan imaterial, serta permintaan maaf dari Pihak Tergugat yang dipublikasikan di Majalah Garuda dan beberapa media nasional lainnya. Perusahaan telah mengajukan banding ke Pengadilan Tinggi DKI Jakarta pada tanggal 1 Juni 2011 dan menyerahkan memori banding melalui Pengadilan Negeri Jakarta Selatan pada tanggal 19 Agustus 2011.

Pada tanggal 11 Maret 2013, Perusahaan menerima Surat Pemberitahuan Putusan Pengadilan Tinggi DKI Jakarta tanggal 24 Oktober 2012 yang menguatkan Putusan Pengadilan Negeri Jakarta Selatan yang mengabulkan gugatan Tommy Suharto kepada Perusahaan.

Pada tanggal 22 Maret 2013, Perusahaan telah menyatakan permohonan kasasi kepada Mahkamah Agung Republik Indonesia melalui Pengadilan Negeri Jakarta Selatan dan telah juga menyampaikan memori kasasi pada tanggal 3 April 2013. Saat ini Perkara dalam proses pemeriksaan di tingkat Mahkamah Agung Republik Indonesia.

- g. Pada bulan Januari 2012, Hotel Al-Azhar mengajukan perubahan atas gugatan kepada Perusahaan yang telah diajukan sebelumnya pada tanggal 14 Juni 2009 di Pengadilan Negeri Jeddah, Arab Saudi terkait dugaan cedera janji atas Perjanjian yang telah dibuat berkenaan dengan akomodasi penginapan jamaah haji dalam hal terjadi irregular penerbangan. Al-Azhar menuntut pembayaran tagihan dan ganti rugi kepada Perusahaan sebesar SAR 750.040 ditambah biaya pengacara sebesar SAR 100.000.

On March 25, 2010, MB has filed a statement of Cassation to the Supreme Court of the Republic of Indonesia for the Appeal Verdict No. 504. As a response, GMFAA filed a statement of counter cassation on July 29, 2010. This case has been decided by Supreme Court in favor of MB's. GMFAA has received the notification on April 15, 2013.

- f. On August 4, 2010, Hutomo Mandala Putera ("Tommy Suharto") submitted a claim against several defendants, including the Company, in relation to the article published by in-flight magazine, Majalah Garuda, December 2009 edition.

Tommy Suharto submitted a claim to the South Jakarta District Court and demanded payment for material and immaterial damages, as well as an apology from the Defendants, published in Majalah Garuda and several other national media. The Company has filed an objection to High Court of DKI Jakarta on June 1, 2011. The Company has also filed an objection memory to South Jakarta District Court on August 19, 2011.

On March 11, 2013, the Company received a notice of DKI Jakarta High Court dated October 24, 2012 which upheld the verdict from South Jakarta District Court which was in favor of Tommy Suharto over the Company.

On March 22, 2013, the Company has declared an appeal to the Supreme Court of the Republic of Indonesia through the South Jakarta District Court and has also submitted cassation on April 3, 2013. The case is currently in the review process at the level of the Supreme Court of the Republic of Indonesia.

- g. On January 2012, Al-Azhar Hotel submitted an amended statement of claim against the Company which had been filed on June 14, 2009 at Jeddah District Court, Saudi Arabia in relation to the allegation of breaching the contract on hajj pilgrims accommodation in the event of irregular flight. Al-Azhar Hotel claimed the payment of its invoice together with the loss against the Company in the amount of SAR 750,040 plus the legal cost in the amount of SAR 100,000.

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Dalam perubahan gugatan yang diajukan, Hotel Al-Azhar merubah jumlah tuntutan menjadi sebesar SAR 10.905.355 ditambah biaya pengacara sebesar SAR 100.000. Saat ini perkara masih dalam proses di Pengadilan Negeri Jeddah, Arab Saudi.

In its amended statement of claim, Al-Azhar Hotel amended the amount of the claim to SAR 10,905,355 plus the legal cost in the amount of SAR 100,000. Currently, the case is still under examination by Jeddah District Court, Saudi Arabia.

50. ASET DAN LIABILITAS MONETER DALAM MATA UANG ASING

Pada tanggal 31 Desember 2013 dan 2012, Grup mempunyai aset dan liabilitas moneter dalam mata uang asing (mata uang selain USD dinyatakan dalam setara USD) sebagai berikut:

50. MONETARY ASSETS AND LIABILITIES IN FOREIGN CURRENCY

At December 31, 2013 and 2012, the Group had monetary assets and liabilities denominated in foreign currencies (currencies other than USD are stated at the equivalent USD) as follows:

	31 Desember/ December 31, 2013		31 Desember/ December 31, 2012		
	Mata uang selain USD/ Currencies other than USD	Setara dengan/ Equivalent in USD	Mata uang selain USD/ Currencies other than USD	Setara dengan/ Equivalent in USD	
ASET					ASSETS
Kas dan setara kas					Cash and cash equivalents
IDR	3.231.292.547.897	265.099.069	719.893.472.822	74.446.068	IDR
CNY	128.573.616	21.088.383	91.531.884	14.552.907	CNY
AUD	21.100.810	18.827.232	13.192.903	13.678.402	AUD
JPY	1.326.743.392	12.644.695	1.173.991.125	13.593.379	JPY
EUR	5.133.972	7.085.143	3.512.104	4.652.488	EUR
KRW	5.111.714.507	4.841.640	4.124.406.743	3.851.437	KRW
SGD	3.884.316	3.068.188	2.524.249	2.064.078	SGD
HKD	20.285.983	2.616.116	11.329.654	1.461.584	HKD
SAR	9.404.316	2.507.521	7.206.210	1.921.528	SAR
GBP	1.008.917	1.663.453	637.349	1.026.833	GBP
Mata uang asing lainnya*)	5.737.320	5.737.320	4.300.803	4.300.803	Other foreign currencies *)
Piutang usaha					Trade account receivable
IDR	666.403.077.878	54.672.498	770.584.890.809	79.688.200	IDR
JPY	925.097.821	8.816.761	955.574.778	11.064.385	JPY
EUR	3.012.629	4.157.581	1.869.355	2.476.335	EUR
AUD	4.552.683	4.062.138	2.972.038	3.081.409	AUD
KRW	2.822.687.445	2.673.552	4.696.012.961	4.385.212	KRW
CNY	12.422.966	2.037.590	8.452.992	1.343.965	CNY
SAR	6.560.341	1.749.217	2.333.959	622.233	SAR
MYR	4.285.423	1.303.554	3.987.888	1.303.023	MYR
SGD	961.651	759.599	237.054	193.838	SGD
Mata uang asing lainnya*)	6.196.828	6.196.828	4.507.655	4.507.655	Other foreign currencies *)
Piutang lain-lain					Other accounts receivable
IDR	40.622.003.488	3.332.677	39.326.263.796	4.066.832	IDR
Mata uang asing lainnya*)	141.585	141.585	152.047	152.047	Other foreign currencies *)
Pajak dibayar dimuka					Prepaid taxes
IDR	189.843.027.033	15.574.947	50.082.341.820	5.179.146	IDR
Aset Lain-lain					Other assets
EUR	7.963.654	10.990.248	7.267.368	9.627.083	EUR
IDR	21.935.209.702	1.799.591	32.375.036.647	3.347.987	IDR
AUD	1.590.813	1.419.406	1.272.332	1.319.154	AUD
SGD	243.586	192.406	245.096	200.415	SGD
Mata uang asing lainnya*)	1.963.439	1.963.439	2.942.272	2.942.272	Other foreign currencies *)
Jumlah aset		<u>467.022.377</u>		<u>271.050.697</u>	Total Assets

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	Mata uang selain USD/ Currencies other than USD	Setara dengan/ Equivalent in USD	Mata uang selain USD/ Currencies other than USD	Setara dengan/ Equivalent in USD	
LIABILITAS					LIABILITIES
Utang bank dan lembaga keuangan					Loans from banks and financial institution
IDR	(7.368.853.002)	(604.549)	(6.706.986.290)	(693.587)	IDR
Utang usaha					Trade accounts payable
IDR	(1.356.073.695.683)	(111.253.893)	(1.083.280.753.990)	(112.024.897)	IDR
JPY	(361.400.270)	(3.444.371)	(213.128.485)	(2.467.767)	JPY
SGD	(3.605.295)	(2.847.791)	(4.841.206)	(3.958.654)	SGD
SAR	(4.001.340)	(1.066.898)	(8.601.193)	(2.293.078)	SAR
EUR	(746.711)	(1.030.500)	(1.903.075)	(2.521.003)	EUR
AUD	(999.639)	(891.930)	(75.489)	(78.267)	AUD
KRW	(574.049.407)	(543.720)	(2.279.448.692)	(2.128.585)	KRW
Mata uang asing lainnya*)	(8.124.003)	(8.124.003)	(5.974.547)	(5.974.547)	Other foreign currency *)
Utang lain-lain					Other accounts payable
EUR	(2.278.469)	(3.144.403)	(2.915.781)	(3.862.535)	EUR
IDR	(5.846.115.727)	(479.622)	(4.557.809.450)	(471.335)	IDR
Mata uang asing lainnya*)	(9.890.367)	(9.890.367)	(4.466.488)	(4.466.488)	Other foreign currency *)
Beban akrual					Accrued expenses
IDR	(729.088.584.802)	(59.815.291)	(806.287.336.610)	(83.380.283)	IDR
JPY	(598.981.329)	(5.708.667)	(333.993.094)	(3.874.320)	JPY
AUD	(4.221.017)	(3.766.210)	(3.367.246)	(3.491.161)	AUD
EUR	(1.067.748)	(1.473.547)	(2.369.438)	(3.138.794)	EUR
SGD	(645.040)	(509.512)	(489.349)	(400.141)	SGD
MYR	(763.927)	(232.374)	(2.606.930)	(851.684)	MYR
Mata uang asing lainnya*)	(10.035.319)	(10.035.319)	(14.514.212)	(14.514.212)	Other foreign currency *)
Pinjaman jangka panjang					Long term loans
IDR	(1.324.997.201.092)	(108.704.340)	(519.616.914.490)	(53.734.945)	IDR
AUD	-	-	(20.167)	(20.909)	AUD
Utang obligasi					Bond
IDR	(1.984.983.313.024)	(162.850.383)	-	-	IDR
Liabilitas Imbalan Pasca Kerja					Employment benefit obligation
IDR	(1.569.249.044.373)	(128.743.051)	(1.479.385.382.710)	(152.987.113)	IDR
Liabilitas tidak lancar lainnya					Other non-current liabilities
IDR	(15.415.250.584)	(1.264.685)	(8.989.480.360)	(929.629)	IDR
CNY	(7.380.000)	(1.210.453)	(6.750.000)	(1.073.202)	CNY
SGD	(170.000)	(134.281)	(160.000)	(130.831)	SGD
Mata uang asing lainnya*)	(62.062)	(62.062)	(10.320)	(10.320)	Other foreign currency *)
Jumlah Liabilitas		<u>(627.832.221)</u>		<u>(459.478.287)</u>	Total Liabilities
Liabilitas - bersih		<u>(160.809.845)</u>		<u>(188.427.574)</u>	Liabilities - net

*) Aset dan liabilitas dalam mata uang lainnya disajikan dalam jumlah setara USD, menggunakan kurs tanggal laporan posisi keuangan.

*) Assets and liabilities denominated in other currencies are presented into its USD equivalent using the exchange rate prevailing at end of reporting date.

Pada tanggal 31 Desember 2013 dan 2012, kurs konversi yang digunakan Grup adalah:

The conversion rates used by the Group on December 31, 2013 and 2012, were as follows:

	31 Desember/ December 31, 2013 USD	31 Desember/ December 31, 2012 USD
Mata uang/ Currencies		
IDR 1	0,0001	0,0001
EURO 1	1,3801	1,3247
YEN 1	0,9531	1,1579
SGD 1	0,7899	0,8177
AUD 1	0,8923	1,0368
GBP 1	1,6488	1,6111

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51. INFORMASI SEGMENT

Grup melaporkan segmen-segmen berdasarkan PSAK 5 (revisi 2009) berdasarkan divisi-divisi operasi yaitu operasi penerbangan dan jasa pemeliharaan pesawat. Segmen operasi penerbangan menyediakan jasa penerbangan domestik dan internasional. Segmen pemeliharaan pesawat menyediakan jasa pemeliharaan pesawat baik itu milik Perusahaan dan umum. Segmen usaha yang secara individu tidak melebihi 10% dari pendapatan usaha perusahaan disajikan sebagai lain-lain.

Pendapatan dan beban segmen meliputi transaksi antar segmen usaha.

51. SEGMENT INFORMATION

The Group's reportable segments under PSAK 5 (revised 2009) are based on their operating divisions namely flight operations and aircraft maintenance services. Flight operations segment provides domestic and international flight services. Aircraft maintenance segment provides aircraft maintenance services of both for the Company aircraft and others. Business segments that individually do not exceed 10% of the Company's operating revenues are presented as others.

Income and expenses include the inter segment transaction.

