Garuda Indonesia
The Airline of Indonesia

Thousand Hands
Beyond Excellence

Laporan Tahunan 2016 *Annual Report*

Perjalanan Tema
Theme Journey

Annual Report 2014

ELEVATING VALUE OF JOURNEY

Dalam perjalanannya, Garuda Indonesia berpegang teguh pada semngat untuk selalu memberikan yang terbaik bagi negara. Pada tahun ini, semangat tersebut terwujud dengan nyata. Garuda Indonesia secara resmi dinobatkan sebagai salah satu maskapai bintang lima di dunia, serta menerima penghargaan awak kabin terbaik. Penghargaan ini membuktikan bahwa Indonesia memiliki daya saing yang tinggi di industri penerbangan internasional.

In it's journey, Garuda Indonesia upholds the spirit to always provide the best for the country. This year, Garuda Indonesia is officially acknowledge as one of the World's 5-Star Airlines and received the award for the best cabin crew. These accomplishments serve as the proof of Indonesia's competitiveness in international airline

Annual Report 2015

CARING WITH PASSION TO SERVE

Di tahun ini, Garuda Indonesia memperkuat konsolidasi dengan menerapkan program Quickwins. Penerapan program ini terutama ditujukan untuk dapat memberikan nilai tambah yang lebih kuat kepada pemegang saham dan pemangku kepentingan. Melalui penerapan program tersebut, Garuda Indonesia berhasil mewujudkan kinerja positif dan siap untuk terbang ke level yang lebih tinggi.

In this year, Garuda Indonesia is strengthening its consolidation by implementing Quickwins program. The program is particularly implemented to deliver stronger added value to the shareholders and stakeholders. Through the implementation of this program, Garuda Indonesia has successfully achieved positive performance and ready to soar higher.

Sanggahan dan Batasan Tanggung Jawab

Hal-hal tertentu yang dibahas tentang Laporan Tahunan tentang kinerja masa depan termasuk tanpa terbatas pada pendapatan, laba, strategi, prospek, akibat dan semua pernyataan lain yang tidak sepenuhnya fakta historis merupakan *forward-looking statement* (pernyataan prospektif).

Pernyataan-pernyataan prospektif dalam laporan tahunan ini dibuat berdasarkan berbagai asumsi mengenai kondisi terkini dan kondisi mendatang Perseroan serta lingkungan bisnis di mana Perseroan menjalankan kegiatan usaha. Perseroan tidak menjamin bahwa dokumen-dokumen yang telah dipastikan keabsahannya akan membawa hasil-hasil tertentu sesuai harapan. Informasi terkait perkiraan mendatang telah disusun dengan sungguh-sungguh dan memperhatikan peraturan yang berlaku. Semua *forward-looking statement* tidak menjamin kepastian untuk kinerja di masa mendatang, memiliki prospek risiko yang diketahui dan tidak diketahui, ketidakpastian dan faktor-faktor lain yang sebagian besar di luar kendali Perseroan sehingga dapat mengakibatkan perkembangan aktual secara material berbeda dari yang dilaporkan karena terjadinya perubahan dalam lingkungan bisnis dan aspek lainnya.

Laporan tahunan ini memuat kata "Perseroan" yang didefinisikan sebagai PT Garuda Indonesia (Persero) Tbk yang menjalankan bisnis dalam bidang penerbangan komersial.

Disclaimer

Certain of the matters discussed in this Annual Report about future performance, including, without limitation, future revenues, earnings, strategies, prospects, consequences and all other statements that are not purely historical constitute "forward-looking statements."

These prospective statements in this annual report are prepared based on various assumptions on current and future conditions of the Company, as well as its business environment in which the Company operates. The Company does not guarantee that the documents which have been ensured of their validity will bring certain results as targeted. Due care and attention have been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause actual results to differ materially from those expressed or implied in such statements due to changes in the business environment and other factors.

This annual report contains the word "the Company" which is defined as PT Garuda Indonesia (Persero) Tbk that operates in the field of commercial airline.

THOUSAND HANDS
BEYOND EXCELLENCE

Tahun 2016 menjadi tahun ketiga bagi Garuda Indonesia meraih penghargaan The World's Best Cabin Crew dari Skytrax secara berturut-turut. Adapun penghargaan ini merupakan buah dari komitmen Garuda Indonesia untuk memberikan layanan unggul yang ditonjolkan melalui keramahan khas budaya Indonesia *(Excellent Indonesian Hospitality)*.

Garuda Indonesia telah menetapkan "Sky Beyond" sebagai Rencana Jangka Panjang Perusahaan (RJPP) periode tahun 2016 – 2020. Sejalan dengan hal tersebut, kinerja Garuda Indonesia di tahun 2016 secara khusus difokuskan pada upaya konsolidasi yang bertujuan untuk mewujudkan margin operasional yang lebih baik serta memastikan standardisasi layanan.

Dalam implementasinya, "Sky Beyond" mengangkat tiga strategi utama yang meliputi: *Excellent Indonesian Hospitality, Return Maximization*, serta *Group Synergy*. Diharapkan melalui penerapan "Sky Beyond" yang didukung oleh ribuan tangan insan Garuda Indonesia, maka Garuda Indonesia dapat memberikan nilai lebih dari sekedar unggul terutama dengan menjadikan layanan sebagai kekuatan kompetitif yang utama.

Year 2016 was the third consecutive year for Garuda Indonesia awarded the World's Best Cabin Crew from Skytrax. The award was the result of Garuda Indonesia's commitment to provide an excellent service which is highlighted by the friendliness of Indonesian culture (Excellent Indonesian Hospitality).

Garuda Indonesia has set "Sky Beyond" as the Company's Long-Term Plan for the period of 2016 – 2020. In line with that, the performance of Garuda Indonesia in 2016 was particularly focused on the attempt of consolidation which aim for a better operational margin and to ensure the standardization service.

In its implementation, "Sky Beyond" encompasses three main strategies: Excellent Indonesian Hospitality, Return Maximization, and Group Synergy. Through the implementation of "Sky Beyond" that is supported by the thousand hands of Garuda Indonesia's people, it is expected that Garuda Indonesia could deliver added values beyond excellence, especially by making service as a major competitive strength.

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DAFTAR **ISTILAH**
Glossary

Definisi & Singkatan
Definitions & Abbreviations

ASK	:	*Available Seat Kilometers* yaitu jumlah tempat duduk yang tersedia untuk penumpang dikalikan dengan jarak dalam satuan kilometer yang diterbangi. Available Seat Kilometers is the number of seats available for passengers multiplied by the distance in kilometers flown.
ATK	:	*Available Tones per Kilometer* yaitu kapasitas berat dari pesawat tersedia untuk mengangkut muatan yang memberi pendapatan (penumpang, bagasi, kargo, dan barang pos) dikalikan dengan jarak kilometer yang diterbangi. Available Tones per Kilometer is a weight capacity of aircraft available to transport cargo that generates income (passengers, baggage, cargo and postal items) multiplied by the distance (kilometer) flown.
CASK	:	*Cost per ASK* yaitu biaya per unit untuk produksi (ASK). Cost per ASK the unit cost of production (ASK)
CLF	:	*Cargo Load Factor* yaitu persentase kapasitas kargo yang dipergunakan. Cargo Load Factor is the percentage of cargo capacity utilized.
EBITDAR	:	*Earnings Before Interest and Tax Depreciation Amortization Rental* yaitu nilai pendapatan sebelum beban bunga dan pajak ditambah beban depresiasi amortisasi dan rental. Earnings Before Interest and Tax Depreciation Amortization Rental.
Entitas Anak Subsidiary	:	Perusahaan yang laporan keuangannya dikonsolidasikan dengan Perseroan sesuai dengan prinsip akuntansi yang berlaku umum di Indonesia. Company whose financial statements is consolidated with the Company in accordance with generally accepted accounting principles in Indonesia.
Entitas Asosiasi Associate	:	Perusahaan, di mana Perseroan mempunyai pengaruh yang signifikan dan bukan merupakan Entitas Anak ataupun bagian partisipasi dalam *joint venture*. Pengaruh signifikan dianggap ada jika Perseroan memiliki, secara langsung maupun tidak langsung, 20% atau lebih hak suara perusahaan, dan atau memiliki kekuasaan untuk berpartisipasi dalam keputusan kebijakan keuangan dan operasional perusahaan tersebut, tetapi tidak mengendalikan atau mengendalikan bersama atas kebijakan tersebut. The Company, in which the Company has a significant influence and is not a Subsidiary or part of participation in the joint venture. Significant influence is presumed to exist where the Company has, directly or indirectly, 20% or more of the voting rights of the company, or has the power to participate in financial and operating policy decisions of the company, but not control or joint control over those policies.
FSC	:	*Full Service Carrier*, di mana berdasarkan UU Penerbangan dan Peraturan Menteri Perhubungan No. KM No. 26 tahun 2010 tentang Mekanisme Formulasi Perhitungan dan Penetapan Tarif Batas atas Penumpang Pelayanan Kelas Ekonomi Angkutan Udara Niaga Berjadwal Dalam Negeri ("Permenhub No. KM26/2010"), dinyatakan sebagai badan usaha angkutan udara niaga berjadwal yang di dalam menjalankan kegiatannya dengan standard maksimum. Full Service Carrier, which is based on the Aviation Law and the Regulation of the Minister of Transportation No. KM No. 26 of 2010 on Mechanism of Formulation Calculation and Determination of Upper Limit Rates for the Economy Class Passengers of Domestic Scheduled Commercial Air Transport ("Permenhub No. KM26 / 2010"), stated as a business entity that is scheduled commercial air transport in carrying out its activities with a maximum standard.
Grup Group	:	Perseroan dan Entitas Anak. The Company and Subsidiaries.
IOSA	:	IATA *Operational Safety Audit* merupakan sistem evaluasi yang diakui dan diterima secara internasional yang dibuat untuk mengukur operasional manajemen dan kontrol sistem dari suatu maskapai penerbangan. IATA Operational Safety Audit is an evaluation system that is recognized and accepted internationally which designed to measure the operational management and system control of an airline.
Kantor Cabang Branch Office	:	Kantor penjualan Perseroan di lokasi-lokasi tertentu yang telah mendapat izin sebagai Kantor Cabang dari pihak-pihak berwenang. The Company's sales offices in certain locations that have been licensed as a branch offices by the authorities.
KNKT	:	Komite Nasional Keselamatan Transportasi. National Transportation Safety Committee.

KSEI	:	Kustodian Sentral Efek Indonesia, berkedudukan di Jakarta Selatan, yang menjalankan kegiatan usaha sebagai Lembaga Penyimpanan dan Penyelesaian sebagaimana didefinisikan dalam UUPM yang dalam Emisi bertugas sebagai Agen Pembayaran berdasarkan Perjanjian Agen Pembayaran dan mengadministrasikan Obligasi berdasarkan Perjanjian Pendaftaran Obligasi di KSEI. Indonesian Central Securities Depository, located in South Jakarta, which carries out business as the Central Securities Depository as defined in the Capital Market Law which in terms of Emissions serves as Paying Agent based on Paying Agent Agreement and administer Bonds Registration Agreement in KSEI.
Kustodian Custodian	:	Pihak yang memberikan jasa penitipan Obligasi serta harta lain yang berkaitan dengan Obligasi serta jasa lainnya termasuk menerima pembayaran bunga dan hak-hak lain, menyelesaikan transaksi efek dan mewakili Pemegang Rekening yang menjadi nasabahnya sesuai dengan ketentuan UUPM, yang meliputi KSEI, Perusahaan Efek dan Bank Kustodian. The party that provides Bonds custody services and other assets relating to the Bonds, and other services including receiving interest payments and other rights, settle securities transactions and represent Account Holders as the customers in accordance with the provisions of Capital Market Law, which includes KSEI, Securities Company, and Custodian Bank.
LCC	:	*Low Cost Carrier,* di mana berdasarkan UU Penerbangan dan Permenhub No. KM26/2010, dinyatakan sebagai badan usaha angkutan udara niaga berjadwal yang di dalam menjalankan kegiatannya dengan standar minimum. Low Cost Carrier, which is based on the Aviation Law and Permenhub No. KM26/2010, stated as a business entity of scheduled commercial air transport which carryies out its activities with the minimum standards.
Lessee	:	Pihak yang menyewa. The charterer.
Lessor	:	Pihak yang menyewakan. The lessor.
MRO	:	*Maintenance, Repair, and Overhaul* yaitu jasa pemeliharaan, perawatan, dan perbaikan pesawat. Maintenance, Repair, and Overhaul is a services of aircraft maintenance and repair.
OTP	:	*On Time Performance* yaitu tingkat ketepatan waktu penerbangan. On Time Performance is the level of flight punctuality.
Passenger Yield	:	Pendapatan penumpang berjadwal per RPK. Scheduled passenger revenue per RPK.
PDP	:	*Pre-delivery Deposit Payments* yaitu pembayaran cicilan uang muka pembelian pesawat sebelum penyerahan pesawat. Pre-delivery Deposit Payments is an advance purchase of aircraft before flight delivery.
Perseroan The Company	:	PT Garuda Indonesia (Persero) Tbk suatu perseroan terbatas yang berkedudukan di Jakarta Pusat. PT Garuda Indonesia (Persero) Tbk is a limited liability company domiciled in Central Jakarta.
RPK	:	*Revenue Passenger Kilometers* yaitu pendapatan penumpang yang berasal dari jumlah penerbangan dikalikan dengan jarak kilometer yang diterbangi. Revenue Passenger Kilometers is a passenger revenue derived from the number of flights multiplied by the distance (kilometer) flown.
RTK	:	*Revenue Ton Kilometers,* yaitu jumlah penerbangan dalam kilometer dikalikan dengan pendapatan kargo dalam ton. Revenue Passenger Kilometers is the number of flights in kilometers multiplied by cargo in ton revenue.
SBU	:	*Strategic Business Unit* yaitu unit usaha strategis yang dikelola Perseroan. Strategic Business Unit is a unit of strategic business managed by the Company.
SLF	:	*Seat Load Factor* yaitu persentase kapasitas dari tempat duduk yang dipergunakan. Seat load factor is the percentage of seating capacity utilized.
USc	:	Satuan nilai dolar Amerika Serikat dalam sen. The value of United States dollar in cent.

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KILAS **KINERJA**

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Laporan Laba Rugi dan Penghasilan Komprehensif Lain Konsolidasian
Consolidated Statements of Profit or Loss and Other Comprehensive Income

(dalam US$ penuh kecuali dinyatakan lain)
(In full amount of US$, unless stated otherwise)

Keterangan	2016	2015	2014*	2013*	2012*	Description
Jumlah Pendapatan Usaha	3.863.921.565	3.814.989.745	3.933.530.272	3.759.450.237	3.508.077.977	Total Operating Revenues
Jumlah Beban Usaha	3.795.927.643	3.731.785.485	4.292.344.955	3.744.967.163	3.317.161.666	Total Operating Expenses
Beban (Pendapatan) Usaha Lainnya	(31.110.017)	(85.541.181)	36.413.438	(61.723.498)	3.407.729	Other Operating (Income) Charges Net
Laba (Rugi) Usaha	99.103.939	168.745.441	(395.228.121)	76.206.572	187.508.582	Profit (Loss) From Operations
Laba (Rugi) Sebelum Pajak	17.790.700	106.660.147	(456.453.104)	26.918.220	169.580.666	Profit (Loss) Before Tax
Manfaat (Beban) Pajak	(8.425.842)	(28.685.986)	87.541.825	(3.386.833)	(43.393.552)	Tax Benefits (Expense)
Laba (Rugi) Bersih Tahun Berjalan	9.364.858	77.974.161	(368.911.279)	23.531.387	126.187.114	Profit (Loss) for the Current Year
Jumlah Laba (Rugi) Komprehensif Lain-lain	49.809.176	(6.718.567)	29,340,122	(4,975,612)	50.514.507	Total Other Comprehensive Income (Loss)
Jumlah Laba (Rugi) Komprehensif	59.174.034	71.255.594	(339.571.157)	18.555.775	176.701.621	Total Comprehensive Income (Loss)
Laba (Rugi) yang Dapat Diatribusikan kepada:						Profit (Loss) Attributable to:
Pemilik entitas induk	8.069.365	76.480.236	(370.045.839)	20.497.950	121.540.645	Owners of the Company
Kepentingan non pengendali	1.295.493	1.493.925	1.134.560	3.033.437	4.646.469	Non controlling interest
Jumlah Laba (Rugi) Komprehensif	59.174.034	71.255.594	(339.571.157)	18.555.775	176.701.621	Total Comprehensive Income (Loss)
Laba (Rugi) Per Saham Dasar	0,00031	0,00296	(0,01480)	0,00091	0,00537	Earning (Loss) Per Share - Basic

* Disajikan kembali
* Restated

Laporan Posisi Keuangan Konsolidasian
Consolidated Statements of Financial Position

(dalam US$ penuh kecuali dinyatakan lain)
(In full amount of US$, unless stated otherwise)

Keterangan	2016	2015	2014*	2013*	2012*	Description
Aset dan Liabilitas						Assets and Liabilities
Jumlah Aset Lancar	1.165.133.302	1.007.848.005	810.514.943	836.522.314	657.862.675	Total Current Assets
Jumlah Aset Tidak Lancar	2.572.436.088	2.302.162.981	2.302.564.372	2.161.116.242	1.910.243.758	Total Non Current Assets
Jumlah Aset	3.737.569.390	3.310.010.986	3.113.079.315	2.997.638.556	2.568.106.433	Total Assets
Liabilitas Jangka Pendek	1.563.576.121	1.195.849.121	1.219.365.356	999.099.449	764.031.876	Total Current Liabilities
Liabilitas Jangka Panjang	1.164.096.050	1.163.438.680	1.014.246.368	904.405.513	730.119.257	Total Non Current Liabilities

(dalam US$ penuh kecuali dinyatakan lain)
(In full amount of US$, unless stated otherwise)

Keterangan	2016	2015	2014*	2013*	2012*	Description
Ekuitas						Equity
Modal ditempatkan dan disetor	1.309.433.569	1.309.433.569	1.309.433.569	1.146.031.889	1.146.031.889	Issued and paid-up capital
Tambahan modal disetor	(33.948.489)	(33.948.489)	(33.948.489)	4.548.037	4.548.037	Additional paid-in capital
Opsi saham	2.770.970	2.770.970	2.770.970	2.770.970	1.148.451	Stock Option
Saldo laba dicadangkan	6.081.861	6.081.861	6.081.861	5.529.919	-	Retained Earnings - Appropriated
Saldo laba yang belum dicadangkan	(221.069.730)	(220.046.387)	(293.955.127)	83.242.722	50.119.105	Retained Earnings - Unappropriated
Komponen Ekuitas Lainnya	(70.462.233)	(130.770.768)	(126.884.816)	(165.090.777)	(147.278.931)	Other Component of Equity
Ekuitas yang dapat diatribusikan kepada pemilik	992.805.948	933.520.756	863.497.968	1.077.032.760	1.054.568.551	Equity attributable to owners
Kepentingan non pengendali	17.091.271	17.202.429	15.969.623	17.100.834	19.386.749	Non controlling interest
Jumlah Ekuitas	1.009.897.219	950.723.185	879.467.591	1.094.133.594	1.073.955.300	Total Equity
Jumlah Liabilitas dan Ekuitas	3.737.569.390	3.310.010.986	3.113.079.315	2.997.638.556	2.568.106.433	Total Liabilities and Equity
Jumlah Investasi pada Entitas Asosiasi dan Ventura Bersama	427.479	399.772	545.647	972.087	1.179.564	Total Investments in Associates and Joint Ventures

* Disajikan kembali
* Restated

Rasio Keuangan
Financial Ratio

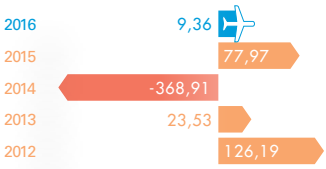
(dalam persen kecuali dinyatakan lain)
(In percentage unless stated otherwise)

Keterangan	2016	2015	2014*	2013*	2012*	Description
Imbal Hasil Rata-rata Aset (%)	0,25	2,36	(11,85)	0,78	4,91	Return on Asset (%)
Imbal Hasil Rata-rata Ekuitas (%)	0,93	8,20	(41,95)	2,15	11,75	Return on Equity (%)
Rasio Lancar (%)	74,52	84,28	66,47	83,73	86,10	Current Ratio (%)
Rasio Total Utang Finansial terhadap Ekuitas (x)	1,68	1,43	1,33	0,92	0,57	Total Financial Debt to Total Equity Ratio (x)
Rasio Total Utang Finansial terhadap Aset (x)	0,45	0,41	0,38	0,34	0,24	Total Financial Debt to Total Asset (x)
Marjin Laba Usaha (%)	2,56	4,42	(10,05)	2,03	5,35	Operating Income Margin (%)
Marjin Laba Bersih (%)	0,24	2,04	(9,38)	0,63%	3,60	Net Income Margin (%)
Marjin EBITDAR (%)	32,99	32,74	13,98	21,91	21,85	EBITDAR Margin (%)

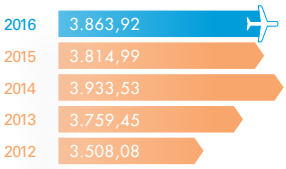
* Disajikan kembali
* Restated

GRAFIK **IKHTISAR KEUANGAN**
Financial Highlights Graphic

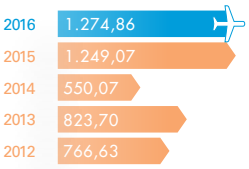
Laba (Rugi) Bersih Tahun Berjalan
Profit (Loss) for the Current Year
(dalam jutaan US$ / In million US$)



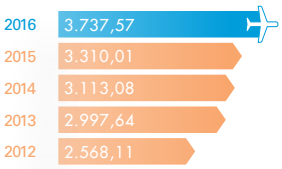
Jumlah Pendapatan Usaha
Total Operating Revenues
(dalam jutaan US$ / In million US$)



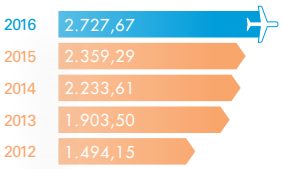
EBITDAR
EBITDAR
(dalam jutaan US$ / In million US$)



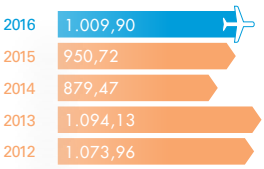
Jumlah Aset
Total Assets
(dalam jutaan US$ / In million US$)



Jumlah Liabilitas
Total Liabilities
(dalam jutaan US$ / In million US$)



Jumlah Ekuitas
Total Equity
(dalam jutaan US$ / In million US$)



IKHTISAR **OPERASIONAL**
Operational Highlights

Segmentasi Operasi	2016	2015	2014	2013	2012	Operational By Segmen
Garuda Indonesia Grup						Garuda Indonesia Group
Utilisasi Armada (Jam)	8:58	9:01	9:48	10:44	10:44	Aircraft Utilization (Hour)
Jumlah Armada	196	187	169	140	106	Total Fleets
Tingkat Ketepatan Waktu (%)	89,51	87,99	88,78	83,79	84,90	On-Time Performance (%)
Jumlah Penumpang	34.999.847	32.961.027	29.139.277	24.965.239	20.415.285	Passenger Carried
ASK (000)	58.745.079	51.868.190	50.154.921	43.133.085	36.013.832	ASK (000)
RPK (000)	43.371.834	40.049.122	35.997.197	31.949.989	27.342.093	RPK (000)
Tingkat Keterisian (%)	73,83	77,21	71,77	74,07	75,92	Seat Load Factor (%)
Frekuensi	274.696	250.088	228.329	196.403	153.266	Frequencies
Bahan Bakar digunakan (Liter)	2.057.218.805	1.853.646.708	1.796.637.446	1.550.215.989	1.292.013.318	Fuel Burn (Liter)
Blockhours	570.517	517.955	487.711	401.946	324.516	Blockhours
Jumlah Kargo (kg)	415.824.003	351.740.701	403.994.415	345.923.000	280.285.000	Cargo Carried (kg)
CLF (%)	54,22	47,52	35,98	42,14	44,36	CLF (%)
Yield Penumpang (Usc)	6,93	7,46	8,57	9,06	9,65	Passenger Yield (Usc)
CASK (Usc)	5,95	6,40	7,56	7,55	7,85	CASK (Usc)
CASK-excl Fuel (Usc)	4,45	4,52	5,00	4,40	4,58	CASK-excl Fuel (Usc)
Harga Bahan Bakar (USD/Liter)	42,96	52,38	83,39	87,59	91,13	Fuel Price (USD/Liter)
Nilai Tukar (IDR/USD)	13.305	13.365	11.864	10.353	9.368	Exchange Rate (IDR/USD)

Segmentasi Operasi	2016	2015	2014	2013	2012	Operational By Segmen
Garuda Indonesia Domestik						**Garuda Indonesia Domestic**
Jumlah Penumpang	19.487.372	19.412.993	17.604.623	15.849.746	13.969.631	Passenger Carried
ASK (000)	22.672.923	21.894.433	20.377.722	17.316.120	14.955.545	ASK (000)
RPK (000)	16.860.988	16.966.525	15.216.204	13.432.356	12.061.979	RPK (000)
Tingkat Keterisian (%)	74,37	77,49	74,67	77,57	80,65	Seat Load Factor (%)
Frekuensi	167.702	158.019	146.904	130.262	104.636	Frequencies
Jumlah Kargo (kg)	245.737.331	226.239.086	214.222.622	190.851.013	163.786.297	Cargo Carried (kg)
Yield Penumpang (Usc)	8,40	8,69	10,07	10,76	11,45	Passenger Yield (Usc)
CASK (Usc)	7,02	7,15	8,51	8,58	8,83	CASK (Usc)
CASK-excl Fuel (Usc)	5,33	5,13	5,30	5,15	5,36	CASK-excl Fuel (Usc)
Garuda Indonesia Internasional						**Garuda Indonesia International**
Jumlah Penumpang	4.433.049	4.173.069	3.983.901	3.770.573	3.586.562	Passenger Carried
ASK (000)	24.893.224	20.839.244	22.526.573	20.362.149	17.937.606	ASK (000)
RPK (000)	17.929.335	15.786.021	15.014.851	14.319.698	13.045.760	RPK (000)
Tingkat Keterisian (%)	72,02	75,75	66,65	70,33	72,73	Seat Load Factor (%)
Frekuensi	28.210	27.470	28.832	27.131	24.482	Frequencies
Jumlah Kargo (kg)	95.852.444	70.060.171	84.497.793	78.184.114	68.172.308	Cargo Carried (kg)
Yield Penumpang (Usc)	6,38	6,98	7,93	8,34	8,64	Passenger Yield (Usc)
CASK (Usc)	5,64	6,30	7,32	7,07	7,28	CASK (Usc)
CASK-excl Fuel (Usc)	4,31	4,52	4,46	4,09	4,17	CASK-excl Fuel (Usc)

Garuda Indonesia *Main Brand*						Garuda Indonesia Main Brand
Jumlah Penumpang	23.920.421	23.586.062	21.588.524	19.620.319	17.556.193	Passenger Carried
ASK (000)	47.566.147	42.733.677	42.904.295	37.678.270	32.893.151	ASK (000)
RPK (000)	34.790.322	32.752.547	30.231.054	27.752.054	25.107.740	RPK (000)
Tingkat Keterisian (%)	73,14	76,64	70,46	73,66	76,33	Seat Load Factor (%)
Frekuensi	195.912	185.489	175.736	157.393	129.118	Frequencies
Jumlah Kargo (kg)	341.589.775	296.299.257	298.720.415	269.035.128	231.958.604	Cargo Carried (kg)
Yield Penumpang (Usc)	7,36	7,86	9,01	9,51	9,99	Passenger Yield (Usc)
CASK (Usc)	6,30	6,74	7,89	7,76	7,98	CASK (Usc)
CASK-excl Fuel (Usc)	4,80	4,83	4,86	4,58	4,71	CASK-excl Fuel (Usc)
Jumlah Armada	144	143	133	110	85	Total Fleets
Citilink						**Citilink**
Jumlah Penumpang	11.079.426	9.374.965	7.550.753	5.344.920	2.860.993	Passenger Carried
ASK (000)	11.178.933	9.134.514	7.250.626	5.454.816	3.120.681	ASK (000)
RPK (000)	8.581.511	7.296.576	5.766.142	4.197.935	2.238.353	RPK (000)
Tingkat Keterisian (%)	76,77	79,88	79,53	76,96	71,73	Seat Load Factor (%)
Frekuensi	78.784	64.599	52.593	39.010	24.148	Frequencies
Jumlah Kargo (kg)	74.234.227	55.441.444	105.274.000	76.888.000	48.326.000	Cargo Carried (kg)
Yield Penumpang (Usc)	5,20	5,63	6,39	6,10	5,80	Passenger Yield (Usc)
CASK (Usc)	4,47	4,80	5,63	6,07	6,46	CASK (Usc)
CASK-excl Fuel (Usc)	2,96	3,09	3,00	3,20	3,23	CASK-excl Fuel (Usc)
Jumlah Armada	52	44	36	30	21	Total Fleets

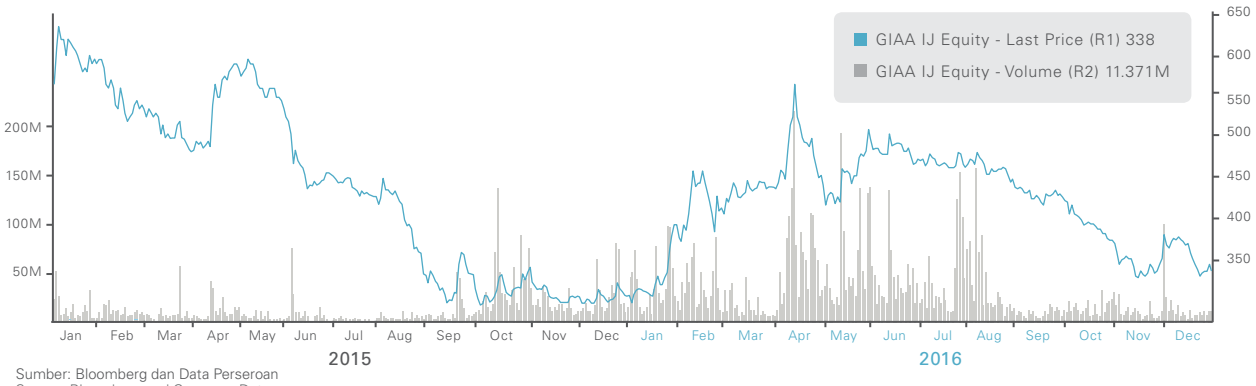
IKHTISAR **SAHAM**
Share Highlights

Informasi Pergerakan Saham Triwulanan
Quarterly Share Performance

(dalam Rupiah kecuali dinyatakan lain)
(in IDR unless stated otherwise)

Keterangan Description	2016				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Harga Saham – Tertinggi Highest Share Price	483	605	498	434	650	600	460	360
Harga Saham – Terendah Lowest Share Price	298	418	410	320	476	438	283	290
Harga Saham – Penutupan Closing Share Price	440	474	428	338	492	445	309	309
Volume Saham (Jutaan Saham) Share Volume (Shares)	1.845,37	3.594,41	1.800,82	839,34	649,43	524,95	392,18	1.722,56
Total Saham (Jutaan Saham) Total Shares (Million Shares)	25.689	25.689	25.689	25.887	25.689	25.689	25.689	25.689
Jumlah Saham Beredar (Jutaan Saham) Outstanding Shares (Million Shares)	10.216	10.216	10.216	10.216	10.216	10.216	10.216	10.216
Kapitalisasi Pasar (Miliar) Market Capitalization (Billion)	11.382,33	12.261,87	11.071,90	8.749,66	12.727,51	11.511,67	7.993,50	7.993,50

Kinerja Saham Tahun 2015-2016
Share Performance in 2015-2016



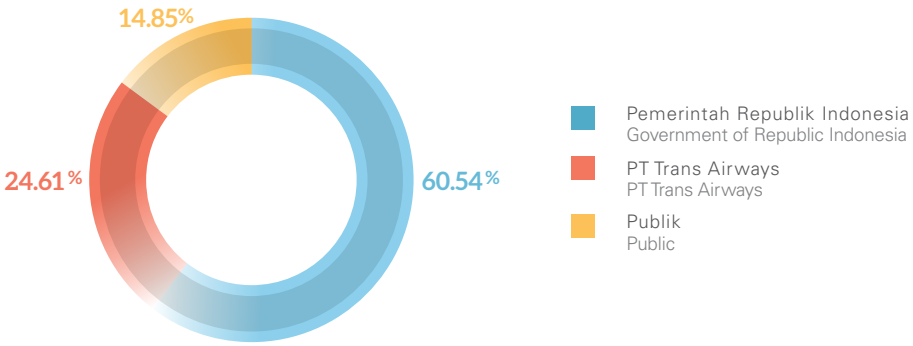
Sumber: Bloomberg dan Data Perseroan
Source: Bloomberg and Company Data

Kronologi Pencatatan Saham
Share Listing Chronology

Keterangan Description	Tanggal Date	Aksi Korporasi Corporate Action	Jumlah Saham Total Shares
Penawaran Umum Saham Perdana / Initial Public Offering (IPO)	11 Februari 2011 February 11, 2011	Penawaran Umum Perdana sebanyak 6.335.738.000 lembar saham di Bursa Efek Indonesia dengan kode 'GIAA'. Initial Public Offering for 6,335,738,00 shares in Indonesia Stock Exchange with ticker symbol of 'GIAA'.	22.640.996.000
Penawaran Umum Terbatas HMETD / Rights Issue	21 Maret 2014 March 21, 2014	Penawaran Umum Terbatas atas 3.227.930.663 lembar saham kepada pemegang saham melalui Penawaran Umum Terbatas HMETD. Limited Public Offering of 3,227,930,663 shares to shareholders through Rights Issue.	25.868.926.633
Penambahan Modal Negara Tanpa HMETD / Capital Addition Without Right Issue	9 Desember 2016 December 9, 2016	Pencatatan 17.649.621 lembar saham hasil penambahan modal negara tanpa Hak Memesan Efek Terlebih Dahulu Listing of 17,649,621 shares of the capital increase without Preemptive Rights	25.886.576.254

Struktur Pemegang Saham per 31 Desember 2016
Shareholders Structure as of December 31, 2016

Komposisi Pemegang Saham Domestik dan International
Composition of Domestic and International Shareholders



	Jumlah Saham Total Shares	Persentase Saham (%) Share Percentage (%)	
Domestik			Domestic
Pemerintah Republik Indonesia	15.670.777.621	60,54	Government of Republic of Indonesia
Retail/Perorangan	1.374.704.199	5,31	Retail/Individual
Karyawan	67.737.470	0,26	Employees
Institusi			Institution
PT Trans Airways	6.370.697.372	24,61	PT Trans Airways
Lain-lain (< 5%)	1.120.887.631	4,33	Others (<5%)
Total Domestik	24.604.804.293	95,05	Total Domestic
Internasional			International
Retail/Perorangan Asing	15.780.480	0,06	Retail/Foreign Individual
Institusi Asing (< 5%)	1.265.991.481	4,89	Foreign Institution (<5%)
Total Internasional	1.281.771.961	4,95	Total International

IKHTISAR SAHAM
Share Highlights

20 Pemegang Saham Terbesar
20 Majority Shareholders

No.	Nama Pemegang Saham Shareholder Name	Jumlah Saham Total Shares	Persentase Saham (%) Share Percentage (%)	Status Status
Pemegang Saham Mayoritas (kepemilikan saham lebih dari 5%) Majority Shareholders (share ownership more than 5%)				
1.	Pemerintah Republik Indonesia	15.670.777.621	60,54	Pemerintah Government
2.	Credit Suisse AG Singapore TR AC CL PT Trans Airways - 2023904132	6.370.697.372	24,61	Perseroan Terbatas Limited Liability Company
Pemegang Saham Minoritas (kepemilikan saham kurang dari 5%) Minority Shareholders (share ownership less than 5%)				
3.	Credit Suisse AG SG Trust A/C CL-Finegold Res Ltd – 2023904224	635.739.990	2,46	Badan Usaha Asing Foreign Company
4.	Talent Center Limited	298.036.000	1,15	Badan Usaha Asing Foreign Company
5.	BPJS Ketenagakerjaan-JHT	295.088.500	1,14	Perseroan Terbatas Limited Liability Company
6.	Mega Asset Mixed	224,999,300	0,87	Reksadana Mutual Fund
7.	RD Premier ETF Indo State-Owned Companies – 889064000	92.958.696	0,36	Perseroan Terbatas Limited Liability Company
8.	Gunawan Hardjasasmita	78.916.924	0,30	Perorangan Indonesia Indonesian Individual
9.	PT Barbizone Bali Resort	70.250.000	0,27	Perseroan Terbatas Limited Liability Company
10.	Citibank New York S/A Dimensional Emerging Market Value Fund	44.391.981	0,17	Badan Usaha Asing Foreign Company
11.	PT Mega Asset Management	40.510.800	0,16	Perseroan Terbatas Limited Liability Company
12.	Citibank New York S/A Emerging Markets Core Equity Portfolio of DFA Inv. Dimensional	38.270.053	0,15	Badan Usaha Asing Foreign Company
13.	Citibank New York S/A The Emerging Markets Small Cap Series of the DFA Investment	38.162.349	0,15	Badan Usaha Asing Foreign Company
14.	Credit Suisse AG Singapore Trust A/C Clients - 2023904000	30.406.085	0,12	Badan Usaha Asing Foreign Company
15.	Dana Pensiun Bank Mandiri Satu	29.258.000	0,11	Dana Pensiun Pension Fund
16.	PT Asuransi Jiwa Central Asia Raya – Car Link Promixed	25.269.500	0,10	Asuransi Insurance
17.	Djaja Vadamana	23.861.179	0,09	Perorangan Indonesia Indonesian Individual
18.	Reksa Dana Emco Growth Fund	23.854.000	0,09	Reksadana Mutual Fund
19.	Sumitro	23.337.800	0,09	Perorangan Indonesia Indonesian Individual
20.	Tan Tik Khoen	20.400.000	0,08	Perorangan Indonesia Indonesian Individual