	2013					Jumlah/ Total USD
	Operasi penerbangan/ Flight operation USD	Jasa pemeliharaan pesawat/ Aircraft maintenance services USD	Operasi lain-lain/ Other operations USD	Jumlah sebelum eliminasi/ Total before elimination USD	Eliminasi/ Elimination USD	
<i>Hasil Segmen/ Segment Result</i>						
Pendapatan Eksternal/ External	3.459.634.057	68.308.243	188.134.286	3.716.076.586	-	3.716.076.586
Pendapatan Antar Segmen/ Intersegment Revenue	4.898.444	161.985.900	201.032.997	367.917.341	(367.917.341)	-
Jumlah Pendapatan/ Net Revenue	3.464.532.501	230.294.143	389.167.283	4.083.993.927	(367.917.341)	3.716.076.586
<i>Beban Eksternal/ External</i>						
Beban Antar Segmen/ Intersegment Expense	3.147.218.069	192.364.204	320.046.038	3.659.628.311	-	3.659.628.311
Jumlah Beban/ Net Expense	3.445.621.480	203.074.956	378.849.216	4.027.545.652	(367.917.341)	3.659.628.311
Hasil Segmen/ Segment Result	18.911.021	27.219.187	10.318.067	56.448.275	-	56.448.275
<i>Pendapatan (Beban) yang tidak dapat dialokasikan/ Unallocated income (expenses)</i>						
Bagian laba bersih asosiasi/ Equity in net income of associates						1.860.416
Pendapatan keuangan/ Finance income						10.347.000
Beban keuangan/ Finance cost						(59.840.088)
Laba sebelum pajak/ Income before tax						8.815.603
Manfaat pajak/ Tax benefits						2.384.777
Laba bersih tahun berjalan/ Net income for the year						11.200.380
Jumlah rugi komprehensif lain-lain/ Total other comprehensive loss						(10.634.860)
Jumlah laba komprehensif/ Total comprehensive income						565.520
<i>POSISI KEUANGAN/ FINANCIAL POSITION</i>						
Aset segmen/ Segment assets	2.905.588.278	192.023.929	360.136.620	3.457.748.827	(503.963.875)	2.953.784.952
Liabilitas segmen/ Segment liabilities	1.811.945.935	99.401.935	114.233.170	2.025.581.040	(188.944.205)	1.836.636.835
Penyusutan dan amortisasi segmen/ Segment depreciation and amortization	140.787.926	5.113.537	15.383.571	161.285.034	-	161.285.034

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	2012					
	Operasi penerbangan/ <i>Flight operation</i>	Jasa pemeliharaan pesawat/ <i>Aircraft maintenance services</i>	Operasi lain-lain/ <i>Other operations</i>	Jumlah sebelum eliminasi/ <i>Total before elimination</i>	Eliminasi/ <i>Elimination</i>	Jumlah/ <i>Total</i>
	USD	USD	USD	USD	USD	USD
Hasil Segmen/ Segment Result						
Pendapatan Eksternal/ <i>External</i>	3.228.377.846	56.837.495	187.253.621	3.472.468.962	-	3.472.468.962
Pendapatan Antar Segmen/ <i>Intersegment Revenue</i>	2.970.216	154.800.219	174.213.295	331.983.730	(331.983.730)	-
Jumlah Pendapatan/ <i>Net Revenue</i>	<u>3.231.348.062</u>	<u>211.637.714</u>	<u>361.466.916</u>	<u>3.804.452.692</u>	<u>(331.983.730)</u>	<u>3.472.468.962</u>
Beban Eksternal/ External						
Beban Antar Segmen/ <i>Intersegment Expense</i>	2.823.243.238	188.903.585	292.250.035	3.304.396.858	-	3.304.396.858
Jumlah Beban/ <i>Net Expense</i>	<u>2.823.243.238</u>	<u>188.903.585</u>	<u>292.250.035</u>	<u>3.304.396.858</u>	<u>-</u>	<u>3.304.396.858</u>
Hasil Segmen/ Segment Result	141.435.183	17.271.117	9.365.804	168.072.104	-	<u>168.072.104</u>
Pendapatan (Beban) yang tidak dapat dialokasikan/ <i>Unallocated income (expenses)</i>						
Bagian laba bersih asosiasi/ <i>Equity in net income of association</i>						1.927.546
Pendapatan keuangan/ <i>Finance income</i>						6.755.823
Beban keuangan/ <i>Finance cost</i>						<u>(25.224.919)</u>
Laba sebelum pajak/ <i>Income before tax</i>						151.530.554
Beban pajak/ <i>Tax expense</i>						<u>(40.687.981)</u>
Laba bersih tahun berjalan/ <i>Income for the period</i>						<u>110.842.573</u>
Jumlah pendapatan komprehensif lainnya/ <i>Total other comprehensive income</i>						<u>34.566.735</u>
Jumlah laba komprehensif/ <i>Total Comprehensive Income</i>						<u>145.409.308</u>
POSISI KEUANGAN/FINANCIAL POSITION						
Aset segmen/ <i>Segment assets</i>	2.466.798.331	167.483.388	399.074.367	3.033.356.086	(515.358.320)	2.517.997.766
Liabilitas segmen/ <i>Segment liabilities</i>	1.346.572.609	97.836.455	132.876.443	1.577.285.507	(174.247.819)	1.403.037.688
Penyusutan dan amortisasi segmen/ <i>Segment depreciation and amortization</i>	63.739.015	41.329.981	24.887.638	129.956.634	-	129.956.634

Pada bulan September 2013, Perusahaan melakukan penyesuaian organisasi induk Garuda Indonesia, terutama terhadap pembagian wilayah domestik dan internasional, agar "Region" atau "Area" ke depan dapat lebih fokus dalam melaksanakan pengelolaan dan peningkatan penjualan.

Perubahan terhadap "Organisasi Induk Perusahaan" tersebut adalah dengan membentuk 4 (empat) region domestik dan 5 (lima) region internasional.

Berikut merupakan pendapatan segmen usaha tiap region berdasarkan pusat region:

In September 2013, the Company made adjustments to its organizational structure mainly the division of domestic and international region, in order for "Region" or "Area" to be more focused to manage and increase sales in the future.

Changes to "Organizational Structure of Parent Company" established four (4) domestic regions and five (5) international regions.

The following is the total operating revenue of each region based on its Central Region:

	2013	2012	
	USD	USD	
Pendapatan berdasarkan geografis			Total revenue based on geographical segment
Domestik			Domestic
Jakarta	2.103.500.564	1.836.305.501	Jakarta
Surabaya	359.680.298	368.672.074	Surabaya
Makassar	244.148.350	271.599.353	Makassar
Medan	212.353.570	199.765.665	Medan
Internasional			International
Tokyo	383.075.384	389.705.145	Tokyo
Sydney	163.148.281	180.078.582	Sydney
Amsterdam	95.429.002	83.710.929	Amsterdam
Shanghai	80.227.194	74.546.305	Shanghai
Singapore	74.513.943	68.085.408	Singapore
Jumlah	<u>3.716.076.586</u>	<u>3.472.468.962</u>	TOTAL

52. KUASI REORGANISASI

Sebagai dampak memburuknya kondisi ekonomi di Indonesia sejak pertengahan tahun 1997 dan dampak negatif lainnya, Perusahaan memiliki akumulasi defisit sebesar USD 1.385.459.977 per 1 January. Para pemegang saham Perusahaan menyetujui dilakukannya kuasi reorganisasi pada tanggal 1 Januari 2012, dalam rangka mengeliminasi akumulasi kerugian mengacu pada Pernyataan Standar Akuntansi Keuangan (PSAK) No. 51 (revisi 2003). Selanjutnya, Perusahaan mengajukan pengurangan nilai nominal per saham dari Rp 500 menjadi Rp 459, tanpa mengurangi jumlah saham yang beredar. Penurunan nilai nominal saham tersebut menghasilkan tambahan modal disetor sebesar USD 459.852 pada tanggal 1 Januari 2012.

Sesuai dengan peraturan yang berlaku, pelaksanaan kuasi-reorganisasi dan penurunan nilai nominal saham Perusahaan harus mendapat persetujuan dari para pemegang saham Perusahaan dan Menteri Hukum dan Hak Asasi Manusia sebelum hal tersebut berlaku. Berdasarkan akta Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) No. 1 tanggal 28 Juni 2012 dari Aulia Taufani, SH., para pemegang saham, telah menyetujui pelaksanaan kuasi-reorganisasi per tanggal 1 Januari 2012 dan penurunan modal saham. Akta ini telah memperoleh persetujuan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia melalui Surat Keputusan No. AHU-66159.AH.01.02. Tahun 2012 tanggal 27 Desember 2012. Lebih lanjut, Perusahaan telah memperoleh persetujuan dari Presiden Republik Indonesia yang dituangkan dalam Peraturan Pemerintah No. 114 Tahun 2012 tanggal 27 Desember 2012, yang diumumkan dalam Lembaran Negara Republik Indonesia No. 287 tahun 2012.

Selanjutnya, Grup melakukan penilaian kembali laporan keuangan konsolidasian per tanggal 1 Januari 2012, ke nilai wajar yang dilakukan oleh penilai independen. Dampak penyesuaian atas nilai wajar aset tersebut, menyebabkan kenaikan aset sebesar USD 44.963.385. Berikut daftar aset yang mengalami penyesuaian atas nilai wajarnya:

	Penilai/ <i>Appraisal</i>	Kenaikan revaluasi/ <i>Revaluation</i> increase USD	
Persediaan Dana perawat an pesawat dan uang jaminan	KJPP Doli Siregar & Rekan	7.315.622	Inventories Maintenance reserve
Investasi pada entitas asosiasi	KJPP Doli Siregar & Rekan	11.923.653	funds and securities deposits
Aset keuangan lain	KJPP Doli Siregar & Rekan	522.676	Investment in associates
Aset Tetap	KJPP Doli Siregar & Rekan	1.141.984	Other financial assets
Aset lain-lain bersih	KJPP Doli Siregar & Rekan	23.989.249	Property and equipment
Jumlah		70.201	Other assets - net
		<u>44.963.385</u>	Total

52. QUASI-REORGANIZATION

As a result of adverse economic condition in Indonesia since in the middle of 1997 and other negative factors, the Company has accumulated deficit totaling to USD 1,385,459,977. The Company stockholders' had approved to carry out quasi-reorganization in order to eliminate the accumulated losses as of January 1, 2012, in accordance with PSAK No. 51 (revised 2003). Moreover, the Company proposed a reduction of par value per share from 500 to 459, without reducing the number of shares; thereby creating additional paid-in capital of USD 459,852 as of January 1, 2012.

In accordance with regulation, both the quasi-reorganization and reduction of par value of shares of the Company should be approved by the Company's stockholders and Minister of Justice and Human Rights before they became effective. Based on the Shareholders' Extraordinary General Meeting Deed No. 1 dated June 28, 2012 of Aulia Taufani, SH., the stockholders' approved the quasi-reorganization as of January 1, 2012 and the reduction of par value per share to effect the quasi-reorganization. This deed was approved by the Ministry of Justice and Human Rights in his decision letter No. AHU-66159.AH.01.02. Tahun 2012 dated December 27, 2012. Further, the Company had obtained approval from the President of the Republic of Indonesia as stated in the Indonesia Government Regulation No. 114 Year 2012 dated December 27, 2012, which is published in State Gazette of the Republic of Indonesia No. 287 in 2012.

Accordingly, the Group revalued its opening consolidated statement of financial position at January 1, 2012, to fair value which was determined by an independent appraiser. The fair value adjustment resulted in USD 44,963,385 revaluation increase of assets. The assets principally affected by the fair value adjustments and the amount of such adjustments are as follows:

PT. GARUDA INDONESIA (PERSERO) Tbk
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31 DESEMBER 2013 DAN UNTUK TAHUN YANG
BERAKHIR PADA TANGGAL TERSEBUT - Lanjutan

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- Continued

Tidak terdapat penyesuaian atas nilai liabilitas pada tanggal 1 Januari 2012, karena jumlah tercatat sebelum kuasi-reorganisasi telah mencerminkan nilai wajarnya.

Dengan kuasi-reorganisasi tersebut, Perusahaan mengeliminasi defisit per tanggal 1 Januari 2012 sebesar USD 1.385.459.977, dengan komponen ekuitas sebagai berikut:

	USD	
Defisit	(1.385.459.977)	Accumulated losses
Selisih penilaian kembali aset dan liabilitas	44.963.385	Difference on revaluation assets and liabilities
Opsi saham	2.278.677	Share option
Komponen ekuitas lainnya - surplus revaluasi	83.793.914	Other component of equity revaluation surplus
Tambahan modal disetor	108.518.998	Additional paid-in capital
Modal ditempatkan dan disetor	1.145.905.003	Issued and paid-up capital
Jumlah	<u><u>-</u></u>	Total

Kuasi-reorganisasi diatas merupakan yang tahap pertama dari serangkaian tahapan yang akan diambil oleh Perusahaan untuk mempertahankan kelangsungan usahanya sekaligus mencapai pertumbuhan yang berkelanjutan dalam jangka panjang. Manajemen dan pemegang saham Perusahaan berkeyakinan dan senantiasa berkeyakinan bahwa Perusahaan memiliki prospek usaha yang baik dimasa depan seperti tercantum pada rencana usaha jangka panjang Perusahaan.

No adjustment was made to the value of liabilities as of January 1, 2012, because the carrying amount prior to quasi-reorganization has already reflected their fair value.

Through the quasi-reorganization, the Company eliminated the balance of its accumulated losses as of January 1, 2012 of USD 1,385,459,977, against the following equity components:

The above quasi-reorganization is the first of a series of steps which the Company will take in its effort to sustain its ability to continue as a going concern while also achieving sustainable long-term growth. The management and shareholders of the Company believed and continue to believe that the Company has good future business prospects, as outlined in the long-term business plan of the Company.

53. INFORMASI TAMBAHAN

Informasi keuangan tersendiri entitas induk dari halaman 132 sampai 137 menyajikan laporan posisi keuangan, laporan laba rugi komprehensif, perubahan ekuitas dan laporan arus kas dimana investasi saham pada entitas anak dan asosiasi dicatat menggunakan metode biaya.

53. SUPPLEMENTARY INFORMATION

The supplementary information the parent company only on pages 132 to 137 presented the statements of financial position, statements of comprehensive income, statements of changes in equity, and statements of cash flows in which investments in subsidiaries and associates were accounted for using cost method.

54. TRANSAKSI NON KAS

Pada tahun-tahun yang berakhir 31 Desember 2013 dan 2012, Grup melakukan transaksi investasi dan pendanaan yang tidak mempengaruhi kas dan setara kas dan tidak termasuk dalam laporan arus kas konsolidasian dengan rincian sebagai berikut:

	2013	2012
	USD	USD
AKTIVITAS INVESTASI DAN PENDANAAN YANG TIDAK MEMPENGARUHI ARUS KAS		
Kenaikan aset tetap melalui liabilitas estimasi pengembalian dan pemeliharaan pesawat (Catatan 25)	33.946.760	19.052.718
Penambahan (penurunan) aset tetap atas surplus revaluasi (Catatan 14)	9.047.138	36.328.608
Kenaikan (penurunan) aset tetap atas selisih kurs penjabaran (Catatan 14)	(115.250.264)	161.541
Penambahan aset tetap melalui utang usaha	99.016.609	2.601.855
Penambahan aset tetap melalui utang sewa	1.374.707	-
Penambahan aset tetap melalui uang muka pembelian pesawat	28.466.000	-

55. TANGGUNG JAWAB MANAJEMEN DAN
PERSETUJUAN ATAS LAPORAN KEUANGAN
KONSOLIDASIAN

Penyusunan dan penyajian wajar laporan keuangan konsolidasian dari halaman 3 sampai 131 merupakan tanggung jawab manajemen, dan telah disetujui oleh Direksi untuk diterbitkan pada tanggal 30 Januari 2014.

54. NON CASH TRANSACTIONS

For the years ended December 31, 2013 and 2012, the Group have investment and financing transactions that did not affect cash and cash equivalents and hence not included in the consolidated statements of cash flows with details as follows:

	2013	2012
	USD	USD
NONCASH INVESTING AND FINANCING ACTIVITIES		
Increase in property and equipment through estimated liability for aircraft return and maintenance cost (Note 25)	33.946.760	19.052.718
Increase (decrease) of property and equipment through revaluation surplus (Note 14)	9.047.138	36.328.608
Increase (decrease) in property and equipment due to transaction adjustment (Note 14)	(115.250.264)	161.541
Increase in property and equipment through accounts payable	99.016.609	2.601.855
Increase in property and equipment through lease liabilities	1.374.707	-
Increase in property and equipment through advance payment for purchase aircrafts	28.466.000	-

55. MANAGEMENT RESPONSIBILITY AND
APPROVAL OF CONSOLIDATED FINANCIAL
STATEMENTS

The preparation and fair presentation of the consolidated financial statements on pages 3 to 131 were the responsibilities of the management, and were approved by the Directors and authorized for issuance on January 30, 2014.

PT GARUDA INDONESIA (PERSERO) Tbk
 DAFTAR I - INFORMASI TAMBAHAN TERSENDIRI ENTITAS INDUK *)
 LAPORAN POSISI KEUANGAN
 31 DESEMBER 2013

PT GARUDA INDONESIA (PERSERO) Tbk
 SCHEDULE I - SUPPLEMENTARY INFORMATION OF PARENT ONLY *)
 STATEMENT OF FINANCIAL POSITION
 DECEMBER 31, 2013

	31 Desember/ December 31, 2013 USD	31 Desember/ December 31, 2012 USD	
ASET			ASSETS
ASET LANCAR			CURRENT ASSETS
Kas dan setara kas	418.054.048	264.313.750	Cash and cash equivalents
Piutang usaha - bersih			Trade accounts receivables - net
Pihak berelasi	32.926.123	33.151.121	Related parties
Pihak ketiga	90.401.863	82.175.392	Third parties
Piutang lain-lain	9.403.387	18.429.632	Other receivables
Persediaan - bersih	10.914.250	9.301.007	Inventories - net
Uang muka dan biaya dibayar dimuka	76.318.300	70.970.228	Advances and prepaid expenses
Pajak dibayar dimuka	7.521.917	-	Prepaid taxes
Jumlah Aset Lancar	<u>645.539.888</u>	<u>478.341.130</u>	Total Current Assets
ASET TIDAK LANCAR			NON CURRENT ASSETS
Dana perawatan pesawat dan uang jaminan	587.056.701	456.319.321	Maintenance reserve fund and security deposits
Uang muka pembelian pesawat	493.866.436	497.157.419	Advances for purchase of aircraft
Investasi pada entitas asosiasi	279.797.239	279.797.239	Investments in associates
Aset keuangan lain			Other financial assets
Aset pajak tangguhan			Deferred tax assets
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar USD 1.020.712.277 tahun 2013 dan USD 948.246.186 tahun 2012	668.494.713	620.008.601	Property and equipment net of accumulated depreciation USD 1,020,712,277 in 2013 and USD 948,246,186 in 2012
Properti investasi	22.020.790	18.902.557	Investment properties
Beban tangguhan - bersih	7.489.929	480.291	Deferred charges - net
Aset lain-lain - bersih	148.842.379	72.925.810	Other assets - net
Jumlah Aset Tidak Lancar	<u>2.207.568.187</u>	<u>1.945.591.238</u>	Total Non Current Assets
JUMLAH ASET	<u>2.853.108.075</u>	<u>2.423.932.368</u>	TOTAL ASSETS

*) Disajikan menggunakan metode biaya/ *Presented using cost method.*

PT GARUDA INDONESIA (PERSERO) Tbk
DAFTAR I - INFORMASI TAMBAHAN TERSENDIRI ENTITAS INDUK *)
LAPORAN POSISI KEUANGAN
31 DESEMBER 2013 - Lanjutan

PT GARUDA INDONESIA (PERSERO) Tbk
SCHEDULE I - SUPPLEMENTARY INFORMATION OF PARENT ONLY *)
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2013 - Continued

	31 Desember/ December 31, 2013 USD	31 Desember/ December 31, 2012 USD	
LIABILITAS DAN EKUITAS			LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK			CURRENT LIABILITIES
Utang bank	39.618.119	4.957.664	Bank loans
Utang usaha			Trade accounts payables
Pihak-pihak berelasi	132.061.315	103.114.549	Related parties
Pihak ketiga	41.474.708	38.136.429	Third parties
Utang lain-lain	15.205.391	15.821.512	Other payables
Utang pajak	6.691.761	14.038.277	Taxes payable
Beban akrual	176.511.069	192.923.543	Accrued expenses
Pendapatan diterima dimuka	156.262.842	157.088.942	Unearned revenues
Uang muka diterima	15.843.695	16.666.023	Advances received
Liabilitas jangka panjang yang jatuh tempo dalam satu tahun:			Current maturity of long term liabilities
Pinjaman jangka panjang	272.679.600	98.731.783	Long-term loans
Liabilitas sewa pembiayaan	51.969.186	57.502.617	Lease liabilities
Liabilitas estimasi biaya pengembalian dan pemeliharaan pesawat	8.729.964	20.017.495	Estimated liability for aircraft return and maintenance cost
Jumlah Liabilitas Jangka Pendek	<u>917.047.650</u>	<u>718.998.834</u>	Total Current Liabilities
LIABILITAS JANGKA PANJANG			NON CURRENT LIABILITIES
Liabilitas jangka panjang - setelah dikurangi bagian yang jatuh tempo dalam satu tahun:			Non current maturities of long-term liabilities:
Pinjaman jangka panjang	283.516.768	278.793.509	Long-term loans
Liabilitas sewa pembiayaan	137.558.384	146.615.461	Lease liabilities
Liabilitas estimasi biaya pengembalian dan pemeliharaan pesawat	46.265.369	25.634.794	Estimated liability for aircraft return and maintenance cost
Obligasi	162.850.383	-	Bonds payable
Liabilitas pajak tangguhan	13.609.552	11.182.414	Deferred tax liabilities
Liabilitas imbalan kerja	94.484.987	112.946.798	Employment benefits obligation
Liabilitas tidak lancar lainnya	25.373.076	2.179.742	Other non current liabilities
Jumlah Liabilitas Jangka Panjang	<u>763.658.519</u>	<u>577.352.718</u>	Total Non Current Liabilities
EKUITAS			EQUITY
Modal saham -			Capital stock -
Nilai nominal Rp 459 saham masing-masing untuk saham Seri A Dwiwarna dan saham Seri B			Rp 459 par value per share for Series A Dwiwarna share and Series B shares
Modal dasar - 1 saham seri A Dwiwarna dan 29.999.999.999 saham Seri B			Authorized - 1 of Series A Dwiwarna share and 29,999,999,999 Series B shares
Modal ditempatkan dan disetor - 1 saham Seri A Dwiwarna dan 22.640.995.999 saham Seri B	1.146.031.889	1.146.031.889	Issued and paid-up capital - 1 Series A Dwiwarna shares and 22,640,995,999 Series B
Tambahan modal disetor	7.651.835	4.548.037	Additional paid-in capital
Selisih restrukturisasi entitas anak	-	3.103.798	Difference in the value of restructuring transactions between entities under common control
Komponen ekuitas lainnya	26.324.697	23.324.131	Other component of equity
Opsi saham	2.770.970	1.148.451	Stock option
Saldo laba			Retained earnings
Defisit sebesar USD 1.391.302.073 pada tanggal 1 Januari 2012 telah dieliminasi dalam rangka kuasi-reorganisasi	(10.377.485)	(50.575.490)	Deficit amounting USD 1,391,302,073 as of January 1, 2012 was eliminated in connection with quasi reorganization
Jumlah Ekuitas	<u>1.172.401.906</u>	<u>1.127.580.816</u>	Total Equity
JUMLAH LIABILITAS DAN EKUITAS	<u>2.853.108.075</u>	<u>2.423.932.368</u>	TOTAL LIABILITIES AND EQUITY

*) Disajikan menggunakan metode biaya/ Presented using cost method.

PT GARUDA INDONESIA (PERSERO) Tbk
 DAFTAR II - INFORMASI TAMBAHAN TERSENDIRI ENTITAS INDUK *)
 LAPORAN LABA RUGI KOMPREHENSIF
 UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2013

PT GARUDA INDONESIA (PERSERO) Tbk
 SCHEDULE II - SUPPLEMENTARY INFORMATION OF PARENT ONLY *)
 STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED DECEMBER 31, 2013

	2013	2012	
	USD	USD	
PENDAPATAN USAHA			OPERATING REVENUES
Penerbangan berjadwal	2.902.890.291	2.815.533.449	Scheduled airline services
Penerbangan tidak berjadwal	215.335.887	269.091.577	Non-scheduled airline services
Lainnya	72.907.494	73.325.082	Others
Jumlah Pendapatan Usaha	<u>3.191.133.672</u>	<u>3.157.950.108</u>	Total Operating Revenues
BEBAN USAHA			OPERATING EXPENSES
Operasional penerbangan	1.995.978.968	1.841.761.095	Flight operations
Tiket, penjualan dan promosi	235.661.339	230.638.708	Ticketing, sales and promotion
Pelayanan penumpang	267.553.968	253.983.602	Passenger services
Bandara	260.482.678	242.104.913	User charges and station
Administrasi dan umum	146.643.798	151.396.563	General and administrative
Pemeliharaan dan perbaikan	232.801.374	247.935.585	Maintenance and overhaul
Jumlah Beban Usaha	<u>3.139.122.125</u>	<u>2.967.820.466</u>	Total Operating Expenses
BEBAN (PENDAPATAN) LAIN-LAIN			OTHER (INCOME) CHARGES
Keuntungan selisih kurs	31.959.293	8.223.213	Gain on foreign exchange
Lain-lain	1.639.490	(13.035.743)	Others
Bersih	<u>33.598.783</u>	<u>(4.812.530)</u>	Net
LABA USAHA	<u>85.610.330</u>	<u>185.317.112</u>	INCOME FROM OPERATIONS
Beban keuangan	<u>(42.681.250)</u>	<u>(15.582.258)</u>	Finance cost
LABA SEBELUM PAJAK	42.929.080	169.734.854	PROFIT BEFORE TAX
BEBAN PAJAK	<u>(2.731.077)</u>	<u>(36.506.011)</u>	TAX EXPENSE
LABA BERSIH TAHUN BERJALAN	<u>40.198.003</u>	<u>133.228.843</u>	NET INCOME FOR THE YEAR
PENDAPATAN KOMPREHENSIF LAIN			OTHER COMPREHENSIVE INCOME
Peningkatan revaluasi aset tetap - bersih	2.696.627	29.398.482	Gain on revaluation of property and equipment
Pajak penghasilan terkait	303.939	(6.074.351)	Related income tax
Jumlah pendapatan komprehensif lain-lain - bersih	<u>3.000.566</u>	<u>23.324.131</u>	Total other comprehensive income - net
JUMLAH PENDAPATAN KOMPREHENSIF	<u>43.198.569</u>	<u>156.552.974</u>	TOTAL COMPREHENSIVE INCOME
LABA PER SAHAM - DASAR	0,001908	0,006915	EARNING PER SHARE - BASIC

*) Disajikan menggunakan metode biaya/ Presented using cost method.

PT GARUDA INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
SCHEDULE III - SUPPLEMENTARY INFORMATION OF PARENT ONLY *)
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

PT GARUDA INDONESIA (PERSERO) Tbk DAFTAR III - INFORMASI TAMBAHAN TERSENDIRI ENTITAS INDIUK *) LAPORAN PERUBAHAN EKUITAS UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2013	Modal saham/ Capital stock USD	Tambahkan modal disetor/ Additional paid-up capital USD	Selisih restrukturisasi entitas anak/ Difference arising from restructuring of entities under common control USD	Dicadangkan/ Appropriated USD	Saldo laba/ Retained Earning Belum dicadangkan/ Unappropriated USD	Pendapatan komprehensif lainnya/ Other comprehensive income USD	Jumlah ekuitas/ Total equity USD
Saldo 31 Desember 2011 Sebelum kuasi-reorganisasi	2.291.936.892	113.067.035	2.278.677	(1.575.106.404)	40.784.571	872.960.771	
Selisih penilaian aset dan liabilitas dalam rangka kuasi-reorganisasi	-	-	-	-	-	44.963.385	
Eliminasi defisit dalam rangka kuasi-reorganisasi	(1.145.905.003)	(108.518.998)	(2.278.677)	-	(40.784.571)	93.814.824	
Saldo 1 Januari 2012 Setelah kuasi-reorganisasi	1.146.031.889	4.548.037	-	(183.804.331)	-	966.775.595	
Opsih saham manajemen dan karyawan (MESOP)	-	-	1.148.451	-	-	1.148.451	
Selisih restrukturisasi entitas anak	-	-	3.103.798	-	-	3.103.798	
Jumlah pendapatan komprehensif	-	-	-	133.228.842	23.324.131	156.552.973	
Saldo 31 Desember 2012	1.146.031.889	4.548.037	3.103.798	(50.575.489)	23.324.131	1.127.580.817	
Opsih saham manajemen dan karyawan (MESOP)	-	-	1.622.519	-	-	1.622.519	
Penerapan PSAK 38	-	3.103.798	(3.103.798)	-	-	-	
Jumlah pendapatan komprehensif	-	-	-	40.198.004	3.000.566	43.198.570	
Saldo 31 Desember 2013	1.146.031.889	7.651.835	2.770.970	(10.377.485)	26.324.697	1.172.401.906	

*) Disajikan menggunakan metode biaya/ Presented using cost method.