Berdasarkan daftar pemegang saham per 30 Desember 2016 yang diterbitkan PT Kustodian Sentral Efek Indonesia
Based on list of shareholders as of December 30, 2016 issued by Indonesian Central Securities Depository

Kepemilikan Saham oleh Dewan Komisaris dan Direksi per 31 Desember 2016

Share Ownership of the Board of Commissioners and the Board of Directors as of December 31, 2016

Nama Name	Jabatan Position	Jumlah Saham (Lembar Saham) Total Shares (Shares)	Persentase Saham (%) Share Percentage (%)
Jusman Syafii Djamal	Komisaris Utama & Komisaris Independen President Commissioner & Independent Commissioner	-	-
Chairal Tanjung	Komisaris Commissioner	-	-
Dony Oskaria	Komisaris Commissioner	-	-
Hasan M. Soedjono	Komisaris Independen Independent Commissioner	-	-
Isa Rachmatarwata	Komisaris Commissioner	-	-
Muzaffar Ismail	Komisaris Commissioner	-	-
M. Arif Wibowo	Direktur Utama President & CEO	148.120	0,00057
Agus Toni Soetirto	Direktur Director	-	-
Helmi Imam Satriyono	Direktur Director	-	-
Iwan Joeniarto	Direktur Director	-	-
Linggarsari Suharso	Direktur Director	-	-
Nicodemus Panarung Lampe	Direktur Director	373.893	0,00144
Novianto Herupratomo	Direktur Director	123.816	0,00048
Sigit Muhartono	Direktur Director	-	-

IKHTISAR **OBLIGASI**
Bond Highlights

Keterangan Description	Peringkat Rating	Tanggal Pencatatan Listing Date	Jumlah Obligasi yang Beredar Total Outstanding Bonds	Bunga/ Jangka Waktu Interest/Term	Tanggal Jatuh Tempo Maturity Date
Obligasi Berkelanjutan I Garuda Indonesia Tahap I Tahun 2013 Continuous Bond I Garuda Indonesia Phase 1 Year 2013	BBB+(idn) PT Fitch Ratings Indonesia	8 Juli 2013 July 8, 2013	Rp2.000.000.000.000	9.25% p.a/5 tahun 9,25% p.a/5 years	5 Juli 2018 July 5, 2018
Sukuk Global Global Bond	Tidak diperingkat Unrated	4 Juni 2015 June 4, 2015	US$500.000.000	5,95% p.a/5 tahun 5.95% p.a/5 years	3 Juni 2020 June 3, 2020

Pembayaran Bunga Obligasi Berkelanjutan I Garuda Indonesia Tahap I Tahun 2013 Hingga 31 Desember 2016

Coupon Payment of Continous Bond I Garuda Indonesia Phase I Year 2013 as of December 31, 2016

Keterangan	Tanggal Pembayaran Payment Date	Jumlah (Rp) Total (Rp)	Description
Pembayaran Bunga ke-1	5 Oktober 2013 October 5, 2013	46.250.000.000	1st Coupon Payment
Pembayaran Bunga ke-2	5 Januari 2014 January 5, 2014	46.250.000.000	2nd Coupon Payment
Pembayaran Bunga ke-3	5 April 2014 April 5, 2014	46.250.000.000	3rd Coupon Payment
Pembayaran Bunga ke-4	5 Juli 2014 July 5, 2014	46.250.000.000	4th Coupon Payment
Pembayaran Bunga ke-5	5 Oktober 2014 October 5, 2014	46.250.000.000	5th Coupon Payment
Pembayaran Bunga ke-6	5 Januari 2015 January 5, 2015	46.250.000.000	6th Coupon Payment
Pembayaran Bunga ke-7	5 April 2015 April 5, 2015	46.250.000.000	7th Coupon Payment
Pembayaran Bunga ke-8	5 Juli 2015 July 5, 2015	46.250.000.000	8th Coupon Payment
Pembayaran Bunga ke-9	5 Oktober 2015 October 5, 2015	46.250.000.000	9th Coupon Payment
Pembayaran Bunga ke-10	5 Januari 2016 January 5, 2016	46.250.000.000	10th Coupon Payment
Pembayaran Bunga ke-11	5 April 2016 April 5, 2016	46.250.000.000	11th Coupon Payment
Pembayaran Bunga ke-12	5 Juli 2016 July 5, 2016	46.250.000.000	12th Coupon Payment
Pembayaran Bunga ke-13	5 Oktober 2016 October 5, 2016	46.250.000.000	13th Coupon Payment

Pembayaran Bagi Hasil Sukuk Garuda Indonesia Hingga 31 Desember 2016
Dividend Payment of Garuda Indonesia Global Bond as of December 31, 2016

Keterangan	Tanggal Pembayaran Payment Date	Jumlah (US$) Total (US$)	Description
Pembayaran Imbal Hasil ke-1	3 Desember 2015 December 3, 2015	14.875.000	1st Dividend Payment
Pembayaran Imbal Hasil ke-2	3 Juni 2016 June 3, 2016	14.875.000	2nd Dividend Payment
Pembayaran Imbal Hasil ke-3	3 Desember 2016 December 3, 2016	14.875.000	3rd Dividend Payment

Kronologi Pencatatan Obligasi Berkelanjutan I Garuda Indonesia Tahap I Tahun 2013
Listing Chronology of Continuous Bond I Garuda Indonesia Phase I Year 2013

Aksi Korporasi Corporate Action	Tanggal Date
Pengajuan/Pendaftaran Registration	
Pendaftaran ke Bursa Efek Indonesia ('BEI')& Kustodian Sentral Efek Indonesia ('KSEI') Registered to the Indonesia Stock Exchange ("IDX") & Indonesian Central Securities Depository ("KSEI")	8 April 2013 April 8, 2013
Penandatanganan Perjanjian Pendahuluan Pencatatan Efek BEI & KSEI Signing of Preliminary Listing Agreement with IDX & KSEI	26 April 2013 April 26, 2013
Penandatanganan Perjanjian dan dokumen registrasi Otoritas Jasa Keuangan ('OJK') Signing of Agreement and registration document with Financial Services Authority ("OJK")	26 April 2013 April 26, 2013
Registrasi Tahap 1 ke OJK Phase 1 Registration at OJK	26 April 2013 April 26, 2013
Penandatanganan Perjanjian dan dokumen registrasi Tahap 2 ke OJK Signing of Agreement and registration document Phase 2 at OJK	23 Mei 2013 May 23, 2013
Registrasi Tahap 2 ke OJK Phase 2 Registration at OJK	24 Mei 2013 May 24, 2013
Pemasaran Marketing	
Izin menerbitkan Prospektus Ringkas dan Bookbuilding Permission to Publish Summary Prospectus and Bookbuilding	10 Juni 2013 June 10, 2013
Public Expose Public Expose	11 Juni 2013 June 11, 2013
Masa Bookbuilding Bookbuilding period	11 – 21 Juni 2013 June 11 – 21, 2013
Penandatanganan Perjanjian dan dokumen registrasi Tahap 3 OJK Signing of Agreement and registration document Phase 3 at OJK	24 Juni 2013 June 24, 2013
Registrasi Tahap 3 ke OJK Phase 3 Registration at OJK	24 Juni 2013 June 24, 2013
Surat pernyataan efektif dari OJK Effective listing statement from OJK	27 Juni 2013 June 27, 2013
Mengumumkan informasi tambahan atas Prospektus Ringkas di media Announced the auxiliary information on Summary Prospectus at the media	28 Juni 2013 June 28, 2013
Penjatahan dan Pembayaran Allotment and Payment	
Masa penawaran Offering period	1 – 2 Juli 2013 July 1 – 2, 2013
Penjatahan Allotment	3 Juli 2013 July 3, 2013
Pembayaran dari Investor kepada Penjamin Emisi Payment from the Investor to the Underwriter	4 Juli 2013 July 4, 2013

IKHTISAR OBLIGASI
Bond Highlights

Aksi Korporasi Corporate Action	Tanggal Date
Pembayaran dari Penjamin Emisi kepada Emiten Payment from the Underwriter to the Issuer	5 Juli 2013 July 5, 2013
Distribusi (Tanggal Penerbitan) Distribution (Date of Issuance)	5 Juli 2013 July 5, 2013
Listing di IDX Listed on IDX	8 Juli 2013 July 8, 2013
Laporan Pasar Perdana kepada OJK Initial Market Report to the OJK	10 Juli 2013 July 10, 2013
Laporan Audit Penjatahan kepada OJK Allotment Audit Report to the OJK	1 Agustus 2013 August 1, 2013

Kronologi Pencatatan Sukuk Global
Global Sukuk Listing Chronology

Aksi Korporasi Corporate Action	Tanggal Date
Pengajuan/Pendaftaran Registration	
Rapat Umum Pemegang Saham Luar Biasa menyetujui transaksi material penerbitan Sukuk General Meeting of Shareholders approved the significant transaction of Sukuk issuance	15 Mei 2015 May 15, 2015
Pendaftaran ke Singapore Exchange ("SGX") Registered to the Singapore Exchange ("SGX")	15 Mei 2015 May 15, 2015
Penyampaian Preliminary Offering Circular kepada SGX Delivery of Preliminary Offering Circular to the SGX	15 Mei 2015 May 15, 2015
Mendapatkan *approval in-principle* dari SGX Obtained approval in-principle from SGX	19 Mei 2015 May 19, 2015
Pemasaran Marketing	
Pengumuman transaksi Announcement of transaction	19 Mei 2015 May 19, 2015
Pelaksanaan Roadshow Roadshow	19 – 26 Mei 2015 May 19 – 26, 2015
Penetapan tingkat laba/*profit rate* Stipulation of profit rate	27 Mei 2015 May 27, 2015
Penjatahan dan Pembayaran Allotment and Payment	
Masa penawaran Offering period	27 – 28 Mei 2015 May 27 – 28, 2015
Penjatahan Allotment	29 Mei 2015 May 29, 2015
Pembayaran dari Investor kepada Perseroan Payment from the Investor to the Company	4 Juni 2015 June 4, 2015
Distribusi (Tanggal Penerbitan) Distribution (Date of Issuance)	3 Juni 2015 June 3, 2015
Listing di SGX Listed on SGX	4 Juni 2015 June 4, 2015
Penyampaian Final Offering Circular kepada SGX Delivery of Final Offering Circular to the SGX	4 Juni 2015 June 4, 2015

20 Besar Daftar Pemegang Obligasi
Top 20 Bond Holders

Nama Name	Jumlah Total	Persentase (%) Percentage (%)
BPJS Ketenagakerjaan JHT (D/H PT Jamsostek)	400.000.000.000,00	20,00
PT Bank Mega Tbk	300.000.000.000,00	15,00
PT Taspen (Persero) - THT	200.000.000.000,00	10,00
BPJS Kesehatan - Dana Jaminan Sosial	150.000.000.000,00	7,50
BNI Treasury	136.000.000.000,00	6,80
PT Bank Maybank Indonesia	95.000.000.000,00	4,75
DP Kaltim Prima Coal	80.000.000.000,00	4,00
Dana Pensiun Kompas Gramedia	70.000.000.000,00	3,50
Dana Pensiun Bank Mandiri Dua	40.000.000.000,00	2,00
PT Jasa Raharja (Persero)	30.000.000.000,00	1,50
Reksa Dana Terproteksi Pratama Terproteksi IV	25.000.000.000,00	1,25
PT Penjaminan Infrastruktur Indonesia (Persero)	25.000.000.000,00	1,25
Persek Dapenma Pamsi	20.000.000.000,00	1,00
Yayasan Kesejahteraan Karyawan Bank Indonesia	20.000.000.000,00	1,00
Dana Pensiun Garuda Indonesia	20.000.000.000,00	1,00
Perum Jamkrindo	20.000.000.000,00	1,00
KPEI - Divisi Kas	20.000.000.000,00	1,00
Bank Index Selindo	16.000.000.000,00	0,80
DP Pemb.jaya	15.000.000.000,00	0,75
PD Bank Pembangunan Daerah Kal Sel	15.000.000.000,00	0,75

Berdasarkan daftar pemegang saham per 30 Desember 2016 yang diterbitkan Kustodian Sentral Efek Indonesia (KSEI)
Based on list of bond holders as of December 30, 2016 issued by Indonesia Central Securities Depositary

TESTIMONI PELANGGAN
DAN MITRA BISNIS
Testimony from Customer and Business Partners

Taye Shim
Kepala Penelitian di Mirae Asset Sekuritas Indonesia
Head of Research at Mirae Asset Sekuritas Indonesia

"Garuda Indonesia sebagai perusahaan yang berbasis di Indonesia bergerak di bidang jasa penerbangan komersial dan merupakan salah satu maskapai nasional yang paling dipercaya dalam hal standar keselamatan.

Garuda Indonesia merupakan kontributor terbesar dari program Kementerian Pariwisata untuk meningkatkan pariwisata negeri di tahun 2017. Kementerian Pariwisata telah meningkatkan target pariwisata *inbound* ke 15 juta (naik 50% YoY). Kami memperkirakan pertumbuhan pendapatan yang berpotensi kuat apabila manajemen berhasil melaksanakan rencana monetisasinya."

"Garuda Indonesia as an Indonesia-based company primarily engaged in commercial airline services, is one of the country's most trusted airlines in terms of safety standard.

Garuda Indonesia is a big beneficiary of the Ministry of Tourism's program to increase tourism in the country in 2017. Ministry of Tourism has increased inbound tourist target to 15 million (up 50% YoY). We expect to see potentially strong revenue growth should the management be able to successfully carry out its monetization plans."

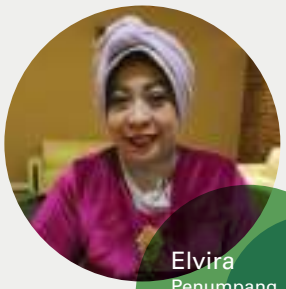
Keith Sandilands
Partner Solicitor, qualified in England & Wales Norton Rose Fullbright (Asia) LLP

"Saya sangat terkesan dengan layanan kelas bisnis Garuda Indonesia dalam segala hal. Dimulai dari bandara di mana *check-in* kelas bisnis yang meliputi kliring imigrasi yang cepat dan efisien oleh staf yang sangat membantu, berpakaian dengan baik, dan sangat profesional.

Saya sering terbang menggunakan banyak maskapai lokal dan saya pikir Garuda Indonesia memiliki produk yang sangat baik dan saya akan merekomendasikan hal ini kepada siapa pun."

"I have been most impressed with Garuda's new business class service in all respects. this starts at Jakarta airport with a business class check in which include clearing immigration in a quick and efficient manner with helpful, well dressed and very professional staff.

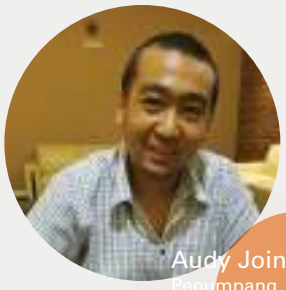
I fly a lot on regional flag carriers and i think Garuda has an excellent bussiness class class product and i would recommend it to anyone."



Elvira
Penumpang
Passenger

"Jadwal penerbangan tepat waktu, pelayanan yang ramah dan prima dengan fasilitas pengambilan bagasi yang cepat serta dilayani oleh petugas yang ramah dan santun."

"Timely flight schedule, excellent and friendly service with a fast baggage retrieval facility and served by friendly courteous staff."



Audy Joinaldy
Penumpang
Passenger

"Pelayanan dari *check-in* sampai dengan pesawat sangat baik, makanan di kabin bisnis sangat baik, kursi nyaman dan banyak pilihan hiburan berkualitas."

"Excellent services from Check-in to the aircraft, excellent food in business cabin, comfortable seat with a wide selection of quality entertainment."

PENGHARGAAN
DAN SERTIFIKASI
Awards and Certification

Pada tahun 2016, Garuda Indonesia memperoleh 36 penghargaan tingkat nasional, 13 penghargaan tingkat internasional, dan 2 sertifikasi internasional.

In 2016, Garuda Indonesia received 36 awards from national and 13 awards from international authorities and mass media as well as 2 international certifications.

Tanggal / Masa Berlaku Date / Validity Period	Penghargaan/Sertifikasi Award/Certification		Lembaga Pemberi Issuer
	Nama Penghargaan/Sertifikasi Name of Award/Certifications	Kategori Penghargaan/Sertifikasi Award/Certification Category	
PENGHARGAAN AWARD			
20 Januari 2016 January 20, 2016	UNWTO award for innovation in Enterprises	First Runner Up	UNWTO (United Nations World Tourism Organization)
22 Januari 2016 January 22, 2016	ASEANTA Award 2016	Best ASEAN Travel Article "The Perfect Wave"	Menteri Pariwisata Minister of Tourism
22 Januari 2016 January 22, 2016	29th ASEANTA Awards for Excellence 2016	Best ASEAN Airline Programme	Menteri Pariwisata Minister of Tourism
22 Februari 2016 February 22, 2016	Cellars in The Sky 2015	Bronze First Class White Wine-Vasse Felix Chardonnay Margaret River 2013, Australia	Business Traveller
		Gold First Class Sparkling Wine-Champagne Billecart-Salmon Cuvée Nicolas François Billecart 1999, France	
		Best First Class Sparkling Wine-Champagne Billecart-Salmon Cuvée ,Nicolas François Billecart 1999,France	

Tanggal / Masa Berlaku Date / Validity Period	Penghargaan/Sertifikasi Award/Certification		Lembaga Pemberi Issuer
	Nama Penghargaan/Sertifikasi Name of Award/Certifications	Kategori Penghargaan/Sertifikasi Award/Certification Category	
23 Februari 2016 February 23, 2016	Zero Accident Award		Dinas Tenaga Kerja & Transmigrasi Provinsi Banten Regional Office of Manpower and Transmigration Department Province of Banten
18 Maret 2016 March 18, 2016	Indonesia Green Company		SWA
24 Maret 2016 March 24, 2016	The 1st PR Indonesia Media Relations Awards & Summit (PRIMAS) 2016	Peringkat IX Rank IX	PR Indonesia Magazine
30 Maret 2016 March 30, 2016	Indonesia Human Capital Award	The Best – I BUMN 1. 1st in Organization Strategy 2. 1st in Human Capital Architechture 3. 1st in Performance Management 4. 1st in Human Resources Technology 5. 1st in Industrial Relations 6. 2nd in Employee Engagement 7. 4th in Human Capital Strategy 8. 4th in Recruitment Strategy & HR Planning	Economic Review
		The Big 5 Human Capital-Juara Umum	
		The Big 5 Human Capital Director; Category Human Capital Leadership	
6 April 2016 April 6, 2016	Outstanding Food Service by a Carrier		Pax International Magazine
16 Mei 2016 May 16, 2016	Zero Accident Award		Menteri Ketenagakerjaan RI Minister of Manpower
17 Mei 2016 May 17, 2016	Top 5 Most Powerful Brand in Asia		Markplus, Inc & Nikkei BP Consulting, Inc
17 Mei 2016 May 17, 2016	The Most Powerful Brand in Indonesia		Markplus, Inc & Nikkei BP Consulting, Inc
19 Mei 2016 May 19, 2016	Most Admired Company	Part of Top 20 Warta Ekonomi-Indonesia Most Admired Companies 2016 (The 14th year) based on national survey in Indonesia	Warta Ekonomi
19 Mei 2016 May 19, 2016	Most Admired Company-Transportation Category	Part of Warta Ekonomi-Indonesia Most Admired Companies 2016 (14 th year) based on national survey in Indonesia	Warta Ekonomi
21 Mei 2016 May 21, 2016	Indonesia Green Awards	Mengembangkan Pengolahan Sampah Terpadu Developing Integrated Waste Management	The La Tofi School of CSR
		Mengembangkan Keanekaragaman Hayati-Program Bali Beach Clean Up & Bali Beach Eco Weekend, Penghijauan di Garuda City, & Kampanye Penyelamatan Hiu #SOSHARKS Developing Bodiversity-Bali Beach Clean Up & Bali Beach Eco Weekend, Greenery in Garuda City, Save Shark Campaign #SOSHARKS	
		Penyelamatan Sumber Daya Air Save Water Resource	
8 Juni 2016 June 8, 2016	Indonesia Living Legend Brands 2016	Brand: Garuda Indonesia as The Indonesian Living Legend Brand	SWA
	Indonesia Original Brand 2016	Garuda Indonesia, product category : Full Services Airline as The 1st Champion of Indonesia Original Brand 2016	

PENGHARGAAN DAN SERTIFIKASI
Awards and Certifications

Tanggal / Masa Berlaku Date / Validity Period	Penghargaan/Sertifikasi Award/Certification		Lembaga Pemberi Issuer
	Nama Penghargaan/Sertifikasi Name of Award/Certifications	Kategori Penghargaan/Sertifikasi Award/Certification Category	
12 Juli 2016 July 12, 2016	The World's Best Cabin Crew 2016		Skytrax
21 Juli 2016 July 21, 2016	Ranked 10th in Most Valuable Indonesian Brands 2016	Ranked 10th in Most Valuable Indonesian Brands 2016 with a US$632 Million Brand Value & AAA-Brand Rating	Brand Finance plc
15 Agustus 2016 August 15, 2016	Best Cabin Service	Ranked the Third Best Airline for Cabin Service and Cited As a Top Ten Airline overall and for Business Class Worldwide	SmartTravelAsia.com
25 Agustus 2016 August 25, 2016	Indonesia Social Business Innovation Award 2016	Social Business Innovation Company 2016-Special Mention in Category Airplane Transportation "Program Fleet Rejuvenation untuk Penurunan Emisi"	Warta Ekonomi
29 Agustus 2016 August 29, 2016	Top 50 Most Valuable Indonesian Brands 2016	One of the Brands Top 50 Most Valuable Indonesian Brands 2016	WPP
		Most Differentiated Brand	
9 September 2016 September 9, 2016	PATA Gold Award 2016	Travel Journalism - Travel Photograph "Journey of the Wanderer" by Handi Laksono. Colours, inflight Magazine of Garuda Indonesia, April 2015	PATA
15 September 2016 September 15, 2016	Indonesia Best Brand Award - Best Brand Platinum 2016	Indonesia Best Brand Award for 15 Consecutive Yers (2002-2016). Product Category : Airline Service	SWA
15 September 2016 September 15, 2016	Indonesia Champion ASEAN Economic Community Award 2016		Markplus, Inc Indonesia & Nanyang Technological University Singapore
21 Oktober 2016 October 21, 2016	Anugerah Perusahaan TBK. Indonesia III 2016	Peringkat -1 Kelompok Usaha Transportasi Sektor Infrastruktur, Utilitas & Transportasi	Economic Review
28 Oktober 2016 October 28, 2016	"Dokumentasi / Video terbaik " Kegiatan HUT RI ke-71		Menteri BUMN RI Minister of SOE
28 Oktober 2016 October 28, 2016	Indonesia Living Legend Companies Award 2016	Category Gold. The Best Innovation for Services Development in Transportation and Services Industry 2016	Warta Ekonomi
15 November 2016 November 15, 2016	Most Improve Airline		airlineratings.com
23 November 2016 November 23, 2016	BUMN Branding and Marketing Award 2016	The Best BUMN Branding Award 2016	BUMN Track & Rumah Perubahan
		The Best CMO BUMN Award 2016	
23 November 2016 November 23, 2016	CNBC's 15th Asia Business Leader of The Year	Indonesia Business Leader of The Year	CNBC
29 November 2016 November 29, 2016	Indonesia PR of The Year	Media Colours as Best of The Best Corporate Own Media 2016	MIX Marketing Communication Magazine
1 Desember 2016 December 1, 2016	IR Magazine Awards-South East Asia 2016	Best in Country : Indonesia	IR Magazine
7 Desember 2016 December 7, 2016	Indonesia Good Corporate Governance Award II 2016	Sektor Transportasi, GCG terbaik Perusahaan TBK (Persero) di Indonesia. Predikat Sangat Baik (A)	Economic Review
7 Desember 2016 December 7, 2016	World Halal Tourism Awards	World's Best Airline for Halal Travellers	International Travel Week Abu Dhabi
8 Desember 2016 December 8, 2016	The World's Most Loved Airline		Skytrax
8 Desember 2016 December 8, 2016	Indonesia Most Admired CEO 2016	Category : Transportation	Warta Ekonomi
	Top 20 Indonesia Most Admired CEO 2016		

Tanggal / Masa Berlaku Date / Validity Period	Penghargaan/Sertifikasi Award/Certification		Lembaga Pemberi Issuer
	Nama Penghargaan/Sertifikasi Name of Award/Certifications	Kategori Penghargaan/Sertifikasi Award/Certification Category	
14 Desember 2016 December 14, 2016	Indonesia Travel & Tourism Awards 2016/17	Indonesia Airline of The Year	Indonesia Travel & Tourism Foundation
19 Desember 2016 December 19, 2016	Indonesia Most Trusted Companies	Most Trusted Company Based on Inventors and Analysts Assesment Survey	SWA
21 Desember 2016 December 21, 2016	Transportation Safety Award 2016	Terbaik I 1st Place	Kementerian Perhubungan Ministry of Transportation
SERTIFIKASI CERTIFICATION			
17 Februari 2016 February 17, 2016	5-Star Airline Certificate Renewal		5-Star Airline Certificate Renewal
Agustus 2016 August 2016	IOSA		IOSA

Garuda Indonesia di tahun 2016 berhasil menempati peringkat pertama sebagai maskapai yang paling dicintai di dunia dengan tingkat kepuasan 85%

Garuda Indonesia in 2016 successfully took first place as the world's most loved airline with 85% satisfaction rate

02

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Board of Commissioners Report

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Board of Commissioners Profile

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Board of Directors Report

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Board of Directors Profile

LAPORAN MANAJEMEN
Management Report

LAPORAN
DEWAN KOMISARIS
Board of Commissioners' Report

Manajemen telah berusaha menjaga profitabilitas perseroan dengan membukukan laba US$9,36 juta di tahun 2016

The management has strived to maintain the Company's profitability by posting an income of US$9.36 million in 2016

Jusman Syafii Djamal
Komisaris Utama dan Komisaris Independen
President Commissioner & Independent Commissioner

Pemegang saham dan pemangku kepentingan yang terhormat,

Puji dan syukur kami panjatkan pada Tuhan Yang Maha Kuasa, Maha Pemurah, dan Maha Penyayang. Semoga limpahan berkah dan rahmat-Nya selalu untuk kita semua. Dewan Komisaris mensyukuri bahwa PT Garuda Indonesia (Persero) Tbk berhasil melalui tahun 2016 yang penuh tantangan internal dan eksternal dengan membukukan laba bersih sebesar US$9,36 juta. Merupakan kehormatan bagi saya, atas nama Dewan Komisaris Garuda Indonesia, untuk menyampaikan laporan pengawasan terhadap jalannya Perseroan di tahun 2016.

Dewan Komisaris mengapresiasi upaya Direksi dan jajaran pimpinan Perseroan dalam mengelola Perseroan sesuai prinsip-prinsip tata kelola perusahaan yang baik (GCG). Pada tahun ini penilaian GCG dilakukan secara *self-assessment* dengan menggunakan standar CG (*Corporate Governance*) dari Kementerian BUMN. Skor CG yang diperoleh termasuk dalam kategori sangat baik, yang sedikit meningkat dibanding tahun sebelumnya. Pencapaian ini menunjukkan bahwa Manajemen Perseroan telah secara dinamis dan terus-menerus meningkatkan penerapan prinsip-prinsip CG dalam keseluruhan operasinya. Penerapan prinsip prinsip ini juga tercermin dari hasil audit Laporan Keuangan Konsolidasian PT Garuda Indonesia (Persero) Tbk tahun 2016 yang menyatakan bahwa laporan tersebut disajikan secara wajar dan sesuai dengan Standar Akuntansi Keuangan di Indonesia.

Dalam menjalankan tugas dan fungsinya, Dewan Komisaris memiliki organ pendukung Dewan Komisaris yaitu Komite Audit dan Komite Pengembangan Usaha & Pemantauan Risiko. Dewan Komisaris secara rutin melakukan pemantauan dan memberikan nasihat kepada Direksi melalui rapat Dewan Komisaris (paling sedikit satu bulan sekali) maupun secara tertulis terkait hal-hal yang mencakup persoalan strategis sampai dengan operasional tertentu yang mempunyai dampak positif jangka pendek maupun jangka panjang.

Melalui rapat dan pembahasan tersebut, maka Dewan Komisaris dapat menjajaki tantangan utama dan berbagai permasalahan yang dihadapi oleh Direksi dan jajarannya dalam mengendalikan arah Perseroan ke depan.

Dear valued shareholders and stakeholders,

To begin, allow us to bestow praise to the Almighty, Most Gracious, and Most Merciful God. May His blessings and favors always rest on us. The Board of Commissioners is grateful that PT Garuda Indonesia (Persero) Tbk has successfully passed 2016 that was full of internal and external challenges with the net income of US$9.36million. It is such an honor to represent the Board of Commissioners of Garuda Indonesia in presenting supervisory report over the Company's course in 2016.

The Board of Commissioners appreciates the efforts of the Board of Directors and the senior executives of the Company in managing the Company according to the principles of good corporate governance (GCG). At this year's, GCG assessment was conducted in self-assessment manner using a CG (Corporate Governance) standard of the Ministry of SOE. The CG score earned by the Company was categorized as excellent, which was a slight increase over the previous year. The achievement indicated that the Company's Management has dynamically and continuously improve the implementation of the principles of CG in the overall operation. The implementation of these principles were also reflected in the results of the audit of Consolidated Financial Statements of PT Garuda Indonesia (Persero) Tbk in 2016 which stated that the report was presented fairly and in accordance with Financial Accounting Standards in Indonesia.

In carrying out its duties and functions, the Board of Commissioners has a supporting organ of the Board of Commissioners namely the Audit Committee and Business Development & Risk Monitoring Committee. The Board of Commissioners routinely monitors and advises the Board of Directors through Board of Commissioners' meetings (at least once a month) or in writing related matters that cover strategic issues to certain operational which have a positive impact on short-term and long-term.

Through such meetings and discussions, the Board of Commissioners could explore the main challenges and problems faced by the Board of Directors and staffs in controlling the direction of the Company in the future.

LAPORAN DEWAN KOMISARIS
Board of Commissioners' Report

PENILAIAN PADA KINERJA DIREKSI

Perseroan dalam tahun 2016 menghadapi tantangan utama, antara lain dalam hal:

1. Mengelola agar laba operasi Perseroan stabil/meningkat melalui strategi peningkatan pendapatan dan efisiensi biaya.
2. Mengembangkan sistem pengelolaan Sumber Daya Manusia dalam rangka peningkatan jumlah manusia bersumber daya ilmu pengetahuan dan teknologi.
3. Meringankan beban finansial yang bersumber dari beban utang jangka pendek.
4. Mengelola anak perusahaan agar dapat meningkatkan kontribusi yang signifikan kepada Perseroan melalui sinergi antar anak perusahaan, anak perusahaan dengan induk, dan atau dengan BUMN/anak perusahaan BUMN lainnya.
5. Melakukan restrukturisasi *Fleet & Route* untuk meningkatkan dan menciptakan pendapatan stream di masa depan.
6. Meningkatkan daya saing Perseroan baik di pasar domestik dan regional, maupun internasional.

Namun demikian, kinerja dan dedikasi Direksi Perseroan selama tahun 2016 belum mampu mengungkit pertumbuhan pendapatan melalui peningkatan produktivitas dan efesiensi biaya seperti ditargetkan.

Secara umum, terdapat beberapa kendala yang tidak mudah diatasi, antara lain tekanan kompetisi yang menjurus pada persaingan harga dan belum optimalnya pemanfaatan peluang turunnya harga bahan bakar yang ditransformasi menjadi peningkatan marjin laba. Tekanan perubahan harga akibat kompetisi tersebut menyebabkan penurunan average fare dari tahun ke tahun. Di masa depan, hal ini memerlukan adanya solusi strategis.

Dewan Komisaris menilai bahwa di tengah tantangan kondisi perekonomian, baik dalam skala nasional maupun global, serta persaingan usaha yang meningkat, Direksi telah mengupayakan berbagai langkah strategis agar Perseroan tetap bertahan dan tumbuh dalam kancah persaingan jasa penerbangan terutama sebagai pemimpin pasar dalam layanan penerbangan nasional pada segmen pasar *Full Service Carrier* melalui *brand* Garuda Indonesia, dan dengan terus meningkatkan pangsa pasar pada *Low Cost Carrier* melalui Citilink.

ASSESSMENT ON THE BOARD OF DIRECTORS' PERFORMANCE

The Company in 2016 encountered major challenges, among others, in terms of:

1. Managing so that the Company's income from operations remains stable/improved through the strategy of increasing revenue and cost efficiency.
2. Developing Human Resources management system in order to increase the number of people who have science and technology capability.
3. Alleviating the financial expenses which comes from short-term debt expenses.
4. Managing subsidiaries in order to increase a significant contribution to the Company through synergies among subsidiaries, subsidiaries with the parent, or with SOE/ other SOE subsidiaries.
5. Restructuring Fleet & Route to increase and create stream revenue in the future.
6. Increasing the Company's competitiveness both in the domestic and regional markets, as well as in international.

However, the performance and dedication of the Board of Directors during 2016 has not been able to leverage the revenue growth through increased productivity and cost efficiency as targeted.

In general, there were some problems that could not be easily addressed, among others, such as competitive pressures leading to price competition and low utilization of opportunity in the declining of fuel prices which could be transformed into an increase in profit margin. Such pressure changes in price due to the competition led to a decrease in average fare from year to year. In the future, this requires strategic solutions.

The Board of Commissioners regards that in the midst of challenging economic condition, both in the national and global scale, as well as increasing competition, the Board of Directors has been pursuing various strategic measures so that the Company continued to survive and thrive in the competitive arena of aviation services, especially as the market leader in national airline services in the market segment of Full Service Carrier through Garuda Indonesia brand, and to continue to increase market share at the Low Cost Carrier via Citilink.

Pada tahun 2016, Perseroan berhasil membukukan laba sebesar US$9.36 juta, menurun jika dibandingkan tahun 2015 yang perolehan labanya adalah sebesar US$77,97 juta. Namun demikian, Perseroan berhasil melakukan perbaikan proses bisnis yang hasilnya masih memerlukan waktu untuk memberikan kontribusi positif kepada laba Perseroan secara umum. Kontribusi yang dapat diharapkan di masa mendatang adalah adanya peningkatan pendapatan dari jasa kargo dan pendapatan jasa lainnya, serta peningkatan kontribusi pemasukan dari anak perusahaan.

In 2016, the Company recorded an income of US$9.36 million, lower than 2015 which amounted to US$77.97 million. However, the Company achieved a business process improvement in which the result still requires time before able to create a positive contribution to the earnings of the Company in general. The expected contribution in the future is an increase in revenues from cargo and other services revenue, as well as increased revenue contribution from subsidiaries.

Peningkatan kapasitas produksi dilakukan dengan cara optimalisasi pemanfaatan bertambahnya jumlah armada untuk menjawab tantangan pertumbuhan pasar. Direksi telah mengupayakan peningkatan jumlah penumpang dengan menerapkan strategi harga yang kompetitif, namun implementasinya masih memerlukan evaluasi dan waktu untuk mencapai hasil yang optimal. Pertumbuhan pendapatan penumpang pada tahun 2016 masih kurang signifikan untuk menghasilkan laba sesuai target.

The increase in production capacity was done by optimizing the utilization of the increasing number of fleets to meet the challenges of market growth. The Board of Directors has sought an increase in the number of passengers by implementing a competitive pricing strategy, however its implementation still requires evaluation and time to achieve optimal results. The growth of passenger's revenue in 2016 was still less significant to generate income according to the target.

Dalam rangka peningkatan kualitas layanan untuk memberikan kenyamanan kepada penumpang, Direksi secara konsisten terus melakukan perbaikan-perbaikan. Faktor kenyamanan merupakan salah satu kunci penting dalam memenangkan persaingan selain faktor utama yaitu keamanan, keselamatan, ketepatan waktu dan harga yang kompetitif. Pada tahun 2016, layanan Garuda Indonesia kembali mendapat pengakuan atas kualitas layanannya dengan diperolehnya anugerah penghargaan "The World's Best Cabin Crew". Prestasi ini merupakan penghargaan yang sama untuk ketiga kalinya yang diterima dari Skytrax secara berturut-turut (2014, 2015, dan 2016). Di samping itu, Garuda Indonesia juga kembali mendapat pengakuan sebagai satu dari 8 (delapan) operator penerbangan dunia dengan tingkatan bintang 5 Skytrax.

In order to improve the quality of service to provide comfort to the passengers, the Board of Directors consistently makes improvements. The convenience factor is one important key to win the competition in addition to the main factors, namely security, safety, punctuality and competitive prices. In 2016, the service of Garuda Indonesia was once again acknowledged for its service quality by obtaining "The World's Best Cabin Crew". This award was the third consecutive times (2014, 2015, and 2016). In addition, Garuda Indonesia also acknowledged as one of the eight (8) world carriers with the 5 stars of Skytrax.

Kinerja lainnya yang juga tetap baik adalah tingkat ketepatan penerbangan *(On Time Performance*/OTP) pada tahun 2016 yang mencapai 89,51%. Capaian ini merupakan peningkatan dibandingkan tahun sebelumnya sebesar 87,99%.

Other excellent performance was the On Time Performance (OTP) level in 2016 which reached 89.51%. This achievement was an increase over the previous year amounting to 87.99%.

Secara khusus, Dewan Komisaris melihat capaian pendapatan, pengendalian biaya, capaian laba, dan posisi arus kas menjadi indikator utama dalam menilai kinerja Direksi. Dengan mempertimbangkan pencapaian KPI *(Key Performance*

In particular, the Board of Commissioners assessed the Board of Directors' performance by referring to the achievement of revenue, cost control, profit, and cash flow as the main indicators. By taking into account of KPI (Key Performance

LAPORAN DEWAN KOMISARIS
Board of Commissioners' Report

Indicator), target yang telah ditetapkan, serta tingkat kesehatan Perseroan pada tahun 2016 sebagai indikator keberhasilan Direksi, Dewan Komisaris menilai bahwa Direksi telah menyusun strategi untuk mendorong tercapainya KPI tersebut. Namun dalam implementasinya masih belum mencapai seperti yang diharapkan.