PT GARUDA INDONESIA (PERSERO) Tbk
INFORMASI TAMBAHAN
DAFTAR IV - LAPORAN ARUS KAS ENTITAS INDUK *)
UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2013

PT GARUDA INDONESIA (PERSERO) Tbk
SUPPLEMENTARY INFORMATION
SCHEDULE IV - STATEMENTS OF CASH FLOWS THE PARENT *)
FOR THE YEAR ENDED DECEMBER 31, 2013

	2013 USD	2012 USD	
ARUS KAS DARI AKTIVITAS OPERASI			CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan kas dari pelanggan	3.246.811.422	3.049.733.505	Cash receipts from customers
Pengeluaran kas kepada pemasok	(2.724.615.212)	(2.376.608.356)	Cash paid to suppliers
Pengeluaran kas kepada karyawan	(294.462.468)	(291.508.074)	Cash paid to employees
Kas dihasilkan dari operasi	<u>227.733.742</u>	<u>381.617.075</u>	Cash generated from operations
Pembayaran bunga dan beban keuangan	(32.120.290)	(10.919.859)	Interest and financial charges paid
Pembayaran pajak penghasilan	(14.156.397)	(5.125.669)	Income taxes paid
Kas Bersih Diperoleh dari Aktivitas Operasi	<u>181.457.055</u>	<u>365.571.547</u>	Net Cash Provided from Operating Activities
ARUS KAS DARI AKTIVITAS INVESTASI			CASH FLOWS FROM INVESTING ACTIVITIES
Penerimaan bunga	11.541.183	5.844.782	Interest received
Penerimaan dividen	2.530.431	3.582.726	Dividend received
Penerimaan pengembalian uang muka pembelian pesawat	398.739.049	73.495.873	Refund of advance payments for purchase of aircraft
Penerimaan pengembalian dana pemeliharaan pesawat	41.931.995	17.143.158	Receipts of aircraft maintenance reimbursements
Penerimaan uang jaminan	1.022.569	3.805.137	Receipts of security deposit
Pengembalian pinjaman dari entitas anak	7.450.000	-	Loan repayment from subsidiaries
Pengeluaran untuk dana pemeliharaan pesawat	(216.300.740)	(183.078.763)	Payments for aircraft maintenance reserve fund
Uang muka pembelian pesawat	(436.358.026)	(373.812.834)	Advance payments for aircrafts
Uang muka perolehan aset tetap	(22.486.100)	(38.379.538)	Advance payments for fixed assets
Pengeluaran untuk perolehan aset pemeliharaan pesawat	(60.459.595)	(7.324.733)	Payments for aircraft maintenance asset
Pengeluaran untuk perolehan aset tetap	(5.889.146)	(5.065.426)	Acquisition of property and equipment
Pembayaran uang jaminan	(41.055.835)	(17.059.972)	Payments for security deposit
Kenaikan lainnya dari aktivitas investasi	(684.725)	-	Increase in other investment
Pengeluaran untuk pinjaman ke entitas anak	(70.306.515)	-	Financing to subsidiaries
Kas Bersih Digunakan untuk Aktivitas Investasi	<u>(390.325.455)</u>	<u>(520.849.590)</u>	Net Cash Used in Investing Activities
ARUS KAS DARI AKTIVITAS PENDANAAN			CASH FLOWS FROM FINANCING ACTIVITIES
Penerimaan pinjaman jangka panjang	391.158.634	192.449.073	Proceeds of long-term loan
Penerimaan utang bank dan lembaga keuangan	174.156.889	38.618.847	Proceeds of bank loans and finance institutions
Penerimaan Surat berharga yang diterbitkan - bersih	200.259.361	-	Proceeds of Debt securities in issue - net
Pembayaran pinjaman jangka panjang	(218.889.887)	(124.907.160)	Payments of long-term loan
Pembayaran utang bank dan lembaga keuangan	(139.496.434)	(33.749.466)	Payments of bank loans and finance institutions
Pembayaran biaya pengembalian pesawat	(6.677.864)	(6.559.941)	Payment for aircraft return and maintenance
Kenaikan kas yang dibatasi penggunaannya	(1.601.369)	(1.317.411)	Decrease (increase) in restricted cash
Pembayaran untuk aktivitas pendanaan lainnya	(1.776.784)	(1.391.753)	Payments for other financing activities
Kas Bersih Diperoleh dari Aktivitas Pendanaan	<u>397.132.546</u>	<u>63.142.189</u>	Net Cash Provide from Financing Activities
KENAIKAN/(PENURUNAN) BERSIH KAS DAN SETARA KAS	188.264.146	(92.135.854)	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
KAS DAN SETARA KAS AWAL TAHUN	264.313.750	360.626.859	CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR
Efek perubahan kurs mata uang asing	(34.523.848)	(4.177.255)	Effect of foreign exchange rate changes
KAS DAN SETARA KAS AKHIR TAHUN	<u>418.054.048</u>	<u>264.313.750</u>	CASH AND CASH EQUIVALENTS AT END OF THE YEAR

*) Disajikan menggunakan metode biaya/ Presented using cost method.

PT GARUDA INDONESIA (PERSERO) Tbk
 INFORMASI TAMBAHAN
 DAFTAR V - CATATAN ATAS INVESTASI PADA
 ENTITAS ANAK DAN ASOSIASI
 UNTUK TAHUN YANG BERAKHIR 31 DESEMBER 2013

PT GARUDA INDONESIA (PERSERO) Tbk
 SUPPLEMENTARY INFORMATION
 SCHEDULE V - NOTES TO INVESTMENT IN
 SUBSIDIARIES AND ASSOCIATE
 FOR THE YEARS ENDED DECEMBER 31, 2013

Rincian investasi dalam entitas anak dan asosiasi adalah sebagai berikut/
Detail of investments in subsidiaries and associates as follows:

Entitas anak/ <i>Subsidiaries</i>	Lokasi/ <i>Domicile</i>	Kegiatan usaha utama/ <i>Main business activities</i>	Persentase kepemilikan/ Percentage of ownership	
			2013 %	2012 %
<u>Kepemilikan langsung dan tidak langsung/ Direct and non direct investment</u>				
PT Abacus Distribution Systems Indonesia (ADSI)**)	Jakarta	Penyedia jasa sistem komputerisasi reservasi/ <i>Computerize reservation system services provider</i>	95,00	95,00
PT Garuda Maintenance Facility Aero Asia (GMFAA) **)	Jakarta	Perbaikan dan pemeliharaan pesawat terbang/ <i>Aircraft maintenance and overhaul</i>	99,99	99,99
PT Aero Systems Indonesia (ASI) **)	Jakarta	Penyedia jasa teknologi informasi/ <i>Information technology services</i>	99,99	99,99
PT Citilink Indonesia (CI)**)	Jakarta	Jasa transportasi udara/ <i>Air transportation services</i>	99,99	99,99
PT Aero Wisata dan entitas anak/ and subsidiaries (AWS)**)	Jakarta	Hotel, jasa boga, penjualan tiket/ <i>Hotel, catering, ticketing services</i>	99,99	99,99
PT Mirtasari Hotel Development (MHD)*)	Denpasar	Hotel	99,99	99,99
PT Aerofood Indonesia*)	Jakarta	Jasa boga pesawat/ <i>Aircraft catering services</i>	99,99	99,99
PT Aero Globe*)	Jakarta	Biro perjalanan wisata/ <i>Travel agent</i>	99,99	99,99
PT AeroTrans Services Indonesia(ATS)*)	Jakarta	Jasa transportasi/ <i>Transportation services</i>	99,99	99,99
PT Aerojasa Perkasa (AJP) *)	Jakarta	Penjualan tiket/ <i>Ticketing</i>	99,87	99,87
PT Senggigi Pratama Internasional (SPI) *)	Lombok	Hotel	99,99	99,99
Garuda Orient Holidays, Pty, Limited (GOHA) *)	Sydney	Biro perjalanan wisata/ <i>Travel agent</i>	99,99	99,99
Garuda Orient Holidays Korea Co, Limited (GOHK) *)	Korea	Biro perjalanan wisata/ <i>Travel agent</i>	60,00	60,00
Garuda Orient Holidays Japan Co, Ltd (GOHJ) *)	Jepang/ Japan	Biro perjalanan wisata/ <i>Travel agent</i>	60,00	60,00
PT Bina Inti Dinamika (BID) *)	Bandung	Hotel	61,89	61,89
PT Aero Hotel Management (AHM) *)	Jakarta	Manajemen hotel/ <i>Hotel management</i>	99,99	99,99
PT GIH Indonesia *)	Jakarta	Biro perjalanan wisata/ <i>Travel agent</i>	60,00	60,00
PT Belitung Intipermai (BIP)*)	Jakarta	Hotel	99,99	99,99
<u>Entitas asosiasi/ Associate</u>				
PT Gapura Indonesia	Jakarta	Jasa pengelolaan ground handling pesawat terbang/ <i>Management services , aircraft ground handling</i>	37,50	37,50

*) Kepemilikan tidak langsung / *Indirect ownership*

***) Kepemilikan langsung dan tidak langsung / *Direct and indirect ownership*

Corporate Data

Board of Commissioners' Profile



Bambang Susantono
 President Commissioner

Appointed as President Commissioner since April 27, 2012. At present, he is also Deputy Minister of Transportation of the Republic of Indonesia.

Previously, he served as Deputy Coordinating Minister for Economic Affairs in the Infrastructure and Regional Development Coordination, Advisor to the Coordinating Minister for Economic Affairs in Business Competition, Secretary of Policy Committee for Acceleration of Infrastructure Development (KKPPI), Deputy Head of Technical Team for National Coordination Agency of Land Use (BKTRN), and Deputy Head of the National Team for the Development of Special Economic Zones.

Bambang Susantono was born in Yogyakarta, November 4, 1963, and obtained a Bachelor degree in Civil Engineering from Institut Teknologi Bandung, earned his MSCE degree in Transportation Engineering, MCP in City & Regional Planning and PhD in Infrastructure Planning, from the University of California, Berkeley, USA. Currently, he is also an active lecturer as well as counselling professor at the Post Graduate Program for Engineering at Universitas Indonesia (UI) and at Sekolah Tinggi Transportasi Darat (STTD), Coordinator for Infrastructure Management Expertise Team at UI, and serves as the President of Intelligent Transportation System (ITS) in Indonesia.



Betti Setiastuti Alisjahbana
 Independent Commissioner

Appointed as Independent Commissioner of the Company since February 6, 2012. At present, she is also Commissioner and Founder of PT Quantum Business International, Commissioner of PT Sigma Cipta Caraka, Vice Chairperson of the National Research Council, member of National Innovation Committee (KIN) and Advisory Board at Institut Teknologi Bandung, Chairperson of the Association of Open Source Indonesia, Chairperson of the Committee for Software Sector of Indonesia Chamber of Commerce and Industry.

Previously, she served as President Director of PT IBM Indonesia, Operations Director of PT IBM Indonesia, General Manager of IBM e-Business and Cross Industry Solutions as well as General Business for ASEAN region & South Asia district.

Betti Alisjahbana was born in Bandung on August 2, 1960, obtained a Bachelor degree in Architecture from Institut Teknologi Bandung.



Chris Kanter
 Independent Commissioner

Appointed as President Commissioner since April 26, 2013. At present, he is Vice President of Apindo, Vice Chairman of Trade and International Relations at the Indonesian Chamber of Commerce and Industry (KADIN Indonesia), Commissioner of PT Bank BNP Paribas Indonesia. He is also serves as Expert Member of "Joint Study Group on Long Term Vision for Trade and Investment Cooperation Indonesia "European Union" of Department of Trade, and member of National Economic Committee (KEN) Presidential Decree No.31/2010, and member of Investment Committee of Business Relations at Investment Coordinating Board (BKPM). He has been Independent Commissioner of PT Indosat. Tbk., Founder and Chairman of Sigma Sembada Group and Chairman of the Board of Founders of the Swiss German University.

Previously he served as Vice President of Investment and Transportation at KADIN Indonesia, member of the Consultative Congress (MPR) of the Republic of Indonesia, Organizing Committee Chairman of Asia-Africa Summit 2005, member of Coordinating Team to Increase Export-Import Flow of Government of Indonesia.

Chris Kanter was born in Manado on April 25, 1952, and a graduate of the Faculty of Engineering, Trisakti University, Indonesia.

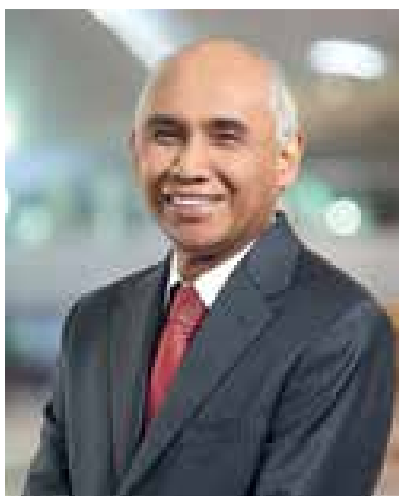


Peter F. Gontha
Independent Commissioner

Appointed as Independent Commissioner since June 28, 2012. At present, he is also Executive Chairman of PT First Media Tbk., President Commissioner of PT Linknet, President Director of PT Persada Giri Abadi, Founder and President Commissioner of PT Java Festival Production, President of Sun Yen Engineering Singapore, Publisher of The Jakarta Globe, Suara Pembaruan, Investor Daily and Berita Satu Media Holding, member of the National Economic Committee, member of Investment Committee at BKPM, and Deputy Chairman for Investment at KADIN Indonesia.

Previously, he served as Assistant Vice President, Citibank N.A.; Regional Head Vice President, American Express Bank Asia; Commissioner, Star Motor/Mercedes Benz; Commissioner, German Motors/Star Engine Manufacturing; Founder and Director, Osprey Maritime Singapore; Commissioner, Karimun Granite Singapore; Commissioner, PT Nestle Indonesia; Founder and Director, PT Jasa Angkasa Semesta; Commissioner, PT Cardig Air; Director, PT Indonesia Air Transport; Founder and President Director/CEO, PT Chandra Asri Petrochemical; Director, APP Singapore; Founder and Director, PT Tri Polyta Indonesia Tbk.; Founder, Rajawali Citra Televisi Indonesia (RCTI), Founder and Director, PT Surya Citra Televisi (SCTV), Founder, PT Datakom/Indovision, Founder, Java Festival Production; and Founder, PT First Media.

Peter F. Gontha was born in Semarang on May 4, 1948. He finished his education in Computer Design and Operation at Shell Benelux Computing Center, and Finance Accounting and Business Administration in Praep Institute, The Netherlands.



Wendy Aritenang
Commissioner

Appointed as Commissioner since June 4, 2007. Currently, he holds a position as Inspector General to the Ministry of Transportation.

Previously, he was an Advisor to the Ministry of Transportation, Secretary General of Ministry of Transportation, Directorate General of Rail Transportation, Deputy Minister of Research and Technology in Utilization and Socialization of Sciences and Technology, Commissioner of PT PLN Batam, Commissioner of PT Adyatirta Batam, Deputy Chairman of Batam Authority, Head of Planning Division - BPP Teknologi.

Wendy Aritenang was born in Jakarta on December 15, 1954, earned a Bachelor degree in Civil Engineering at the Institut Teknologi Bandung in 1979. Master of Science & Diploma (DIC) degree in 1986 and PhD in Structural Engineering in 1989 from the University of London at Imperial College of Science & Technology.

Board of Directors' Profile



Emirsyah Satar

President & CEO

Appointed as President & CEO since March 16, 2005. Previously, served as Vice President Director of Bank Danamon, EVP Finance of the Company, CEO/Managing Director of Niaga Finance in Hong Kong, CEO/Managing Director of PT Niaga Leasing Corporation in Jakarta, President Director/CEO of PT Niaga Factoring Corporation in Jakarta, General Manager-Corporate Finance of Jan Darmadi Group, Assistant VP Corporate Banking Group of Citibank N.A., Auditor for Coopers & Lybrand Audit Firm.

Concurrently, he is also serves Vice Chairman, Indonesia Chamber of Commerce and Industry for International Economic Cooperation, member of the International Air Transport Association (IATA) Board of Governors and member of the Executive Committee Association of Asia Pacific Airlines (AAPA)

In 2013, Emirsyah Satar received "Indonesia Most Admired CEO 2013" from Warta Ekonomi, "CEO Inovatif untuk Negeri" from GATRA, "The 1st Rank of The Best CEO 2013" from SWA, "Pemimpin Pelestari Bumi" from The La Tofi School of CSR, "Senayan City Infinite Merit Award 2013" from Senayan City, "The 2013 Travel Business Leader of the Year" from Singapore Tourism Board dan CNBC, "CEO Pilihan SPS" from SPS, "Akuntan of The Year 2013" from IAI.

Emirsyah Satar was born in Jakarta on June 28, 1959, holds a degree in Accounting from Universitas Indonesia and accomplished diploma program at Sorbonne University in Paris.



Batara Silaban

EVP Maintenance & Fleet Management

Appointed as EVP Maintenance & Fleet Management since April 27, 2012. Previously, he served as VP Aircraft Maintenance Management, VP Asset & Counter Trade Management, Vice President Materials, GM of Technical System Development, GM of Aircraft Maintenance Planning & Control, Senior Manager of Maintenance Planning, Manager of Maintenance Planning & Method.

Batara Silaban was born in Mataram on June 24, 1963, holds a Bachelor of Mechanical Engineering from Institut Teknologi Bandung, and earned his Masters of Management degree from Universitas Indonesia, Jakarta.



Faik Fahmi

EVP Services

Appointed as EVP Services since April 27, 2012. Previously, he held several positions such as the President Director of Garuda Orient Holidays Japan Co., Ltd. (a company with commissions partnership or joint venture in Japan with Japanese local firms and Aerowisata), VP of Japan-Korea-China, General Manager of Tokyo, General Manager of Osaka, General Manager of Pekanbaru, Manager Corporate Service Line Replenishment and Procurement Manager.

Faik Fahmi was born in Purbalingga on December 12, 1967, holds a Bachelor of Economics degree from Universitas Gadjah Mada, Yogyakarta.



Handrito Hardjono

EVP Finance

Appointed as EVP Financial since April 27, 2012. Previously, he served as EVP, Finance and Human Capital of PT Aero Wisata, and held several positions in Garuda Indonesia as EPM Initial Public Offering Company, EPM Debt Restructuring, VP Treasury Management, VP Controlling, VP Materials, Executive Project Manager of Debt Restructure, Head of Corporate Treasury, VP Treasury, VP Budget & Controlling, VP Operations Support, GM of Operations Planning, GM of Economic Planning, GM of Tech. Research & Development and GM of Shop Sup. Aircraft System Development.

Handrito Hardjono was born in Malang, July 18, 1955, obtained a Bachelor of Electrical Engineering from Institut Teknologi Bandung in 1981, and earned his Masters in Management from the University of Indonesia, Jakarta. He also holds a Master of Public Administration from Harvard University, USA and a Master of Science in Management from Sloan School, MIT, USA, in 1993.

Board of Directors' Profile



Heriyanto Agung Putra

EVP Human Capital & Corporate Affairs

Appointed as EVP Human Capital and Corporate Affairs since April 27, 2012. Previously, he served as VP of Human Capital Management, VP Business Support, GM of General Strategic Sourcing, General Manager of Corporate Services and General Manager of Cost Controlling.

Heriyanto Agung Putra was born in Bandung on November 23, 1965, holds a Bachelor of degree in Financial Administration from STIM YPLG Jakarta, and earned a Master Business Administration from Universitas Indonesia Jakarta.



Judi Rifajantoro

EVP Strategy, Business Development & Risk Management

Appointed as EVP Strategy, Business Development & Risk Management since April 27, 2012. Previously, he served as VP IT Strategy and Governance - Dit ITSS Bandung PT TELKOM, Head of Information Systems Center - ISC Bandung PT TELKOM, Head of Business Unit - Kandatel Semarang PT TELKOM, Deputy Head of Business Unit - Kandatel Jakarta Timur PT TELKOM, Deputy Head of Business Unit - Kandatel Tangerang PT TELKOM, IT General Manager - Sisfo Divre2 Jakarta PT Telkom, IT Senior Manager - Sisfo Divre5 Surabaya PT Telkom.

Judi Rifajantoro was born in Bandung on November 27, 1959, obtained an engineering degree in Telecommunications from Institut Teknologi Bandung, and earned his Masters in Business Telecommunications from Delft University, the Netherlands.



Meijer Frederik Johannes

EVP Marketing & Sales

Appointed as EVP Marketing & Sales since July 19, 2013. Previously, he served as Director & Chief Commercial Officer PT Indosat Tbk, President Director PT Bakrie Connectivity, Deputy President Director PT Bakrie Telecom, Tbk, CEO PT Vivaneews Indonesia, CEO PT Visi Media Asia (VIVA), Vice President Telkomsel, Manager Koninklijke PTT Nederland (KPN) Royal Dutch Telecom.

Meijer Frederik Johannes was born in Hoogezand-Sappemeer, the Netherlands on September 6, 1970. He graduated International Business Studies, Hanzehogeschool Groningen Netherland; International Marketing, Middlesex Poly University London.



Novianto Herupratomo

EVP Operations

Appointed as EVP Operations since April 27, 2012. Previously, he served as VP Corporate Quality, Safety & Environment Management; VP Flight Safety, Aviation Security & Environment; GM Incident Management; GM Incident Investigation; Company Check Pilot B-737 Strata III; GM Flight Standard; Manager Company Operating Procedure; Manager Technical; Pilot B-737; Simulator Instructor B-737; Captain Narrow Body; Senior Flight Officer Wide Body; Copilot of DC-9 and Junior Copilot of DC-9. He has a career as pilot with Garuda Indonesia since November 27, 1981.

Novianto Herupratomo was born in Malang on November 25, 1959. He graduated from Lembaga Pendidikan Perhubungan Udara (LPPU) Curug.

Key Personnel

Sudiman Riyanto Noto
 VP Corporate Quality, Safety
 & Environment Management



Pujobroto
 VP Corporate
 Communications



Ike Andriani
 VP Corporate Secretary



Sri Mulyati
 VP Internal Audit



Heriyanto
 VP CEO Office



Muhammad Nur
 VP Corporate Security



Friatma Mahmud
 VP Strategic Management
 Office



Jenny Mustopha
 VP IT Strategy



Boedi Soeharto
 VP Enterprise
 Risk Management



Lukman
 VP Human Capital
 Management



Edward Okky Avianto
 VP Business Support &
 General Affairs



M. Fajar Siddik
 VP Learning & Development



Esther Siahaan
 VP Financial Analysis



Mega Satria
 VP Treasury Management



Insan Nur Cahyo
 VP Financial Accounting



Nuzirman Nurdin
VP Investor Relations



Suhasril Samad
VP Flight Operation



Triyanto Moeharsono
VP Operation Planning & Control



Puji Nur Handayani
VP Operation Support



Hady Syahrean
VP HAJJ, VVIP & Charter



Adrian Azhar
VP Fleet Acquisition



Enny Kristiani
VP Fleet Management



Jaka Ari Triyoga
VP Aircraft Maintenance Management



Sakib Nasution
VP Airworthiness Management



Prijastono Purwanto
VP Ground Services



Lou D'Allesio
VP Inflight Services



Grace Purukan
VP Cabin Services



Tenten Wardaya
VP Network Management



Djunadi Putra Satrio
VP Marketing



Vera Yunita
VP Revenue Management



Key Personnel

Devi Yanti
 VP Account & Sales Management
 EPM Proyek Implementasi
 New PSS



Amelia Nasution
 VP Customer Relationship
 Management



Ichwan Zulhidzaan
 VP SBU Garuda Sentra Medika



Rajendra Kartawiria
 VP SBU Garuda Cargo



Dony Widodo
 VP Domestic Region 1



Nicodemus P. Lampe
 VP Domestic Region 2



Ari Suryanta
 VP Domestic Region 3



Rosyinah
 VP Domestic Region 4



Sentot Mujiono
 VP International Region 1



Risnandi
 VP International Region 2



I Wayan Subagja
 VP International Region 3



Uun Setiawan
 VP International Region 4



Suranto
Head of SkyTeam Alliance
& Interline Cooperation
Management



Daniel Simeon Tumiwa
Head of Digital Business



M. Iksan
EPM Cost Effectiveness



Andi Rivai
EPM Dedicated Terminal



A. Wahyudo
EPM Delivery Pesawat



Kokoh Ritonga
EPM SkyTeam Project



Budiyanto
EPM Proyek Pembangunan
Kantor



Subsidiaries President Directors

Alexander M.T. Maneklaran
President Director
PT Aero Wisata (Aerowisata)



M. Arif Wibowo
President Director
PT Citilink Indonesia (Citilink)



Iswandi Said
President Director
PT Abacus Distribution System
Indonesia (Abacus DSI)



Tulus Danardono
President Director
PT Aero Systems Indonesia (Asyst)



Richard Budihadianto
President Director
PT Garuda Maintenance
Facility Aero Asia (GMF AA)