PENGAWASAN TERHADAP IMPLEMENTASI STRATEGI PERSEROAN

Selama tahun 2016 Dewan Komisaris telah berupaya sebaik-baiknya untuk memastikan pengawasan terhadap pengelolaan Perseroan berjalan dengan baik. Hal ini selaras dengan fungsi Dewan Komisaris untuk memastikan bahwa pelaksanaan strategi Perseroan dalam menjalankan kegiatan usahanya senantiasa berorientasi pada peningkatan nilai-nilai Perseroan yang berada di jalur norma, standar prosedur, dan kriteria yang tepat dengan memperhatikan kepatuhan terhadap regulasi yang berlaku.

Dewan Komisaris beranggapan bahwa strategi Perseroan, baik perumusan maupun implementasinya yang telah dilakukan pada tahun 2016 masih perlu dioptimalkan. Selanjutnya Dewan Komisaris juga telah memberikan nasihat kepada Direksi agar diperkuat strategi yang mencakup pada optimasi pendapatan pada seluruh rute-rute penerbangan yang dilayani dan peningkatan utilisasi armada. Sinergi antar anak perusahaan dan antar anak perusahaan dengan perusahaan induk perlu ditingkatkan dan lebih diefektifkan lagi. Dengan komunikasi yang baik dan rutin, Dewan Komisaris meyakini Direksi dapat menjalankan fungsinya secara optimal sehingga pertumbuhan Perseroan dapat dicapai.

Tahun 2016 merupakan tahun awal dari Rencana Jangka Panjang Perusahaan (RJPP) periode tahun 2016 – 2020 yang mengusung tema "Sky Beyond". Dewan Komisaris terus melakukan pemantauan dan evaluasi atas strategi jangka panjang ini yang saat ini dinilai sudah sesuai dengan upaya berkesinambungan Perseroan untuk tetap bertumbuh secara ekspansif namun dengan tetap menjaga margin yang positif.

Langkah strategis yang diterapkan pada tahun 2016 di antaranya adalah melakukan beberapa perubahan organisasi di Induk Perusahaan maupun SBU di bawah Garuda Indonesia Group. Untuk meningkatkan upaya pemanfaatan potensi pendapatan dari sektor umroh, haji, dan *charter*, maka

Indicator, the target achievement, and the Company's soundness level in 2016 to measure the Board of Directors' performance, the Board of Commissioners assessed that the Board of Directors has set the strategy to drive the achievement of such KPI. However, its implementation did not meet the expectation.

OVERSIGHT OVER THE IMPLEMENTATION OF CORPORATE STRATEGY

In 2016, the Board of Commissioners have made continuous attempts to ensure that they fulfilled all of their duties in supervising the Company's management. It was in line with the function of the Board of Commissioners to ensure the implementation of Company's strategy in carrying out business activity is constantly oriented to increase the Company's values which is on the right path of norms, standard procedures, and criteria by taking into account the compliance with applicable law and regulations.

The Board of Commissioners assumes that the Company's strategy, both formulation and implementation that have been done in 2016 still need to be optimized. Furthermore, the Board of Commissioners has also provided advice to the Board of Directors in order to reinforced the strategies that include revenue optimization on all routes and increased utilization of the fleet. The synergy between subsidiaries and between subsidiaries with parent company needs to be improved and made effective again. With good and routine communication, the Board of Commissioners believes that the Board of Directors believes could carry out its function optimally, thus the Company's growth could be achieved.

Year 2016 also marked the beginning year of Company's Long Term Plan (RJPP) for 2016 – 2020 which carries out the theme of "Sky Beyond". The Board of Commissioners always monitors and evaluates this long term strategy since it perfectly matched the Company's continuous efforts to keep growing exponentially while maintaining a positive profit margin.

The strategic measures implemented in 2016, among others, by carrying out organizational changes in the Parent Company and SBU under Garuda Indonesia Group. To increase the utilization of potential revenue from Umrah, Hajj, and the charter, thus in February 2016 the Strategic Business Unit

pada bulan Februari 2016 dilakukan pembentukan *Strategic Business Unit* (SBU) baru dengan nama SBU Charter, Umrah, & Hajj (JKTDU). Selain itu, untuk meningkatkan nilai tambah Garuda Indonesia Group, di mana Garuda Cargo yang sebelumnya berbentuk SBU, pada bulan April 2016 bertransformasi menjadi bagian dari struktur manajemen Garuda Indonesia dan berubah menjadi Direktorat Cargo (JKTDG). Langkah tersebut diambil untuk menjawab tantangan eksternal dan pemanfaatan potensi peningkatan nilai tambah Garuda Indonesia Group.

(SBU) of Charter, Umrah & Hajj (JKTDU) has been established. In addition, to increase the added value of Garuda Indonesia Group, Garuda Cargo which was previously SBU (Strategic Business Unit), in April 2016 transformed into a part of the management structure and turned into a Cargo Directorate of Garuda Indonesia (JKTDG). Such measures were taken to address the external challenges and exploiting the potential of value-added increase of Garuda Indonesia Group.

REKOMENDASI/SARAN YANG DIBERIKAN KEPADA DIREKSI

Selain menjalankan peran pengawasan, Dewan Komisaris juga berkewajiban untuk memberikan saran kepada Direksi terkait pengelolaan Perseroan. Mekanisme untuk memberikan saran secara normatif diadakan melalui penyelenggaraan rapat Dewan Komisaris bersama Direksi yang diselenggarakan sekali dalam sebulan. Sedangkan secara fungsional, Dewan Komisaris melalui Sekretaris Dewan Komisaris, Komite Audit, dan Komite Pengembangan Usaha dan Pemantauan Risiko menyelenggarakan rapat rutin untuk membahas temuan dan mencapai kesimpulan dalam bentuk saran yang kemudian disampaikan Dewan Komisaris ke Direksi. Dewan Komisaris kemudian melakukan evaluasi atas respon dan implementasi dari saran tersebut.

RECOMMENDATION/SUGGESTION TO THE BOARD OF DIRECTORS

In addition to its supervisory duties, the Board of Commissioners is also obliged to advise the Board of Diretors in regard to the Company's management. The advisory was normatively conducted through joint meetings between the Board of Commissioners and the Board of Directors which take place once a month. Functional-wise, the Board of Commissioners, through the Audit Committee, holds regular monthly meetings to discuss findings and make suggestions to be delivered to the Board of Directors. The Board of Commissioners will later follow up responses and implementation of those suggestions.

Rekomendasi yang diberikan oleh Dewan Komisaris sehubungan dengan pengelolaan Perseroan di sepanjang tahun 2016, antara lain terkait peningkatan kinerja komersial, perubahan struktur organisasi Perseroan, rencana migrasi ke Terminal 3 Ultimate, pengelolaan anak perusahaan maupun SBU, penyusunan RKAP 2017, mitigasi risiko, serta pengelolaan SDM.

Recommendations provided by the Board of Commissioners in regard to the Company's management in 2016, among others, were related to the change of Company's organizational structure, schedule of transfer to Terminal 3 Ultimate, management of subsidiaries and SBU, risk mitigation, as well as HR management.

IMPLEMENTASI TATA KELOLA YANG BAIK

Implementasi tata kelola yang baik tetap menjadi fokus dari tugas dan tanggung jawab Dewan Komisaris bersama dengan Direksi. Dalam menjalankan fungsi pengawasannya, Dewan Komisaris tidak hanya bertanggung jawab kepada hasil atau tujuan yang dicapai tetapi juga senantiasa memantau proses untuk mencapai hasil yang diharapkan. Hal ini dikarenakan Dewan Komisaris bersama dengan Direksi bertujuan mewujudkan tata kelola perusahaan yang diharapkan dapat menjaga sustainabilitas Perseroan.

IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE

Implementation of good corporate governance remains the focus of the collective duties and responsibilities between the Board of Commissioners and the Board of Directors. In performing its supervisory duties, the Board of Commissioners is not only responsible over the results or accomplished goals, but also for monitoring the process to achieve the expected results. It is because the Board of Commissioners and the Board of Directors aim to implement good corporate governance which could maintain the Company's sustainability.

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Seiring dengan perkembangan kegiatan usaha Perseroan, praktik manajemen risiko yang memadai juga diperlukan agar mampu mengidentifikasi potensi risiko yang mungkin timbul. Atas hal ini, Dewan Komisaris memantau dan memberikan saran atas risiko yang dikelola oleh Perseroan. Secara keseluruhan, Dewan Komisaris menganggap bahwa Perseroan telah membangun sistem pemantauan risiko dan menerapkan pedoman tata kelola perusahaan, manajemen risiko, dan sistem pengendalian internal yang baik. Dewan Komisaris bersama Direksi mempunyai komitmen untuk terus menerus memperbaiki implementasi GCG yang dalam pelaksanaannya diwujudkan secara konsisten.

In line with the Company's business growth, proper risk management is required in order to identify any potential risks. As such, the Board of Commissioners monitors and provides advice on risks managed by the Company. Overall, the Board of Commissioners considered that the Company has created a good risk monitoring system and implemented corporate governance principles, risk management, and proper internal control system. The Board of Commissioners along with the Board of Directors have committed to constantly improve GCG implementation to be conducted consistently.

KINERJA ORGAN PENDUKUNG DEWAN KOMISARIS

Dalam menjalankan peran pengawasan, Dewan Komisaris dibantu oleh Sekretaris Dewan Komisaris dan dua komite, yakni Komite Audit serta Komite Pengembangan Usaha & Pemantauan Risiko. Selama tahun 2016, Sekretaris Dewan Komisaris dan kedua Komite telah menunjukkan kinerja yang baik dan telah memberikan kontribusi positif. Kontribusi dalam rangka pemenuhan aspek GCG Perseroan dan kajian bagi Dewan Komisaris, sehingga terbit rekomendasi/kebijakan dan langkah-langkah strategis yang akan diimplementasikan dalam kegiatan usaha Perseroan.

Dewan Komisaris senantiasa memanfaatkan organ pendukungnya dalam pelaksanaan berbagai kegiatan yang merupakan tugas dan wewenang Dewan Komisaris sebagaimana diatur dalam Anggaran Dasar.

Dewan Komisaris memandang bahwa fungsi dan tugas ketiga organ pendukung Dewan Komisaris tersebut telah dilaksanakan dengan baik dan efektif. Selain pelaksanaan fungsi yang tepat, peran dari masing-masing organ pendukung juga senantiasa ditingkatkan secara signifikan untuk dapat mendukung tugas dan kewajiban Dewan Komisaris. Dengan dukungan ketiga organ pendukung tersebut, Dewan Komisaris senantiasa mendorong Direksi dan jajarannya untuk tetap menerapkan standar tata kelola yang baik pada semua aspek operasional Garuda Indonesia.

PERFORMANCE OF BOARD OF COMMISSIONERS' SUPPORTING ORGAN

In performing its duties in relation to oversight function, the Board of Commissioners is assisted by the Secretary to the Board of Commissioners and two committees, namely Audit Committee and Business Development & Risk Management Committee. In 2016, the Secretary to the Board of Commissioners and both Committees have performed their duties well and delivered positive contribution. Contributions in order to meet the Company's GCG aspects and assessment for the Board of Commissioners, thus issuing recommendations/policies and strategic measures that will be implemented in the business activities of the Company.

The Board of Commissioners always utilizes its supporting organ in carrying out several activities which are the duties and authorities of the Board of Commissioners as regulated in the Articles of Association.

The Board of Commissioners deemed that the function and duties of the three Board of Commissioners' supporting organs have been executed properly and effectively. In addition to the accurate implementation of its functions, each supporting organ also consistently strives to better support the Board of Commissioners' duties and obligations. With the support of three supporting organs, the Board of Commissioners will continue to drive the Board of Directors to implement the good governance standard in all operational aspects of Garuda Indonesia.

PERUBAHAN PADA KOMPOSISI DEWAN KOMISARIS

Pada kesempatan ini, kami ingin menyampaikan bahwa tidak terdapat perubahan komposisi Dewan Komisaris di tahun 2016.

CHANGES IN THE BOARD OF COMMISSIONERS' COMPOSITION

On this occasion, we would like to inform that there was no change in the Board of Commissioners' composition in 2016.

PROSPEK USAHA 2017

Dewan Komisaris telah memberikan nasihat kepada Direksi dalam penyusunan rencana dan target bisnis tahun 2017 yang lebih realistis baik dalam menimbang kondisi eksternal maupun internal Perseroan, sehingga penyusunannya dilakukan secara lebih rinci dibandingkan dengan sebelumnya. Dewan Komisaris menekankan bahwa Direksi harus lebih memperhatikan optimasi *pricing strategy*, peningkatan perolehan pendapatan, pengendalian biaya, sinergi internal, serta pengembangan kompetensi SDM strategis. Selain itu, Dewan Komisaris juga telah memberi masukan atas peningkatan kinerja anak perusahaan. Dewan Komisaris menilai baik atas prospek usaha Perseroan yang telah disusun Direksi yang diharapkan dapat memenuhi target yang telah ditetapkan dalam RKAP Tahun 2017.

2017 BUSINESS OUTLOOK

The Board of Commissioners advises the Board of Directors to set out a more feasible business plan and targets in 2017 in conjunction with both internal and external aspects of the Company, thus the preparation needs to include more specific details. The Board of Commissioners particularly highlights that the Board of Directors has to pay more attention in optimization of pricing strategy, improvement of opportunity revenue, cost control, and strategic HR competence management. The Board of Commissioners well-appreciates the business prospects of the Company prepared by the Board of Directors which is expected to meet the targets set in the Company's Work Plan & Budget in 2017.

Dengan keunggulan yang dimiliki oleh Perseroan, Dewan Komisaris menyadari bahwa pada tahun 2017 Perseroan memiliki peluang untuk meraih kinerja yang lebih baik. Pasar diperkirakan masih akan tumbuh, meskipun kondisi ekonomi makro di tingkat nasional diperkirakan tetap pada rentang pertumbuhan ekonomi 5,0 – 5,4%. Rencana usaha pada tahun 2017 disusun secara lebih konservatif dengan target yang ditetapkan didasarkan pada asumsi-asumsi yang lebih realistis berdasarkan pengalaman nyata Perseroan, sehingga lebih dapat diyakini realisasi pencapaiannya. Perencanaan masih akan melanjutkan penerapan strategi 2016 dengan perubahan penajaman fokus pada peningkatan pendapatan dari selain penumpang, pengendalian biaya, dan sinergi internal. Perencanaan ini menjadi pedoman pelaksanaan dan pengendalian bagi Manajemen PT Garuda Indonesia (Persero) Tbk dalam mencapai misi Perseroan serta sasaran usaha seperti yang diharapkan oleh pemangku kepentingan.

With the advantages possessed by the Company, the Board of Commissioners realizes that in 2017 the Company has the opportunity to achieve better performance. The market is expected to grow, although the macroeconomic conditions at the national level is expected to remain on the range of 5.0 to 5.4%. The business plan in 2017 is prepared in a more conservative manner with the targets set based on assumptions that are more realistic based on the real experience of the Company, thus we are more confident in realizing such achievement. The planning will still continue to implement the strategy in 2016 with a change in sharpening focus on increasing revenues from other than passengers, cost control, and internal synergies. This plan serves as guidelines for the implementation and control of the Management of PT Garuda Indonesia (Persero) Tbk in achieving the Company's mission and business targets as expected by stakeholders.

Implementasi dari strategi Perseroan yang tertuang dalam RKAP 2017 tersebut sangat penting terutama dalam memposisikan Garuda Indonesia dalam ketatnya kompetisi

Implementation of the Company's strategies set out in Company's Work Plan & Budget in 2017 is vital in order to better position Garuda Indonesia in the tough competition of

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ASEAN Open Skies. Dewan Komisaris menganggap pemberlakuan ASEAN Open Skies sebagai tantangan sekaligus peluang yang perlu disikapi secara optimis sehingga dapat meningkatkan nilai Perseroan dan pemangku kepentingan. Dinamika dalam industri penerbangan nasional, dalam pengertian adanya kompetisi yang lebih ketat, tetap harus mendorong Perseroan untuk selalu optimis dan menempatkan dirinya pada posisi yang memimpin.

ASEAN Open Skies. The Board of Commissioners considers that the implementation of ASEAN Open Skies poses both challenges as well as opportunities and threats that should be addressed optimistically so as to enhance the Company and stakeholders' value. It would certainly influence the outlook of national airline industry in terms of tighter competition but the Company has to remain optimistic to position itself as a leading airline.

PENUTUP

Pada kesempatan ini, saya mewakili seluruh Dewan Komisaris ingin menyampaikan rasa terima kasih kami kepada para pemegang saham dan pemangku kepentingan lainnya atas kepercayaan dan dukungannya selama ini. Apresiasi terdalam juga ditujukan kepada segenap Direksi dan jajarannya serta mitra bisnis yang senantiasa mendukung Perseroan untuk tumbuh dan terus berkembang. Apresiasi juga kami tujukan kepada para pelanggan dan penumpang atas kesetiaan, kepercayaan dan kebanggaan kepada Garuda Indonesia. Dewan Komisaris akan selalu berkomitmen untuk mendorong perwujudan visi Perseroan menjadi maskapai kebanggaan bangsa yang tumbuh berkelanjutan.

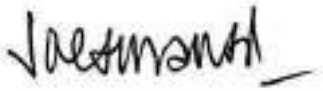
Semoga Allah SWT meridhai upaya-upaya yang telah kita lakukan dan rencana yang akan kita lakukan ke depan dapat terealisasi sesuai rencana.

CLOSING REMARKS

On this occasion, on behalf of the Board of Commissioners I would like to express our gratitude to the shareholders and other stakeholders for their trust and support over the years. Deepest appreciation also goes to all Board of Directors and staff and business partners who continually support the Company's growth. Our appreciation also goes to our loyal customers and passengers upon their trust and pride to Garuda Indonesia. The Board of Commissioners will always be committed to encourage the realization of the vision of becoming the national flag carrier which grows sustainably.

May Allah SWT be pleased with the efforts that we have done and the plan that will be implemented in the future may be realized according to plan.

Atas nama Dewan Komisaris,
On behalf of the Board of Commissioners,



Jusman Syafii Djamal
Komisaris Utama dan Komisaris Independen
President Commissioner & Independent Commissioner

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DEWAN **KOMISARIS**
Board of Commissioners

PROFIL
DEWAN KOMISARIS
Board of Commissioners' Profile

Jusman Syafii Djamal
Komisaris Utama dan Komisaris Independen
President Commissioner & Independent Commissioner

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Langsa, 28 Juli 1954 /
Langsa, July 28, 1954

Usia / Age
62 tahun / 62 years old

Domisili / Domicile
DKI Jakarta, Indonesia /
DKI Jakarta, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment
Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 4 tanggal 12 Desember 2014

Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 4 dated December 12, 2014

Latar Belakang Pendidikan / Educational Background

1983	Sarjana Teknik Mesin bidang Aeronautical Engineering, Institut Teknologi Bandung Bachelor of Mechanical Engineering in Aeronautical Engineering, Bandung Institute of Technology

Pengalaman Kerja / Work Experiences

2014 - Present	Komisaris Utama & Komisaris Independen PT Garuda Indonesia (Persero) Tbk President Commissioner & Independent Commissioner of PT Garuda Indonesia (Persero) Tbk
2010 – 2014	Komisaris Utama PT Telekomunikasi Indonesia (Persero) Tbk President Commissioner of PT Telekomunikasi Indonesia (Persero) Tbk
2007 - 2009	Menteri Perhubungan Republik Indonesia Minister of Transportation of Republic of Indonesia
2000 - 2002	Direktur Utama PT Dirgantara Indonesia President Director of PT Dirgantara Indonesia
1999 - 2001	Program Manager on Implementation of Restructuring Aircraft Industries PT IPTN Program Manager on Implementation of Restructuring Aircraft Industries at PT IPTN
1999 - 2000	Direktur SDM PT IPTN HR Director of PT IPTN
1996 - 1999	Direktur Helikopter, Sistem Senjata dan Antariksa PT IPTN Director of Helicopters, Defense Technology & Satellite at PT IPTN
1994 - 1996	Head Division of Aircraft Technology and New Product Development PT IPTN Head Division of Aircraft Technology and New Product Development at PT IPTN
1990 - 1995	Chief Project Engineer N250 PT IPTN Chief Project Engineer N250 at PT IPTN

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Sep 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia
Mei 2016	Sharing Session "Business Strategy" dengan Bapak Chairul Tanjung Sharing Session "Business Strategy" with Mr. Chairul Tanjung
Mar 2016	Honorary Guest Professor Zhejiyang University of Technology Honorary Guest at Professor Zhejiyang University of Technology
Mar 2016	Workshop Pembentukan Holding Company - PT Pricewaterhouse Coopers Consulting Indonesia Workshop of Holding Company Establishment - PT Pricewaterhouse Coopers Consulting Indonesia
Feb 2016	Seminar SkyTeam SkyTeam Seminar
Jan 2016	Seminar L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston Seminar of L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston

Chairal Tanjung
Komisaris
Commissioner

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Jakarta, 16 Mei 1966 /
Jakarta, May 16, 1966

Usia / Age
50 tahun / 50 years old

Domisili / Domicile
DKI Jakarta, Indonesia /
DKI Jakarta, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment

Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 4 tanggal 12 Desember 2014

Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 4 dated December 12, 2014

Latar Belakang Pendidikan / Educational Background

1997	Sarjana Ekonomi, Universitas Indonesia Bachelor of Economics, University Indonesia
1987	Sekolah Tinggi Akuntansi Negara (STAN) Indonesian State College of Accountancy (STAN)

Pengalaman Kerja / Work Experiences

2014 - Present	Komisaris PT Garuda Indonesia (Persero) Tbk Commissioner of PT Garuda Indonesia (Persero) Tbk
2000 - Present	Direktur CT Corp Director of CT Corp
1992 - 2000	Finance Manager CT Corp Finance Manager of CT Corp
1987 - 1992	Auditor BPKP Auditor at Finance & Development Supervisory Agency (BPKP)

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Sep 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia
Mei 2016	Sharing Session "Business Strategy" dengan Bapak Chairul Tanjung Sharing Session "Business Strategy" with Mr. Chairul Tanjung
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Feb 2016	Seminar SkyTeam SkyTeam Seminar
Jan 2016	Seminar L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston Seminar of L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston

PROFIL DEWAN KOMISARIS
Board of Commissioners' Profile

Dony Oskaria
Komisaris
Commissioner

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Tanah Datar, 26 September 1969 /
Tanah Datar, September 26, 1969

Usia / Age
47 tahun / 47 years old

Domisili / Domicile
DKI Jakarta, Indonesia /
DKI Jakarta, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment

Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 4 tanggal 12 Desember 2014

Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 4 dated December 12, 2014

Latar Belakang Pendidikan / Educational Background

2009	Master of Business Administration (M.B.A), Asian Institute of Management Philippine Master of Business Administration (M.B.A), Asian Institute of Management Philippine
1994	Sarjana Hubungan Internasional, Universitas Padjajaran Bachelor of International Relation, Universitas Padjajaran

Pengalaman Kerja / Work Experiences

2014 - Present	Komisaris PT Garuda Indonesia (Persero) Tbk Commissioner of PT Garuda Indonesia (Persero) Tbk
2014 - Present	CEO Kawasan Terpadu Trans Studio CEO of Trans Studio Integrated Complex
2013 - 2014	Funding Director, Bank Mega Funding Director, Bank Mega
2012 - 2013	West Indonesia Business Director, Bank Mega West Indonesia Business Director, Bank Mega
2009 - 2012	Regional Manager Bandung, Bank Mega Regional Manager Bandung, Bank Mega
2007 - 2009	Corporate Secretary & Service Development Division Head, Bank Mega Corporate Secretary & Service Development Division Head, Bank Mega

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Sep 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia
Mei 2016	Sharing Session "Business Strategy" dengan Bapak Chairul Tanjung Sharing Session "Business Strategy" with Mr. Chairul Tanjung
Mar 2016	Workshop Pembentukan Holding Company - PT Pricewaterhouse Coopers Consulting Indonesia Workshop Pembentukan Holding Company - PT Pricewaterhouse Coopers Consulting Indonesia
Feb 2016	Seminar SkyTeam SkyTeam Seminar
Jan 2016	Seminar L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston Seminar of L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston

Hasan M. Soedjono

Komisaris Independen
Independent Commissioner

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Jakarta, 15 November 1951 /
Jakarta, November 15, 1951

Usia / Age
65 tahun / 65 years old

Domisili / Domicile
DKI Jakarta, Indonesia /
DKI Jakarta, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment

Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 4 tanggal 12 Desember 2014

Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 4 dated December 12, 2014

Latar Belakang Pendidikan / Educational Background

1977	Master of Business Administration (M.B.A), Harvard Business School Master of Business Administration (M.B.A), Harvard Business School
1975	Bachelor of Science (B.Sc) Double Degree Systems Engineering & Chemical Engineering, King Fahd University of Petroleum & Minerals – Dhahran, Saudi Arabia Bachelor of Science (B.Sc) Double Degree Systems Engineering & Chemical Engineering, King Fahd University of Petroleum & Minerals – Dhahran, Saudi Arabia

Pengalaman Kerja / Work Experiences

2014 - Present	Komisaris Independen PT Garuda Indonesia (Persero) Tbk Independent Commissioner of PT Garuda Indonesia (Persero) Tbk
2014 - Present	Komisaris Utama PT Sriboga Flour Mill President Commissioner of PT Sriboga Flour Mill
1997 - Present	SE Asia Representatives Aircraft Portfolio Management Pte. Ltd. SE Asia Representatives Aircraft Portfolio Management Pte. Ltd.
1984 - Present	Chairman PT Sumarno – Pabottinggi Associates Chairman of PT Sumarno – Pabottinggi Associates

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Sep 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia
Mei 2016	Sharing Session "Business Strategy" dengan Bapak Chairul Tanjung Sharing Session "Business Strategy" with Mr. Chairul Tanjung
Mar 2016	Workshop Pembentukan Holding Company - PT Pricewaterhouse Coopers Consulting Indonesia Workshop of Holding Company Establishment - PT Pricewaterhouse Coopers Consulting Indonesia
Feb 2016	Seminar SkyTeam SkyTeam Seminar
Jan 2016	Seminar L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston Seminar of L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston

PROFIL DEWAN KOMISARIS
Board of Commissioners' Profile

Isa Rachmatarwata
Komisaris
Commissioner

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Jombang, 30 Desember 1966 /
Jombang, December 30, 1966

Usia / Age
50 tahun / 50 years old

Domisili / Domicile
DKI Jakarta, Indonesia /
DKI Jakarta, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment
Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 3 tanggal 28 April 2014
Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 3 dated April 28, 2014

Latar Belakang Pendidikan / Educational Background

1994	Master of Mathematics (Actuarial Science), University of Waterloo, Kanada Master of Mathematics (Actuarial Science), University of Waterloo, Canada
1990	Sarjana Matematika, Institut Teknologi Bandung Bachelor of Mathematics, Bandung Institute of Technology

Pengalaman Kerja / Work Experiences

2014 - Present	Komisaris PT Garuda Indonesia (Persero) Tbk Commissioner of PT Garuda Indonesia (Persero) Tbk
Nov 2013 - Present	Staf Ahli Bidang Kebijakan dan Regulasi Jasa Keuangan dan Pasar Modal di Kementerian Keuangan Expert Staff to the Policy and Regulation of Financial Services and Capital Market in the Ministry of Finance
2013	Pegawai Tinggi pada Badan Kebijakan Fiskal dan Kepala Biro Perasuransian di Kementerian Keuangan Senior Staff at Fiscal Policy Board and Head of Insurance Bureau at the Ministry of Finance
2006 - 2012	Kepala Biro Perasuransian Badan Pengawas Pasar Modal dan Lembaga Keuangan Head of the Insurance Bureau of Capital Market Supervisory and Financial Institution

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Sep 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia
Mei 2016	Sharing Session "Business Strategy" dengan Bapak Chairul Tanjung Sharing Session "Business Strategy" with Mr. Chairul Tanjung
Mar 2016	Workshop Pembentukan Holding Company - PT Pricewaterhouse Coopers Consulting Indonesia Workshop of Holding Company Establishment - PT Pricewaterhouse Coopers Consulting Indonesia
Feb 2016	Seminar SkyTeam SkyTeam Seminar
Jan 2016	Seminar L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston Seminar of L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston

Muzaffar Ismail

Komisaris
Commissioner

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Sigli, 13 Januari 1958 /
Sigli, January 13, 1958

Usia / Age
58 tahun / 58 years old

Domisili / Domicile
Jawa Barat, Indonesia /
Jawa Barat, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment

Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 4 tanggal 12 Desember 2014

Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 4 dated December 12, 2014

Latar Belakang Pendidikan / Educational Background

2005	Magister Administrasi Publik, Sekolah Tinggi Ilmu Administrasi Mandala Indonesia (STIAMI) Master of Public Administration, College of Administrative Science Mandala Indonesia (STIAMI)
1982	Sarjana Teknik Perkapalan, Institut Teknologi Sepuluh Nopember Surabaya Bachelor of Naval Architecture, Sepuluh Nopember Institute of Technology Surabaya

Pengalaman Kerja / Work Experiences

2014 - Present	Komisaris PT Garuda Indonesia (Persero) Tbk Commissioner of PT Garuda Indonesia (Persero) Tbk
Oct 2016 - Present	Direktur Kelaikudaraan dan Pengoperasian Pesawat Udara DGCA – Director of Airworthiness and Aircraft Operations
Jul - Oct 2016	Kepala Balai Besar Kalibrasi dan Fasilitas Penerbangan DGCA - Head of Aircraft Calibration and Flight Inspection
Jun - Jul 2016	Kepala Kantor Otoritas Wilayah II Kualanamu, Sumatera Utara DGCA - Head of Airport Authority for Kualanamu International Airport, North Sumatera
Jan - Jun 2016	Kepala Kantor Otoritas Wilayah I Soetta, Cengkareng DGCA - Head of Airport Authority for Soetta International Airport, Cengkareng
Oct 2015 - Jan 2016	Direktur Angkutan Udara DGCA – Director of Air Transport
2013 - 2015	Direktur Kelaikan Udara dan Pengoperasian Pesawat Udara DGCA - Director of Airworthiness and Aircraft Operations
2008 - 2013	Kepala Sub Direktorat Perawatan DGCA – Deputy Director of Aircraft Maintenance Control (New Version of DGCA Organization)

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Sep 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia One Day Workshop "Introduction of Sabre Travel Network and Discuss Future" - PT Sabre Travel Network Indonesia
Mei 2016	Sharing Session "Business Strategy" dengan Bapak Chairul Tanjung Sharing Session "Business Strategy" with Mr. Chairul Tanjung
Mar 2016	Indonesia Transport Safety Assistance Package (ITSAP) Indonesia Transport Safety Assistance Package (ITSAP)
Mar 2016	Workshop Pembentukan Holding Company - PT Pricewaterhouse Coopers Consulting Indonesia Workshop of Holding Company Establishment - PT Pricewaterhouse Coopers Consulting Indonesia
Feb 2016	Seminar SkyTeam SkyTeam Seminar
Jan 2016	Seminar L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston Seminar of L.E.K "Ancillary Revenue Opportunities" - L.E.K Boston

LAPORAN **DIREKSI**
Board of Directors' Report

Jumlah penumpang yang diangkut Perseroan tumbuh sebesar 6,19% menjadi 35,00 juta pada tahun 2016.

Total passengers carried by the Company grew by 6.19% to 35.00 million in 2016.

M. Arif Wibowo
Direktur Utama
President & CEO

Para pemegang saham dan pemangku kepentingan yang terhormat,

Tahun 2016 memberikan tantangan yang cukup signifikan pada pertumbuhan Garuda Indonesia. Namun, kami bersyukur karena Perseroan berhasil menutup tahun 2016 dengan pencapaian-pencapaian yang cukup membanggakan. Suatu kehormatan bagi saya atas nama Direksi untuk menyajikan Laporan Tahunan Perseroan untuk tahun buku 2016.

PERKEMBANGAN EKONOMI GLOBAL DAN INDONESIA

Kondisi perekonomian global ditutup di tahun 2016 dalam posisi yang cukup kuat. Pertumbuhan perekonomian global terakselerasi di kuartal terakhir di tahun 2016 seiring dengan perbaikan kondisi ekonomi di negara-negara berkembang serta pertumbuhan yang lebih kuat di negara-negara maju. Pertumbuhan di kuartal keempat yang sangat signifikan mendorong total pertumbuhan di tahun 2016 menjadi 2,6%, sedikit di atas angka prediksi sebesar 2,5% namun masih di bawah pertumbuhan tahun sebelumnya sebesar 3,8%. Secara keseluruhan kondisi perekonomian global memang masih dalam tren perlambatan, namun demikian angka pertumbuhan tersebut berhasil diraih setelah melalui segala tantangan yang ada sehingga pencapaian ini memberikan harapan untuk mewujudkan tingkat pertumbuhan yang lebih baik di tahun berikutnya.

Tantangan signifikan terutama berasal dari isu geopolitik yang tetap memanas, antara lain sebagai akibat dari ketidakpastian pasca Referendum UK (Brexit), situasi di Timur Tengah yang semakin memanas dengan perang sipil Suriah yang menyebabkan krisis pengungsi Suriah, serta Pemilihan Presiden Amerika Serikat. Peningkatan suku bunga *The Fed (Fed Funds Rate*) yang terjadi pada Desember 2016 turut memberikan kontribusi terhadap ketidakpastian di pasar dan mempengaruhi perkembangan ekonomi global. Normalisasi kebijakan *The Fed* tersebut berpotensi memicu arus modal keluar yang tentunya akan memberikan tekanan pada pasar keuangan di kawasan negara berkembang, termasuk di Indonesia.

Kondisi perlambatan ekonomi global dan situasi geopolitik tersebut mempengaruhi perekonomian Indonesia. Selama tahun 2016, data IMF dan Bank Indonesia menunjukkan bahwa ekonomi Indonesia tumbuh di angka 4,9% - 5,3%,

Dear distinguished shareholders and stakeholders,

Year 2016 was tremendously challenging to Garuda Indonesia's growth. However, we are grateful since Garuda Indonesia could conclude the year with a string of accomplishments. It is an honor for me, on the behalf of the Board of Directors, to present Annual Report of Garuda Indonesia for financial year 2016.

GLOBAL AND INDONESIA ECONOMIC DEVELOPMENT

Glocal economy closed on year 2016 in a somewhat solid position. Global growth was picking up in the last quarter of 2016 along with the recovering economy in emerging markets and and stronger growth in advanced economies. The massive improvement in the fourth quarter has propelled an overall growth in 2016 to 2.6%, slightly higher than the earlier projection of 2.5% but still lower than the previous year at 3.8%. Overall, the global economy sustained a downward trend. Nevertheless, the figure was achieved after going through the turbulent times. As such, the accomplishment actually ignited the hope to shape up a stronger growth in the years ahead.

A huge hurdle was originated from the heated geopolitical environment, among others as a result of uncertainty following UK Referendum (Brexit), the increasingly heated up situation in Middle East because of Suria's civil war which led to the Suria refugee crisis, as well as US presidential election. The Fed's decision to proceed with increasing Fed Funds Rate in December 2016 has contributed to the volatility in the financial market and brought about distress to the global economy. The Fed's monetary policy normalization is prone to trigger capital outflow which will later put pressures on financial market in the emerging economies, including in Indonesia.

In more ways than one, the struggling global economy and geopolitical tensions has sent Indonesia economy into tailspin. In 2016, IMF and Bank Indonesia's data revealed that the national economy grew lethargically at 4.9% -

LAPORAN DIREKSI
Board of Directors' Report

di mana angka ini lebih tinggi dibandingkan pertumbuhan ekonomi dunia. Secara keseluruhan, perekonomian Indonesia menunjukkan pertumbuhan positif dari tahun sebelumnya sebesar 5,0%, disertai dengan stabilitas makroekonomi dan sistem keuangan yang terpelihara dengan baik. Inflasi Indonesia tahun 2016 juga stabil di angka 3,3%, dan nilai tukar USD di angka Rp13.100. Terlepas dari tekanan eksternal, pencapaian ini antara lain ditopang oleh konsumsi rumah tangga yang memperoleh manfaat dari inflasi yang rendah dan kelonggaran kebijakan moneter dalam menghadapi tantangan dari sektor eksternal.

5.3%, which was higher compared to the global growth. In general, Indonesia's economy reported a solid growth from the previous year at 5.0%, underpinned by resilient macroeconomic stability and financial system. Indonesia's inflation in 2016 also remained stable at 3.3% while exchange rate stood at Rp13,100. Albeit the external pressures, these accomplishments were supported by private consumption which benefitted from the low inflation and quantitative easing policy in overcoming challenges from external aspects.

Hingga September 2016, di berbagai wilayah Indonesia juga dilanda berbagai bencana alam, seperti banjir, puting beliung, tanah longsor, gelombang pasang/abrasi, kebakaran hutan, dan gempa bumi. Beberapa peristiwa penting yang terjadi di tahun 2016 yang berpengaruh besar khususnya bagi Perseroan antara lain adalah dampak bencana alam seperti erupsi gunung berapi di Gunung Sinabung, Gunung Semeru (Tengger), anak Gunung Rinjani, dan Gunung Karangetang, serta banjir dan longsor di beberapa wilayah Indonesia (Karawang, Banjarnegara, Garut, Palopo, dan Ciamis).

By the end of September 2016, several regions in Indonesia saw natural catastrophes such as flood, tornados, land slides, tidal wave/abrasion, wildfires, and earthquakes. Some significant events in 2016 which had tremendous impacts on Garuda Indonesia among others included natural catastrophe impacts such as the volcanic eruptions of Mount Sinabung, Mount Semeru (Tengger), Anak Mount Rinjani, and Mount Karangetang, as well as floods and landslides in several Indonesian territories (Karawang, Banjarnegara, Garut, Palopo, and Ciamis).

Faktor yang mendukung pertumbuhan industri penerbangan di Indonesia antara lain adalah pertambahan jumlah penumpang di mana pada tahun 2016 mencapai 95,22 juta orang dibandingkan tahun sebelumnya sebesar 82,44 juta orang. Jumlah penumpang angkutan udara domestik pada tahun 2016 tercatat mencapai 80,45 juta orang atau meningkat 16,97% dibandingkan dengan tahun 2015 yang tercatat sebanyak 68,78 juta orang. Sedangkan jumlah penumpang internasional pada tahun 2016 mencapai 14,77 juta orang atau meningkat 8,16% dibanding tahun sebelumnya yang tercatat sebanyak 13,65 juta orang.

On the other hand, one of the key aspects that helped boosting the development of airline industry in Indonesia was the growing number of passengers. In 2016, total passengers stood at 95.22 million people compared to the previous year at 82.44 million people. Total domestic flight passengers, stood at 80.45 million people, or grew 16.97% than 2015 at 68.78 million people. Meanwhile, total international passengers in 2016 saw a 8.16% increase to 14.77 million people than the same period in 2015 at 13.65 million people.

Dari capaian di atas dapat dilihat bahwa jumlah trafik penumpang masih mengalami pertumbuhan. Pertumbuhan penumpang sebagian besar berasal dari penerbangan budget yang menjadi alternatif bagi penerbangan dengan tujuan personal. Di sisi lain, penerbangan dengan tujuan bisnis juga masih mengalami pertumbuhan yang cukup baik terutama dari perjalanan dinas yang dilakukan instansi pemerintah dan non pemerintah.

Such figures indicate that the passenger traffic still show signs of firming. The passenger growth are largely driven by the budget flights which provide alternatives to personal flights. On the other hand, business flights also saw positive expansion from the business trips undertaken by the governmental and non-governmental agencies.

KINERJA TAHUN 2016

Selama tahun 2016, frekuensi penerbangan Perseroan mengalami peningkatan sebesar 9,84% menjadi 274.696

2016 PERFORMANCE

In 2016, the Company's flight frequency rose 9.84% to 274,696 flights from 250,088 flights in 2015. The flight

Perseroan berhasil mencatat pertumbuhan Revenue Passenger Kilometers (RPK) sebesar 8,30% menjadi 43.371,83 juta

The Company managed to record the growth of Revenue Passenger Kilometers (RPK) by 8.30% to 43,371.83 million

penerbangan dari sebanyak 250.088 penerbangan pada tahun 2015. Kenaikan frekuensi ini terjadi seiring dengan perluasan jaringan penerbangan yang dilakukan di lingkup domestik maupun internasional. Jumlah penumpang yang diangkut juga tumbuh sebesar 6,19% menjadi 35,00 juta penumpang dibandingkan tahun sebelumnya sebanyak 32,96 juta penumpang.

Perseroan mencatatkan pertumbuhan kapasitas produksi (ASK) sebesar 13,26% menjadi 58.745,08 juta dibandingkan dengan 51.868,19 juta pada tahun 2015. Dengan pencapaian ASK tersebut, Perseroan berhasil mencatat pertumbuhan Revenue Passenger Kilometers (RPK) sebesar 8,30% menjadi 43.371,83 juta dibandingkan dengan 40.049,12 juta pada tahun 2015. Dengan kata lain, terdapat pertumbuhan trafik penumpang namun hal ini juga diiringi dengan peningkatan persaingan yang turut menyebabkan penurunan pada harga rata-rata penjualan tiket, yang menjadi salah satu tantangan utama Perseroan di tahun 2016. Harga rata rata penjualan tiket menurun sejalan dengan penurunan *passenger yield* sebesar 7,10% menjadi USc 6,93 dibandingkan dengan tahun 2015 sebesar USc 7,46. Adapun rata-rata tingkat isian penumpang sepanjang tahun 2016 menurun dibandingkan periode yang sama pada tahun sebelumnya, yaitu menjadi 73,83% dari 77,21% pada tahun 2015. Tingkat ketepatan penerbangan (OTP) pada tahun 2016 mencapai 89,51%, dibandingkan tahun sebelumnya sebesar 87,99%. Hal ini antara lain dipengaruhi oleh berkurangnya trafik udara di Bandara Soekarno Hatta dengan beroperasinya Bandara Halim Perdanakusuma.

frequency improved along with the expansion of flight network in both domestic and international routes. The number of passengers also grew 6.19% to 35.00 million passengers compared to the same period in the previous year at 32.96 million passengers.

The Company posted 13.26% growth in production capacity (Availability Seat Kilometer/ASK) from to 58,745.08 million compared to 51,868.19 million in 2015. With such ASK achievement, the Company managed to register a positive climb of 8.30% in Revenue Passenger Kilometers (RPK) to 43,371.83 million than 40,049.12 million in 2015. In other words, the passenger traffic indicated an upward trend while on the other hand, the fiercer competition also caused the average ticket price to drop, which was among the biggest challenges for the Company in 2016. The average ticket price dwindled in conjunction with the declining passenger yield by 7.10% to Usc 6.93 than Usc 7.46 in 2015. Meanwhile, average passenger load factor (seat load factor) in 2016 fell compared to the same period in the previous year to 73.83% from 77.21% in 2015. On-Time Performance (OTP) in 2016 reached 89.51%, compared to the previous year at 87.99%. Among the aspects that contributed to the moderated OTP was the less crowded air traffic in Soekarno Hatta Airport following the operation of Halim Perdanakusuma Airport. The rising OTP level was also due to the improving infrastructure of airports in Indonesia.

LAPORAN DIREKSI
Board of Directors' Report

Kenaikan tingkat OTP ini juga meningkat seiring dengan perbaikan infrastruktur bandara di Indonesia.

Sementara itu, jumlah trafik kargo meningkat 18,22% menjadi 415,824 ton dibandingkan dengan tahun sebelumnya sebesar 351,741 ton. Kenaikan trafik tersebut juga menyebabkan Garuda Indonesia masih memimpin pangsa pasar kargo, terutama di pasar domestik. Secara keseluruhan, jumlah pendapatan kargo sebesar US$219,15 juta atau meningkat 16,65% dibandingkan tahun 2015 sebesar US$187,86 juta. Peningkatan signifikan pada kontribusi kargo terutama seiring dengan fokus Perseroan untuk meningkatkan bisnis kargo selaku lini bisnis yang prospektif selain lini bisnis utama Perseroan. Komitmen ini antara lain diwujudkan dengan mengubah status Garuda Indonesia Cargo dari SBU menjadi direktorat.

Meanwhile, cargo traffic went up 18.22% to 415,824 tonnes than the previous year at 351.741 tonnes. The increasing traffic also drove Garuda Indonesia to lead cargo market share, particularly in domestic market. Overall, total revenue of cargo business stood at US$219.15 million or up by 16.65% than 2015 at US$187.86 million. The susbtantial increase in cargo constribution was mainly driven by the Company's focus to expand cargo business as a prospective business line in additon to the Company's main business lines. This commitment was reflected by the changing status of Garuda Indonesia Cargo from SBU to directorate.

Selama tahun 2016, Perseroan juga melakukan penambahan kapasitas dengan mendatangkan beberapa pesawat yaitu 4 (empat) ATR 72-600, 4 (empat) A330-300, 1 (satu) B777-300ER dan 8 (delapan) A320-200. Penambahan armada ini ditujukan untuk membuka beberapa rute dan destinasi baru baik di domestik maupun internasional. Sehingga total pesawat yang dioperasikan Perseroan selama tahun 2016 adalah sebanyak 196 pesawat dengan rata-rata usia pesawat 4,62 tahun.

In 2016, the Company also upgraded its capacity by acquiring a number of aircrafts, consisting of 4 (four) units of ATR 72-600, 4 (four) units of A330-300, 1 (one) unit of B777-300ER,and 8 (eight) units of A320-200. The fleet expansion was intended to accomodate several new routes and destination in both domestic and international market. As such, the total number of aircrafts in operation in 2016 was 196 units with average fleet age of 4.62 years old.

Seiring dengan meningkatnya jumlah penumpang dan kapasitas produksi, pada tahun 2016, Perseroan berhasil mencatatkan laba bersih sebesar US$9,36 juta atau menurun 87,99% dari pencapaian tahun sebelumnya sebesar US$77,97 juta. Penurunan kinerja keuangan ini disebabkan karena biaya investasi atas penambahan kapasitas produksi dan persaingan harga yang meningkat di bisnis penerbangan.

Following the increase in the number of passengers and production capacity, the Company registered a net profit of US$9.36 million, plummeting 88.00% from the previous year record at US$77.97 million. The subdued financial performance was driven by the investment cost for expanding production capacity and escalating price competition in the airline industry.

Terkait dengan pengembangan rute, di tahun 2016 Perseroan masih melanjutkan strategi restrukturisasi rute yang difokuskan dengan menambah rute-rute internasional baru ke Tiongkok, Timur Tengah dan Eropa. Sedangkan untuk pengembangan rute domestik, Perseroan juga telah menambah rute baru khusus destinasi di bagian Indonesia Timur.

In terms of route development, the Company still focused on route restructurization which was focused on introducing new international routes to China, Middle East, and Europe. As for domestic routes, the Company has added new routes exclusively for destinations in Eastern Indonesia.

Penurunan kinerja akibat persaiangan harga pada bisnis penerbangan pada tahun ini juga berdampak pada Citilink. Pada tahun 2016 Citilink membukukan rugi usaha sebesar US$2,79 juta atau menurun sebesar 126,46% dari tahun

A sharp decline in the Company's performance due to the price competition in the airline industry also adversely affected Citilink. In 2016, Citilink booked loss of US$2.79 million, or down by 126.46% from the previous year at

sebelumnya yaitu US$10,56 juta. Sementara kinerja positif telah dicapai oleh Garuda Maintenance Facility (GMF) AeroAsia dengan membukukan laba usaha sebesar US$83,09 juta, meningkat sebesar 64,24% dari tahun sebelumnya sebesar US$50,59 juta. Pencapaian ini terutama didukung oleh peningkatan produksi GMF.

Pada tahun 2016 Perseroan juga telah berhasil mencapai beberapa prestasi di tingkat nasional dan internasional seperti *World's Best Cabin Crew* dan *5-Star Airline* 2016 dari Skytrax. Pencapaian tersebut merupakan perwujudan dari komitmen Perseroan yang difokuskan untuk memberikan pelayanan terbaik khas Indonesia.

PERBANDINGAN TARGET DAN REALISASI

Kinerja Operasional 2016

Secara menyeluruh, kinerja perseroan pada tahun 2016 mengalami penurunan jika dibandingkan dengan hasil kinerja tahun 2015, namun manajemen telah berusaha mengurangi kerugian akibat biaya investasi yang cukup besar di kuartal kedua tahun 2016 dengan melakukan program efisiensi dan penyesuaian kapasitas produksi.

Terkait kinerja operasional, jumlah penumpang pada tahun 2016 tidak tercapai sesuai target dikarenakan kondisi persaingan di bisnis penerbangan domestik dan internasional serta pertumbuhan penumpang mengalami pertumbuhan yang melambat di tengah kondisi keuangan yang belum sepenuhnya membaik. Kondisi ini menyebabkan tidak tercapainya target kapasitas produksi (ASK), target permintaan (RPK), target tingkat keterisian (SLF) dan penumpang diangkut. Tidak tercapainya target penumpang diangkut juga berdampak turunnya pangsa pasar Perseroan.

Kinerja Keuangan 2016

Kondisi kinerja operasional yang tidak sesuai ekspektasi juga berdampak pada kinerja keuangan Perseroan. Tidak tercapainya target penumpang diangkut menyebabkan pendapatan pada tahun ini tidak tercapai. Untuk mengurangi kerugian, terutama pada kuartal kedua tahun 2016 Perseroan melakukan penyesuaian kapasitas khususnya pada rute yang mengalami performa yang menurun. Namun manajemen telah berusaha untuk menjaga profitabilitas Perseroan dengan membukukan kinerja laba bersih sebesar US$9,36 juta, atau tercapai 8,57% dari target 2016. Pendapatan operasional perusahaan mencapai US$3,86 juta atau tercapai 78,07%.

US$10.56 million. On the contrary, Garuda Maintenance Facility closed out the year strong, posting a profit number amounted US$83.09 million, up by 64.24% from the previous year at US$50.59 million. The accomplishment was broadly attributed to GMF's increased production.

In 2016, the Company also gained various national and international recognition such as World's Best Cabin Crew and 5-Star Airline 2016 from Skytrax. The achievement reflected Garuda Indonesia's commitment to deliver best services with Indonesian hospitality at its core.

COMPARISON BETWEEN TARGET AND ACTUAL RESULTS

2016 Operational Performance

In general, the Company's performance in 2016 experienced a decline compared to the results in 2015. However, the management has done their best to reduce the losses from the relatively high investment cost in the second quarter of 2016 through efficiency program and alignment of production capacity.

Operational performance-wise, the Company could not meet the target of number of passengers in 2016 owing to the increasingly intense competition in both domestic and international airline markets as well as lethargic passenger growth within the weak financial settings. Such backdrop also led to the Company to fall short of its targets in production capacity (ASK), demand (RPK), seat load (SLF) and number of carried passengers. The target shortfall in terms of number of carried passengers also led to the Company's market share shrinking.

2016 Financial Performance

The shortfall of operational performance also influenced the Company's financial performance. Since the number of carried passengers was lower than target, the revenue target was similarly not achieved. To mitigate the losses, particularly in the second quarter of 2016, the Company aligned its capacity, especially on underperforming routes. However, the management has strived to keep the Company profitable by recording actual net income of US$9.36 million, or approximately 8.57% out of 2016's target. The Company's actual operational income stood at US$3.86 million or 78.07% of the target.

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Indikator	Aktual 2016 Actual 2016	Target 2016 2016 Target	% Pencapaian % Achievement	Keterangan Notes	Indicator
Operasional					Operational
ASK (Milliar)	58,75	66,21	88,72	Below	ASK (bio)
RPK (Milliar)	43,37	51,45	84,31	Below	RPK (bio)
Penumpang (Juta)	35,00	40,00	87,49	Below	Passenger (mio)
SLF	77,83%	77,70%	95,02	Below	SLF
Frekuensi	274.696	301.795	91,02	Below	Frequency
Pangsa Pasar Domestik	41,71%	46,09%	90,50	Below	Market Share Domestic
Pangsa Pasar Internasional	26,93%	27,31%	98,64	Below	Market Share International
Utilisasi (Jam)	8:58	9:46	91.81	Below	Utilization (hour)
Tingkat Ketepatan Waktu	89,51%	85,00%	105,31	Achieved	On-Time Performance
Usia Rata-Rata Pesawat (Tahun)	4,6	4,6	100,00	Achieved	Average age of fleet (year)
Armada	196	196	100,00	Achieved	Fleets
Penghargaan	5 STARS THE BEST CABIN STAFF	5 STARS THE BEST CABIN STAFF	100.00	Achieved	Awards
Finansial					Financial
Pendapatan Usaha (Milliar)	3,86	4,95	78,06	Below	Revenues (bio)
Laba (Rugi) Bersih (Juta)	9,36	109,34	8,57	Below	Net profit (mio)
Marjin Laba (Rugi) Bersih	0,24%	2,21%	10,97	Below	Net margin
Kas Minimum	14,67%	5,00%	293,49	Achieved	Minimum cash
Aset (Miliar)	3,74	3,98	94,01	Below	Asset (bio)
Liabilitas (Miliar)	2,73	2,93	93,10	Below	Liability (bio)
Ekuitas (Miliar)	1,01	1,05	96,64	Below	Equity (bio)
DER	1,71	2,50	146,48	Achieved	DER
Destinasi Internasional	19	18	105,56	Achieved	International Destination
Destinasi Domestik	64	63	101,59	Achieved	Domestic Destination
Rata-Rata Harga Bahan Bakar (USc/L)	42,97	47,70	110,93	Achieved	Average fuel price (USc/L)
Nilai Tukar (IDR/USD)	13.305,00	15.000	112,74	Achieved	Exchange Rate (IDR/USD)

SKY BEYOND

Untuk menjadi maskapai global yang berkelanjutan, Garuda Indonesia harus tumbuh lebih kuat, lebih besar, dan terutama lebih menguntungkan. Untuk mewujudkan Visi 2020 sekaligus melanjutkan momentum keberhasilan "Quantum Leap" maka kami telah menetapkan "Sky Beyond" sebagai Rencana Jangka Panjang Perusahaan (RJPP) periode tahun 2016 – 2020. Tema "Sky Beyond" diangkat karena dinilai sesuai dengan upaya berkesinambungan Perseroan untuk tetap bertumbuh secara ekspansif namun dengan tetap menjaga margin yang positif.

"Sky Beyond" mengangkat tiga strategi utama yang mencakup:

SKY BEYOND

In order to become sustainable global airline, Garuda Indonesia has to grow stronger, bigger, and most importantly more profitable. To achieve its 2020 vision while also continuing the momentum of success from "Quantum Leap", we have established "Sky Beyond" as the Company's Long Term Plan (RJPP) for 2016 – 2020. The theme "Sky Beyond" is featured because it is in line with the Company's constant attempts to maintain organic growth and sustain a positive profit margin at the same time.

"Sky Beyond" highlights on the following the main strategies:

1. "Excellent Indonesian Hospitality" sebagai diferensiasi pada aspek layanan yang menonjolkan lima *service values* di seluruh *touch points*, yaitu *easy*, *fast*, *reliable*, *care*, dan *polite*.
2. "Return Maximization" dengan mengoptimalkan keuntungan melalui keseimbangan antara biaya dan pendapatan.
3. "Group Synergy" yakni melalui upaya sinergi antara Garuda Indonesia dengan anak perusahaan untuk menguatkan posisi Garuda Indonesia baik di pasar domestik maupun internasional.

MENGHADAPI TANTANGAN DENGAN STRATEGI

Seperti yang telah disebutkan di atas, selain tantangan dari faktor eksternal yang mencakup kondisi ekonomi global dan nasional, Perseroan juga menghadapi tantangan dari sisi meningkatnya persaingan yang mengakibatkan penurunan harga tiket rata-rata. Tantangan tersebut terletak pada pasar penerbangan domestik dan international baik pada segmen *Full Service* maupun *Low Cost Carrier*.

Untuk mengatasi tantangan tersebut, Perseroan berupaya mempertahankan pangsa pasar Perseroan dengan meningkatkan nilai tambah yang dimiliki. Strategi yang ditempuh salah satunya adalah dengan cara menyatukan miles Supergreen GarudaMiles sehingga Perseroan dapat memiliki keunggulan yang kompetitif. Strategi ini sejalan dengan tema bisnis Perseroan di mana tahun 2016 adalah tahun konsolidasi bagi Perseroan. Melalui upaya konsolidasi Perseroan menargetkan untuk mewujudkan margin operasional yang lebih baik serta menetapkan standardisasi layanan.

Selain itu Perseroan juga meningkatkan nilai tambah di pasar internasional dengan senantiasa mendorong keunggulan layanan yang menonjolkan keramahan khas budaya Indonesia atau "Excellent Indonesian Hospitality" sebagai keunggulan kompetitif utama. Tentunya dalam implementasinya di tahun 2016 Perseroan fokus untuk mengaplikasikan konsep ini dalam satu rangkaian kegiatan operasional yang tidak terputus (*seamless*) mulai dari *ground service* hingga *in-flight service* sehingga tidak terdapat jurang pemisah di antaranya.

Di sisi lain, restrukturisasi rute masih menjadi fokus utama Perseroan terutama untuk mendorong optimalisasi penerimaan dan efisiensi biaya. Hal ini terutama dilakukan dengan cara penempatan pesawat pada pasar yang lebih

1. "Excellent Indonesian Hospitality" as differentiation in terms of service which emphasizes on five service values across all touch points: easy, fast, reliable, care, and polite.
2. "Return Maximization" by optimizing profits through balance between cost and revenue.
3. "Group Synergy", which is a synergy between Garuda Indonesia and its subsidiaries to strengthen Garuda Indonesia's position in both domestic and international airline markets.

RISING UP TO THE CHALLENGES WITH STRATEGY

As previously mentioned, in addition to the challenging external aspects such as sluggish global and national economy, the Company also experienced a hard time because of the heated up competition which led to the declining average ticket price. The challenge lies on both the domestic and international airline markets in full service and low-cost carrier segments.

To overcome the challenges, the Company strived to maintain its market share by enhancing the existing added value. Among the measures taken were to combine miles of Supergreen and GarudaMiles so that the Company could build competitive advantage. This measure is in accordance with the Company's business concept which established 2016 as a consolidation year. Through the consolidation measure, the Company aims to achieve better operational margin and set a standardization of services.

Moreover, the Company also boosted added values in international market by constantly promoting service excellence which featured "Excellent Indonesian Hospitality" as its main competitive edge. In its implementation in 2016, the Company focused on applying the concept in a series of seamless operational activities, ranging from ground services to in-flight services so that there was no gap between them.

On the other hand, route restructurization remained one of the Company's focus, mainly to foster revenue optimization and cost efficiency. Among the measures carried out was the allocation of aircrafts in the right market and revamp on flight

Tantangan berikutnya terletak dalam proses mempercanggih perangkat *e-commerce* sehingga Perseroan dapat menghadirkan *seamless services* kepada penumpang.

The next challenge lies in the process of e-commerce device upgrade, thus the Company could deliver seamless services to the passengers.

tepat serta melakukan restrukturisasi jaringan penerbangan dalam rangka pemanfaatan sumber daya secara tepat guna. Restrukturisasi jaringan penerbangan dilakukan dengan mengurangi rute yang kurang menguntungkan, menunda pembukaan rute baru, serta melakukan penyesuaian ke beberapa rute.

Terkait dengan "Group Synergy", salah satu tantangan signifikan juga datang dari upaya percepatan konsolidasi rute antara Garuda Indonesia dengan Citilink agar dapat saling melengkapi. Dengan rute penerbangan yang saling melengkapi maka baik Garuda Indonesia dan Citilink dapat mendorong efektivitas dan efisiensi biaya dari setiap jaringan rute penerbangan yang ditempuh. Percepatan dari konsolidasi rute ini akan menjadi keunggulan utama Perseroan baik untuk bersaing di pasar penerbangan domestik maupun internasional.

Tantangan berikutnya terletak dalam proses mempercanggih perangkat *e-commerce* sehingga Perseroan dapat menghadirkan *seamless services* kepada penumpang. Hal ini menjadi fokus Perseroan yang ditargetkan dapat terealisasi dan diimplementasikan pada awal tahun 2017.

PENERAPAN TATA KELOLA PERUSAHAAN YANG BAIK

Komitmen terhadap pelaksanaan Tata Kelola Perusahaan yang Baik (GCG) selalu menjadi landasan utama bagi Direksi dan seluruh pihak manajemen dalam mengelola Perseroan. Kami percaya bahwa dengan menerapkan prinsip transparansi,

network in order to support efficient use of resources. Flight network restructurization also included the attempts to cut down on less profitable routes, to postpone launching of new routes, and to align several routes.

In regard to "Group Synergy", one of the most substantial challenges also arose from acceleration of route consolidation between Garuda Indonesia and Citilink so as to complement each other. With the complementing flight routes, both Garuda Indonesia and Citilink could drive a more effective and efficient cost from each flight routes operated. The acceleration of this route consolidation also serves as the Company's main forte to compete in both domestic and international airline markets.

The next challenge was regarding the process to upgrade e-commerce devices so that the Company could provide the passengers with seamless services. This matter will be the Company's focus which is targeted to be realized and implemented in early 2017.

IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE

Commitment to the implementation of Good Corporate Governance (GCG) always becomes the main framework for the Board of Directors and the management in managing the Company. We believe that by consistently adhering to

akuntabilitas, tanggung jawab, kemandirian, dan prinsip keadilan secara konsisten dalam setiap proses bisnis, maka Perseroan dapat mempertahankan kinerja yang baik dan juga memberikan nilai tambah bagi para pemangku kepentingan.

Pada tahun 2016 Perseroan fokus pada proses GCG dalam konteks upaya pengambilan keputusan strategis yang harus berlandaskan pada empat faktor yakni dari aspek komersial, hukum, manajemen risiko, serta kepatuhan. Keempat aspek ini harus menjadi landasan dari setiap pengambilan keputusan yang bersifat strategis. Selain itu, Perseroan juga fokus untuk meningkatkan efektivitas dan transparansi proses pengadaan melalui penggunaan *e-auction* (*online procurement*). Diharapkan dengan proses pengadaan yang berjalan baik dan efisien maka *inventory cost* yang harus dikeluarkan Perseroan berada pada tahap minimum.

Di tahun 2016 Perseroan telah melakukan penilaian GCG dengan menggunakan metode *self-assessment* sesuai dengan persyaratan regulasi, serta mengevaluasi kinerja bisnis berdasarkan indikator serta kebijakan dan sistem tertentu yang telah ditentukan. Hasil dari penilaian GCG tersebut memposisikan Perseroan pada kategori baik. Adapun hasil penilaian tersebut akan dijadikan bahan pertimbangan untuk meningkatkan implementasi GCG di Perseroan.

PERUBAHAN KOMPOSISI DIREKSI

Pada tahun 2016 telah terjadi perubahan dalam komposisi anggota Direksi Perseroan seiring dengan bergabungnya Agus Toni Soetirto, Helmi Imam Satriyono, Linggarsari Suharso, dan Sigit Muhartono ke dalam jajaran Direksi. Kami harap kehadiran mereka akan memberikan nilai tambah kepada kapabilitas dan pengalaman yang dimiliki jajaran Direksi.

Di sisi lain, kami juga ingin menyampaikan apresiasi kami kepada Handayani, Heriyanto Agung Putra, dan I Gusti Ngurah Askhara Danadiputra atas kontribusi yang telah mereka berikan selama menjabat sebagai anggota Direksi. Atas perubahan komposisi tersebut, maka susunan anggota Direksi Garuda Indonesia hingga akhir tahun 2016 adalah sebagai berikut:

- M. Arif Wibowo sebagai Direktur Utama
- Agus Toni Soetirto sebagai Direktur Niaga
- Helmi Imam Satriyono sebagai Direktur Keuangan dan Manajemen Risiko
- Iwan Joeniarto sebagai Direktur Teknik & Teknologi Informasi

the principle of transparency, accountability, responsibility, independence, and fairness in every business process, we would be able to maintain a good performance and create added value for all stakeholders.

In 2016, the Company focused on GCG process in that strategic decision making shall take into account of four aspects: commercial, law, risk management, and compliance. These four aspects shall be the foundation of every strategic decision making. In addition, the Company also emphasized on enhancing effectiveness and transparency of procurement procss through implementation of e-auction (online procurement). Through a smooth and efficient procurement process, the Company expects to keep the inventory cost at minimum.

In 2016, the Company has conducted GCG assessment using self-assessment approach in compliance with the regulation while also evaluating business performance based on specific indicators, policies, and system that have been set. The GCG assessment result has put the Company in good category. The assessment result will be taken into consideration to improve the Company's GCG implementation.

CHANGES IN THE BOARD OF DIRECTORS' COMPOSITION

The renewal of the Company's Board of Directors continued in 2016 as Agus Toni Soetirto, Helmi Imam Satriyono, Linggarsari Suharso, and Sigit Muhartono joined the Board as new Directors. We expect their presence to help enriching capability and experience of the existing Board of Directors.

On the other hand, we would like to thank Handayani, Heriyanto Agung Putra, and I Gusti Ngurah Askhara Danadiputra for their contribution during their tenure as Directors. Along with the changes, the composition of Garuda Indonesia's Board of Directors by the end of 2016 was as follows:

- M. Arif Wibowo as President Director and CEO
- Agus Toni Soetirto as Director of Commercial
- Helmi Imam Satriyono as Director of Finance and Risk Management
- Iwan Joeniarto as Director of Maintenance and Information Technology

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- Linggarsari Suharso sebagai Direktur Sumber Daya Manusia & Umum
- Nicodemus Panarung Lampe sebagai Direktur Layanan
- Novianto Herupratomo sebagai Direktur Operasi
- Sigit Muhartono sebagai Direktur Cargo

Diharapkan melalui perubahan anggota Direksi ini, Perseroan dapat mempercepat upaya perwujudan visi dan misinya.

GAMBARAN PROSPEK USAHA 2017

Pertumbuhan trafik penumpang diproyeksikan akan meningkat seiring dengan pertumbuhan perekonomian Dunia dan Indonesia. GDP dunia pada tahun 2017 diproyeksikan naik sebesar 3,40% dibandingkan tahun 2016 dari di bawah 3,00%. Sedangkan kondisi perekonomian Indonesia diproyeksikan naik sebesar 5,30% tahun 2017 dibandingkan dengan tahun 2016 sebesar 5,00%. Proyeksi pertumbuhan GDP yang baik ini diharapkan dapat membantu menstabilkan bisnis kargo dan penumpang.

Namun persaingan harga di bisnis penerbangan masih akan menjadi tantangan seiring dengan meningkatnya kapasitas produksi dari maskapai FSC dan LCC. Kompetisi akan sangat terasa di pasar penerbangan di Asia Tenggara, di mana maskapai di Asia Pasific masih akan meningkatkan kapasitas produksi baik di rute pendek maupun panjang. Keuntungan dari turunnya harga bahan bakar akan berkurang seiring dengan meningkatnya harga bahan bakar. Pada tahun 2016, harga minyak mentah Brent rata-rata adalah US$44,60 per barel dan diperkirakan meningkat menjadi US$56.00 dolar pada 2017. Hal ini akan mendorong beban bahan bakar penerbangan akan meningkat di tahun 2017 seiring dengan kenaikan harga dan penambahan kapasitas produksi.

Di sisi lain, beberapa hal yang mendukung industri penerbangan di Indonesia tumbuh pesat antara lain adalah pertambahan jumlah penumpang, pertumbuhan ekonomi, populasi, serta letak geografis. Jika dilihat dari populasi, Indonesia memiliki penduduk berkisar 250 juta jiwa sedangkan jumlah trafik penumpang udara hanya berkisar 100 juta jiwa sehingga bisnis penerbangan masih memiliki ruang yang besar untuk tumbuh. Selain itu, pertumbuhan ekonomi Indonesia juga termasuk yang tinggi jika dibandingkan dengan negara lain di dunia. Sedangkan jika ditinjau dari sisi geografis, Indonesia yang merupakan negara kepulauan tentunya sangat membutuhkan peran transportasi udara. Faktor-faktor tersebut sangat berpotensi mendorong pertumbuhan industri penerbangan nasional. Beberapa program pemerintah

- Linggarsari Suharso as Director of Human Capital and Corporate Affairs
- Nicodemus Panarung Lampe as Director of Services
- Novianto Herupratomo as Director of Operations
- Sigit Muhartono as Director of Cargo

Through the Board of Directors's renewal, the Company expects to accelerate the realization of its vision and mission.

2017 BUSINESS OUTLOOK

Passenger traffic growth is projected to soar in conjunction with the firming global and Indonesia's economic growth. The world's GDP is estimated to rise to 3.40% in 2017 from just under 3.00% in 2016. Similarly, the Indonesia's economy is likely to pick up modestly to 5.30% in 2017 versus 5.00% in 2016. The brighter GDP projection is expected to drive a more stable cargo and passenger airline business.

Nonetheless, the price competition in the airline business is pan out to remain one of the biggest challenges in line with the increased production capacity of both FSC and LCC. The competition will especially heat up in Southeast Asia market, in which Asia Pacific airlines will continue to enhance production capacity in both short-haul and long-haul flights. Profit from the low fuel price will definitely diminish once the fuel price goes up again. In 2016, Brent crude oil price average is US$44.60 per barrel and will increase to US$56.00 per barrel in 2017. It will inevitably cause the fuel cost to surge in correspondence to price hike and expanded production capacity.

On the other hand, there are a number of aspects that will help accelerating the growth of airline business in Indonesia. Among them are the increased number of passengers, economic growth, population, and geographical locations. In terms of population, Indonesia has 250 million population while total passenger traffic only reaches 100 million. As such, there is such an ample room to grow. In addition, Indonesia's economy is among the countries with the strongest growth than the rest of the world. Geographically speaking, Indonesia as an archipelago country, unquestionably favors air transportation. Those are the key aspects that will propel growth of national airline industry. Some government initiatives that also support the growth of Indonesia's airline market are Free Visa for 169 countries, 20 million foreign

yang juga mendukung pertumbuhan pasar penerbangan di Indonesia antara lain bebas visa untuk 169 negara, program 20 juta wisatawan asing tahun 2019, program pengenalan 'New Bali' dan perbaikan infrasruktur dengan meningkatkan kualitas bandara lama dan pembangunan bandara baru masih akan menjadi katalis pada bisnis penerbangan di Indonesia.

tourists by 2019 program, 'New Bali' introduction program, and infrastructure improvement by enhancing quality of older airports and construction of new airports will still be the catalyst for the airline business in Indonesia.

Perseroan memperkirakan pertumbuhan kapasitas tahun 2017 mencapai 10,00%-15.00% di mana pertumbuhan domestik akan fokus pada penambahan kapasitas di Indonesia Bagian Timur dan penambahan kapasitas penerbangan *low cost* Citilink. Pasar domestik menunjukkan pertumbuhan yang relatif lebih tinggi dibandingkan pasar internasional. Secara historis, pasar domestik tumbuh dengan CAGR 2011-2015 sebesar 6,30% dan pertumbuhan ini diperkirakan akan terus berlanjut hingga 2016-2017 sebesar 6,90%. Sedangkan untuk penerbangan internasional, Perseroan akan fokus pada penerbangan yang memiliki potensi yang besar seperti Tiongkok dan Timur Tengah. Dari data yang bersumber dari Kementerian Perhubungan, didapatkan bahwa secara historis 2011-2015 pasar internasional tumbuh dengan CAGR sebesar 6,00%. Pertumbuhan ini diperkirakan akan terus berlanjut di tahun 2016 dan 2017 dengan CAGR 5,90%. Berdasarkan region, diproyeksikan pasar internasional dengan kondisi perekonomian global yang masih melambat diperkirakan pertumbuhan tertinggi terjadi di Tiongkok dan kawasan Asia.

The Company expects its capacity to rise to 10.00% - 15.00% in 2017 in which domestic growth will focus on capacity expansion in Eastern Indonesia and Citilink low-cost flights. Domestic market indicates a relatively higher growth than international market. Historically, domestic market grow by CAGR 2011-2015 at 6.30% and the growth is likely to continue into 2016-2017 at 6.90%. As for international flights, the Company will focus on markets with bigger potentials such as China and Middle East. Drawing on data from the Ministry of Transportation, it is concluded that international market grew at CAGR of 6.00% between 2011 and 2015. The growth is expected to continue into 2016 and 2017 at CAGR of 5.90%. Based on regions, international market will see the highest growth particularly in China and Asian regions amid the suppressed global growth.

Untuk dapat tetap bertahan pada persaingan harga yang cukup ketat, Perseroan akan melakukan sinergi dengan Citilink melalui integrasi antara Supergreen & GarudaMiles. Dengan strategi ini Perseroan dapat menambah *value added* Garuda Indonesia Group. Selain itu, untuk mencegah kanibalisasi antara *brand* Garuda Indonesia dan Citilink, Perseroan akan melakukan sinergi melalui pemetaan rute yang baik dari segi jadwal dan destinasi bagi *Brand* Garuda Indonesia (FSC) dan Citilink (LCC). Pada tahun 2017 Perseroan juga akan tetap akan memusatkan strateginya pada *revenue management* untuk meningkatkan pendapatan operasional dengan memaksimalkan penerimaan penumpang, kargo, *ancillary revenue* dan kontribusi laba dari anak perusahaan.

In order to survive the intense price competition, the Company will build synergy with Citilink through integration of Supergreen & GarudaMiles. With this strategy, the Company could create higher added-values for Garuda Indonesia Group. Additionally, to prevent cannibalization between Garuda Indonesia and Citilink, the Company will build synergy by mapping routes in terms of schedules and destinations for both Garuda Indonesia (FSC) and Citilink (LCC) brand. In 2017, the Company will still emphasize on revenue management to leverage operational revenue by maximixing profits from passengers, cargo, ancillary revenue, and profit contribution from subsidiaries.

Rencana Kerja dan Anggaran Perusahaan (RKAP) 2017 merupakan RKAP tahun kedua pelaksanaan Rencana Jangka Panjang Perusahaan (RPP) periode tahun 2016 – 2020 dengan tema "SKY BEYOND". Sebagai tahun kedua pelaksanaan RJPP 2016 – 2020, perencanaan dan pencapaian atas target dalam RKAP 2017 ini akan menjadi dasar pelaksanaan

2017 Corporate Work Plan and Budget (RKAP) is the second year implementation of the Company's Long Term Plan (RPP) for year 2016 —2020 with the theme "SKY BEYOND". As the second year in implementation of RJPP 2016 —2020, planning and achievement of the targets in the 2017 RKAP will be the basis for the implementation of RJPP phases in the

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tahapan RJPP di tahun-tahun berikutnya. Penyusunan RKAP 2017 dilakukan dengan mempertimbangkan kondisi eksternal dan internal Perseroan yang sangat mempengaruhi perkembangan bisnis Perseroan di tahun 2017. Sebagaimana disampaikan oleh IMF (*International Monetary Fund*) dalam siaran persnya di bulan Agustus 2016, bahwa perekonomian dunia masih akan mengalami perlambatan pertumbuhan ekonomi. Berberapa hal yang mendorong melemahnya pertumbuhan ekonomi di antaranya masih belum pulihnya atau pertumbuhan ekonomi pada negara-negara *emerging markets*, khususnya Tiongkok masih lemah. Sedangkan pulihnya perekonomian di negara maju masih belum cukup kuat, seperti pada Amerika Serikat, Uni Eropa, Jepang, dan Tiongkok.

subsequent years. 2017 RKAP will be formulated by taking into account of both external and internal conditions that greatly affect the Company's business in 2017. As mentioned by IMF (International Monetary Fund) in its press release in August 2016, the world's economy will remain lackluster. Among the aspects that cause the stalling economy are the subdued economic growth in emerging economies, particularly China. Meanwhile, the economic recovery in developed economies are still not solid enough, as in the United States, European Union, Japan, and China.