Agus Priyanto
President Director
PT Gapura Angkasa



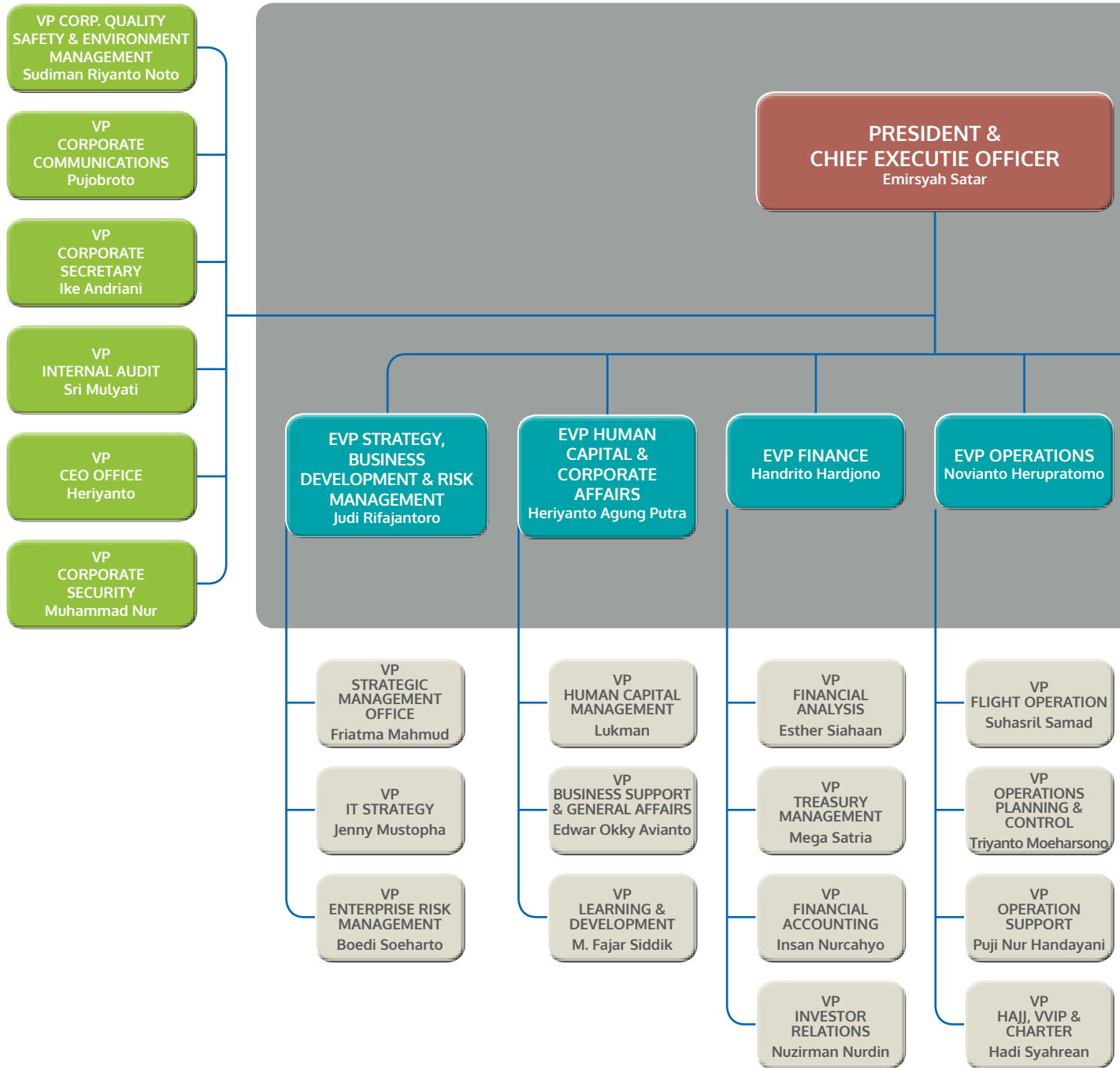
Key Branch Personnel

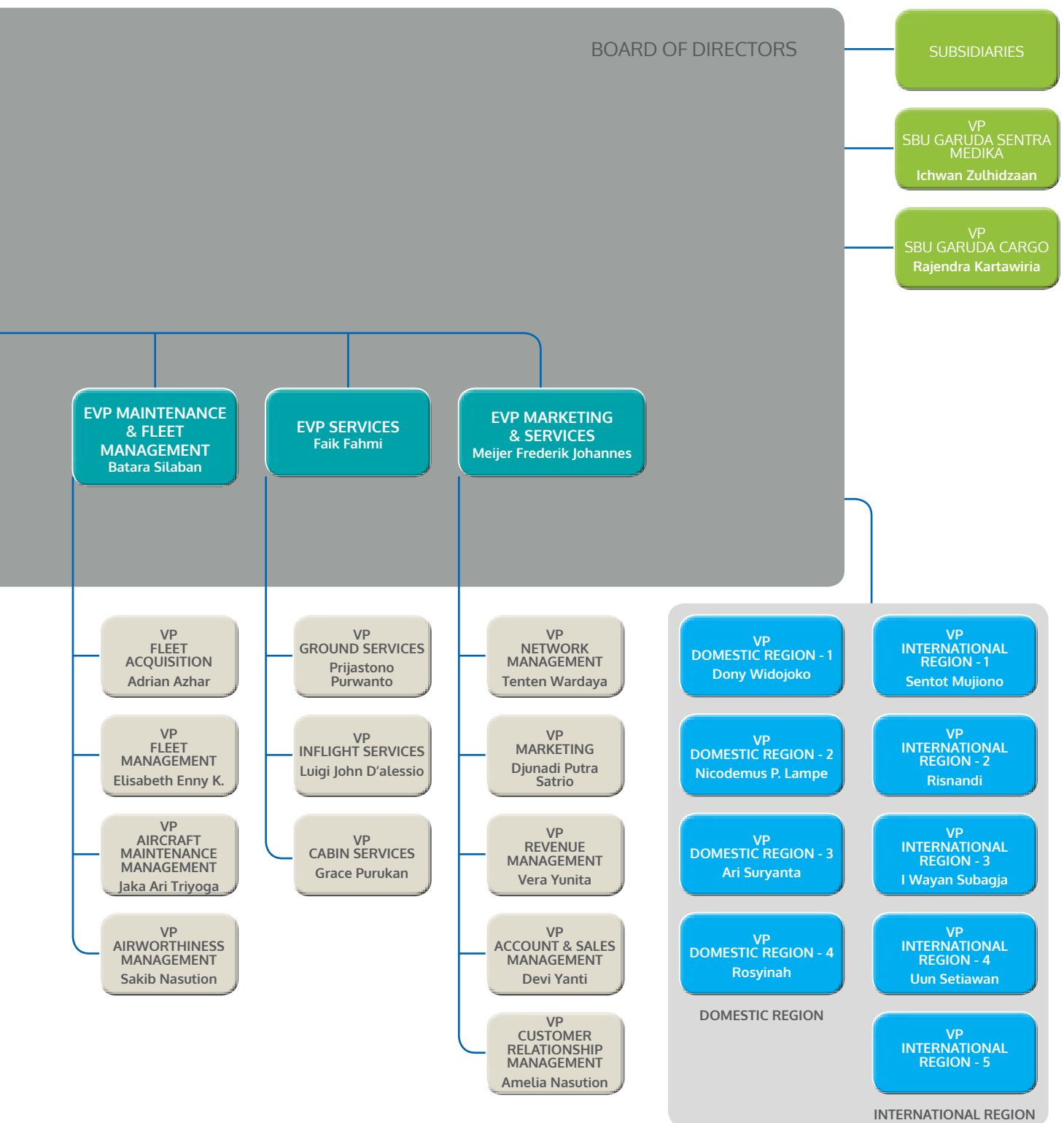
No	Position	Name
VP Domestic Region - 1		Dony Widodojoko
1	DM Banda Aceh	Nano Setiawan
2	DM Batam	IDN Gede Dewa Suastika
3	DM Jambi	Henny Nurcahyani
4	DM Medan	Dony Widodojoko
5	DM Padang	Ryanto Adi Winarso
6	DM Palembang	Syamsuddin Jusuf Souib
7	BM Pangkal Pinang	Triatmodjo S
8	DM Pekanbaru	Suyatno
9	DM Tanjung Karang/Lampung	Hendra Soemarno
VP Domestic Region - 2		Nicodemus P Lampe
1	DM Bandung	Dwi Hendratno
2	DM Jakarta Raya	Nicodemus P Lampe
VP Domestic Region - 3		Ari Suryanta
1	DM Denpasar	Taufik Hidayat
2	DM Yogyakarta	Muhammad Anshori
3	BM Kupang	Micky Arfandi AS
4	BM Malang	Agung Prabowo
5	DM Mataram	Sudarmadi
6	DM Semarang	Husein Sjarif P
7	DM Solo	Flora Izza
8	DM Surabaya	Ari Suryanta
VP Domestik Region - 4		Rosyinah
1	BM Ambon	Sonny Pongoh
2	DM Balikpapan	Joseph A Saul
3	DM Banjarmasin	Harry Agung
4	DM Biak	Andreas Firdaus
5	DM Gorontalo	Antony Zulkarnain
6	DM Jayapura	Supriyono
7	BM Kendari	Boydike Kussudiarso
8	DM Makassar	Rosyinah
9	DM Manado	Piktor Sitohang
10	BM Palu	M. Yunus
11	BM Palangkaraya	Siswo Pudjo Hadiwibowo
12	DM Pontianak	Donald Jerry Rieuwpassa
13	DM Ternate	Wahyudi Kresna

No	Position	Name
VP International Region - 1		Sentot Mujiono
1	DM Bangkok	Sudiarto Sugito
2	DM Kuala Lumpur	Dasep Mansyursyah S
3	DM Singapore	Sentot Mujiono
VP International Region - 2		Risnandi
1	DM Osaka	Nandung Wijaya
2	DM Seoul	Dewa Kadek Rai
3	DM Tokyo	Risnandi
VP International Region - 3		I Wayan Subagia
1	DM Beijing	Asa Perkasa
2	DM Guangzhou	Dharmawan Yuliardy H
3	DM Hongkong	Dedy Irawan
4	DM Shanghai	I Wayan Subagia
5	DM Taipei	Joseph Tendean
VP International Region - 4		Uun Setiawan
1	DM Brisbane	Aryo Wijoseno
2	DM Melbourne	Bobby Rosyandi
3	DM Perth	Ronald L Tobing
4	DM Sydney	Uun Setiawan
International Region - 5		
1	DM Amsterdam	Dian Ediono
2	DM Jeddah	Fikdanel Taufik
3	BM London	Jubi Prasetyo

Notes: * DM : District Manager
 * BM : Branch Manager
 * LM : Line Manager

Organizational Structure





Fleet History

DC 3 Dakota



Operated in 1949.

DH-HERON



Operated in 1950-1956.

CV-340



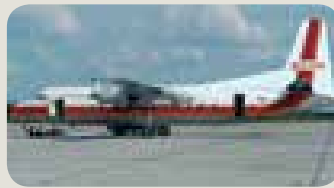
Operated in 1950-1966.

DC 8



Operated in 1965.

Fokker 27



Operated in 1969.

Fokker 28



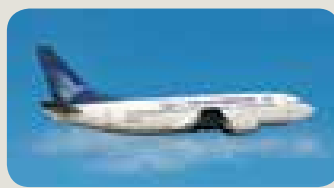
Operated in 1971-2001.

Airbus A300-B4



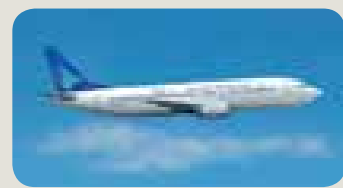
Operated in 1982-2000.

Boeing 737-300



Operated in 1989-present.

Boeing 737-400



Operated in 1989-2011.

Airbus A330-300



Operated in 1996-present.

Boeing 737-800NG



Operated in 2005-present.

Airbus A330-200



Operated in 2009-present.

Boeing 737-800NG (New Livery)



Operated in 2009-present.

CV-440



Operated in 1956-1966.

Lockheed L-118 Electra



Operated in 1961.

Convair 990 A



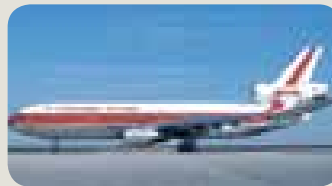
Operated in 1963.

DC 9



Operated in 1969-1989.

DC 10



Operated in 1976-2004.

Boeing 747-200



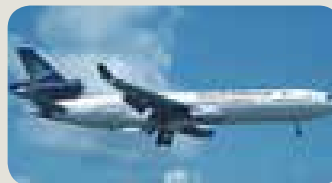
Operated in 1980-2000.

Boeing 737-500



Operated in 1989-present.

MD 11



Operated in 1991-1998.

Boeing 747-400



Operated in 1994-present.

Bombardier CRJ1000 NextGen



Operated in 2012-present.

Boeing 777-300ER



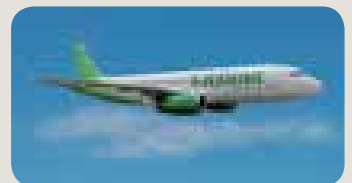
Operated in 2013-present.

ATR72-600



Operated in 2013-present.

Airbus A320-200 Citilink



Operated in 2011-present.

Fleet

BOEING 777-300ER



Number	: 4 Aircraft
Engine	: GE 90-115B
Maximum Speed	: 944 kph
Range	: 14,490 km
Seat Capacity	: 8 First Class + 38 * + 268 ** = 314
Crew	: 2 Cockpit, 14 Cabin

BOEING 747-400



Number	: 2 Aircraft
Engine	: GE CF6-80C2BIF
Maximum Speed	: 990 kph
Range	: 14,180 km
Seat Capacity	: 42* + 386** = 428
Crew	: 2 Cockpit, 16 Cabin

AIRBUS A330-300



Number	: 7 Aircraft
Engine	: RR Trent 772
Maximum Speed	: 880 kph
Range	: 7,242 km
Seat Capacity	: 42* + 215** = 257 36* + 215** = 251
Crew	: 2 Cockpit, 12 Cabin

AIRBUS A330-200



Number	: 11 Aircraft
Engine	: RR Trent 772
Maximum Speed	: 880 kph
Range	: 12,500 km
Seat Capacity	: 36* + 186** = 222
Crew	: 2 Cockpit, 12 Cabin

BOEING 737-800NG



Number	: 65 Aircraft
Engine	: CFM56-7 B
Maximum Speed	: 853 kph
Range	: 5,425 km
Seat Capacity	: 12* + 150** = 162
Crew	: 2 Cockpit, 6 Cabin

BOEING 737-300



Number	: 3 Aircraft
Engine	: CFM56-3C1
Maximum Speed	: 840 kph
Range	: 3,515 km
Seat Capacity	: 16* + 94** = 110
Crew	: 2 Cockpit, 5 Cabin

BOEING 737-500



Number : 4 Aircraft
 Engine : CFM56-3C1
 Maximum Speed : 840 kph
 Range : 3,515 km
 Seat Capacity : 12* + 84** = 96
 Crew : 2 Cockpit, 5 Cabin

BOMBARDIER CRJ1000 NextGen



Number : 12 Aircraft
 Engine : GE CF34-8C5A1
 Maximum Speed : 871 kph
 Range : 2,639 km
 Seat Capacity : 12* + 84** = 96
 Crew : 2 Cockpit, 2 Cabin

ATR 72-600



Number : 2 Aircraft
 Engine : PW127M
 Maximum Speed : 508 kph
 Range : 926 Km
 Seat Capacity : 70**
 Crew : 2 Cockpit, 2 Cabin

AIRBUS 320-200 CITILINK



Number : 24 Aircraft
 Engine : IAE V2527-A5 dan CFM56-5B/4
 Maximum Speed : 871 kph
 Range : 6,150 km
 Seat Capacity : 180**
 Crew : 2 Cockpit, 4 Cabin

BOEING 737-400 CITILINK



Number : 1 Aircraft
 Engine : CFM56-3C1
 Maximum Speed : 840 kph
 Range : 3,515 km
 Seat Capacity : 170**
 Crew : 2 Cockpit, 4 Cabin

BOEING 737-300 CITILINK



Number : 5 Aircraft
 Engine : CFM56-3C1
 Maximum Speed : 840 kph
 Range : 3,515 km
 Seat Capacity : 142**
 Crew : 2 Cockpit, 3 Cabin