Berdasarkan data IMF, pertumbuhan perekonomian Indonesia di tahun 2017 akan berada pada kisaran 5,30%, meningkat dibandingkan perkiraan pencapaian pertumbuhan perekonomian tahun 2016 yang berada pada kisaran 4,80%.

With reference to IMF data, Indonesia's economy will grow at roughly 5.30%, higher than the economic growth forecast in 2016 at 4.80%.

Tingkat inflasi Indonesia tahun 2016 berada pada kisaran 3,30%, namun tekanan yang berpengaruh terhadap inflasi selama tahun 2016 akan terus berkembang dan berpengaruh kepada tingkat daya beli masyarakat Indonesia. Sehingga pada tahun 2017, tingkat inflasi diperkirakan akan berada pada kisaran 3,07%.

Indonesia's inflation rate in 2016 stood at approximately 3.30%. However, the pressures that influence inflation throughout 2016 will continue to increase and affect public purchasing power. As such, inflation rate is estimated to reach 3.07% in 2017.

Faktor penting lain dari perekonomian adalah pergerakan nilai tukar Rupiah terhadap valuta asing. Berdasarkan asumsi internal perkiraan rata-rata nilai tukar Rupiah terhadap Dolar AS di tahun 2017 dapat berada di kisaran Rp13.000 – Rp13.300 per US$1. Sejalan dengan indikator tersebut, maka target operasional dan keuangan yang ditetapkan pada tahun 2017 sebagai berikut:

Another factor that will contribute to the economic conditions is the foreign exchange rate. Based on internal assumption, Rupiah/USD exchange rate in 2017 will average between Rp13,000 to Rp13,300. In line with these indicators, the operational and financial targets set in 2017 are as follows:

Indikator	Target 2017 2017 Target	Indicator
Operasional		Operational
ASK (Milliar)	66,64	ASK (bio)
RPK (Milliar)	48,05	RPK (bio)
Penumpang (Juta)	38,78	Passenger (mio)
SLF	72,11%	SLF
Frekuensi	308.681	Frequency
Pangsa Pasar Domestik	47,69%	Market share domestic
Pangsa Pasar Internasional	26,53%	Market share internasional
Utilisasi (Jam)	9:21	Utilization (hour)
Tingkat Ketepatan Waktu	88,00%	On-Time Performance

Indikator	Target 2017 2017 Target	Indicator
Usia Rata-Rata Pesawat (Tahun)	5,06	Average age of fleet (year)
Armada	199	Fleets
Penghargaan	5 STARS THE BEST CABIN STAFF	Awards
Finansial		**Financial**
Pendapatan Usaha (Milliar)	4,52	Revenues (bio)
Laba (Rugi) Bersih (Juta)	57,80	Net profit (mio)
Marjin Laba (Rugi) Bersih	1,28%	Net margin
Kas Minimum	5,00%	Minimum cash
Aset (Miliar)	4,39	Asset (bio)
Liabilitas (Miliar)	3,34	Liability (bio)
Ekuitas (Miliar)	1,05	Equity (bio)
DER	2,50	DER
Destinasi Internasional	22	Internasional Destination
Destinasi Domestik	68	Domestic Destination
Rata-Rata Harga Bahan Bakar (USc/L)	54,27	Average fuel price (USc/L)
Nilai Tukar (IDR/USD)	13.500	Exchange rate (USD/IDR)

APRESIASI

Seluruh jajaran Direksi mengucapkan apresiasi dan terima kasih sebesar-besarnya kepada para pemegang saham, pemangku kepentingan, serta mitra bisnis. Apresiasi mendalam khususnya juga ditujukan kepada Dewan Komisaris, komite-komite terkait, serta seluruh karyawan yang turut berkontribusi mendukung tumbuh kembang Perseroan. Terima kasih juga kami sampaikan kepada pemerintah, pihak regulator, masyarakat luas, serta penumpang setia Garuda Indonesia pada khususnya atas segala dukungan yang senantiasa mendorong kemajuan Perseroan. Berbekal dukungan penuh dari seluruh pihak, Garuda Indonesia berkomitmen untuk dapat terus menjadi maskapai kebanggaan bangsa.

APPRECIATION

The Board of Directors would like to thank and give utmost appreciation to all shareholders, stakeholders, and business partners. Highest gratitude also goes to the Board of Commissioners, related committees, and all of the employees that have contributed to the growth of Garuda Indonesia. We would also like to express our gratitude to the government, regulators, as well as the general public and loyal passengers of Garuda Indonesia in promoting Garuda Indonesia's development. Thanks to the full support of all parties, Garuda Indonesia is committed to continue being pride of the nation.

Atas nama Direksi,
On behalf of the Board of Directors,

M. Arif Wibowo
Direktur Utama
President & CEO

DIREKSI
Board of Directors

PROFIL **DIREKSI**
Board of Directors' Profile

M. Arif Wibowo
Direktur Utama
President & CEO

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Purwokerto, 19 September 1966 /
Purwokerto, September 19, 1966

Usia / Age
50 tahun / 50 years old

Domisili / Domicile
Banten, Indonesia / Banten, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment

Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 4 tanggal 12 Desember 2014
Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 4 dated December 12, 2014

Latar Belakang Pendidikan / Educational Background

1995	Magister Manajemen Transportasi Udara, Universitas Indonesia Master of Air Transport Management, University of Indonesia
1989	Sarjana Teknik Mesin, Institut Teknologi Sepuluh Nopember Surabaya Bachelor of Mechanical Engineering, Sepuluh Nopember Institute of Technology

Pengalaman Kerja / Work Experiences

2014 - Present	Direktur Utama PT Garuda Indonesia (Persero) Tbk President & CEO of PT Garuda Indonesia (Persero) Tbk
2012 - 2014	Direktur Utama PT Citilink Indonesia President Director of PT Citilink Indonesia
2012	EVP Marketing & Sales PT Garuda Indonesia (Persero) Tbk EVP Marketing & Sales PT Garuda Indonesia (Persero) Tbk

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Nov 2016	Kompas CEO Forum: "Memantapkan Iklim Investasi Tahun 2017" Kompas CEO Forum: "Strengthening Investment Climate in 2017"
Oct 2016	Forum Diskusi Publik Sektor Transportasi "Membangun Konektivitas Transportasi untuk memacu pertumbungan Ekonomi Indonesia" Public Discussion Forum of Transportation Sector "Building Transportation Connectivity to Drive Indonesia Economic Growth"
Apr 2016	Asean Conference & Chief Editor Forum session I : "Where is the ASEAN Economic Community Heading" Asean Conference & Chief Editor Forum session I : "Where is the ASEAN Economic Community Heading"
Jan 2016	Kuliah Umum "Upaya Peningkatan Daya Saing Industri Penerbangan Domestik (PT Garuda Indonesia) dalam menghadapi MEA 2016" Public Lecture "Improving the Domestic Aviation Industry Competitiveness (PT Garuda Indonesia) in Facing AEC 2016"
Jan 2016	Corporate Sharing Session: Kick Off 2016 dengan tema "Leading in the Difficult Era" Corporate Sharing Session: Kick Off 2016 with the theme "Leading in the Difficult Era "

Agus Toni Soetirto

Direktur Niaga
Director of Commercial

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Yogyakarta, 18 Agustus 1958 /
Yogyakarta, August 18, 1958

Usia / Age
58 tahun / 58 years old

Domisili / Domicile
DKI Jakarta, Indonesia /
DKI Jakarta, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment

Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 2 tanggal 15 April 2016

Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 2 dated April 15, 2016

Latar Belakang Pendidikan / Educational Background

1981	Sarjana Pertanian Agribisnis, Institut Pertanian Bogor Bachelor of Agribusiness, Bogor Agricultural University

Pengalaman Kerja / Work Experiences

2016 - Present	Direktur Niaga PT Garuda Indonesia (Persero) Tbk Director of Commercial at PT Garuda Indonesia (Persero) Tbk
2006 - 2016	Direktur Konsumer PT Bank Rakyat Indonesia (Persero) Tbk Consumer Director of PT Bank Rakyat Indonesia (Persero) Tbk
2002 - 2006	Direktur Komersial PT Bank Bukopin Tbk Commercial Director of PT Bank Bukopin Tbk
1999 - 2001	Direktur Compliance & Risk Management PT Bank Bukopin Tbk Director of Compliance & Risk Management PT Bank Bukopin Tbk

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Dec 2016	Indonesia Aviation Research Center (IARC) Seminar "Private Participation in Airport Development" Indonesia Aviation Research Center (IARC) Seminar "Private Participation in Airport Development"
Dec 2016	Focus Group Discussion (FGD) "Inflasi Angkutan Udara" Focus Group Discussion (FGD) "Air Transport Inflation"

PROFIL **DIREKSI**
Board of Directors' Profile

Helmi Imam Satriyono
Direktur Keuangan dan Manajemen Risiko
Director of Finance and Risk Management

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Semarang, 25 Mei 1968 /
Semarang, May 25, 1968

Usia / Age
48 tahun / 48 years old

Domisili / Domicile
DKI Jakarta, Indonesia /
DKI Jakarta, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment
Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 2 tanggal 15 April 2016
Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 2 dated April 15, 2016

Latar Belakang Pendidikan / Educational Background

2000	Magister Manajemen Keuangan & Perbankan, Universitas Indonesia Master of Finance & Banking Management, University of Indonesia
1992	Sarjana Matematika, Institut Teknologi Bandung Bachelor of Mathematics, Bandung Institute of Technology

Pengalaman Kerja / Work Experiences

2016 - Present	Direktur Keuangan dan Manajemen Risiko PT Garuda Indonesia (Persero) Tbk Director of Finance & Risk Management at PT Garuda Indonesia (Persero) Tbk
2013 - 2016	Chief Executive Bank Mandiri (Europe) Limited Chief Executive Bank Mandiri (Europe) Limited
2012 - 2013	Direktur Treasury Mandiri Sekuritas Director of Treasury at Mandiri Sekuritas

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Nov 2016	British Bank Association Liquidity & Risk Management Workshop 2016 British Bank Association Liquidity & Risk Management Workshop 2016

Iwan Joeniarto

Direktur Teknik & Teknologi Informasi
Director of Maintenance & Information Technology

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Surabaya, 16 Juni 1968 /
Surabaya, June 16, 1968

Usia / Age
48 tahun / 48 years old

Domisili / Domicile
Banten, Indonesia / Banten, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment

Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 4 tanggal 12 Desember 2014

Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 4 dated December 12, 2014

Latar Belakang Pendidikan / Educational Background

1992	Sarjana Teknik Industri, Institut Teknologi Sepuluh Nopember Surabaya Bachelor of Industrial Engineering, Sepuluh Nopember Institute of Technology

Pengalaman Kerja / Work Experiences

2014 - Present	Direktur Teknik & Teknologi Informasi PT Garuda Indonesia (Persero) Tbk Director of Maintenance & Information Technology at PT Garuda Indonesia (Persero) Tbk
2012 - 2013	EVP Line Operation PT Garuda Maintenance Facility Aero Asia (GMF AA) EVP Line Operation at PT Garuda Maintenance Facility Aero Asia (GMF AA)
2010 - 2012	VP Base Maintenance PT Garuda Maintenance Facility Aero Asia (GMF AA) VP Base Maintenance at PT Garuda Maintenance Facility Aero Asia (GMF AA)

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Nov 2016	Asia Pacific Air Finance Conference Asia Pacific Air Finance Conference
Apr 2016	Aircraft Interiors Expo & Conference Aircraft Interiors Expo & Conference

PROFIL DIREKSI
Board of Directors' Profile

Linggarsari Suharso
Direktur Sumber Daya Manusia & Umum
Director of Human Capital & Corporate Affairs

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Jakarta, 18 Agustus 1961 /
Jakarta, August 18, 1961

Usia / Age
55 tahun / 55 years old

Domisili / Domicile
Jawa Barat, Indonesia / West Java, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment
Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 2 tanggal 15 April 2016
Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 2 dated April 15, 2016

Latar Belakang Pendidikan / Educational Background

2006	Magister Psikologi Industri & Organisasi, Universitas Indonesia Master of Industrial & Organizational Psychology, University of Indonesia
1985	Sarjana Psikologi, Universitas Indonesia Bachelor of Psychology, University of Indonesia

Pengalaman Kerja / Work Experiences

2016 - Present	Direktur Sumber Daya Manusia & Umum PT Garuda Indonesia (Persero) Tbk Director of Human Capital & Corporate Affairs at PT Garuda Indonesia (Persero) Tbk
2012 - 2016	Partner Renoir Consulting Partner Renoir Consulting
2007 - 2016	Managing Partner, PDA Consultant Managing Partner, PDA Consultant
2005 - 2007	EVP Human Capital, PT Bank Permata EVP Human Capital, PT Bank Permata

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Oct 2016	The Organizational Science Summit Convening Leaders to Shape the Future of Human Capital The Organizational Science Summit Convening Leaders to Shape the Future of Human Capital

Nicodemus Panarung Lampe

Direktur Layanan
Director of Services

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Banjarmasin, 19 Juni 1960 /
Banjarmasin, June 19, 1960

Usia / Age
56 tahun / 56 years old

Domisili / Domicile
DKI Jakarta, Indonesia /
DKI Jakarta, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment

Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 3 tanggal 15 Mei 2015

Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 3 dated May 15, 2015

Latar Belakang Pendidikan / Educational Background

1996	Magister Manajemen Transportasi Udara, Universitas Indonesia Master of Air Transport Management, University of Indonesia
1985	Sarjana Ekonomi, Universitas Sebelas Maret, Solo Bachelor of Economics, Sebelas Maret University, Solo

Pengalaman Kerja / Work Experiences

2015 - Present	Direktur Layanan PT Garuda Indonesia (Persero) Tbk Director of Services at PT Garuda Indonesia (Persero) Tbk
2015	VP Ground Services PT Garuda Indonesia (Persero) Tbk VP Ground Services at PT Garuda Indonesia (Persero) Tbk
2013 - 2015	VP Domestic Region 2 (Jakarta & West Java) PT Garuda Indonesia (Persero) Tbk VP Domestic Region 2 (Jakarta & West Java) PT Garuda Indonesia (Persero) Tbk
2013 - 2015	VP International Region Asia PT Garuda Indonesia (Persero) Tbk VP International Region Asia at PT Garuda Indonesia (Persero) Tbk

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Dec 2016	Panelis, Press Conference Pemilihan Puteri Indonesia Panelist, Press Conference of Miss Indonesia Audition
Jul 2016	Pembicara, Press Conference The Amazing Race Asia 5 Speaker, Press Conference of The Amazing Race Asia 5
Mar 2016	Panelis, WOW Brand 300 Showcase Panelist, WOW Brand 300 Showcase

PROFIL **DIREKSI**
Board of Directors' Profile

Novianto Herupratomo
Direktur Operasi
Director of Operations

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Malang, 25 November 1959 /
Malang, November 25, 1959

Usia / Age
57 tahun / 57 years old

Domisili / Domicile
Jawa Barat, Indonesia / West Java, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment

Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 33 tanggal 27 April 2012

Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 33 dated April 27, 2012

Latar Belakang Pendidikan / Educational Background

1981	Lembaga Pendidikan Perhubungan Udara (LPPU), Curug, Tangerang Civil Aviation Institution (LPPU), Curug, Tangerang

Pengalaman Kerja / Work Experiences

2012 - Present	Direktur Operasi PT Garuda Indonesia (Persero) Tbk Director of Operations at PT Garuda Indonesia (Persero) Tbk
2010 - 2012	VP Corporate Quality, Safety & Environment Management, PT Garuda Indonesia (Persero) Tbk VP Corporate Quality, Safety & Environment Management, PT Garuda Indonesia (Persero) Tbk
2005 - 2010	VP Flight Safety, Aviation Security & Environment, PT Garuda Indonesia (Persero) VP Flight Safety, Aviation Security & Environment, PT Garuda Indonesia (Persero)

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Nov 2016	AAPA 60th Assembly of President AAPA 60th Assembly of President
Oct 2016	Workshop IATA "25th AVSEC WORLD" Workshop IATA "25th AVSEC WORLD"
Sep 2016	39th Triennial ICAO Assembly 39th Triennial ICAO Assembly
May 2016	Transportation Ministerial Meeting (TMM) on Civil Aviation in Developing Countries 2016 Transportation Ministerial Meeting (TMM) on Civil Aviation in Developing Countries 2016
Apr 2016	IATA Ops Conference 2016 IATA Ops Conference 2016

Sigit Muhartono

Direktur Cargo
Director of Cargo

Kewarganegaraan / Citizenship
Indonesia / Indonesian

Tempat & Tanggal Lahir / Place & DOB
Malang, 14 Desember 1962 /
Malang, December 14, 1962

Usia / Age
54 tahun / 54 years old

Domisili / Domicile
Banten, Indonesia / Banten, Indonesia

Dasar Hukum Pengangkatan / Legal Basis of Appointment

Akta Pernyataan Keputusan Rapat Perubahan Anggaran Dasar Perusahaan Perseroan PT Garuda Indonesia (Persero) Tbk No. 2 tanggal 15 April 2016

Deed of the Amendment to the Company's Articles of Association of PT Garuda Indonesia (Persero) Tbk No. 2 dated April 15, 2016

Latar Belakang Pendidikan / Educational Background

1987	Master of Business Administration (M.B.A), Saint Louis University – Missouri, USA Master of Business Administration (M.B.A), Saint Louis University – Missouri, USA
1981	Sarjana Teknik Sipil, Institut Teknologi Sepuluh Nopember Surabaya Bachelor of Civil Engineering, Sepuluh Nopember Institute of Technology

Pengalaman Kerja / Work Experiences

2016 - Present	Direktur Layanan Kargo PT Garuda Indonesia (Persero) Tbk Director of Cargo at PT Garuda Indonesia (Persero) Tbk
2015 - 2016	Presiden Direktur, PT Central Pertiwi Bahari President Director, PT Central Pertiwi Bahari
2013 - 2014	Presiden Direktur, PT Truba Jaya Engineering President Director, PT Truba Jaya Engineering

Pelatihan dan Pengembangan Kompetensi / Training and Competence Development

Dec 2016	Kuliah Tamu: "Leadership in Big Corporate for Career Building" Guest Lecture: "Leadership in Big Corporate for Career Building"

03

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Corporate Identity

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Significant Events in 2016

PROFIL **PERUSAHAAN**

Company Profile

IDENTITAS **PERSEROAN**
Corporate Identity

Nama Perusahaan Company Name	PT Garuda Indonesia (Persero) Tbk
Bidang Usaha Line of Business	Jasa Angkutan Udara Niaga Commercial Air Transportation Services
Status Perusahaan Company Status	Perusahaan Terbuka Public Company
Kepemilikan Ownership	• Pemerintah Negara Republik Indonesia / Government of the Republic of Indonesia : 60,5% • Credit Suisse AG Singapore TC AR CL - PT Trans Airways : 24,6% • Masyarakat (kepemilikan di bawah 2%) / Public (with ownership of less than 2%) : 14,9%
Tanggal Pendirian: Date of Establishment	31 Maret 1950 March 31, 1950
Perubahan Nama Perusahaan Change of Company Name	**31 Maret 1950 / March 31, 1950** Nama / Name : Garuda Indonesian Airways N.V. Jenis / Type : Perusahaan Negara / State Enterprise **4 Maret 1975 / March 4, 1975** Nama / Name : PT Garuda Indonesia Airways Jenis / Type : Persero / Company **4 April 1989 / April 4, 1989** Nama / Name : PT (Persero) Perusahaan Penerbangan Garuda Indonesia Jenis / Type : Persero / Company **16 November 2010 / November 16, 2010** Nama / Name : PT Garuda Indonesia (Persero) Tbk Jenis / Type : Perusahaan Terbuka / Public Company
Landasan Hukum Pendirian & Perubahannya Legal Basis of Establishment & the Changes	**31 Maret 1950 /** March 31, 1950 Dasar Pendirian / Basis of Establishment Akta No. 137 tanggal 31 Maret 1950 dari notaris Raden Kadiman, yang kemudian disahkan dalam Surat Keputusan (SK) Menteri Kehakiman Republik Indonesia No. J.A.5/12/10 tanggal 31 Maret 1950 dan diumumkan pada Berita Negara Republik Indonesia Serikat (R.I.S.) No. 30 tanggal 12 Mei 1950, tambahan No. 136 Deed No. 137 dated March 31, 1950 of notary Raden Kadiman, which was ratified in the Decree of Minister of Justice of the Republic of Indonesia No. J.A.5/12/10 dated March 31, 1950 and was published in the State Gazette of the Republic of the United States of Indonesia (R.I.S.) No. 30 dated May 12, 1950, supplement No. 136 **4 Maret 1975 /** March 4, 1975 Dasar Perubahan / Basis of Change Peraturan Pemerintah No. 67 tahun 1971 yang direalisasikan melalui Akta No. 8 tanggal 4 Maret 1975 dari notaris Soeleman Ardjasasmita, S.H., dan diumumkan pada Berita Negara Republik Indonesia No. 68 tanggal 26 Agustus 1975, tambahan No. 434 Government Regulation No. 67 of 1971 which realized through Deed No. 8 dated March 4, 1975 from the notary Soeleman Ardjasasmita, S.H, and published in the State Gazette of the Republic of Indonesia No. 68 dated August 26, 1975, supplement No. 434

4 April 1989 / April 4, 1989

Dasar Perubahan / Basis of Change

Akta No. 3 tanggal 4 April 1989 dari notaris Soeleman Ardjasasmita, S.H., yang kemudian disahkan Surat Keputusan (SK) Menteri Kehakiman Republik Indonesia No. C2-4163. HT.01.04. Tahun 1989 tanggal 3 Mei 1989 dan diumumkan pada Berita Negara Republik Indonesia No. 44 tanggal 2 Juni 1989, tambahan No. 970

Deed No. 3 dated April 4, 1989 from the notary Soeleman Ardjasasmita, S.H, which later ratified by the Decree of Minister of Justice of the Republic of Indonesia No. C2-4163. HT.01.04. Year 1989 dated May 3, 1989 and published in the State Gazette of the Republic of Indonesia No. 44 dated June 2, 1989, supplement No. 970

16 November 2010 / November 16, 2010

Dasar Perubahan / Basis of Change

Akta No. 24 tanggal 16 November 2010 dari notaris Fathiah Helmi, S.H., yang disahkan melalui Surat Keputusan (SK) Menteri Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-54724.AH.01.02. Tahun 2010 tanggal 22 November 2010 dan diumumkan pada Berita Negara Republik Indonesia No. 26 tanggal 30 Maret 2012, tambahan No. 13900

Deed No. 24 dated November 16, 2010 from the notary Fathiah Helmi, S.H., which was ratified by the Decree of Minister of Justice and Human Rights of the Republic of Indonesia No. AHU-54724.AH.01.02. Year 2010 dated November 22, 2010 and published in State Gazette of the Republic of Indonesia No. 26 dated March 30, 2012, supplement No. 13900

Modal Dasar Authorized Capital	30.000.000.000 saham dengan nilai nominal total Rp13.770.000.000.000 atau masing-masing bernilai Rp459 30,000,000,000 shares with total par value of Rp13,770,000,000,000 or Rp459 each
Modal Disetor Paid-up Capital	25.868.926.633 saham dengan nilai nominal total Rp11.873.837.324.547 25,868,926,633 shares total par value of Rp11,873,837,324,547
Pencatatan Saham Share Listing	Perseroan mencatatkan sahamnya di Bursa Efek Indonesia pada 11 Februari 2011 The Company listed its shares at Indonesia Stock Exchange on February 11, 2011
Kode Saham Ticker Code	GIAA
Jenis Saham Share Type	Saham Seri A Dwiwarna dan Saham Seri B Series A Dwiwarna Shares and Series B Shares
Jumlah Armada Total Fleet	196 armada per 31 Desember 2016 196 fleets as of December 31, 2016
Jumlah Rute Penerbangan Network Destination	64 destinasi domestik dan 19 destinasi internasional 64 domestic destination and 19 international destination
Jumlah Karyawan Number of Employees	Perseroan / Company : 7.988 Garuda Indonesia Group : 16.735
Hasil Pemeringkatan Obligasi Bond Rating	BBB+ (idn) dari PT Fitch Ratings Indonesia BBB+ (idn) from PT Fitch Ratings Indonesia

IDENTITAS PERSEROAN
Corporate Identity

Alamat
Address

Kantor Pusat / Head Office
Jl. Kebon Sirih No. 44
Jakarta 10110, Indonesia

Kantor Manajemen / Management Office
Gedung Manajemen Garuda Indonesia – Garuda City
Bandar Udara Internasional Soekarno-Hatta
Cengkareng 19120
T. (+62 21) 2560 1001

Sekretaris Perusahaan
Corporate Secretary

Hengki Heriandono
VP Corporate Secretary & Investor Relations

Lantai 2, Gedung Manajemen Garuda Indonesia – Garuda City
Bandar Udara Internasional Soekarno-Hatta
Cengkareng 19120
hengki@garuda-indonesia.com

Hubungan Investor
Investor Relation

Gedung Manajemen Lantai 2
Management Building 2nd Floor
Garuda City
Soekarno-Hatta International Airport
Cengkareng 19120
Indonesia
T. (+62 21) 2560 1201
F. (+62 21) 5591 5673
E. investor@garuda-indonesia.com
www.garuda-indonesia.com

Contact Center 24/7
0804 1 807 807 / (+62 21) 2351 9999
*) Layanan Contact Center tersedia selama 24 jam sehari dan 7 hari seminggu serta dapat diakses dari seluruh dunia (International Toll Free Service/ITFS)
*) Contact Center service is available 24 hours a day and 7 days a week and accessible from all over the world (International Toll Free Service/ITFS)

customer@garuda-indonesia.com

@IndonesiaGaruda PT.GarudaIndonesia indonesia.garuda Garuda Indonesia Garuda Indonesia

VISI, MISI, **STRATEGI DAN NILAI**
Vision, Mission, Strategy and Values

VISI
Vision

To be a sustainable airline company through customer-oriented services and growth in profit.

MISI
Mission

Maximize shareholder return through strong revenue growth, cost leadership in full service operations, and group synergy while providing the highest value to customers through excellent Indonesian hospitality.

Visi & Misi Perseroan telah disetujui oleh Dewan Komisaris dan Direksi pada tanggal 26 Januari 2016 serta dievaluasi oleh Dewan Komisaris secara periodik.
The Company's Vision and Mission have been approved by the the Board of Commissioners and the Board of Directors on January 26, 2016 while also being evaluated periodically by the Board of Commissioners.

Strategi Perusahaan
Company Strategy

SKY BEYOND 2016 – 2020

Excellent Indonesian Hospitality

1. Memberikan layanan terdepan pada *in-flight* dan *ground services*.
2. Memastikan keandalan operasi.
3. Mempertahankan *positioning premium*.

1. Deliver the leading in-flight & ground services.
2. Ensure operation reliability.
3. Strengthen premium brand positioning.

Return Maximization

4. Meningkatkan margin operasi.
5. Meningkatkan kemampuan komersial.
6. Meningkatkan *customer value*.
7. Menanamkam pola pikir yang mengedepankan *cost effectiveness*.
8. Meningkatkan efisiensi di operasi.

4. Maximize operational margin.
5. Improve commercial capabilities.
6. Enhance customer value.
7. Indoctrinate cost effectiveness.
8. Boost operation efficiency.

Group Synergy

9. Memperkuat pasar domestik.
10. Meningkatkan daya saing operasi.

9. Strengthen domestic market.
10. Achieve operational competitiveness.

VISI, MISI, **STRATEGI DAN NILAI**
Vision, Mission, Strategy and Values

Nilai-nilai Perusahaan Company Values

SYNERGY

We are determined to increase company growth by generating a joint effort among its entities and with other potential partners.

INTEGRITY

We highly value strong business ethics, accountability, and social responsibility to create a trustworthy culture.

CUSTOMER FOCUS

We continue enhancing customer experience to drive long-term commercial success.

AGILITY

We build strategic behavior through adaptive and creative actions for strengthening action resilience.

SAFETY

We provide high quality products by prioritizing safety and security.

KEY **BEHAVIOUR**

• Collaborate • Empower Diversity	• Honesty • Commitment	• Care and polite • Fast and easy	• Adaptive and Creative • Persistent	• Compliance • Risk management

Proses Menentukan **Nilai-Nilai Baru**
Redefining New Values

SEKILAS **PERSEROAN**
Company at a Glance

Selama tiga tahun berturut-turut hingga tahun 2016 Garuda Indonesia memperoleh penghargaan "The World's Best Cabin Crew".

For three consecutive years until 2016 Garuda Indonesia was awarded as "The World's Best Cabin Crew".

PT Garuda Indonesia (Persero) Tbk (yang selanjutnya disebut sebagai "Perseroan") 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

PT Garuda Indonesia (Persero) Tbk (herein after referred as "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

Akta No. 8 tanggal 4 Maret 1975 dari Notaris Soeleman Ardjasasmita, 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.

Selama kurun waktu tersebut hingga saat ini, Anggaran Dasar Perseroan telah mengalami beberapa kali perubahan, terakhir dengan Akta No. 3 tanggal 15 Mei 2015 dari Aulia Taufani, S.H., notaris di Kabupaten Tangerang, mengenai perubahan Pasal 5 ayat 2a dan Pasal 15 ayat 2.b.4 sehubungan dengan hak-hak istimewa Saham Seri A Dwiwarna dan kewajiban Dewan Komisaris. Perubahan ini telah diterima dan dicatat Kementerian Hukum dan Asasi Manusia Republik Indonesia melalui Surat Penerimaan Pemberitahuan Perubahan Anggaran Dasar No. AHU-10385.40.21.2014 tanggal 30 Desember 2014.

Seiring waktu dan perkembangan usahanya, armada Perseroan terus berkembang, di mana untuk pertama kalinya maskapai tanah air tersebut mulai membawa penumpang jamaah Haji ke Mekkah pada tahun 1956 dan kemudian memasuki kawasan Eropa pada tahun 1965 dengan tujuan akhir di Amsterdam.

Dua dekade berikutnya menandai titik penting dalam sejarah Perseroan di mana terjadi revitalisasi dan restrukturisasi terhadap seluruh struktur Perseroan dan kegiatan operasional guna memasuki era persaingan terbuka industri penerbangan baik di kalangan nasional maupun internasional. Dalam proses ini, Perseroan fokus pada pelatihan dan pengembangan kompetensi karyawannya melalui pendirian sebuah pusat pelatihan karyawan, yaitu Garuda Indonesia Training Center (GITC) yang berlokasi di Jakarta Barat. Selain itu, Garuda Indonesia juga mendirikan Pusat Perawatan Pesawat, Garuda Maintenance Facility AeroAsia (GMFAA) di Bandara Internasional Soekarno-Hatta pada rentang waktu yang sama.

Setelahnya, era 90-an dan awal milenium juga menjadi babak penting bagi Perseroan dalam aspek pertumbuhan bisnis. Kedua era tersebut dijadikan Garuda Indonesia sebagai tahun-tahun perencanaan di mana maskapai tersebut mulai menyusun strategi jangka panjang dan membentuk manajemen baru. Oleh karena itu, tahun-tahun tersebut banyak diwarnai langkah strategis, evaluasi, peningkatan efisiensi, dan pembaharuan.

Soeleman Ardjasasmita, 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.

As of today, the Company's Articles of Association has been amended several times, with the latest amendment based on Deed No. 3 dated May 15, 2015 of Notary Aulia Taufani, S.H., in Tangerang, regarding the amendment of Article 5 paragraph 2a and Article 15 paragraph 2.b.4 on the priviledge right of Series A Dwiwarna Shares and obligation of the Board of Commissioners. The amendment has been approved and registered by the Ministry of Law and Human Rights of the Republic of Indonesia through its Decision Letter No. AHU-10385.40.21.2014 dated December 30, 2014.

Over the course of time and its business development, the Company's fleet continued to expand in which the airline had its first hajj flight to Mecca in 1956 and then expanded its scheduled flight to Europe in 1965 with Amsterdam being the final destination.

The next two decades marked a significant point in the history of the Company in which it underwent revitalization and restructuring across the Company's structure and operational activities so as to enter the open competition era in both national and international aviation industry. In this process, the Company focused on training and competence development of its employees through the establishment of employee training center, namely Garuda Indonesia Training Center (GITC) located in West Jakarta. In addition, Garuda Indonesia also established Aircraft Maintenance Center, Garuda Maintenance Facility AeroAsia (GMFAA) at the Soekarno-Hatta International Airport in the same time frame.

Later, the era of '90s and early millennium has also become an important chapter for the Company in terms of business growth. Both era served as Garuda Indonesia's years of planning in which the airline began to draw up a long-term strategy and form a new management. Therefore, these years were filled with strategic measures, evaluation, efficiency improvement, and renewal.

SEKILAS **PERSEROAN**
Company at a Glance

Dalam perjalanannya sebagai maskapai kebanggaan bangsa, Perseroan juga tidak henti-hentinya mengasah keunggulan dan menyempurnakan diri, di antaranya dengan secara konsisten berusaha mencapai standar keamanan dan keselamatan terbaik. Atas usahanya tersebut, Perseroan menjadi satu-satunya maskapai Indonesia yang memperoleh sertifikasi IATA Operational Safety Audit (IOSA) Operator pada tahun 2008.

As the nation's flag carrier, Garuda Indonesia never ceased in honing excellence and self-improvement, among others by consistently trying to achieve the best security and safety standards. Upon this commitment, Garuda Indonesia became the only Indonesian airline which obtained certification of IATA Operational Safety Audit (IOSA) Operator in 2008.

Tiga tahun berselang, pada usianya yang semakin matang, Perseroan membuka lembaran baru dengan melenggang sebagai perusahaan publik setelah melakukan penawaran umum perdana (Initial Public Offering) atas 6.335.738.000 saham Perseroan kepada masyarakat pada 11 Februari 2011. Saham tersebut telah dicatatkan pada Bursa Efek Indonesia pada 11 Februari 2011 dengan kode GIAA. Momen pencatatan saham ke publik merupakan salah satu tonggak sejarah penting bagi Perseroan setelah berhasil menyelesaikan transformasi bisnisnya melalui kerja keras serta dedikasi berbagai pihak.

Three years later, as the Company getting mature, Garuda Indonesia has opened a new chapter by waltzing as a public company after holding Initial Public Offering of 6,335,738,000 shares to the public on February 11, 2011. The shares were listed on Indonesia Stock Exchange on February 11, 2011 with the ticker code GIAA. The moment of shares listing was an important milestone for Garuda Indonesia after successfully completing its business transformation through hard work and dedication of all parties.

Seiring dengan kinerja yang semakin gemilang dan eksistensi yang semakin kuat di industri penerbangan nasional dan global, Perseroan meraih beragam apresiasi dan penghargaan nasional dan internasional.

Along with the increasing performance and growing existence in national and global aviation industry, Garuda Indonesia has received several national and international awards.

Pada tahun 2013, Perseroan memperoleh penghargaan "The World's Best Economy Class" dan "Best Economy Class Airline Seat", serta dinobatkan pada peringkat ke-7 dalam jajaran "The World's Top 10 Airlines" dan "Airline Terbaik di Kawasan Asia dan Australasia" ("Best in Region: Asia and Australasia") pada "Passenger Choice Award 2013". Perseroan dinobatkan sebagai salah satu dari tujuh maskapai bintang lima di dunia pada tahun 2014. Selanjutnya selama tiga tahun berturut-turut hingga tahun 2016 Perseroan memperoleh penghargaan "The World's Best Cabin Crew".

In 2013, Garuda Indonesia was awarded "The World's Best Economy Class" and "Best Economy Class Airline Seat", and was ranked 7th in "The World's Top 10 Airlines" and "Best Airline in Central Asia and Australasia" ("Best in Region: Asia and Australasia") on "Passenger Choice Award 2013". Garuda Indonesia was crowned as one of seven five-star airline in the world in 2014. Furthermore, for three consecutive years until 2016 Garuda Indonesia was awarded as "The World's Best Cabin Crew".

Di samping prestasi yang gemilang, langkah Perseroan di ranah penerbangan internasional juga semakin mantap sejak bergabung dengan aliansi penerbangan sebagai bagian dari program pengembangan jaringan internasionalnya. Dengan bergabungnya Perseroan dalam SkyTeam, pengguna jasa Perseroan dapat terhubung ke 1.062 destinasi di 177 negara yang dilayani oleh seluruh maskapai penerbangan anggota SkyTeam dengan total lebih dari 17.300 penerbangan per hari. Selain itu, para pengguna jasa Perseroan juga mendapatkan akses langsung ke 672 lounges SkyTeam terbaik di seluruh dunia. Selain itu, Perseroan juga melakukan perjanjian

In addition to the glorious achievement, Garuda Indonesia's steps in the realm of international flights were also increasingly steadily since joining the airline alliance as part of its international network expansion program. Upon joining the SkyTeam, Garuda Indonesia's service users could connect to 1,062 destinations in 177 countries served by all SkyTeam member airlines with a total of more than 17,300 flights per day. In addition, service users of Garuda Indonesia also provided with direct access to the best 672 SkyTeam lounges around the world. In addition, Garuda Indonesia also has codeshare agreement with 26 international airlines in East

Dengan bergabungnya Garuda Indonesia dalam SkyTeam, pengguna jasa Garuda Indonesia dapat terhubung ke 1.062 destinasi di 177 negara.

Upon joining the SkyTeam, Garuda Indonesia's service users could connect to 1,062 destinations in 177 countries.

codeshare dengan 26 maskapai internasional di Asia Timur, Asia Tenggara, Timur Tengah, Eropa, dan Amerika.

Memasuki tahun ke-70 di industri penerbangan, Perseroan telah menempuh perjalanan jauh untuk pertama kalinya di tahun 1949. Dalam perjalanan panjangnya sebagai maskapai milik pemerintah, Perseroan terus bertransformasi dari sebuah maskapai nasional pertama menjadi salah satu maskapai kelas dunia kebanggaan Indonesia yang melayani berbagai destinasi pilihan dilingkup domestik maupun internasional.

Hingga tahun 2016, Perseroan memiliki 7 (tujuh) entitas anak yang berfokus pada produk/jasa pendukung bisnis perusahaan induk, yaitu PT Aero Wisata, PT Sabre Travel Network Indonesia, PT Garuda Maintenance Facility Aero Asia, PT Aero Systems Indonesia, PT Citilink Indonesia, PT Gapura Angkasa, dan Garuda Indonesia Holiday (GIH) France. Dalam menjalankan kegiatan operasionalnya, Perseroan didukung oleh 7.988 orang karyawan, termasuk 248 orang siswa yang tersebar di kantor pusat dan kantor cabang.

Asia, Southeast Asia, Middle East, Europe, and the United States.

Entering the 70th year in the aviation industry, Garuda Indonesia has come a long way since 1949. In its lengthy journey as a state-owned airline, Garuda Indonesia continues to transform from the first national carrier to become one of the world-class airline that provides various domestic and international flight.

As of 2016, Garuda Indonesia has 7 (seven) subsidiaries which focus on business supporting products/services, namely PT Aero Wisata, PT Sabre Travel Network Indonesia, PT Garuda Maintenance Facility Aero Asia, PT Aero Systems Indonesia, PT Citilink Indonesia, PT Gapura Angkasa, and Garuda Indonesia Holiday (GIH) France. In carrying out its operations, the Company is supported by 7,988 employees, including 248 students across head office and branch offices.

JEJAK **LANGKAH**
Milestones

1949

Penerbangan perdana Garuda Indonesia.

The inaugural flight of Garuda Indonesia.

1985

Garuda Indonesia mulai menggunakan logo 'Modern Bird Symbol' yang masih digunakan hingga saat ini.

Garuda Indonesia begins using the 'Modern Bird Symbol' logo that is still used today.

2008

Garuda Indonesia menerima sertifikasi IATA Operational Safety Audit (IOSA), sertifikasi keamanan dan keselamatan penerbangan yang diakui secara internasional.

Garuda Indonesia receives IATA Operational Safety Audit (IOSA) certification, an internationally accredited global certification for flight safety and security.

2010

Garuda Indonesia dinobatkan menjadi '4-Star Airline' dan 'The World's Most Improved Airline' oleh Skytrax.

Garuda Indonesia is recognised as a '4-Star Airline' and 'The World's Most Improved Airline' by Skytrax.

2011

Garuda Indonesia menjadi perusahaan publik dengan mencatatkan sahamnya di Bursa Efek Indonesia (BEI).

Garuda Indonesia becomes a public company, registering its shares on the Indonesian Stock Exchange (IDX).

2014

Garuda Indonesia bergabung dengan SkyTeam Global Alliance serta menerima penghargaan 'The World's Best Cabin Crew' dan memperoleh kehormatan tertinggi untuk menjadi satu dari tujuh 5-Star Airline di dunia.

Garuda Indonesia joins the SkyTeam Global Alliance and receives 'The World's Best Cabin Crew award as well as attains the highest honour of becoming one of only seven 5-Star Airlines in the world.

2015

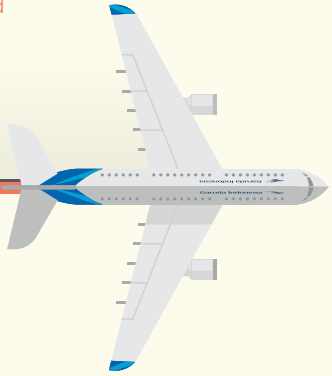
Garuda Indonesia menerima penghargaan 'The World's Best Cabin Crew' dari Skytrax selama dua tahun berturut-turut.

Garuda Indonesia receives 'The World's Best Cabin Crew' award from Skytrax for the second consecutive year

2016

Garuda Indonesia memperbarui sertifikasi sebagai maskapai Indonesia pertama dan satu-satunya yang menjadi bagian 5-Star Airline di dunia. Selain itu, Garuda Indonesia juga kembali dinobatkan sebagai "The World's Best Cabin Crew" untuk ketiga kalinya secara berturut-turut serta berhasil meraih predikat "The World's Most Loved Airline".

Garuda Indonesia updated its certification as the first and the only one that became the part of the 5-Star Airline in the world. In addition, Garuda Indonesia also awarded as "The World's Best Cabin Crew" for the third consecutive time and also entitled as "The World's Most Loved Airline".



BIDANG **USAHA**
Line of Business

Saat ini, Perseroan telah menjalankan seluruh ruang lingkup kegiatannya kecuali jasa layanan konsultasi yang berkaitan dengan industri penerbangan.

Currently, the Company has run the entire scope of activity except for consulting services related to the aviation industry.

Merujuk pada pasal 3 Anggaran Dasar Perseroan sebagaimana termuat dalam Akta tanggal 28 April 2014 No. 4, ruang lingkup kegiatan usaha Perseroan mencakup kegiatan usaha utama sesuai ketentuan dan peraturan perundang-undangan yang berlaku seperti dijabarkan berikut ini:

KEGIATAN USAHA UTAMA

1. Angkutan udara niaga berjadwal untuk penumpang, barang dan pos dalam negeri dan luar negeri;
2. Jasa 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 katering dan *ground handling* baik untuk keperluan sendiri maupun untuk pihak ketiga;

In pursuant to the article 3 of Company's Articles of Association as set forth in the Deed dated April 28, 2014 No. 4, the scope of Company's business activities covering main business lines in accordance with prevailing regulations comprised as follows:

MAIN BUSINESS LINES

1. Undertaking scheduled commercial air transportation of domestic and international passengers, cargoes and mails;
2. Undertaking non-scheduled commercial air transportation of domestic and 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. Jasa layanan sistem informasi yang berkaitan dengan industri penerbangan, baik untuk keperluan sendiri maupun untuk pihak ketiga;
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 untuk pihak ketiga.

Selain itu, sesuai dengan Anggaran Dasar Perseroan, maka dalam rangka optimalisasi pemanfaatan sumber daya yang dimiliki, Perseroan dapat melakukan kegiatan usaha penunjang yakni pergudangan, perkantoran, fasilitas pariwisata, penyewaan dan pengusahaan sarana dan prasarana yang terkait industri penerbangan.

Saat ini, Perseroan telah menjalankan seluruh ruang lingkup kegiatannya kecuali jasa layanan konsultasi yang berkaitan dengan industri penerbangan.

5. Providing information systems services relating to aviation industry, to satisfy own needs and the needs of third party;
6. Providing consultating 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.

In addition, in accordance with the Articles of Association, in order to optimize the utilization of available resources, the Company could provide supporting business activities namely warehousing, offices, tourism facilities, leasing and operation of facilities and infrastructure associated with aviation industry.

Currently, the Company has run the entire scope of activity except for consulting services related to the aviation industry.

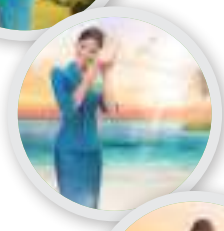
PRODUK **DAN JASA**
Products and Services

Dalam menyediakan produk dan jasanya, Perseroan mengusung konsep Garuda Indonesia Experience, yaitu menciptakan pengalaman terbang terpadu yang meliputi pelayanan *preflight*, *in-flight* dan *post-flight* melalui 5 (lima) panca indera yaitu:

In providing its products and services, the Company brought the concept of Garuda Indonesia Experience, which is to create an integrated flying experience which includes the preflight, in-flight and post-flight services through 5 (five) senses namely:

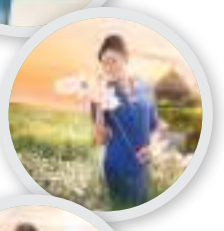
SIGHT

Pengalaman visual yang memanjakan mata penumpang.
Visual experience which feast the eyes of passengers.



SOUND

Menghadirkan Garuda Indonesia Experience melalui perangkat mutakhir *Audio* & *Video On Demand* (AVOD).
Presenting Garuda Indonesia Experience through the advanced Audio & Video On Demand (AVOD) system.



SCENT

Membawa aroma yang menyegarkan sekaligus menenangkan di kantor penjualan dan *lounge*.
Create a refreshing and soothing aroma in sales offices and lounges.

TASTE

Menyuguhkan cita rasa makanan dan minuman khas nusantara.
Presenting the taste of Indonesian food and beverages

TOUCH

Menghadirkan konsep *touch* yang tercermin dalam layanan tulus dan bersahabat.
Presenting the concept of touch that is reflected in the sincere and friendly service.

LEMBAGA DAN PROFESI **PENUNJANG PASAR MODAL**

Capital Market Supporting Profession and Institution

Pencatatan Saham
Share Listing

PT Bursa Efek Indonesia
Indonesia Stock Exchange
Indonesia Stock Exchange Building 1st Tower
Jl. Jend. Sudirman Kav. 52-53 - Jakarta 12190
Telepon : (+62 21) 5150 515
Fax : (+62 21) 5154 153
E-mail : listing@idx.co.id
Website : www.idx.co.id

Biro Administrasi Efek
Share Registrar

PT Datindo Entrycom
Jl. Hayam Wuruk No. 28
Jakarta 10120
Telpon : (+62 21) 350 8077 (Hunting)
Fax : (+62 21) 350 8078
E-mail: corporatesecretary@datindo.com
Website : http://datindo.com

Jasa yang diberikan:
Services provided:

1. Bertanggung jawab atas penyimpanan dan pengelolaan Daftar Pemegang Saham (DPS).
2. Melaksanakan pencatatan perubahan-perubahan pada DPS.
3. Melaksanakan pencatatan dan pelepasan pembebanan hak atas saham.
4. Membantu penyelenggaraan Rapat Umum Pemegang Saham Perseroan.
5. Bertanggung jawab dalam pengelolaan Efek, baik Efek yang didaftarkan maupun Efek yang tidak didaftarkan dalam Penitipan Kolektif Efek sesuai ketentuan Pasar Modal.
6. Tugas dan kewajiban BAE pada pasar sekunder secara rinci dan detail yang dituangkan dalam perjanjian di hadapan Notaris.

1. Responsible for keeping and managing the Register of Shareholders.
2. Record the changes in the Register of Shareholders.
3. Implement the registration and release of the imposition of rights over shares.
4. Assisst the implementation of Company's General Meeting of Shareholders.
5. Responsible for the management of securities, both listed securities or securities that are not registered in Collective Custody in accordance with the provisions of the Capital Market.
6. Tasks and obligations of Share Registrar on the secondary market in detail as outlined in the agreement before Notary.

Periode Penugasan:
Term of Assignment:

Selama saham masih terdaftar/tercatat di Bursa Efek dengan memperhatikan peraturan perundang-undangan yang berlaku, kecuali apabila ada pemutusan perjanjian lebih dini oleh salah satu pihak.

As long as the stock is still listed on the Stock Exchange with due regard to the prevailing legislation, unless there is an early termination by either party.

Komisi:
Fee:

• Biaya Pasar Sekunder per tahun Secondary Market fee per year	Rp40.000.000
• Biaya registrasi pada saat RUPS Registration fee during GMS	Rp5.000.000
• Biaya *voting system* pada pelaksanaan RUPS Voting system fee in GMS implementation	Rp15.000.000

LEMBAGA DAN PROFESI PENUNJANG PASAR MODAL
Capital Market Supporting Profession and Institution

Kantor Akuntan Publik
Public Accounting Firm

Satrio Bing Eny & Rekan (anggota / a member of Deloitte Touche Tohmatsu Limited)
The Plaza, Lt. 32 Jl. M. H. Thamrin No. 28-30, Jakarta Pusat, DKI Jakarta 10350
Phone: (62 21) 2992 3100
Fax: (62 21) 2992 8200 / 8300
E-mail: iddttl@deloitte.com

Jasa yang diberikan:
Services provided:

Audit atas laporan keuangan konsolidasian Garuda yang berakhir pada 31 Desember 2016 dengan ruang lingkup yang antara lain mencakup, namun tidak terbatas, pada:
1. Melakukan pemeriksaan terhadap laporan keuangan konsolidasian Garuda untuk tahun buku yang berakhir 31 Desember 2016.
2. Melaksanakan audit atas laporan keuangan Program Kemitraan dan Bina Lingkungan (PKBL) Garuda untuk tahun yang berakhir 31 Desember 2016.
3. Melaksanakan *review* terhadap laporan kepatuhan peraturan perundang-undangan dan pengendalian intern Garuda.
4. *Review* laporan evaluasi kinerja untuk tahun yang berakhir 31 Desember 2016
5. Prosedur yang disepakati terhadap Laporan Kegiatan Penerapan Prinsip Kehati-hatian (KPPK) tahun buku berakhir 31 Desember 2016.

Audit on the consolidated financial statements of Garuda Indonesia ended December 31, 2016 with the scope of which include, but are not limited to:
1. Audit on consolidated financial statements of Garuda Indonesia for the year ended December 31, 2016.
2. Carry out an audit on the financial statements of the Partnership Program and Community Development of Garuda Indonesia for the year ended December 31, 2016.
3. To review the report of compliance with legislation and internal control of Garuda Indonesia.
4. Review the performance evaluation report for the year ended December 31, 2016.
5. The approved procedures to the Prudent Principle Implementation Report for fiscal year ended December 31, 2016.

Periode Penugasan:
Term of Assignment:
25 Oktober 2016 – 31 Mei 2017
October 25, 2016 – May 31, 2017

Komisi:
Fee:
Rp5.250.000.000

Notaris
Notary

Aulia Taufani, S.H.
Golden 8 Blok G-28
Jl. Ki Hajar Dewantara Summarecon, Serpong, Tangerang 15810
Phone: 08161972218
E-mail: ataufani@yahoo.com, ataufani@gmail.com

Jasa yang diberikan:
Services provided:

1. Pelaksanaan RUPS, pembuatan Berita Acara RUPS, pembuatan Pernyataan Keputusan RUPS.
2. Konsultasi Hukum.
3. Legalisasi Dokumen.

1. Implementation of GMS, the making of GMS Minutes, the making of Statement of GMS Resolutions.
2. Legal Consultation.
3. Document Legalization.

Periode Penugasan:
Term of Assignment:
Sesuai dengan kebutuhan penugasan.
According to the needs of assignment.

Komisi:
Fee:

- Pelaksanaan RUPS sebesar Rp20.000.000, belum termasuk pajak.
- Implementation of GMS amounted to Rp20,000,000 excluding tax
- Legalisasi dokumen sesuai dengan aslinya sebesar Rp200.000 per dokumen.
- Legalization of documents in accordance with the original amounted to Rp200,000 per document

Lembaga Pemeringkat
Rating Agency

PT Fitch Ratings Indonesia
DBS Bank Tower, Lantai 24
Jl. Prof. Dr. Satrio Kav. 3-5, Jakarta 12940
Phone: (+62 21) 2988 6800
Fax: (+62 21) 2988 6822
E-mail: President Director: Indra.kampono@fitchratings.com
Marketing Director: eva.muis@fitchratings.com

Jasa yang diberikan:
Services provided:

1. Menyelesaikan pemberian peringkat publik nasional atas perusahaan (Perseroan) dan Obligasi Berkelanjutan I Garuda Indonesia Tahap 1 Tahun 2013 ("Obligasi") dalam jangka waktu yang disepakati;
2. Mempertahankan dan menjaga kerahasiaan semua informasi rahasia sebagaimana yang disepakati;
3. Menanggapi semua komentar dan keberatan terkait yang diajukan oleh Perseroan berkenaan dengan hasil peringkat;
4. Menghasilkan peringkat awal setelah mempertimbangkan secara seksama semua data dan informasi yang diketahui dan diyakini oleh Fitch relevan, dan sepanjang pengetahuan Fitch, bersifat akurat dan dapat diandalkan;
5. Menghasilkan keputusan final sehubungan dengan pemberian peringkat setelah mempertimbangkan secara seksama semua informasi dan penjelasan tambahan yang diyakini oleh Fitch relevan, dalam hal Perseroan mengajukan banding;
6. Melakukan pengkajian secara berkala atas hasil peringkat yang telah dipublikasikan dan menyampaikan hasil kajiannya kepada Perseroan selama jangka waktu yang disepakati; kecuali untuk peringkat yang bersifat *point-in-time* saja;
7. Melakukan pengkajian secara berkala atas peringkat-peringkat sepanjang diharuskan menurut peraturan perundang-undangan yang berlaku dan yang disepakati; kecuali untuk peringkat yang bersifat point-in-time;
8. Melakukan pengkajian atas peringkat yang telah dipublikasikan jika terdapat fakta material atau peristiwa penting yang dapat mempengaruhi peringkat yang telah dipublikasikan, selambat-lambatnya 7 hari kerja sejak tanggal di mana fakta material atau peristiwa penting tersebut diketahui oleh Fitch; kecuali untuk peringkat yang bersifat *point-in-time*;
9. Mempublikasikan hasil kajian sebagaimana yang dimaksud dalam butir (7) dan (8) di atas tanpa persetujuan dari Perseroan atau pihak yang meminta pemberian peringkat; kecuali untuk peringkat yang bersifat non-publik; dan
10. Menerbitkan peringkat baru jika terdapat perubahan atas peringkat sebagai hasil proses pengkajian yang diatur dalam butir (8) di atas atau proses pemberian peringkat diulangi kembali.

1. Completing the provision of national public rating on the Company and the Sustainable Bonds I Garuda Indonesia Phase 1 Year 2013 ("Bonds") in the agreed timeframe;
2. Maintain the confidentiality of all confidential information as agreed;
3. Respond to all the related comments and objections filed by the Company with respect to the ranking results;
4. Provide initial rating after careful consideration of all data and information known and believed by Fitch has been deemed relevant, and accurate and reliable to the best of Fitch's knowledge;
5. Generate a final decision with respect to the rating provision after careful consideration of all the additional information and explanation believed by Fitch has been deemed relevant, in terms of the Company's appeal;
6. Periodically assess the rating result that has been published and submit the review results to the Company over an agreed period of time, except for point-in-time ratings;
7. Periodically assess the ratings as long as it is required and in accordance with the legislation in force and agreed upon, except for point-in-time ratings;
8. Review the rating that has been published if there is a material fact or significant events that could affect the published rating no later than 7 days from the date on which the material fact or important event is known by Fitch, except for point-in -time ratings;
9. Publish the results of the review referred to in point (7) and (8) above without the consent of the Company or the requesting party, except for non-public rating; and
10. Assign new rating if there is change in the rating as a result of the review process set out in point (8) above, or the rating provision process is repeated.

Periode Penugasan: 28 Juli 2014 - 7 Februari 2017.
Term of Assignment: July 28, 2014 - February 7, 2017.

Komisi: Imbalan tahunan Rp99.000.000
Fee: Annual fee Rp99,000,000

PENGEMBANGAN **ARMADA**
Fleet Development

DC 3 DAKOTA
Dioperasikan pada 1949
Operated in 1949

DH HERON
Dioperasikan pada 1950-1956
Operated in 1950-1956

CV-340
Dioperasikan pada 1950-1966
Operated in 1950-1956

CV-440
Dioperasikan pada 1956-1966
Operated in 1956-1966

LOCKHEED L -118 ELECTRA
Dioperasikan pada 1961
Operated in 1961

CONVAIR 990 A
Dioperasikan pada 1963
Operated in 1963

DC 8
Dioperasikan pada 1965
Operated in 1965

DC 9
Dioperasikan pada 1969-1989
Operated in 1969-1989

FOKKER 27
Dioperasikan pada 1969
Operated in 1969

FOKKER 28
Dioperasikan pada 1971-2001
Operated in 1971-2001

DC 10
Dioperasikan pada 1976-2004
Operated in 1976-2004

BOEING 747-200
Dioperasikan pada 1980-2000
Operated in 1980-2000

AIRBUS A300-B4
Dioperasikan pada 1982-2000
Operated in 1982-2000

BOEING 737-300
Dioperasikan sejak
1989-sekarang*
Operated in 1989-present*

BOEING 737-400
Dioperasikan pada 1989-2011
Operated in 1989-2011

BOEING 737-500
Dioperasikan sejak
1989-sekarang*
Operated in 1989-present*

MD 11
Dioperasikan pada 1991-1998
Operated in 1991-1998

BOEING 747-400
Dioperasikan pada
1994-sekarang
Operated in 1994-present

AIRBUS A330-300
Dioperasikan sejak
1996-sekarang
Operated in 1996-present

BOEING 737-800NG
Dioperasikan sejak
2005-sekarang
Operated in 2005-present

AIRBUS A330-200
Dioperasikan sejak
2009-sekarang
Operated in 2009-present

BOMBARDIER CRJ1000 Next Gen
Dioperasikan sejak 2012-sekarang
Operated in 2012-present

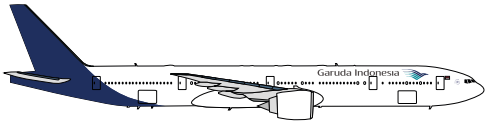
BOEING 777-300ER
Dioperasikan sejak 2013-sekarang
Operated in 2013-present

ATR72-600
Dioperasikan sejak 2013-sekarang
Operated in 2013-present

AIRBUS A320-200 Citilink
Dioperasikan sejak
2011-sekarang
Operated in 2011-present

* Sejak 2015 dioperasikan oleh Citilink
* Since 2015 operated by Citilink

PROFIL **ARMADA**
Fleet Profile

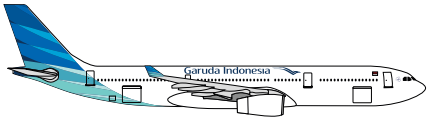


BOEING 777-300ER

Jumlah / Amount	:	10 Pesawat / Aircraft
Mesin / Engine	:	GE 90-115B
Kecepatan Maksimum		
Maximum Cruising Speed	:	944 Kph
Jangkauan / Range	:	14.490 Km
Kapasitas Kursi / Seat Capacity	:	6 Pesawat / Fleet (8*+38**+268***)
		4 Pesawat / Fleet (26**+367***)
Kru / Crew	:	2 kokpit dan 14 kabin
		2 cockpit and 14 cabin

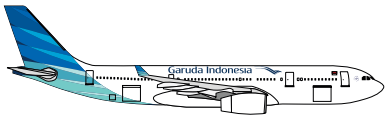
BOEING 747-400

Jumlah / Amount	:	2 Pesawat / Aircraft
Mesin / Engine	:	GE CF6-80C2B1F
Kecepatan Maksimum		
Maximum Cruising Speed	:	990 kph
Jangkauan / Range	:	14.180 km
Kapasitas Kursi / Seat Capacity	:	42** + 386***
Kru / Crew	:	2 kokpit dan 16 kabin
		2 cockpit and 16 cabin



AIRBUS A330-300

Jumlah / Amount	:	17 Pesawat / Aircraft
Mesin / Engine	:	RR Trent 772
Kecepatan Maksimum		
Maximum Cruising Speed	:	880 kph
Jangkauan / Range	:	7.242 km
Kapasitas Kursi / Seat Capacity	:	7 Pesawat / Fleet (36**+215***)
		6 Pesawat / Fleet (360***)
		4 Pesawat / Fleet (24**+263***)
Kru / Crew	:	2 kokpit dan 12 kabin
		2 cockpit and 12 cabin



AIRBUS A330-200

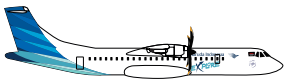
Jumlah / Amount	:	7 Pesawat / Aircraft
Mesin / Engine	:	RR Trent 772
Kecepatan Maksimum		
Maximum Cruising Speed	:	880 kph
Jangkauan / Range	:	12.500 km
Kapasitas Kursi / Seat Capacity	:	36* + 186**
Kru / Crew	:	2 kokpit dan 12 kabin
		2 cockpit and 12 cabin

BOEING 737-800 NG

Jumlah / Amount	:	75 Pesawat / Aircraft
Mesin / Engine	:	CFM56-7B
Kecepatan Maksimum		
Maximum Cruising Speed	:	853 kph
Jangkauan / Range	:	5.425 km
Kapasitas Kursi / Seat Capacity	:	12** + 150***
Kru / Crew	:	2 kokpit dan 6 kabin
		2 cockpit and 6 cabin

BOMBARDIER CRJ1000 NextGen

Jumlah / Amount	:	18 Pesawat / Aircraft
Mesin / Engine	:	GE CF34-8C5A1
Kecepatan Maksimum		
Maximum Cruising Speed	:	871 kph
Jangkauan / Range	:	2.639 km
Kapasitas Kursi / Seat Capacity	:	12** + 84***
Kru / Crew	:	2 kokpit dan 2 kabin
		2 cockpit and 2 cabin



ATR72-600

Jumlah / Amount	:	15 Pesawat / Aircraft
Mesin / Engine	:	PW127M
Kecepatan Maksimum		
Maximum Cruising Speed	:	508 Kph
Jangkauan / Range	:	926 Km
Kapasitas Kursi / Seat Capacity	:	70***
Kru / Crew	:	2 kokpit dan 2 kabin 2 cockpit and 2 cabin

AIRBUS A320-200

Jumlah / Amount	:	44 Pesawat / Aircraft
Mesin / Engine	:	IAE V2527-A5 dan CFM56-5B/4 / IAE V2527-A5 and CFM56-5B/4
Kecepatan Maksimum		
Maximum Cruising Speed	:	871 kph
Jangkauan / Range	:	6.150 km
Kapasitas Kursi / Seat Capacity	:	180***
Kru / Crew	:	2 kokpit dan 4 kabin 2 cockpit and 4 cabin

BOEING 737-300

Jumlah / Amount	:	5 Pesawat / Aircraft
Mesin / Engine	:	CFM56-3C1
Kecepatan Maksimum		
Maximum Cruising Speed	:	840 kph
Jangkauan / Range	:	3.515 km
Kapasitas Kursi / Seat Capacity	:	142***
Kru / Crew	:	2 kokpit dan 3 kabin 2 cockpit and 3 cabin

BOEING 737-500

Jumlah / Amount	:	3 Pesawat / Aircraft
Mesin / Engine	:	CFM56-3C1
Kecepatan Maksimum		
Maximum Cruising Speed	:	840 kph
Jangkauan / Range	:	2.515 km
Kapasitas Kursi / Seat Capacity	:	12** + 84***
Kru / Crew	:	2 kokpit dan 4 kabin 2 cockpit and 4 cabin

Keterangan Description:
*) First Class
**) Kelas Bisnis Business Class
***) Kelas Ekonomi Economy Class

196 **Jumlah Total Armada**
Number of Fleets

DESTINASI
PENERBANGAN DOMESTIK
Domestic Flight Destination

64 **Destinasi Domestik**
Domestic Destinations

Destinasi Baru
New Destination

Destinasi Lama
Existing Destination

DESTINASI
PENERBANGAN INTERNASIONAL
International Flight Destination

19 **Destinasi Internasional**
International Destinations

Destinasi Baru
New Destination

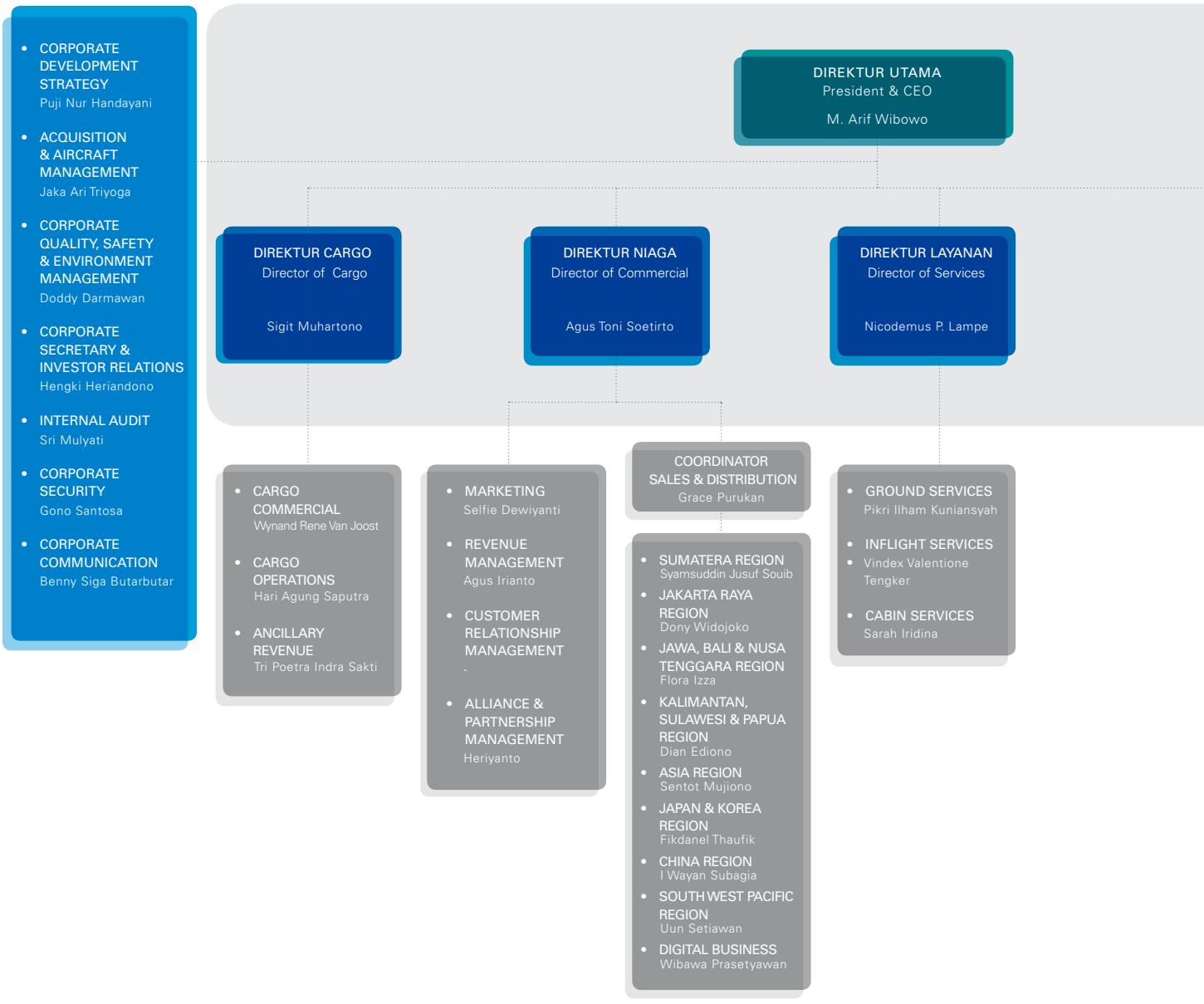
Destinasi Lama
Existing Destination

London
Amsterdam
Beijing
Shanghai
Tokyo (Haneda & Narita)
Seoul
Osaka
Guangzhou
Medina
Mumbai
Hong Kong
Jeddah
Bangkok
Kuala Lumpur
Singapore
Sydney
Perth
Melbourne

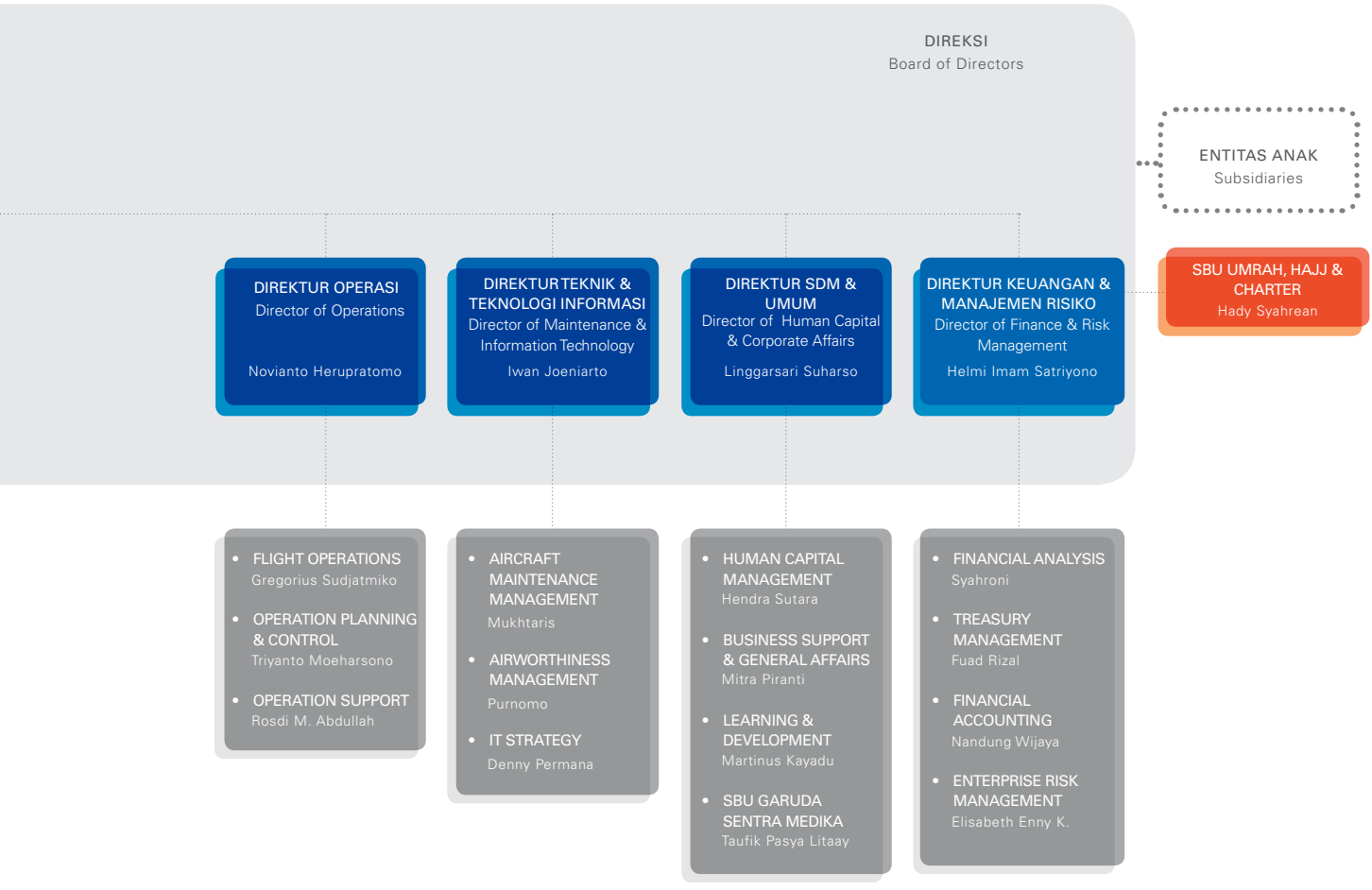
STRUKTUR **ORGANISASI**
Organizational Structure

Berikut adalah struktur organisasi Garuda Indonesia per 31 Desember 2016. Struktur ini disahkan melalui Surat Keputusan No. JKTDZ/SKEP/50025/16 tentang Perubahan Organisasi Induk PT Garuda Indonesia (Persero) Tbk tanggal 20 Juli 2016.

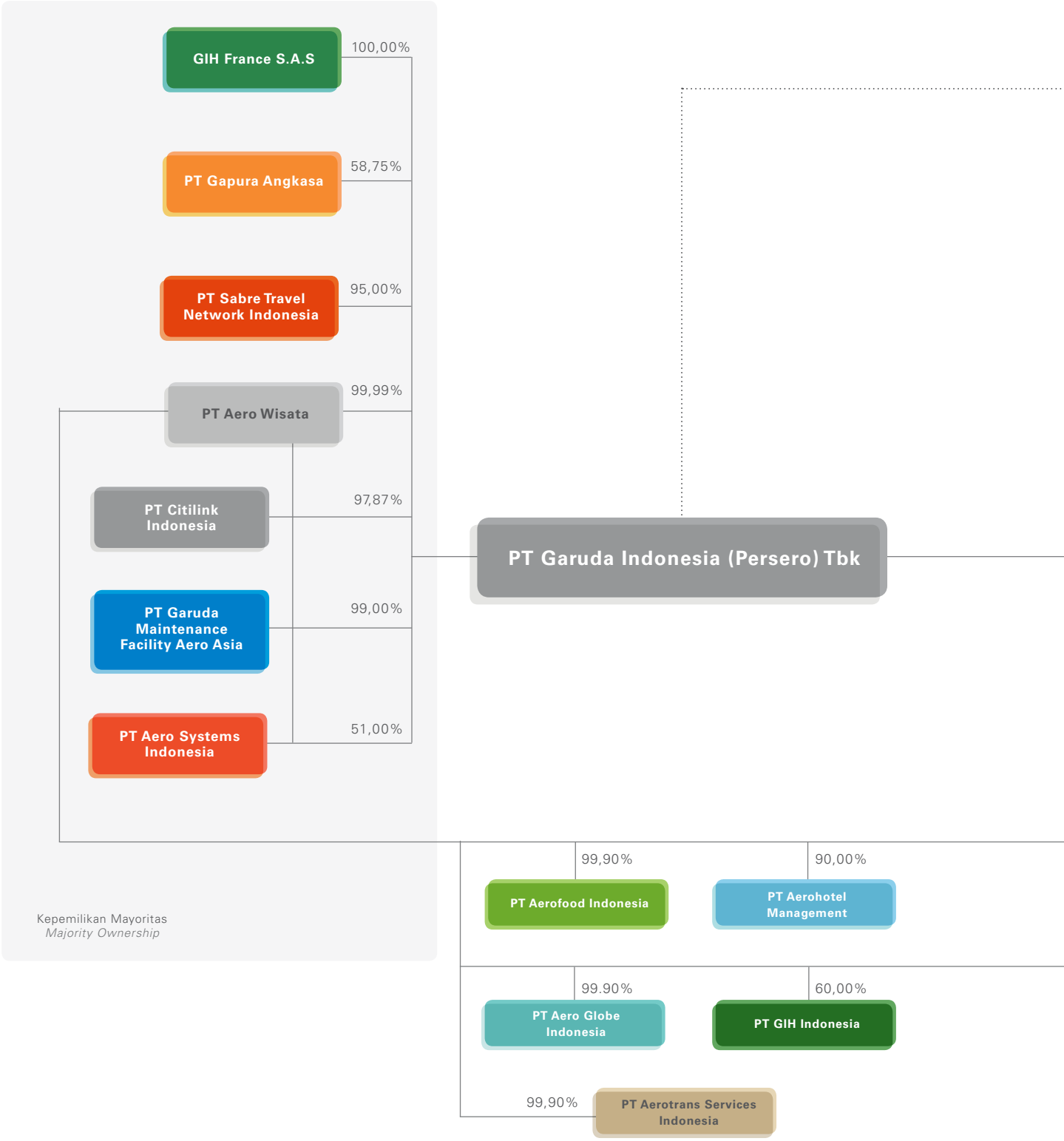
The following is the organization structure of Garuda Indonesia as of December 31, 2016. The structure is ratified through Decision Letter No. JKTDZ/SKEP/50025/16 on Parent Organization of PT Garuda Indonesia (Persero) Tbk on July 20, 2016.