* Executive Class
 ** Economy Class

Branch Office

No	Country	Address	Telephone	Facsimile
1	AUSTRALIA	Brisbane Level 1, G73, Brisbane International Terminal, Mailbox 69, Brisbane Airport QLD 4007, Australia, www.garuda-indonesia.net.au	(61 7) 3622 6888	(61 7) 3860 6412
2		Darwin 1A/10 Mc Lachlan Street, Darwin NT 0800 , www.garuda-indonesia.net.au	1 300 365 330, (61-8) 89811103	(61-8) 89815408
3		Melbourne Level 1, 30 Collins Street Melbourne VIC 3000, www.garuda-indonesia.net.au	1 300 365 331, (61-3) 8663 0222	(61-3) 96501731
4		Perth Ground Floor, 16 St Georges Terrace, Perth WA 6000, PO.Box Z5240, Perth WA 6831, www.garuda-indonesia.net.au	1 300 365 331, (61-8) 9214 5100	(60-8) 9221 2005
5		Sydney Level 6,55 Hunter Street Sydney NSW 2000 GPO, PO.Box 3836 Sydney NSW 2001, www.garuda- indonesia.net.au	1 300 365331, (61-2) 9334 9900	(61-2) 9223 2216
6	CHINA	Beijing RM 209-210, 2F China Life Tower 16 Chaoyang, District Beijing, PRC, www.garuda-indonesia.com.cn	(86-10) 8525 3339	(86-10) 8525 3770
7		Shanghai Unit G-H, 17F Huamin Empire Plaza, 726, Yan Anh Road(W) Shanghai, PRC	(86-21) 5239 1000	0086-21-6885504
9		Guangzhou Room B1-M14 Terminal Two , Pudong International Airport Shanghai, China	0086-21-6885504	00086-21-68855042
		Rm 1101-1102, Asia Int'L Hotel 326, Section 1, Huanshi East Road, Guangzhou	(86-20) 61206555, (86-20) 61206777	(86-20) 61206333, (86-20) 61206222
		Unit 903-904, Main Tower Guang Dong Int'l Building, Huangshi, Dong Lu, Guangzhou ,PR China 510060	(86-20) 83343088	(86-20) 83346222
		Room VIP 6 , East Wing, Pullman Hotel Guangzhou Baiyun International Airport	(86-20) 36067491/ 36067493	(86-20) 36067492
10	HONGKONG	Hong Kong Unit 10, 10/F, 68 Yee Woo Street Causeway Bay,Hong Kong	(85-2) 28400000	(85-2) 28455021
11	JAPAN	Osaka OCAT Building 3F, 1-4-1 Minatomachi, Naniwa-ku, Osaka-shi , www.garuda-indonesia.co.jp	(81-6) 66353222	(81-6) 66353198
12		Tokyo Shin Tokyo Bldg. 1F 3-3-1 Marunouchi, Chiyoda-ku, Tokyo 100-0005	(81-3) 32406161	(81-3) 32406180
13	KOREA	Seoul 7F, YG TOWER 155 Da-dong, Jung-gu Seoul Korea, Zip Code 100-180	(82-2) 7732092	(82-2) 7756191
14	MALAYSIA	Kuala Lumpur Ground Floor, Menara Park, Megan Avenue II, Block, D, No. 12 Jl. Yap Kwan Seng 50450 Kuala Lumpur	(603) 21622811	(603) 21624360
		Lot S23 – S24 , Level 4, KLIA main terminal Building, 64000 Sepang Selangor	(603) 87766054	(603) 87874068
15	THE NETHERLANDS	Amsterdam WTC Tower B-8th Floor, Schiphol Boulevard 177, 1118, BG Schiphol Airport , www.garuda-indonesia.nl	(31-20) 5502600	(31-20) 5502666
16	SAUDI ARABIA	Jeddah City Center First Floor, no.25-26, Madina Road, PO.Box 13541 Jeddah 21414	(966-2) 6656121, (966-2) 2830378	(966-2) 6605180
17	SINGAPORE	Singapore 101 Thomson Road #12-03 United Square Singapore, www.garudaindonesia.com.sg	(65) 62502888	(65) 62536196
18	TAIWAN	Taipei 5F-2, No 90, Jian Guo North Road Section 1, Taipei, 104, Taiwan, www.garudaindonesia.com.tw	(88-62) 25073037	(88-62) 25072349
19	THAILAND	Bangkok 1168/77 Lumpini Tower, 27th floor, Rama IV RD, Thungmahamek, Sathorn, Bangkok 10210	(66-2) 2856470, 0830-1730	(66-2) 2856474
20	UNITED KINGDOM	London Marble Arch Tower, 55 Bryanston Street, London W1H 7 AA	(44) 2078598242	

No	Country	Address	Telephone	Facsimile	
DOMESTIC					
21	INDONESIA	Ambon	The Orchid Hotel, Ground Floor, Jl. Raya Pattimura No. 5, Ambon	(62-911) 355796, (62-911) 355517	(62-911) 355797
			Bandara Pattimura, Jl.Dr.Leimana Laha Ambon	(62-911) 322999	(62-911) 322999
22		Balikpapan	Komplek Balikpapan, Permai Blok H 1 No 23-24, Balikpapan 76114	(62-542) 422300/1	(62-542) 734891
			Jl. Marsma R.Iswahyudi Sepinggian International Airport	62-542) 766844, (62-542) 76886 - 852	(62-542) 764361
23		Banda Aceh	Jl.Teuku Imum Lueng Bata No.78 Banda Aceh	(62-651) 33666	(62-651) 31666
			Bandara Sultan Iskandar Muda	(62-651) 21419	(62-651) 33639
24		Bandung	Gd. Annex, Graha Bumiputera, Jl. Asia Afrika No.141-149	(62-22) 4209468/ 4217747	(62-22) 4209467
			Bandara Husein Sastranegara, Jl. Pajajaran No. 156 Bandung	(62-22) 6047182	(62-22) 6046509
			Hotel Grand Tryas, Jl. Tentara Pelajar No. 103 – 107, Cirebon	(62-231) 238811	(62-231) 238812
25		Banjarmasin	Jl. MH Hasanuddin No. 31	(62-511) 3366747/ 58747	(62-511) 3359063
			Bandara Syamsudin Noor	(62-511) 470 5277 Ext. 610	(62-511) 4706115
26		Batam	I-Hotel Jl. Teuku Umar, Bukit Nagoya	(62-778) 6000737	(62-778) 452515
			Hang Nadim Int'l Airport	(62-778) 761502	(62-778) 761600
27		Bengkulu	Splash Hotel, Jl. Jend, Sudirman No. 48	(62-736) 345678	(62-736) 347208
			Bandara Fatmawati Soekarno, Jl. Padang Kemiling	(62-736) 5500990	(62-736)5500991
28		Berau	Hotel Derawan Indah, Jln Panglima Batur no. 396 , Tanjung Redeb Berau Kaltim ,		
			Bandara Kalimantan Berau Jl. Silo, Tanjung Redeb		
29		Biak	Jl. Jend. Sudirman No. 3	(62-981) 25737/47	(62-981) 98777
			Bandara Frans Kaisepo, Jl.Muh.Yamin no.2 Biak – Papua	(62-981) 25767	
30		Denpasar	Jl. Sugianyar No 5, Denpasar	(62-361) 232400	(62-361) 232700
			Rukan Golf Arcade Sanur, Jl. By Pass Ngurah Rai No 126	(62-361) 287915 / 270370	(62-361) 283354
			Kuta Paradiso Hotel, level 1, Jln Kartika Plaza, Kuta	(62-361) 761414 Ext 7807	(62-361) 751179
			Bali Collection Nusa Dua Bali	(62-361) 770747	(62-361) 770174
			Domestic Arrival Terminal, Ngurah Rai Airport	(62-361) 9351011 Ext. 5216	(62-361) 9359764
			Benoa Square, Jl. By Pass Ngurah Rai No. 12 A, Kedonganan	(62-361) 8342777	
			Swissbell Hotel, Jl. Sun Set, Seminyak	(62-361) 8468393	
31		Gorontalo	Gorontalo Business Park, Jl. Sultan Botutihe blok A-9	(62-435) 830444	(62-435) 826444
			Airport Office, Djalaluddin Airport , terminal	(62-435) 890333	(62-435) 890333

Branch Office

No	Country	Address	Telephone	Facsimile
32	Jakarta	Panin Tower (Senayan City) 7th Floor, Jl. Asia Afrika Lot. 19 Jakarta 10270	(62-21) 2924 2020	(62-21) 7279 0586
		Gd. Kementerian BUMN, Jl. Merdeka Selatan No. 13 Jakarta	(62-21) 2310082	(62-21) 2311679
		Gd. Garuda Indonesia, Jl. Gunung Sahari Raya No. 52	(62-21) 4223721	(62-21) 4226722
		Intiland Tower, Jl. Jendral Sudirman Kav.32	(62-21) 2512288	(62-21) 2512236
		Graha Rekso Building, Ground Floor, Jl. Boulevard Artha Gading Kav. A1, Artha Gading	(62-21) 45856233	(62-21) 45856232
		Botani Square, Ground Floor No.12, Jl. Raya Pajajaran Bogor 32, Bogor 16717	(62-251) 8324259	(62-251) 8356737
		Hotel Horison J.L.K.H Nur Ali, Bekasi	(62-21) 8866928	(62-21) 8866929
		Dharmawangsa Square, The City Walk Ground, Floor Blok 57, Jl. Darmawangsa VI & IX No. 64 Jakarta	(62-21) 7278 8364	(62-21) 7278 8317
		Menara Bidakara, Jl. Gatot Subroto, Kav.70-73, Pancoran	(62-21) 83700820	(62-21) 83700823
		Puskopal Mabes AL, Jl. Raya Hankam Cilangkap	(62-21) 8723899	(62-21) 8712686
		Emporium Pluit Mall No. UG-36 dan UG-37, Jl. Pluit Selatan Raya Jakarta Utara	(62-21) 6667 6644	(62-21) 6667 6641
		SPBU Kuningan, Jl. Rasuna Said Kav. X2/2, Jakarta	(62-21) 5292 2188	(62-21) 5292 2179
		Margo City, Ground Floor 12 C, Jl. Margonda Raya No.358, Depok	(62-21) 7887 0957	(62-21) 7887 0947
		Panin Tower (Senayan City) 2nd Floor, Jl. Asia Afrika Lot. 19 Jakarta	(62-21) 2924 1000/ 2924 1001	(62-21) 7279 0755 / 72790733
		Puri Indah Mall Ground Floor Unit KC 10 Jl. Puri Agung, Jakarta Barat	(62-21) 5822748	(62-21) 5822714
		Pondok Indah Mall I, Jl. Metro Duta Niaga Blok V, Ground Floor 60 B, Pondok Indah, Jakarta	(62-21) 7506880	(62-21) 7506784
		Le Dien Hotel Jl. Jend. Sudirman No.88, Serang	(62-21) 210777	(62-21) 210778
		Bandara Halim Perdana Kusuma 1st Floor, Jakarta	(62-21) 8088 5207	(62-21) 8088 5217
		Soekarno Hatta Airport, 2nd Floor, Terminal 2E/2F	(62-21) 5506575	
		Living World Alam Sutera 1st Floor, Unit I - 02, Jl. Alam Sutera Boulevard Kav.21, Tangerang Selatan	(62-21) 29211509/ 29211533	(021) 29211550
33	Jambi	Abadi Suite Hotel & Tower, Jl. Prof. HMO Bafadhal No.111	(62-741) 7550888/ 0868	(62-741) 7550877
		Bandara Sultan Thaha	(62-741) 573377	
34	Jayapura	Kompleks Ruko Pasifik Permai Blok G11-12 Matoa Square 2nd Floor, Jl. Abepura	(62-967) 522222	(62-967) 522225
		Bandara Sentani, Jayapura,	(62-967) 592305	(62-967) 585245
		Jl. Safri Darwin No. 2, Wamena	(62-0969) 32900	(62-0969) 32600
35	Kendari	Ahmad Yani Square, Jl. Ahmad Yani, Kendari	(62-401) 3129777	(62-401) 3126778
		Haluoleo Airport	(62-401) 3126107	
36	Kupang	Jl. WJ. Lalamentik No 75E, Kupang - Nusa Tenggara Timur	(62-0380) 827333	(62-0380) 827234
		Bandara El Tari Kupang	(62-380) 881644	(62-380) 881870
		Jl. Jend. Gatot Subroto No. 100, Ende	(62-381) 23600	(62-381) 22020
		Bandara H. Hasan Aroeboesman, Ende	(62-381) 23500	
		Jl. Pius Papu Langka Kabe Ruko No. 3, Waekelambu, Komodo, Manggarai Barat		
		Jl. Radamata, Waitabula, Tambolaka	(62-0387) 2524080/ 2524083	(62-0387) 2524081

No	Country	Address	Telephone	Facsimile
37	Lampung	Jl. Jend. Sudirman No. 17 A-B, Bandar Lampung	(62-721) 260264/ 242737	(62-721) 262846
		Bandara Raden Inten II Jl.Branti Raya Tromol Pos No.1, Tanjung Karang	(62-721) 7697250	(62-721) 7697222
38	Makassar	Jl. Slamet Riyadi No.6	(62-411) 3654747	(62-411) 315719
		Bandara Internasional Sultan Hasanuddin	(62-411) 3656061	
		Gedung Baruga, Telkomsel 1st Floor, Jl. AP. Pettarani No. 3 A Makassar	(62-411) 8120845	(62-411) 8120846
		Jl. Poros Makassar - Maros Km. 21 No. 6 Bulu-Bulu, Maros Sulawesi Selatan	(62-411) 555158	
		Jl. Gajah Mada No. 13 Bulukumba 92511	(62-413) 84146	
39	Malang	Hotel Savana, Jl. Let. Jend. Sutoyo No. 32 – 34 Malang	(62-341) 419494/ 402215	(62-341)- 419656/402213
		Bandara Abdurrahman Saleh, Jl. Lettu Suwoto	(62-341) 2993366/ 2993388	
40	Manado	Jl. Sam Ratulangi No. 212	(62-431) 814355	(62-431) 814355
		Bandara Sam Ratulangi	(62-431) 814355	(62-431) 814355
41	Mataram	Jl. Majapahit No. 1	(62-370) 649100/ 9999	(62-370) 637951
		Lombok International Airport, Jl. Raya By Pass Tanak Awu – Praya	(62-370) -6157200	(62-370) -6157200
		Jl. Soekarno Hatta No. 1 F, Bima, NTB	(62-374) - 42926	(62-374) - 42304
42	Medan	Jl Dr. Wolter Monginsidi No. 34 A	(62-61) 4516084	(62-61) 4516110
		Departure Hall Kualanamo Int'l Airport	(62-61) 91172757	(62-61) 4567084
43	Padang	Jl. Jend. Sudirman no. 343	(62-751) 30737 Ext.11/13	(62-751) 30174
		Hotel Grand Rocky, Jl. Yos Sudarso No. 29, Bukit Tinggi	(62-752) 627737	(62-752) 627747
		Bandara Int'l Minangkabau, Ground Floor	(62-751) 819122	
44	Palangkaraya	Palangkaraya Mall, Jl. Kinibalu No.1 Blok D1-D2	(62-751) 30737 Ext.11/13	(62-751) 30174
		Tjilik Riwut Airport, Palangkaraya	(62-536)3232900	
45	Palembang	Jl. Kapten A. Rivai No. 35	(62-711) 315333 Ext.110/105	(62-711) 310842/ 352224
		Bandar Udara Int'l Sultan Mahmud Badaruddin II	(62-711) 385047	(62-711) 385047
46	Palu	Jl. Moh. Hatta No. 6	(62-451) 428135/ 454888	(62-451) 428666
		Bandara Mutiara, Jl.Abdul Rahman Saleh Palu	(62-451) 486886	(62-451) 486369
47	Pangkal Pinang	Hotel Novotel, Jl. Soekarno Hatta Km 5, Pangkal Pinang	(62-717) 438737	(62-717) 436264
		Departure Hall Depati Amir Airport Pangkal Pinang	(62-717) 434509	
48	Pekanbaru	Jl. Jend. Sudirman No. 343, Pekanbaru	(62-761) 29115/116, 43903/45063	(62-761) 33995
		Bandara Kasim II, Jl.Perhubungan, Simpang Tiga	(62-761) 674815	(62-761) 673599
		Mona Plaza Hotel , Annex Building, Jl. HR. Soebrantas No.18 Pekanbaru (Panam)	(62-0761)-64837	(62-0761)-64837