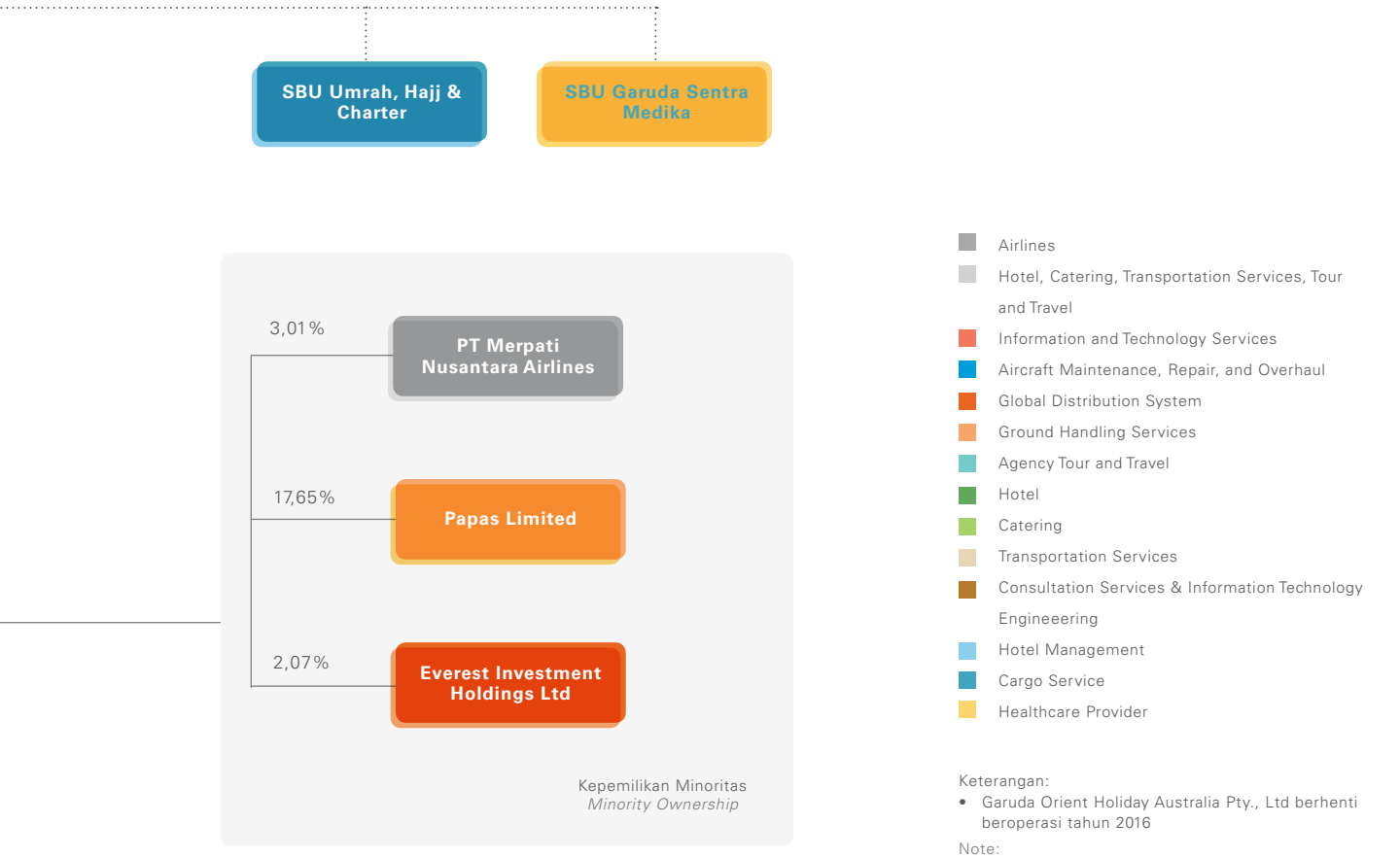


STRUKTUR ORGANISASI
PT GARUDA INDONESIA (PERSERO) Tbk



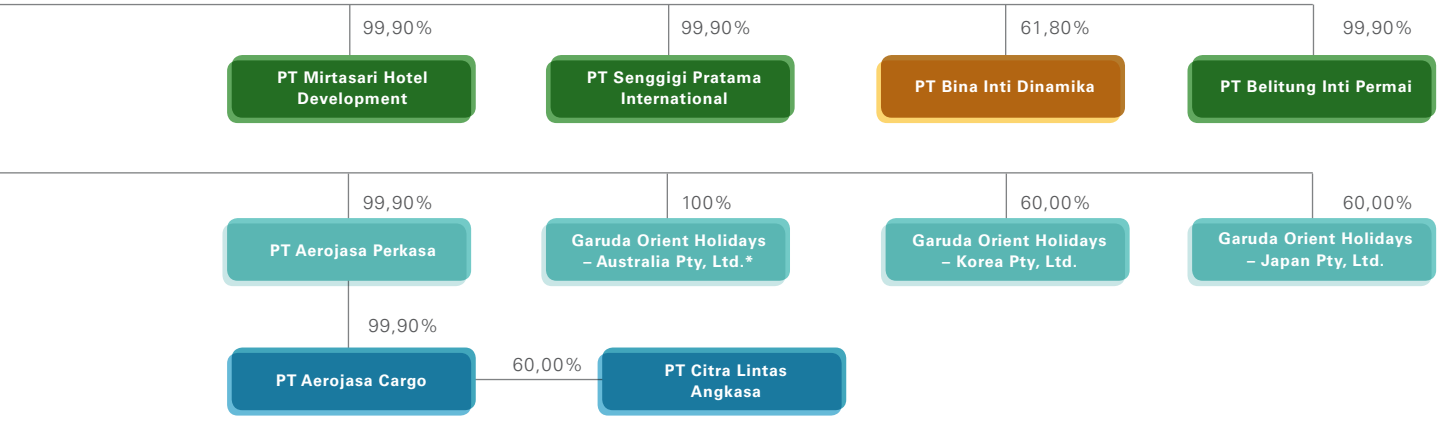
STRUKTUR **GRUP**
Group Structure





Keterangan:
- Garuda Orient Holiday Australia Pty., Ltd berhenti beroperasi tahun 2016

Note:
- Garuda Orient Holiday Australia Pty., Ltd ceased its operation in 2016



PERISTIWA **PENTING 2016**
Significant Events in 2016

January

26 Garuda Indonesia Peringati 50 Tahun Penerbangan ke Singapura

Garuda Indonesia commemorated fifty years of flying to Singapore.

February

17 Garuda Indonesia memperoleh predikat maskapai bintang 5 dari Skytrax untuk kedua kalinya.

Garuda Indonesia awarded 5 star airline from Skytrax for the second consecutive time.

March

31 Garuda Indonesia melayani rute penerbangan London melalui bandara Heathrow.

Garuda Indonesia served flight to London via Heathrow airport.

July

12 Garuda Indonesia meraih penghargaan "The World's Best Cabin Crew" dari Skytrax untuk ketiga kalinya.

Garuda Indonesia awarded "The World's Best Cabin Crew" from Skytrax for the third consecutive time.

August

09 Garuda Indonesia dinobatkan sebagai "The World's Most Loved Airline" oleh Skytrax.

Garuda Indonesia awarded as "The World's Most Loved Airline" from Skytrax.

September

06 Garuda Indonesia menyelesaikan penerbangan haji dengan OTP di atas 98%

Garuda Indonesia has over 98% OTP of hajj flight.

April

27 Garuda Indonesia melayani penerbangan langsung Jakarta - Madinah
Garuda Indonesia served direct flight of Jakarta – Medina.

May

03 Garuda Indonesia Buka Rute Solo - Jeddah
Garuda Indonesia opened Solo-Jeddah flight

June

14 Garuda Indonesia membuka rute penerbangan Medan-Singapura dalam rangka memperkuat jaringan penerbangan Hub Medan
Garuda Indonesia opened Medan – Singapore flight in order to strengthen Medan Hub flight network.

October

31 Garuda Indonesia bukukan laba bersih USD19,6 juta
Garuda Indonesia booked net income of USD19.6 million.

November

15 Garuda Indonesia Raih Penghargaan Most Improved Airlines 2016
Garuda Indonesia awarded "Most Improved Airlines 2016"

December

12 Garuda Indonesia membuka rute penerbangan Jakarta – Mumbai.
Garuda Indonesia opened Jakarta – Mumbai flight.

04

107 Sumber Daya Manusia
Human Capital

127 Teknologi Informasi
Information Technology

129 Pengadaan
Procurement

133 Aspek Keselamatan dan Keamanan
Safety and Security Aspect

TINJAUAN UNIT
PENDUKUNG BISNIS
Business Supporting Unit Review

Pengembangan yang dilakukan pada aspek-aspek pendukung bisnis di tahun 2016 antara lain dilakukan sejalan dengan salah satu strategi utama "Sky Beyond" yakni *Excellent Indonesian Hospitality*.

In 2016, development of business supporting units was carried out in line with one of the main strategies "Sky Beyond", which was Excellent Indonesia Hospitality.

Perwujudan pertumbuhan bisnis yang berkelanjutan tidak hanya difokuskan pada implementasi strategi bisnis yang tepat namun juga senantiasa bertumpu pada aspek-aspek pendukung operasional selaku pilar pertumbuhan. Perseroan menyadari bahwa kemajuan yang diraih selama ini tidak terlepas dari dukungan sumber daya manusia yang berkualitas, pengembangan teknologi informasi, serta sistem pengadaan yang efektif dan efisien.

Pengembangan yang dilakukan pada aspek-aspek pendukung bisnis di tahun 2016 antara lain dilakukan sejalan dengan salah satu strategi utama "Sky Beyond" yakni *Excellent Indonesian Hospitality*. Pada aspek Sumber Daya Manusia (SDM), pengembangan di tahun 2016 antara lain difokuskan pada komitmen menghadirkan layanan unggul yang menonjolkan keramahan khas budaya Indonesia sebagai keunggulan kompetitif. Keberhasilan perwujudan komitmen ini dibuktikan dengan diraihnya predikat maskapai bintang lima dan penghargaan *The World's Best Cabin Crew* dari Skytrax selama tiga tahun berturut-turut.

Selain itu, dari aspek teknologi salah satu pengembangan yang dilakukan Perseroan untuk turut mendorong kualitas layanannya adalah dengan mempercanggih perangkat *e-commerce* untuk dapat menghadirkan *seamless services* kepada penumpang. Sedangkan pada aspek pengadaan, pengembangan yang dilakukan Perseroan difokuskan untuk meningkatkan efektivitas dan transparansi proses pengadaan melalui penggunaan *e-auction* (*online procurement*). Dengan proses pengadaan yang berjalan baik dan efisien maka *inventory cost* yang dikeluarkan Perseroan bisa dijaga pada tahap minimum.

Sustainable business growth is not only focused on the right business strategies but also relies on operational supporting aspects as the foundation of growth. The Company is well aware that information technology development, superior team of professionals, and effective and efficient procurement system have always been central to its progressive growth.

In 2016, development of business supporting units was carried out in line with one of the main strategies "Sky Beyond", which was Excellent Indonesia Hospitality. In terms of human resources (HR), the development in 2016 was concentrated on the commitment to create excellent services which highlighted distinctive Indonesian hospitality as a competitive edge. The successful implementation of this commitment was clearly reflected in the rating as a 5-star airline and award of The World's Best Cabin Crew from Skytrax for three consecutive years.

In addition, to the technology extent, one of of the Company's latest developments was to improve its service quality by upgrading its e-commerce devices in order to provide the passengers with seamless sevices. Procurement-wise, the Company emphasized on enhancing effectiveness and transparency of procurement process through the implementation of e-auction (online procurement). With a more seamless and efficient procurement process, the Company is able to keep the inventory cost at minimum.

SUMBER DAYA **MANUSIA**
Human Capital

Untuk mempertahankan pencapaian maskapai bintang 5 dan layanan awak kabin terbaik tingkat dunia, dibutuhkan SDM yang berprestasi (*high achiever*) dengan cara melestarikan budaya berkinerja tinggi (*High Performance Culture*). Oleh karena itu, untuk mencapai tujuan tersebut maka pengelolaan SDM Perseroan dilandaskan pada tiga fokus strategi utama, yakni: pengelolaan *talent* berskala global, pengembangan SDM yang terintegrasi, serta optimalisasi kinerja, produktivitas, dan penghargaan.

In order to maintain 5-star Airline and "The World's Best Cabin Crew" achievement, high achiever HR are required by nurturing High Performance Culture. Therefore, to meet such objective, the Company's human resources management is focused on three strategic focuses: global talent management, integrated people development, and optimization of performance, productivity, and rewards.

PROFIL PEGAWAI

Per 31 Desember 2016, jumlah pegawai Perseroan dan entitas anak tercatat sebanyak 7.988 orang termasuk pegawai kontrak, calon pegawai, dan siswa.

EMPLOYEE PROFILE

As of December 31, 2016, the Company and its subsidiaries have a total of 7,988 employees including contract employees, prospective employees, and students.

SUMBER DAYA MANUSIA
Human Capital

Jumlah Pegawai Berdasarkan Jenjang Kepangkatan
Number of Employee Based on Organization Level

Jenjang Kepangkatan	2016	2015	%	Organization Level
Direksi	8	7	14,29%	Board of Directors
Vice President	43	38	13,16%	Vice President
Senior Manager	232	215	7,41%	Senior Manager
Manager	478	441	8,39%	Manager
Staf	7.227	7.546	-4,24%	Staff
Jumlah	**7.988**	**8.248**	**-3,15%**	**Total**

Jumlah Pegawai Berdasarkan Jenjang Pendidikan
Number of Employee Based on Education Level

Jenjang Pendidikan	2016	2015	%	Education Level
S3	2	2	0,00%	PhD
S2	292	290	0,69%	Master
S1	3.169	2.825	12,18%	Bachelor
Sarjana Muda	1.688	1.680	0,48%	Diploma
SMA	2.837	3.451	-17,79%	High School
Jumlah	**7.988**	**8.248**	**-3,15%**	**Total**

Jumlah Pegawai Berdasarkan Usia
Number of Employee Based on Age

Usia	2016	2015	%	Age
> 50	1.281	1.185	8,10%	> 50
41 - 50	2.138	2.387	-10,43%	41 - 50
31 - 40	939	851	10,34%	31 - 40
21 - 30	3.438	3.551	-3,18%	21 - 30
< 21	192	274	-29,93%	< 21
Jumlah	**7.988**	**8.248**	**-3,15%**	**Total**

Jumlah Pegawai Berdasarkan Jenis Kelamin
Number of Employee Based on Gender

Jenis Kelamin	2016	2015	%	Gender
Pria	4.027	4.076	-1,20%	Male
Wanita	3.961	4.172	-5,06%	Female
Jumlah	**7.988**	**8.248**	**-3,15%**	**Total**

Jumlah Pegawai Berdasarkan Status Kepegawaian
Number of Employee Based on Employment Status

Status	2016	2015	%	Status
Pegawai Tetap	6.149	5.960	3,17%	Permanent Employees
Calon Pegawai	2	2	0,00%	Employees Candidate
Pegawai Kontrak	1.589	2.109	-24,66%	Contract Employees
Siswa	248	177	40,11%	Students
Jumlah	**7.988**	**8.248**	**-3,15%**	**Total**

TINGKAT PERPUTARAN PEGAWAI

Selama tahun 2016, tingkat perputaran pegawai Perseroan sejumlah 668 orang (8,23%) terdiri dari 85 pilot, 402 awak kabin dan 181 pegawai darat yang mana secara keseluruhan meningkat 0,23% dari tahun 2015. Secara umum, tingkat perputaran pegawai tertinggi masih didominasi oleh awak kabin yang mencatatkan perputaran pegawai hingga 11,33%, kembali naik dari 9,99% pada tahun sebelumnya. Meski mengalami peningkatan, Perseroan senantiasa berupaya untuk menjaga tingkat perputaran pegawai tetap seimbang melalui efisiensi sistem rekrutmen dan rotasi pegawai.

EMPLOYEE TURNOVER

In 2016, the Company's employee turnover stood at 668 employees (8.23%), comprised of 85 pilots, 402 cabin crews, and 181 ground staffs, registering an overall 0.23% increase from 2015. In general, the highest employee turnover still belonged to cabin crews which recorded an 11.33% turnover, rose again from 9.99% in the previous year. While the turnover rate increased, the Company has consistently strived to maintain a balanced employee turnover through efficient recruitment and job rotation.

INTERNALISASI BUDAYA PERUSAHAAN

Perseroan memiliki tantangan terbesar untuk mencapai target Sky Domination di tahun 2020. Untuk mengakselerasi dan menunjang efektivitas pencapaian strategi Sky Beyond tersebut, maka nilai-nilai budaya perusahaan FLY-HI perlu disesuaikan kembali. Program pengelolaan budaya perusahaan 2016 banyak melakukan fokus pada penyesuaian budaya perusahaan dengan strategi Sky Beyond.

A. Redefinisi Nilai Perusahaan

Sehubungan dengan telah berubahnya strategi perusahaan maka dilakukan evaluasi dan redefinisi budaya baru perusahaan yang diharapkan mampu lebih mendorong akselerasi pencapaian target Sky Beyond. Proses redefinisi nilai perusahaan dilaksanakan melalui beberapa proses. Proses-proses tersebut adalah *Focus Group Discussion* (FGD), wawancara, kuesioner *online*, kuesioner *top leader*. Setelah diperoleh data mengenai redefinisi nilai yang baru, maka dilanjutkan dengan *leaders workshop*, yaitu:

1. Workshop untuk Direksi
   Workshop jajaran Direksi ini bertujuan untuk menentukan nilai-nilai mana saja yang paling sesuai dengan strategi perusahaan. Kegiatan ini dilaksanakan pada tanggal 28 November 2016. Setelah melalui proses diskusi selama 3

CORPORATE CULTURE INTERNALIZATION

The Company faced the biggest challenge to achieve its target of Sky Domination in 2020. In order to accelerate and support the effectiveness of accomplishment of Sky Beyond strategy, FLY-HI values needs to be realigned. As such, corporate culture management program in 2016 was centered on aligning corporate culture with Sky Beyond strategy.

A. Redefine New Values

Following the changing corporate strategy, the corporate culture has been evaluated and redefined in order to be able to further accelerate the achievement of Sky Beyond's target. The entire values redefinition process was carried out in several stages. The stages were Focus Group Discussion (FGD), interview, online questionnaire, and top leader questionnaire. After the data regarding redefine new values have been gathered, the next step was leaders workshop with details as follow:

1. Workshop for BOD
   The objective of BOD workshop was to define which values would best match the corporate strategy. The program was held on November 28, 2016. After a three phase-discussion process, it was agreed upon

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tahap, akhirnya disepakati bahwa "SINCERITY" menjadi budaya perusahaan yang baru menggantikan "FLY-HI". SINCERITY ini merupakan kependekan dari *Synergy, Integrity, Customer Focus, Agility, Safety*. Kelima nilai tersebut yang akan menjadi pedoman dari insan Garuda Indonesia dalam bekerja, bersikap, dan berperilaku dalam aktivitas kerja sehari-hari untuk mendukung tercapainya target perusahaan.

that "SINCERITY" would become the new corporate values, replacing "FLY-HI". SINCERITY stands for Synergy, Integrity, Customer Focus, Agility, Safety. These five values will serve as a guideline for all of Garuda Indonesia's personnel in working, acting, and behaving in their daily work activities to support the achievement of Company's goals.

Nilai / Values	Definisi	Definition
SYNERGY	Kami berkomitmen menyokong pertumbuhan Perseroan dengan keterkaitan antar entitas Perseroan dan dengan mitra potensial.	We are committed to support the Company's growth in liaison with its subsidiaries and potential partners.
INTEGRITY	Kami menjunjung tinggi etika bisnis, akuntabilitas, dan tanggung jawab sosial dalam menciptakan budaya terpercaya.	We uphold business ethics, accountability, and social responsibility in creating credible culture.
CUSTOM**ER** FOCUS	Kami terus mendorong terciptanya pengalaman pelanggan yang lebih baik untuk menghasilkan kesuksesan usaha berjangka panjang.	We constantly encourage the creation of better customer experience in order to ensure sustainable business growth.
AG**I**LITY	Kami membangun perilaku strategis melalui kemampuan beradaptasi dan tindakan kreatif untuk memperkuat daya tahan Perseroan.	We cultivate strategic behaviors through ability to adapt and creative actions to strengthen the Company's resilience.
SAFE**TY**	Kami menyediakan produk dan layanan berkualitas dengan mengutamakan keamanan dan keselamatan.	We provide quality products and services by prioritizing security and safety.

2. *Workshop* untuk Vice President
Proses selanjutnya setelah ditentukannya nilai-nilai budaya Perseroan yang baru adalah menentukan pedoman perilaku untuk masing-masing nilai tersebut. Tahapan ini melibatkan jajaran Vice President (VP) baik di kantor pusat maupun di area. Hasil dari *workshop* tersebut berupa perilaku utama dari masing-masing nilai yang sudah ditentukan saat *workshop* jajaran Direksi.

2. Workshop for Vice President
The next stage after the new values have been redefined was to determine the guidelines of key behavior for every value. This stage involved the Vice President (VP), both in the head office and area. The result of this workshop was the key behaviors for the new values that have been redefined during Board of Directors' workshop.

Nilai Values	Perilaku Utama Key Behavior	Definisi	Definition
SYNERGY	Collaborate	Berkolaborasi untuk menghasilkan nilai tambah	Collaborate to create added values
	Empower Diversity	Bekerja sama menyatukan kekuatan keberagaman yang berlandaskan saling menghormati dan saling percaya	Team up and unite the power of diversity upon mutual respect and trust
INTEGRITY	Honesty	Berpikir, berkata dan bertindak dengan dasar kejujuran, etika dan profesionalisme kerja	Think, speak, and act upon the principle of honesty, ethics, and work professionalism
	Commitment	Bertanggung jawab menjaga reputasi baik perusahaan di mata semua pemangku kepentingan	Responsible for maintaining the Company's good reputation before all of the stakeholders

Nilai Values	Perilaku Utama Key Behavior	Definisi	Definition
CUSTOM**ER** FOCUS	Care and Polite	Peduli untuk melayani lebih dari harapan *customer* dengan interaksi personal yang saling menghormati	Caring to serve more than passengers' expectations with personal interactions based on mutual respect
	Fast and Easy	Memberikan layanan yang menghadirkan kenyamanan	Deliver services that provide comfort
AG**I**LITY	Adaptive and Creative	Melihat dan menangkap peluang untuk menghasilkan ide-ide yang memberikan kontribusi positif	See and grab the opportunity to produce ideas which makes positive contribution
	Persistent	Ulet dan tidak mudah menyerah	Tenacious and persistent
SAFE**TY**	Compliance	Memastikan setiap produk, proses dan layanan memiliki kepatuhan atas standar keamanan dan keselamatan.	Ensure that every product, process, and service complies with the security and safety standards
	Risk Management	Melakukan analisis dan mitigasi risiko dalam setiap pengambilan keputusan.	Analyze and mitigate risks in every decision making

B. Komunikasi

Perseroan melakukan program komunikasi untuk memperjelas pesan kepada pegawai bagaimana berperilaku yang diharapkan dan menjadi media pengingat, di berbagai forum, dan menjelaskan perilaku *walk the talk*. Komunikasi dilaksanakan di antaranya melalui: portal internal (*Tell Us About Us*), *e-Learning*, *wallpaper*, poster, banner, dll.

C. Program Pengenalan

Perseroan melaksanakan pelatihan budaya Perseroan bagi pegawai baru baik itu pegawai darat dan pegawai udara. Pegawai baru diberikan pemahaman dan bimbingan agar memahami mengenai program budaya dan berperilaku sesuai dengan budaya Perseroan.

Melalui pelatihan ini, peserta diharapkan untuk dapat memiliki kesadaran mengenai budaya Perseroan, makna dari masing-masing nilai dan perilaku dipahami dengan baik, memiliki arti penting untuk dijalankan bagi kelangsungan Perseroan, dan menunjukkan komitmen untuk mendukung keberhasilan transformasi budaya Perseroan. Selanjutnya, peserta diharapkan untuk terus berperilaku sesuai dengan tata nilai Perseroan.

D. Kode Etik E-Learning

E-learning ini berisi tentang nilai-nilai budaya perusahaan serta *Good Corporate Governance*. *E-learning* ini dapat diakses oleh seluruh pegawai dan menjadi hal yang bersifat wajib untuk pegawai baru.

B. Communication

The Company organized communication program to better deliver the message to its employees on the expected behaviors and as repetition in multiple forums, and to explain the concept of walk the talk. The communication program was carried out among others through: internal portal (Tell Us About Us), e-Learning, wallpaper, poster, banner, and so forth.

C. Induction Training

The Company organized induction training for the new employees, both for the ground staffs and cabin crews. All of the new employees were taught and coached to gain better understanding of behavior and attitude program in accordance with the corporate culture.

Through this training, the participants were expected to develop awareness regarding the corporate culture, to understand the meaning of respective values and behaviors well, to implement those values since it is critical for the Company's sustainability, and to demonstrate the commitment to support the success of corporate culture transformation. Additionally, the participants were expected to maintain such behaviors in line with the corporate culture.

D. E-Learning Code of Conduct

E-learning contains corporate culture as well as Good Corporate Governance values. The E-learning module could be accessed by all of the employees and is mandatory for the new recruits.

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E. Sesi RATING

RATING (rencanakan dan eksekusi target dengan memperkuat *monitoring*) adalah kegiatan yang bertujuan untuk memperkuat disiplin eksekusi prioritas utama unit. Rating terdiri dari 4 tahapan yakni tentukan 3 prioritas utama, kemudian tentukan cara mencapai, selanjutnya pemutakhiran status di papan skor, terakhir adalah dilaksanakan dengan teratur dan terbiasa. Pertemuan Rating dilaksanakan secara rutin setiap hari Senin pukul 08.00 – 08.30 di masing-masing unit.

F. Pemantauan Budaya

Perseroan melakukan proses *monitoring* atas efektivitas peran pimpinan, soliditas tim, efektivitas program, dan kondisi lingkungan kerja. Pelaksanaan *monitoring* dilakukan melalui:

1. On-desk Monitoring
   On-desk monitoring dilakukan dengan mengevaluasi laporan implementasi budaya unit kerja secara periodik. Metode yang dilakukan adalah dengan metode berbasis situs *web* dengan menggunakan sistem pengamatan program budaya.
2. On-site Monitoring
   On-site monitoring dilakukan dengan evaluasi implementasi budaya di masing-masing unit kerja dengan menggali hal-hal yang perlu ditingkatkan dan memberikan umpan balik. Adapun metode yang digunakan adalah: pengamatan langsung, wawancara, kuesioner, FGD, dll.

E. RATING Session

RATING (rencanakan dan eksekusi target dengan memperkuat monitoring) activity is activities which aim to boost discipline in executing main priorities of work units. Rating consists of 4 stages: define 3 main priorities, define how to achieve, update status in scoreboard, and carry out in order and become familiar. RATING meetings are held regularly every Monday at 08.00 – 08.30 in respective work units.

F. Culture Monitoring

The Company monitors the effectiveness of leader roles, team solidness, program effectiveness, and workplace conditions. The monitoring process is carried out through:

1. On-desk Monitoring
   On-desk monitoring is performed by evaluating reports on the implementation of work unit culture on regular basis. In this case, the approach used is web-based method by means of culture program monitoring system.

2. On-site Monitoring
   On-site monitoring is performed by evaluating the implementation of culture in respective work units by assessing aspects that requires improvement and giving feedbacks. Among the approaches used are: direct observation, interviews, questionnaires, FGD, and so forth.

Saat ini budaya perusahaan sudah menuju ke *Innovative culture*, sedangkan yang perlu diperkuat selanjutnya adalah *Goals Oriented culture*.

The corporate culture currently has progressed well into the direction of innovative culture, while the one that needed to be strengthened in the future was Goals Oriented culture.

G. Survei Budaya

Survei budaya bertujuan mengungkap gambaran perubahan budaya yang telah terjadi dan sejumlah isu/kondisi selama proses transformasi yang berdampak pada kemajuan yang diharapkan dan area perbaikan ke depan.

Hasil survei menunjukkan bahwa saat ini budaya perusahaan sudah menuju ke *Innovative culture*, sedangkan yang perlu diperkuat selanjutnya adalah *Goals Oriented culture*. Hasil survei juga menunjukkan bahwa saat ini budaya perusahaan sudah mulai diterapkan di hampir setiap situasi pekerjaan.

PENGEMBANGAN ORGANISASI

Strategi perancangan organisasi di tahun 2016 sepenuhnya mengacu pada strategi jangka panjang Perseroan 2016 – 2020 Sky Beyond antara lain:

1. Perseroan yang memberikan layanan yang peduli dan memahami penumpang melalui Budaya Indonesia (*Excellent Indonesian Hospitality*).
2. Perseroan yang mengoptimalkan profit melalui keseimbangan biaya dan pendapatan (*Return Maximization*).
3. Perseroan yang bersinergi dalam satu grup (*Group Synergy*).

Dengan mengaitkan strategi jangka panjang dengan pilar dasar perancangan organisasi Perseroan (Garuda Indonesia *Business Excellence Framework*), ditinjau dari sisi strategi dan pengembangan bisnis, pengembangan organisasi difokuskan pada organisasi yang mampu memperkuat perancangan/formulasi strategi bisnis yang menjadi daya dorong untuk memaksimalkan pendapatan/memperkecil biaya, meningkatkan layanan yang prima serta sinergi Group guna memenangkan persaingan bisnis jangka panjang. Untuk memperkuat daya saing, Perseroan melalui organisasi mendorong inovasi konsep layanan yang mampu memahami dan peduli terhadap penumpang melalui keramahan Budaya Indonesia sebagai nilai utama produk Perseroan. Perseroan melakukan diferensiasi bisnis dalam rangka mengembangkan potensi pasar secara lebih luas dan menambah pendapatan dengan mengelola *ancillary revenue* dan layanan kargo secara lebih fokus. Dalam rangka menjaga efektivitas dan efisiensi kinerja organisasi di semua lini baik di Kantor Pusat maupun Kantor Cabang, pada tahun 2016 Perseroan melakukan

G. Culture Survey

Culture survey aims to illustrate the cultural changes that have taken place and a number of issues/circumstances during the transformation process which affect the expected progress and improvement area in the future.

The survey results indicated that the corporate culture currently has progressed well into the direction of Innovative culture, while the one that needed to be strengthened in the future was Goals Oriented culture. The result also revealed that at the moment, the corporate culture has been implemented in almost all working situations.

ORGANIZATION DEVELOPMENT

Organization development strategy in 2016 has entirely refer to the Company's long term strategy for 2016 – 2020 of Sky Beyond which entails:

1. The Company delivers service that is caring and understanding the passengers through Excellent Indonesian Hospitality.
2. The Company optimizes profits through the balance between costs and revenues (Return Maximization).
3. The Company which synergize in one group (Group Synergy).

By linking long term strategy with fundamental aspects of the Company's organizational framework (Garuda Indonesia Business Excellence Framework), in terms of strategy and business development, organization development is focused on organization which is able to strengthen framework/ formulation of business strategies to be the driving force to maximize income/reduce costs, improve excellent service and Group synergy in order to win business competition on the long run. To boost its competitive advantages, the Company through organization, promotes innovative service concept which could understand and care for the passengers through Excellent Indonesian Hospitality as the main value of its product. The objective of the Company's competitive differentiation is to expand the market potential to greater extent and boost income by managing business of umrah, hajj, charter, ancillary, and cargo in a more focused way. In order to maintain effectiveness and efficiency of organizational performance across all units, both in the Head Office and Branch Offices, the Company in 2016 conducted

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Sepanjang tahun 2016 terdapat sejumlah 51 Pilot *Ab-initio* dan 8 Pilot berpengalaman (Kapten) yang bergabung.

Throughout 2016, there were a total 51 Ab-initio Pilots and 8 experienced Pilots (Captain) who joined the Company.

evaluasi kinerja, struktur dan bisnis proses Perseroan untuk memperoleh hasil yang lebih baik dan menurunkan biaya operasional dengan tetap menjaga konsistensi pada sisi operasional, keselamatan, dan keamanan.

PEMENUHAN SUMBER DAYA MANUSIA

Dalam upaya mendukung kebutuhan Perseroan untuk terus berkembang dan memenangi pasar pada tahun 2016, proses rekrutmen telah dilakukan terhadap awak pesawat, yaitu pilot dan awak kabin, serta pegawai darat, terutama di posisi yang terkait dengan teknik dan komersial. Pemenuhan pilot mengacu pada jumlah total armada pada tahun 2016. Pemenuhan dilakukan baik secara internal melalui program transisi dan *upgrading* serta eksternal melalui rekrutmen Pilot *Ab-initio* dan Pilot berpengalaman. Sepanjang tahun 2016 terdapat sejumlah 51 Pilot *Ab-initio* dan 8 Pilot berpengalaman (Kapten) yang bergabung. Perseroan melaksanakan pembatasan Pilot Asing sebagaimana oleh Kementerian Perhubungan di mana persetujuan perpanjangan validasi lisensi Pilot Asing hanya dapat diberikan sampai dengan tahun 2018.

Dalam hal awak kabin sesuai dengan target peningkatan produktivitas awak kabin, Perseroan melakukan upaya-upaya pemenuhan kebutuhan awak kabin yang dilakukan yaitu melalui 3 program rekrutmen, yaitu *Walk in Interview*, rekrutmen bulanan di Pusdiklat dan melalui lulusan siswa *Flight Attendant Training* GITC. Melalui program-program tersebut Perseroan berhasil merekrut 165 orang.

evaluation on its performance, structure, and business process to achieve better results and cut down on operational costs while sustaining consistency in terms of operation, safety, and security.

RECRUITMENT

To support the Company's needs to keep growing and winning the competition in 2016, recruitment was held for pilots and cabin crews as well as ground staffs, particularly for technical and commercial-related posts. Pilot recruitment refers to total fleet in 2016. The recruitment process was carried out internally through transition and upgrading program as well as externally through Ab-initio and experienced Pilot recruitment. Throughout 2016, there were a total 51 Ab-initio Pilots and 8 experienced Pilots (Captain) who joined the Company. The Company limited the number of Foreign Pilots as required by the Ministry of Transportation in which approval for extension of licence validation for Foreign Pilots could only be given until 2018.

In terms of cabin crews, in line with the target of cabin crew productivity improvement, the Company has recruited cabin crews through 3 different recruitment programs, that were Walk In Interview, monthly recruitment in education and training centers, and through graduate students of Flight Attendant Training in GITC. Through these programs, the Company managed to hire 165 cabin crews.

Perseroan telah melakukan proses rekrutmen pegawai darat sebanyak 34 kali dengan hasil 34 *Management Trainee*, 57 *Analyst* dan 6 *Officer.* Selain itu, untuk pemenuhan posisi kritikal di level atas yang belum dapat dipenuhi dari internal, telah dilakukan rekrutmen profesional sebanyak 3 orang.

Perseroan berkomitmen untuk melakukan perekrutan secara transparan. Oleh karena itu, Perseroan memberikan kesempatan yang sama bagi pelamar terlepas dari jenis kelamin dan SARA. Proses rekrutmen dilakukan secara transparan dan independen melalui situs *web* karir perusahaan http://career.garuda-indonesia.com. Perseroan juga menggunakan media sosial Twitter (@recruitmentGA) dengan jumlah pengikut saat ini sebanyak 34 ribu, sebagai sarana dalam menyebarkan informasi terbaru dan komunikasi dua arah dengan calon pelamar.

Dalam rangka memperoleh talenta terbaik, kegiatan rekrutmen juga dilaksanakan melalui jalinan hubungan dengan kalangan akademisi. Di tahun 2016 Perseroan aktif dalam mengikuti Bursa Kerja di universitas ternama nasional. Perseroan mengembangkan IT sebagai sarana dalam melakukan proses seleksi terhadap pegawai baru, melakukan evaluasi terhadap alat test yang digunakan, serta melakukan pembaharuan kerja sama dengan asesor independen untuk memastikan tim asesor memiliki kualifikasi yang baik dan profesional.

Sebagai salah satu inisiatif yang dilakukan dalam meningkatkan efektivitas dan efisiensi sumber daya manusia, Perseroan melakukan evaluasi dan implementasi strategi baru terkait pemborongan pekerjaan yang dilakukan secara terpusat. Sentralisasi pemborongan pekerjaan tersebut dilakukan agar pengelolaan pemborongan pekerjaan dapat dilakukan dengan lebih efisien dan profesional melalui sistem dan mekanisme kontrol yang andal. Implementasi pemborongan pekerjaan secara terpusat dilaksanakan Perseroan mulai tanggal 1 Oktober 2016.

PENGEMBANGAN KARIR

Dalam rangka membangun kesetaraan dan Tata Kelola Perusahaan yang Baik, Perseroan memberikan kesempatan yang sama secara terbuka dan objektif kepada seluruh pegawai untuk dapat mengembangkan karir dalam upaya

The Company has conducted recruitment for ground staffs for 34 times and hired 34 Management Trainees, 57 Analysts, and 6 Officers. Moreover, to fill the critical positions on the top level which could not be met internally, the Company has recruited 3 people through professional hire service.