Branch Office

No	Country	Address	Telephone	Facsimile
49	Pontianak	Jl. Rahadi Usman No. 8A	(62-561) 734986, 741441	(62-561) 749895
		Bandara Supadio, Pontianak	(62-561) 723433	
		Mercure Hotel, 1st Floor Jl. Ahmad Yani No.91	(62-561) 581152/ 577888	
		Aston Hotel, 1st Floor Jl.Gajah Mada No.21	(62-561) 748079/ 761118	
50	Samarinda	Jl. S. Parman, Komplek Mall Lembuswana, Blok L-10	(62-541) 747200/ 739800	(62-541) 747500
51	Semarang	Gedung BPD Jateng 3rd Floor, Jl.Pemuda No.142	(62-24) 3517007	(62-24) 3512525
		Ahmad Yani Airport	(62-24) 7613737	
		Dafam Hotel, Jl.Urip Simoharjo No.53 Pekalongan	(62-285) 420777	(62-285)436737
		Dafam Hotel, Jl.Urip Simoharjo No.53 Pekalongan	(62-291) 443747/737	(62-291) 442848
52	Solo	Hotel Riyadi Palace, 4th Floor Jl. Slamet Riyadi No. 335	(62-271) 737500	(62-271) 731807
		Bandara Adi Sumarno	(62-271) 781018	
53	Surabaya	Jl. Tunjungan 29	(62-31) 5345886	(62-31) 5340460
		Graha Bumi Modern 1st Floor, Jl. Basuki Rachmat 126-128	(62-31) 5468505, 5344999	(62-31) 5321525
		City of Tomorrow GE 3, Jl. Achmad Yani 288, Bundaran Waru	(62-31) 58251400	(62-31) 58251414
		Juanda International Airport	(62-31) 8688666	
		Service Center Surabaya, Mall Ciputra World 1st Floor Unit 15-16, Jl. Mayjend Sungkono No. 89 Surabaya	(62-31) 51200373	(62-31)5120037
54	Tanjung Pandan	Billiton Hotel & Club, Jl. Depati Gegedek, Tanjung Pandan, Belitung 33411	(62-719)23408 / 23390	(62-719)23425
		Bandara H.A.S. Hananjudin	(62-719) 233371	
55	Tanjung Pinang	Jl Ahmad Yani Ruko Bisnis Metro No 6, Sungai Jang, Bukit Bestari	(61-771) 27000, 28330, 29737	(62-771) 27370
		Bandara Raja Ali Haji Fisabilillah	(61-771) 7335577, 7335537	(62-771) 7335530
56	Tarakan	Bandar Udara International Juwata, Jl. Mulawarman No. 1	(62-551) 31154	(62-551)33015
57	Ternate	Ruko Jatiland Business Center, Jl. Boeleward Raya No. 43, Ternate	(62-921) 3128030/ 3123707	(62-921) 3128616
		Bandara Sultan Babullah	(62-921) 3125654	(62-921) 3125654
58	Timika	Jl. Budi Utomo No. 652-653, Inauga, Mimika Baru	62-901) 324200/ 3126780	(62-901) 324090
		Mosses Kilangin Airport Jl. Freeport Timikia (62-901) 323767	(62-901) 323757	(62-901) 323757
59	Yogyakarta	Royal Ambarukmo Hotel 1st Floor, Jl. Laksda Adi Sucipto No. 81	(62-274) 488488	(62-274) 488789
		Hotel Inna Garuda, Jl. Malioboro No.60	(62-274) 558470	(62-274) 558489
		Bandara Adi Sudjpto, Jl. Solo Km 9	(62-274) 484261 Ext.32	
	CALL CENTER		0 804 1 807 807(62-21) 23519999	

No	Country	Address	Telephone	Facsimile	
GENERAL SALES AGENT (GSA)					
60	CANADA	Toronto	AIR WORLD INC. 1234 Bay Street Suite 601 Toronto, ON M5R 3K4, yyz@garudana.com	(416) 972-1534 / 1 800 3 GARUDA	(416) 972-0815
		Vancouver	1167 Alberni Street, Suite 1406, Vancouver, BC Canada V6E 3Z3, yvr@garudana.com	1 800 342-7832 / 1 800 3 GARUDA	(604) 681-8953
61	UNI EMIRATE ARAB	Abu Dhabi	ABU DHABI TRAVEL BUREAU (ADTB) Maidan Al Itihad Street, Abu Dhabi, Uni Arab Emirate	(971-2) 6338700	(971-2) 6346020
62	NEW ZEALAND	Auckland	AIRLINE MARKETING NEW ZEALAND LTD. Level 10, Westpac, Trust Tower, 120 Albert Street	(64-9) 3661855	(64-9) 9697474
		Manila	AIREOURCES, INC. Lower Lobby, Century Park Hotel P, Ocampo Sr. Cor Adriatico Sts Malate	(63-2) 4005978 / 4005979	(63-2) 4005989
64	QATAR	Doha	CONTINENTAL Building Office No 3 Thani Bin Abdulla, Commercial Complex C Ring Road-VIP, or clock round about Doha-Qatar	(974) 4622122	(974) 4620015
		California	AIR WORLD INC. 16250 Venture Boulevard - Suite 115 Encino, CA. 91436, lax@garudana.com	(818) 9907083 / 1 800 3 GARUDA	(818) 5012098
65	U.S.A	Chicago	101 North Wacker Drive, Suite 350 Chicago, Illinois 60606, chi@garudana.com	(312) 269 - 9333 / 1 800 3 GARUDA	(312) 269-0222
		Houston	3050 Post Oak Boulevard- Suite 350, Houston TX 77056, hou@garudana.com	(713) 626-6134 / 1 800 3 GARUDA	(713) 626-1905
		New York	One Penn Plaza, Suite 1416 New York, NY. 10119, nyc@garudana.com	(212) 279-0756 / 1 800 3 GARUDA	(212) 279-6602
		Makkah Al Mukkaramah	AL Mansoor Commercial Centre, Ground Floor, Mansoor Street	(966-2) 5444740	(966-2) 5444628
66	SAUDI ARABIA	Dammam	King Abdul Azis Road, 19th Cross Street, Al Khobar	(96-63) 8644527 / 45638 / 48847	(99-63) 8645710
		Jeddah	Al Nakheel Center, Madinah Road, (Near NCB Bank), PO.Box 13541 Jeddah 21414	(966-2) 6656875	(966-2) 2843382
		Riyadh	Al Fawzan Building, Olaya Main Road, Near to Ministry of Interior, PO.Box 58458, Riyadh, 11594	(966-1) 2160855 / 2160856	(966-1) 2168335
		Muscat	SHARAF Travel 309 MGM Building, 3rd floor, Ruwi Roundabout, JIBROO	(968-2) 4702820	(968-2) 4702821
68	VIETNAM	Ho Chi Minh City	TRANSVIET TRAVEL GROUP 2nd Floor, Travel House Building, 170 – 172, Nam Ky Khoi Nghia Street, District 3, GA.SGN@transviet.com	(84-8) 39302949	(84-8) 39302948
		Hanoi	4th Floor, Dao Duy Anh Tower, 9 Dao Duy Anh Street, Dong Da District, Hanoi	(84-8) 35747002	(84-8) 37552357
69	BRUNEI DARUSSALAM	Bandar Seri Begawan	ADATC Sales Bandar Seri Begawan No. 1 Lot 20171, Jl. Laksamana Abdul Razak, Km. 2 Bandar Seri Begawan,	+673 2227965/66	+673 2244515
70	KUWAIT	Kuwait	Caesar International Company W.L.L Al -Jawhara Tower, Ground Floor, Al- Salhiya, Ali Al-Salem Street, P.B# 28229 Safat Code 13056, Kuwait	+965 22261027	+965 22261032

Branch Office

No	Country	Address	Telephone	Facsimile
71	GERMANY	Frankfurt AVIAREPS Kaisertrabe 77, 60329 Frankfurt / Main Germany	+49 0 69 770673276	+49 0 69 770 673 235
72	ENGLAND	London FLIGHT DIRECTORS SCHEDULED SERVICES LTD Flighthouse Fernhill Road Horley Surrey, RH6 9 SY, United Kingdom	+44 0 1293 874985	+44 0 1293 824096
73	BELGIUM	Belgium APG AIR AGENCIES Bosstraat 13 – 1930 Zaventum, Belgium	+32 0 27126447	+32 0 27214585
74	MALAYSIA	Penang MAPLE TRAVEL (M) SDN BHD G-03 Penang Plaza, Burma Road	+60 4 263 1100	+60 4 263 1405
75	INDIA	BIRD TRAVELS PRIVATE LIMITED		
	New Delhi	E-9, Connaught House Ground Floor, Connaught Place (Middle Circle), New Delhi 110001	+91 11 41517121	+91 11 23412312
	Hyderabad	H. No. 6-3-1093, 101, 1st Floor , V.V. Vintage Boulevard Somajiguda, Rajbhivan Road Hyderabad, India 500082		
	Calcuta	Room 606 Krishna Building 224, AJC Bose Road Ccalcuta, W. Bengal India 700 017	+91 33 39592569	
	Chennai	105, 1st Floor Prince Center, 248 Pathari Road Anna Salai, Chennai 600 006	+91 44 52634014	
	Mumbai	14, Nirman Kendra, DR. E. Moses Road, Near Famous Studio Mahalaxmi, West Mumbai 400 011	+91 22 66156273	+91 22 66156274
	Bangalore	138A Brigade Gardens, Church Street, Bangalore	+91 80 5112291	
76	SRI LANKA	Colombo 11 York Street, Colombo 01, Sri Lanka	+94 112475300	

Glossary

Term	Abbreviation	Description
Available Seat Kilometer	ASK	The number of available seats on each flight segment (sector; flight stage; leg) multiplied by the length of the flight segment, kilometers flown. If the flight route has more than one flight segment (flight stage), ASK is the result of the number of seats multiplied by the distance of each flight segment (total distance between two airports), the total distance of the flight route is the great circle distance, theoretically the nearest distance between two points on the earth's surface.
Available Tonnes Kilometer	ATK	Capacity of aircraft to carry revenue load - passengers, baggage, cargo and post - multiplied by kilometers flown. The result between the tonnage of the available capacity to carry passengers and freight and the distance of the flight.
Load Factor Overall Load Factor Weight Load Factor	LF OLF WLF	The amount of load flown as a percentage of the available capacity for sale. The weight of the passengers flown is assumed to include the baggage carried. Revenue Tonne Kilometers/Available Tonne Kilometers x 100%
Passenger Load Factor Pax Load Factor Seat Load Factor	PLF SLF	The number of revenue passengers flown as a percentage of the available seats. Revenue Passenger Kilometer/Available Seat Kilometer x 100%.
Revenue Passenger Kilometer Revenue Pax Kilometer Pax Kilometer Flown	RPK	The number of revenue passengers in each flight segment (sector: flight stage) multiplied by the length of the segment - kilometers flown - and the result is added to the Flight Number with more than one flight segment. Total revenue passengers carried.
Revenue Tonne Kilometers Revenue Ton Kilometers Load Tonne Kilometers	RTK	Total revenue loads carried on each flight route multiplied by the distance flown in the flight leg. Total of freight volume sold.
Yield; Passenger Yield	-	Total net revenues from passengers divided by RPK. The average selling price of passenger tickets per kilometer flown, disregarding unsold seats. The net passenger revenue consist of revenues from sales of tickets of passengers and revenue from excess baggage flown deducted by discounts provided.

Statement of the Board of Commissioners Regarding Responsibility for the 2013 Annual Report of PT Garuda Indonesia (Persero) Tbk.

We, the undersigned, hereby declare that all information in the annual report of PT Garuda Indonesia (Persero) Tbk. for the year 2013 has been presented in its entirety, and that we assume full responsibility for the accuracy of the contents of such Annual Report.

Jakarta, March 2014

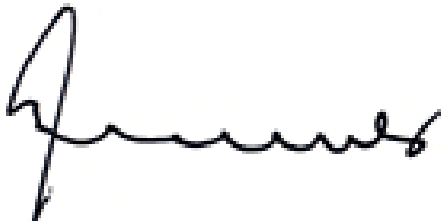
Board of Commissioners



Bambang Susantono
President Commissioner



Betti Setiastuti Alisjahbana
Independent Commissioner



Chris Kanter
Independent Commissioner



Peter F. Gontha
Independent Commissioner



Wendy Aritenang
Commissioner

Statement of the Board of Directors Regarding Responsibility for the 2013 Annual Report of PT Garuda Indonesia (Persero) Tbk.

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Jakarta, March 2014

Board of Directors



0 140 298

Emirsyah Satar
President & CEO



140079

Batara Silaban
EVP Maintenance & Fleet Management



140059

Faik Fahmi
EVP Services



140465

Handrito Hardjono
EVP Finance



140200

Heriyanto Agung Putra
EVP Human Capital & Corporate Affairs



140082

Judi Rifajantoro
EVP Strategy, Business Development &
Risk Management



140135

Meijer Frederik Johannes
EVP Marketing & Sales



140079

Novianto Herupratomo
EVP Operations

Notes:

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Registered Office

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Stock Listing

Since 2011 on the Indonesia Stock Exchange
with Stock Code "GIAA"

Share Registrar Bureau

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Jl. Jend. Sudirman 34-35
Jakarta 10220

Rating Agency

PT Fitch Rating Indonesia
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Tel. +62 21 57957755, Fax. +62 21 57957750

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Osman Bing Satrio & Eny
Registered Public Accountants
License No. KMK No. 1423/KM.1/2012
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2013 Annual Report



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