The Company is committed to recruit its employees transparently. As such, the Company gives equal opportunities to all applicants regardless of their gender, ethnicity, religion, race, and inter-group relations. The recruitment process is carried out transparently and independently through the Company's career website on http://career.garuda-indonesia.com. The Company also uses social media Twitter (@recruitmentGA) which has a total of 34 thousand followers, as a medium to share latest information and two-way communications with prospective applicants.

To recruit best talents, the recruitment process also involves partnership with academic institutions. In 2016, the Company actively took part in Job Fair of national renowned universities. The Company developed IT as a tool for selecting new hires, evaluating the used testing tools, and updating partnership with independent assessor to ensure that the assessor team has a good and professional qualification.

Among the initiatives to enhance effectiveness and efficiency of human resources, the Company constantly evaluates and implements new strategies related to chartering, which is carried out centrally. Centralization of chartering is intended to drive a more efficient and professional chartering management through reliable system and control mechanism. Implementation of centralized chartering starts to take effect from October 1, 2016.

CAREER DEVELOPMENT

In order to uphold fairness and Good Corporate Governance practice, the Company gives equal opportunities openly and objectively to all employees to further develop their career in regard to enhancing their competencies, in line with the

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meningkatkan kompetensinya, sesuai dengan peraturan yang berlaku dengan tetap memperhatikan kesesuaian pendidikan, pengalaman dan kompetensi yang dimiliki pegawai.

Manajemen karir merupakan tanggung jawab bersama antara pegawai, atasan, dan Perseroan. Pegawai dapat menyampaikan aspirasi karir melalui proses pembinaan dengan atasan langsung. Atasan langsung dapat membantu membimbing dan mengarahkan individu untuk pengembangan karirnya. Di samping itu, Perseroan juga memberikan kesempatan yang luas dan sama kepada seluruh pegawai yang memiliki kinerja sangat baik dan kompeten dalam organisasi untuk menduduki posisi yang lebih tinggi.

Di tahun 2016, telah dilaksanakan asesmen terhadap 278 pegawai untuk melihat kesesuaian kompetensi pegawai tersebut terhadap posisi yang akan dituju. Selain itu, untuk mengisi posisi lowong di jajaran Direksi Anak Perusahaan, telah dilaksanakan *fit and proper test* dan penilaian dengan standar yang ditetapkan oleh Kementerian BUMN kepada kandidat internal dan eksternal Perseroan sebanyak 35 orang.

Perseroan juga memetakan kandidat suksesor untuk posisi struktural di masing-masing direktorat untuk melihat tingkat kesiapan dan kebutuhan pengembangan dari kandidat suksesor. Pemetaan dari Perencanaan Suksesi ini juga memudahkan untuk melihat posisi-posisi yang memiliki dampak langsung kepada kelangsungan bisnis perusahaan ataupun posisi dengan kualifikasi khusus yang memerlukan waktu lama untuk menyiapkan kandidat suksesor. Baik melalui penilaian maupun perencanaan suksesi tercatat 395 orang yang mengalami promosi jabatan.

Selain hal-hal tersebut di atas, pengembangan karir juga dilakukan melalui rotasi jabatan. Melalui program rotasi, pegawai akan memperoleh pengetahuan yang baru serta kesempatan karir yang lebih luas. Rotasi pegawai yang dilaksanakan dari level *officer* sampai dengan jajaran VP diharapkan dapat melengkapi *exposure* dari pegawai sehingga tingkat kesiapan untuk mendapatkan tanggung jawab lebih besar makin meningkat. Tercatat di tahun 2016 terdapat 1.825 orang yang mengalami rotasi jabatan.

applicable regulations by taking into account the compatibility of education, experience, and skills of the employees.

Career management is a collective responsibility of employees, superiors, and the Company. The employees could submit their career aspiration through coaching process with their direct supervisors. The direct supervisors could help coaching and directing the employees for their career development. Furthermore, the Company also gives extensive and equal opportunities to all employees who have performed really well and highly competent to be promoted into higher positions.

In 2016, the Company has assessed 278 employees to measure the compatibility of their competencies against the applied posts. In addition, to fill in the vacancies in the Board of Directors in its subsidiaries, the Company also conducted fit and proper test as well as assessment with reference to standard established by the Ministry of SOEs for both internal and external candidates which were amounted to 35 people.

The Company has also mapped a number of prospective successors for structural positions in respective directorates to measure the readiness level and needs for development of the candidates. The mapping and succession planing also make it easier to figure out positions that directly affect the Company's business sustainability or positions with specific qualification that will take longer time to prepare its prospective successor. From both assessments and succession planning, there were a total of 395 employees who were promoted.

In addition to the aforementioned approaches, career development could also be facilitated through job rotation. Through job rotation program, employees would gain new knowledge as well as more extensive career opportunities. Employee rotation, which is carried out from officer to VP level, is expected to complement employees' exposure so as to boost their readiness level to bear greater responsibilities. In 2016, there were a total of 1,825 employees who underwent job rotation.

PELATIHAN DAN PENGEMBANGAN KOMPETENSI

Perseroan memiliki komitmen kuat untuk meningkatkan kompetensi dan kualitas sumber daya manusia melalui program pengembangan dan program pelatihan berkesinambungan. Hal ini bertujuan untuk memastikan kemampuan sumber daya manusia Perseroan dalam menjaga keselarasan perubahan lingkungan, pertumbuhan usaha dan pengembangan organisasi,

Pengembangan kompetensi pegawai dilakukan berdasarkan identifikasi dari kekuatan dan bidang yang perlu ditingkatkan dari masing-masing individu. Proses pengembangan kompetensi ini dilaksanakan melalui pemberian penugasan yang menantang, pengalaman *on-the-job*, pengembangan melalui interaksi dengan rekan kerja, jaringan, dan atasan, serta pembelajaran yang disampaikan melalui pelatihan formal. Komitmen ini dituangkan melalui visi dan misi yang diturunkan dari strategi jangka panjang Perseroan yaitu Sky Beyond.

TRAINING & COMPETENCE DEVELOPMENT

The Company is strongly committed to improve the competence and quality of its human resources through continuous training and competence development programs. It is particularly essential to ensure that the Company's human capital is highly capable to maintain the balance between enviromental changes, business growth, and organizational development.

Employee competence development program is held by referring to the identification of each individual's forte and room for improvement. The competence development process is conducted through challenging assignments, on-the-job trainings, development through interaction with colleagues, network, and superiors as well as learning which is delivered through formal trainings. The commitment is set forth in the vision and mission which are derived from the Company's long term strategy namely Sky Beyond.

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Visi:
"*To provide learning solutions in order to support high performance people of Garuda Indonesia Group*"

Misi:
1. Mengoptimalkan kapabilitas melalui solusi pembelajaran yang efektif dengan terfokus pada pengembangan seluruh pegawai Garuda Indonesia dan Garuda Indonesia Grup.
2. Melakukan *alignment program* pembelajaran dengan strategi bisnis korporasi melalui konsep *Human Driven Service*.

Perseroan melalui Unit *Learning & Development* secara konsisten dan berkelanjutan melakukan pengembangan terhadap seluruh pegawai Garuda Indonesia. Selain itu, guna meningkatkan efisiensi dan efektivitas training, di tahun 2016 Perseroan banyak mengembangkan program pengembangan dengan konsep berbasis *E-Learning* di antaranya adalah pengetahuan produk Perseroan yang diberikan kepada jajaran VP, program orientasi yang berisi pengetahuan produk Perseroan, manajemen keselamatan Perseroan dan kode etik yang diberikan kepada pegawai baru. Perseroan juga memberikan program pengembangan baru dengan kombinasi konsep *E-Learning* dan penugasan "*Cross-Function*".

Untuk mendapatkan gambaran kebutuhan pengembangan di level struktural yang lebih komprehensif, di tahun 2016 sudah mulai dirintis pengembangan alat penilaian yang dikembangkan berdasarkan kondisi yang ada di Perseroan, sehingga dapat dibuatkan rancangan program pengembangan kompetensi kepemimpinan yang terstruktur dan komprehensif sesuai dengan kompetensi dan kebutuhan bisnis yang berbeda pada setiap level jabatan.

Perseroan melalui divisi *Learning & Development* menerapkan pendekatan model *Corporate University* sebagai dasar pengembangan SDM yang telah diimplementasikan mulai tahun 2012. Dengan mengusung konsep *Corporate University*, Perseroan menyelenggarakan kegiatan pembelajaran terpadu yang dilandasi oleh inisiatif bisnis. Pembelajaran diciptakan sebagai suatu kegiatan proaktif, dengan tujuan yang sudah jelas dan rencana strategis jangka panjang.

Vision:
"To provide learning solutions in order to support high performance people of Garuda Indonesia Group"

Mission:
1. Optimize capabilities through effective learning solutions which focus on the development of all employees in Garuda Indonesia and Garuda Indonesia Grup.
2. Align learning program with the corporate business strategies through Human Driven Service concept.

Through Learning & Development Unit, the Company has consistently and continuously conducted development of all Garuda Indonesia's employees. Moreover, in order to increase efficiency and effectiveness of trainings, the Company in 2016 also designed a variety of E-Learning-based development program modules. Among others were the Company's product knowledge which was delivered to VPs, orientation program which contained Company's product knowledge, and Company's safety management, and code of conduct, which were delivered to the new recruits. The Company also held new development program by combining E-Learning concept and "Cross-Function" assignment.

To get a more comprehensive picture of the need for development at structural level, 2016 saw the Company initiated the development of assessment tools, which are invented based on the Company's circumstances. As such, the Company is able to design a systematic and comprehensive leadership competence development program which is in line with the diverse competence and business requirements at every position level.

Through Learning & Development division, the Company has applied Corporate University approach as the foundation for HR development which has been implemented starting from 2012. Featuring Corporate University concept, the Company holds integrated learning activities based on business initiatives. Learning is organized as a proactive activity with a clear objective and long-terms strategies.

Dengan pemahaman tersebut, proses pembelajaran dikelompokan kedalam 10 program pelatihan yang terdiri dari:

1. Pelatihan Pilot,
2. Pelatihan Awak Kabin,
3. Pelatihan *Flight Operation Officer*
4. Pelatihan *Operation Support*,
5. Pelatihan *Maintenance and Engineering,*
6. Pelatihan Kargo,
7. Pelatihan Keuangan,
8. Pelatihan Kepemimpinan,
9. Pelatihan *Ground Service*, dan
10. Pelatihan *Marketing and Sales*

Dalam proses pengembangan setiap program pelatihan didasarkan pada 4 tahapan *Learning Value Chain*:

With that understanding on mind, the learning process are classified into 10 categories:

1. Pilot Training,
2. Flight Attendant Training,
3. Flight Operation Officer Training
4. Operation Support Training,
5. Maintenance and Engineering Training,
6. Cargo Training,
7. Finance Training,
8. Leadership Training,
9. Ground Service Training, and
10. Marketing and Sales Training

The development of every training program is based on 4 Learning Value Chain stages:

Pengembangan dan konten dari masing-masing program dirancang dengan mempertimbangkan keseimbangan semua aspek *mastery* yang dibutuhkan Perseroan, meliputi *leadership mastery, functional mastery, personal mastery* dan *business mastery* sehingga dapat meningkatkan profesionalisme pegawai dengan wawasan yang menyeluruh dan komprehensif dalam industri penerbangan.

Development and content of each academy is designed by taking into consideration of balance in all mastery aspects required by the Company: leadership mastery, functional mastery, personal mastery, and business mastery so as to escalate employee professionalism through comprehensive knowledge of aviation industry.

Perseroan menjamin setiap pegawai memiliki kesempatan yang sama untuk mengikuti program pelatihan dan pengembangan kompetensi sesuai dengan bidang dan profesi masing-masing. Program pelatihan dan pengembangan kompetensi ini diselenggarakan dengan mempertimbangkan kebutuhan dan strategi bisnis Perseroan, melalui proses *Training Need Analysis* (TNA) yang efektif dengan melibatkan *people manager*.

The Company ensures that every employee has an equal opportunity to join the training and competence development programs in accordance with their respective job and functions. The training and competence development programs are also organized by taking into account of the Company's business needs and strategies through an effective Training Need Analysis (TNA) process by engaging people manager.

Biaya Pelatihan dan Pengembangan Kompetensi

Seperti yang telah diketahui bersama, pelaksanaan program pelatihan merupakan salah satu bentuk investasi perusahaan pada sumber daya manusia yang dimilikinya. Pada tahun 2016, besarnya biaya pelatihan yang dikeluarkan Perseroan untuk setiap pegawainya adalah sebesar US$1.195.

Training and Competence Development Cost

As commonly understood, the training program is a part of the Company's investment on its human capital. In 2016, the Company spent US$1,195 for trainings of every employee.

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Dalam upaya mendukung strategi Sky Beyond 2016 – 2020, Unit Pelatihan & Pengembangan turut serta dalam perolehan pendapatan melalui penjualan program-program pelatihan yang memiliki kelebihan kapasitas. Pada tahun 2016 besarnya pendapatan yang dihasilkan adalah Rp60 miliar.

Di tahun 2017, Unit Pelatihan & Pengembangan akan senantiasa secara konsisten mengembangkan program-program pelatihan baru sesuai dengan kebutuhan pegawai. Selain itu perolehan pendapatan akan semakin ditingkatkan melalui optimalisasi penjualan program pelatihan yang dimiliki ke pihak ketiga. Dari segi efisiensi biaya, Unit Pelatihan & Pengembangan akan senantiasa meningkatkan metode penyampaian melalui *e-learning*. Sehingga pembelajaran dapat dilakukan oleh seluruh pegawai tanpa dibatasi oleh ruang dan waktu.

Program Pelatihan

Pada 2016, Unit Pelatihan & Pengembangan telah mengembangkan pegawai sebanyak 7.215 pegawai yang terdiri dari Pilot 1.344 siswa, Awak Kabin 2.858 siswa, Flight Operation Officer 222 siswa, dan Ground Staff 1.367 siswa.

To support the Sky Beyond strategy for 2016 – 2020, Learning & Development Unit also took part in generating revenue by selling trainings programs with excess capacity. In 2016, the total revenue generated was Rp60 billion.

In 2017, Learning & Development Unit will consistently design new training programs which correspond with the employees' needs. Additionally, it will also seek to enhance revenue earnings through optimization of training program sales to the third parties. In terms of cost efficiency, Learning & Development Unit will continue to improve delivery method through e-learning, so that the all of the employees could learn without being constrained by place and time.

Training Program

In 2016, Learning & Development Unit has provided trainings for 7,215 employees which comprised of 1,344 Pilots, 2,858 Flight Attendants, 222 Flight Operation Officers, and 1,367 Ground Staffs.

Untuk meningkatkan layanan *Training Center*, sejak 2016 Perseroan telah menyelesaikan pembangunan dormitori "Asana" yang juga berfungsi menambah *ancillary revenue*.

To improve the services of Training Center, since 2016 the Company has finished the development of "Asana" dorm which also increase the ancillary revenue.

Dalam implementasinya, program pelatihan dieksekusi melalui empat metode pembelajaran, yaitu:

1. *Conventional learning*, yaitu sistem pembelajaran di mana aktivitas di antara siswa dan instruktur terjadi di dalam kelas.
2. *Experiential learning*, yaitu sistem pembelajaran berdasarkan pengalaman menggunakan media pelatihan. Melalui sistem pembelajaran ini, kepada siswa akan diberikan kasus yang mungkin terjadi di lapangan. Beberapa pelatihan media yang digunakan dalam sistem pembelajaran ini, di antaranya:
   a. *Training Integrated Procedure* dan *Full Flight Simulator* untuk kegiatan pelatihan Pilot.
   b. *Cabin Service Mock-up, Safety Mock-Up, Emergency Equipment, Fire Fighting, Door Training* untuk kegiatan pelatihan *Flight Attendant*.
   c. *Sales Simulator* dan *Check In Simulator* untuk kegiatan pelatihan *Marketing & Sales* dan pelatihan *Ground Service*.
3. *Information Technology Based Learning*, yaitu sistem pembelajaran yang menggunakan aplikasi teknologi seperti halnya *e-learning* untuk seluruh pegawai dan pelatihan berbasis komputer untuk kegiatan pelatihan

In its implementation, the trainings programs are carried out through four learning methods as follow:

1. Conventional learning, which is a learning system in which the activities between the students and instructors take place in classroom.
2. Experiential learning, which is a learning system based on experiences in using training media. Through this learning system, the students will be provided with scenarios which are likely to occur on sites among the training media used in this learning system are:
   a. Integrated Procedure Training and Full Flight Simulator for Pilot Training.
   b. Cabin Service Mock-up, Safety Mock-Up, Emergency Equipment, Fire Fighting, Door Training for Flight Attendant Training.
   c. Sales Simulator and Check In Simulator for Marketing & Sales and Ground Service Training.
3. Information Technology Based Learning, which is a learning system that uses technology application such as e-learning for all employees and computer-based trainings for pilot training. Implementation of this learning

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pilot. Implementasi sistem pembelajaran ini ditujukan dalam upaya meningkatkan efektivitas dari segi waktu pembelajaran dan efisiensi dari segi biaya yang dibutuhkan dalam pelaksanaan program pelatihan. Pada tahun 2016, Unit *Learning & Development* telah mengembangkan aplikasi *mobile learning*. Sehingga seluruh pegawai dapat mengikuti pembelajaran *e-learning* dari *smartphone* masing-masing.

4. *Blended Learning*, yaitu sistem pembelajaran yang mengkombinasikan 2 buah metode pelatihan, yaitu penggunaan *e-learning* dan pelatihan *conventional classroom*.

system is intended to enhance the effectiveness of learning time and efficiency of cost required in conducting training programs. In 2016, Learning & Development Unit has developed mobile learning applications so that all employees could participate in e-learning from their own smartphones.

4. Blended Learning, which is a learning system that combines two training approaches: e-learning and conventional classroom training.

PENGELOLAAN KINERJA

Perseroan mengelompokkan Sistem Manajemen Kinerja (SMK) berdasarkan karakteristik dan ruang lingkup pekerjaan masing-masing rumpun jabatan dengan penerapan yang berbeda untuk Penerbang, Awak Kabin, Pegawai *Frontliner Service*, Pegawai Kargo Gudang, dan Pegawai *Head Office - Branch Office* (HOBO).

Penilaian kinerja Penerbang lebih difokuskan pada kepatuhan penerbang terhadap ketentuan dan aturan penerbangan, disiplin, dan komitmen terhadap Perseroan. SMK bagi Awak Kabin difokuskan pada kepatuhan Awak Kabin menjalankan prosedur-prosedur pelayanan dan kedisiplinan Awak Kabin. Bagi *Frontliner Service*, SMK difokuskan terhadap pencapaian target penjualan serta kualitas dan perilaku *Frontliner* dalam melayani calon penumpang. Adapun bagi pegawai Kargo Gudang, PMS difokuskan pada kesesuaian terhadap *Standard Operating Procedure* (SOP). Sementara untuk pegawai HOBO, SMK difokuskan terhadap pencapaian KPI dan target individu yang dikelola melalui siklus SMK. *People Manager* di HOBO dapat mengelola kinerja pegawai di jajarannya dengan mengimplementasikan siklus SMK yang terdiri tahapan *Employee Performance Planning* (EPP) dan *Employee Development Planning* (EDP), *Employee Performance Tracking* (EPT-1 dan EPT-2), dan *Employee Performance Review* (EPR).

Pada tahun 2016 telah dimulai *pilot project* untuk implementasi SMK bagi Pegawai yang berada pada fungsi penjualan, baik penjualan tiket penumpang maupun kargo. Inisiatif ini dilakukan dengan tujuan untuk lebih mengoptimalkan pengelolaan kinerja bagi pegawai bidang penjualan dalam mendukung strategi perusahaan untuk

PERFORMANCE MANAGEMENT

The Company groups its Performance Management System (PMS) based on the characteristics and scope of work for each position group with different implementation for Pilots, Cabin Crews, Frontliner Service Employees, Storage Cargo Employees, and Head Office – Branch Office (HOBO) staffs.

Performance assessment for Pilots is more focused on pilots' compliance with aviation provision and regulation, discipline, and commitment to the Company. PMS for Cabin Crews is focused on Cabin Crews' adherence to service procedures and discipline. Meanwhile, for Frontliner Service, PMS is emphasized on the achievement of sales target as well as quality and behavior of frontliners in serving the passengers. On the other hand, for Storage Cargo employees, the highlight of PMS is on the compliance with Standard Operating Procedure (SOP). As for HOBO staffs, PMS emphasizes on achievement of KPI and individual target which is managed through PMS cycle. People Manager in HOBO can manage staff performance at all levels by implementing PMS cycle which consists of Employee Performance Planning (EPP) and Employee Development Planning (EDP), Employee Performance Tracking (EPT-1 and EPT-2), and Employee Performance Review (EPR).

In 2016, the Company has begun pilot project for PMS implementation for employees in Sales division, both Passenger Sales and Cargo Sales. This initiative aims to further optimize performance management for Sales employees in supporting the Company's strategies to keep driving revenue increase. PMS is constantly evaluated and

terus mendorong peningkatan pendapatan. Setiap tahun, SMK terus dievaluasi dan disempurnakan agar dapat lebih efektif mendukung *people manager* dalam mengelola kinerja pegawai.

improved every year so as to be more effective in supporting people manager in managing employees' performance.

STRATEGI REMUNERASI

Perseroan menetapkan jumlah dan besaran remunerasi berdasarkan posisi, kompetensi dan akuntabilitas dengan menciptakan *internal equity* yang didasarkan pada kriteria yang bersifat objektif serta memperhatikan *external competitiveness* (harga pasar) sesuai dengan kemampuan Perseroan. Gaji di Perseroan dikelompokkan berdasarkan profesi penerbang, awak kabin dan pegawai HOBO yang komponennya terbagi atas *fixed pay* dan *variable pay*. Peninjauan terhadap penggajian yang diberikan kepada seluruh pegawai dilakukan pada pertengahan tahun sesuai dengan PKB dengan mempertimbangkan inflasi, kemampuan finansial Perseroan dan pencapaian kinerja pegawai.

Strategi remunerasi yang mencakup kompensasi dan penghargaan disusun dengan mempertimbangkan 3 hal yaitu MMC (*Market, Meritocracy,* dan *Company Capability*). Selain itu, Perseroan juga mempertimbangkan kinerja dan produktivitas dalam menetapkan penghargaan yang diberikan kepada pegawai dengan tetap mempertimbangkan kemampuan Perseroan baik di tahun berjalan ataupun di masa mendatang.

Pada tahun 2016, tinjauan remunerasi pegawai meliputi besaran gaji, tunjangan dan nilai FATA (*Flight Allowance & Travel Allowance*) untuk penerbang dan awak kabin, serta fasilitas kesehatan untuk pegawai, *sales* insentif untuk tenaga penjualan. Perseroan juga melakukan tinjauan terhadap kebijakan mengenai fasilitas pegawai yang ditempatkan di kantor cabang, fasilitas komunikasi, dan fasilitas kepemilikan kendaraan.

REMUNERATION STRATEGY

The Company establishes the number and amount of remuneration based on the position, competence, and accountability by creating internal equity on objective criteria while also taking into account external competitiveness (market price) according to the Company's capability. Salary in the Company is categorized based on the position of pilots, cabin crews, and HO-BO which comprises of fixed pay and variable pay. Review on remuneration provided to all employees is conducted in the middle of the year in line with the CLA by taking into consideration of inflation, the Company's financial capability, and employees' performance achievement.

Remuneration strategy which consists of compensation and reward, is formulated by considering 3 aspects namely MMC (Market, Meritocracy and Company Capability). Moreover, the Company also takes into account of performance and productivity in establishing reward given to the employees in regard to the Company's capability in the current year and future.

In 2016, review of employees' remuneration included the amount of salary, allowances, and FATA (Flight Allowance & Travel Allowance) values for Pilots and Cabin Crews as well as health facilities for employees, and sales incentive for sales staffs. The Company has also reviewed the policy on facilities for employees who are stationed in the branch offices, communication facility, and Car Ownership facility.

LAYANAN PEGAWAI

Employee Service Center memberikan pelayanan kepada pegawai untuk hal-hal yang berkaitan dengan masalah kepegawaian, serta mengeluarkan kebijakan atau inovasi baru yang bertujuan untuk meningkatkan layanan agar sejalan dengan peningkatan kinerja pegawai sebagai individu. Pada tahun 2016 terdapat beberapa kebijakan yang berhubungan dengan layanan kepegawaian antara lain:

EMPLOYEE SERVICE

Employee Service Center provides services for employees regarding things related to employment matter, issues new policies or innovation aiming to improve service so that it is in line with enhanced performance of employees as individuals. In 2016, there were a number policies concerning employee service as follow:

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1. Penerapan CF *Online*
   Fasilitas pengambilan jatah konsesi tiket tersebut melalui portal masing-masing pegawai.
2. Layanan *Ticketing* Konsesi di Garuda Operation Center (GOC)
   Layanan di area kantor GOC yang lokasinya berdekatan dengan area aktivitas *air crew* ini bertujuan untuk memudahkan pegawai udara dalam penerbitan tiket konsesi yang tidak lagi harus dilakukan di *Employee Service Center*.
3. Layanan penyedia jasa kesehatan di *Employee Service Center*
   Layanan langsung oleh perwakilan Inhealth untuk pegawai di *Employee Service Center*. Hal ini bertujuan untuk memberikan kepercayaan terhadap mutu layanan yang diberikan oleh penyedia jasa kesehatan itu sendiri khususnya untuk proses *reimbursement*.
4. HC *Mobile*
   Perseroan mulai merintis sebuah aplikasi ponsel dengan nama "HC Mobile" untuk sistem operasi Android. Aplikasi ini dapat memfasilitasi komunikasi 2 arah antara *people manager* dengan pegawai di bawah koordinasinya melalui ponsel *smartphone* yang sebelumnya hanya dapat dilakukan melalui *Desktop*/PC/Laptop untuk mengelola waktu kerja dan presensinya sesuai dengan ketentuan yang berlaku dan lebih akurat (khusus pegawai darat HOBO).

TALENT MANAGEMENT

Agar dapat menentukan dan menyiapkan kandidat untuk posisi-posisi kunci dalam Perseroan, maka dilakukan proses identifikasi untuk posisi-posisi yang memberikan pengaruh yang signifikan terhadap bisnis perusahaan, identifikasi potensi dan kebutuhan pengembangan pegawai, serta penyiapan suksesor untuk posisi-posisi struktural. Atas dasar ini, di tahun 2016 Perseroan telah melakukan proses *Talent Review* untuk setiap pegawai di seluruh direktorat. Dalam *Talent Review*, dilakukan tiga proses inti yaitu identifikasi *Business Critical Positions, Employee Talent Mapping,* dan *Succession Planning*.

Dalam *Employee Talent Mapping* dilakukan pemetaan dan pengelompokan pegawai berdasarkan potensi karir dan kinerja pegawai. Pegawai tertentu yang masuk dalam kelompok pegawai yang memiliki potensi tinggi dimasukkan dalam *Talent Pool*, yaitu kumpulan pegawai yang memiliki potensi

1. Implementation of CF Online
   Access to claim ticket concession share through portal of respective employee.
2. Concession Ticketing Service in Garuda Operation Center (GOC)
   The service around GOC office area whose location is nearby the air crew activity area is intended to facilitate employee service center.
3. Health provider service in Employee Service Center
   Direct service by Inhealth representative for employees in Employee Service Center. It is meant to build trust in the quality of service provided by the health provider, particularly reimbursement process.
4. HC Mobile
   The Company starts to initiate a mobile app called "HC Mobile" for Android operating system. This application could facilitate two-way communications between people manager with employees they are in charge of through smartphone which previously could only be done through Desktop/PC/Laptop to manage working time and attendance in accordance with the applicable provisions and more accurately (exclusively for Domestic HOBO).

TALENT MANAGEMENT

In order to determine and prepare candidates for critical positions, the Company has identified positions that has tremendous impact to its business, employees' potential and development requirement, as well as preparation of successors for structural positions. Bearing this in mind, the Company in 2016 has conducted Talent Review for every employee in all directorates. In Talent Review, there are three core process: identification of Business Critical Positions, Employee Talent Mapping, and Succession Planning.

In Employee Talent Mapping, the Company maps and categorizes employees based on their career potentials and performance. Selected employees with high potentials are included in Talent Pool, which is a list of talents or a group of employees with high potentials which will be projected to

tinggi yang akan diproyeksikan untuk mengisi posisi-posisi tertentu, terutama posisi kunci Perseroan.

Para pegawai yang masuk dalam *Talent Pool* akan mendapatkan program-program pengembangan dan pelatihan yang dilakukan secara khusus untuk meningkatkan kemampuan kepemimpinan dan secara umum meningkatkan kesiapan untuk mengemban tanggung jawab yang lebih luas. Hal ini dilakukan sejalan dengan tujuan konsep *Talent Management* secara umum, yakni untuk memastikan bahwa organisasi memiliki orang-orang yang sudah siap, baik secara jumlah maupun kualitas, untuk memenuhi kebutuhan bisnis perusahaan saat ini maupun di masa mendatang.

Di tahun 2016, program *Management Trainee* meliputi program pengembangan *Management Trainee* bidang Penjualan dan Teknologi Informasi. Program pembekalan untuk *Management Trainee* di bidang Penjualan yang sebelumnya difokuskan kepada penjualan tiket penumpang, disesuaikan dengan strategi Perseroan yang saat ini juga memfokuskan pendapatan dari kargo, umroh, dan *charter*. Selain itu, lingkup pembelajaran juga diperluas untuk mempelajari bidang kargo, umrah dan *charter*. Hal ini dilakukan tidak saja untuk pembelajaran di kelas, namun juga untuk *On-the-Job Training*. Pembekalan *Management Trainee* juga dikemas dengan lebih banyak diskusi mengenai studi kasus yang ada di Perseroan. *Sharing* dan *exposure* untuk membuka wawasan dan *horizon future leaders* dilaksanakan dengan mengundang *Senior Management* dari Dewan Komisaris dan Direksi untuk menjadi pembicara dalam kelas *Management Trainee* maupun dalam bentuk *coffee morning meeting*.

PENGELOLAAN HUBUNGAN INDUSTRIAL

Salah satu hal yang menjadi fokus utama kegiatan di tahun 2016 adalah pembaruan PKB melalui perundingan dengan Serikat Pekerja sebagai sarana untuk menampung seluruh aspirasi pegawai dan usulan dari manajemen yang bertujuan untuk menciptakan hubungan yang baik antara pegawai dengan Perseroan. Secara keseluruhan Perundingan PKB 2016-2018 berjalan dengan lancar bahkan berhasil menyelesaikan perundingan dalam waktu sesuai kesepakatan. Walaupun pada prinsipnya sudah selesai disepakati oleh pihak manajemen dengan Serikat Karyawan Garuda Indonesia (Sekarga) sebelum masa berlakunya PKB berakhir pada 2 September 2016, pihak manajemen dengan Sekarga sepakat untuk memperpanjang masa berlaku PKB 2014-2016 sejak tanggal 2 September 2016 sampai dengan 1 September 2017 atau ditandatanganinya PKB yang baru.

fill in certain positions, particularly the Company's Business Critical Positions.

The employees who are included in the Talent Pool will receive training and development programs, which are specifically tailored to improve leadership skills and enhance readiness to bear greater responsibilities in general. This is in line with the objective of Talent Management concept in general, which is to ensure that the organization has professionals who are ready, both in terms of quantity and quality, to meet the Company's current and future business needs.

In 2016, Management Trainee comprised of development program for Sales and Information Technology Management Trainee. The briefing for Sales Management Trainee which was previously focused on passenger sales, was aligned with the Company's current strategy to also focus on revenue from cargo and umrah as well as charter. Moreover, scope of learning was also extended to learn about cargo, umrah, and charter. It is not only applied for classroom learning but also On-the-Job Training. The Management Trainee briefing also featured more discussions on the Company's case studies. Sharing and exposure to broaden insights and horizon of future leaders were facilitated by inviting Senior Management from the Board of Commissioners and Directors to be the speakers in Management Trainee class and coffee morning meeting.

INDUSTRIAL RELATIONS MANAGEMENT

One of the aspects that became the highlight in 2016 was the renewal of CLA through discussions with the labor trade union as a forum to accomodate aspiration from employees and suggestions from management which aims to build a good relationship between the employees and the Company. Overall, the CLA 2016-2018 discussion went smoothly and even managed to be completed in time in accordance with the agreement. Despite being agreed upon by the both parties involved prior to the expiration date of the previous CLA on September 2, 2016, both management and Garuda Indonesia's Employee Union (Sekarga) decided to extend the validity term of CLA 2014-2016 from September 2, 2016 to September 1, 2017, or the signing of the new CLA.

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Hal lain yang menjadi fokus kegiatan unit Hubungan Industrial adalah menjalin kemitraan yang sinergi melalui komunikasi yang baik dengan Serikat Pekerja di Perseroan sehingga tercipta hubungan yang harmonis baik antara pegawai dengan Perseroan, melakukan tindak lanjut terkait dinamika hubungan Industrial yang terjadi di lingkungan Garuda Indonesia seperti penyusunan kebijakan SDM yang merupakan turunan dari PKB, penyelesaian permasalahan hubungan industrial, pengurusan penggunaan Tenaga Kerja Asing (TKA), *drafting* dan/atau ulasan perjanjian kerja, dan lain sebagainya.

Other matter which was emphasized during Industrial Relation unit activitiy was to build a synergy and partnership through a good communication with the Company's labor trade union so as to create a harmonious relationship between the employees and the Company, follow up the industrial relation dynamics in Garuda Indonesia's environment such as formulation of Human Capital policy which was derived from CLA, settlement of industrial relation-related issues, management of Foreign Workers, drafting and/or review of employment agreement, and so forth.

STRATEGI SUMBER DAYA MANUSIA TAHUN 2017

Strategi dan perencanaan sumber daya manusia di masa mendatang akan tetap mengacu kepada strategi korporasi. Pencapaian Perseroan menjadi maskapai bintang 5 dan juga layanan awak kabin terbaik di dunia menjadi standar yang harus tetap dipertahankan. Di samping itu, sistem pengelolaan sumber daya manusia akan lebih diarahkan untuk dapat mendorong pencapaian target pendapatan dan pada saat yang sama, mengelola investasi sumber daya manusia secara lebih efisien.

HUMAN RESOURCES STRATEGY FOR 2017

Human resources strategy and planning in the future will still refer to the corporate strategy. The Company's achievement as a 5-star airline and The World's Best Cabin Crew becomes standard that needs to be maintained. In addition, the human resources management system will be concentrated more to drive revenue target achievement, and at the same time, manage investment on human resources more efficiently.

Pengelolaan SDM pada tahun 2017 diarahkan untuk mendukung tema Perseroan, yaitu pembaruan model bisnis dengan memperkuat dan mengembangkan jaringan dan distribusi *channel* Perseroan di pasar domestik dengan dukungan yang kuat dari Citilink dan anak Perseroan lainnya. Pengembangan SDM akan lebih fokus pada peningkatan *business acumen* pada seluruh pegawai, baik melalui program-program *Corporate Culture* maupun dengan mengoptimalkan *Performance Management System* (PMS), khususnya pada fungsi penjualan.

HR Management in 2017 will be aligned to support the Company's theme, which is the renewal of business model by strengthening and extending the Company's network and distribution channels in domestic market with solid support from Citilink and its other subsidiaries. HR development will focus more on boosting business acumen for all employees, through Corporate Culture programs and by optimizing Performance Management System, particularly on Sales division.

Selain itu pengelolaan SDM diarahkan agar pola pikir dan pola tindak pegawai dalam melakukan aktivitas selalu dihubungkan dengan manfaat bagi Perseroan. Perseroan akan melakukan kaji ulang model kompetensi dan menyiapkan para senior, *mid level manager* untuk proses regenerasi dan juga agar menjadi *global talent*. Dalam hal pengembangan organisasi secara korporasi, Perseroan menyiapkan pembentukan *holding company* yang akan menjadi induk seluruh lini usaha. Pembentukan tersebut diharapkan akan menciptakan sinergi usaha yang optimal.

Furthermore, HR management will strive to focus on guiding mindset and behavior of employees in working to be always in the Company's interest. The Company will review competence models and prepare senior, mid-level managers for regeneration process and so as to become global talents. In organization development as a corporation, the Company will prepare establishment of holding company which will parent all of its business lines. The establishment is expected to build an optimal business synergy.

TEKNOLOGI **INFORMASI**
Information Technology

KEBIJAKAN TEKNOLOGI INFORMASI

Pemutakhiran terhadap aturan dalam pengelolaan teknologi informasi dalam hal ini adalah Manual Tata Kelola Teknologi Informasi *(IT Governance)* dilakukan seiring dengan organisasi yang terus berkembang. Pemutakhiran ini dilakukan dengan melakukan proses *review* dari dokumen Manual Tata Kelola Teknologi Informasi yang dilakukan setiap tahun untuk melihat kesesuaian dokumen dengan perkembangan organisasi.

STRATEGI DAN IMPLEMENTASI TEKNOLOGI INFORMASI DI TAHUN 2016

Strategi teknologi informasi pada tahun 2016 mengacu pada *Information Technology Master Plan* (ITMP) 2016 yang fokus pada kenaikan pendapatan dan biaya produksi, sejalan dengan strategi bisnis yang telah ditetapkan "Sky Beyond". Inisiatif yang dilaksanakan antara lain meliputi:

INFORMATION TECHNOLOGY POLICY

Regulation on information technology management, in this case Information Technology Governance Manual (IT Governance), is updated in correspondence with the growing organization. It is updated by reviewing document of Information Technology Governance Manual on annual basis to assess the relevance of those documents against the organizational growth.

INFORMATION TECHNOLOGY STRATEGY AND IMPLEMENTATION IN 2016

Information technology strategy in 2016 refers to 2016 Information Technology Master Plan (ITMP) which focuses on revenue growth and cost productivity, in line with business strategy set in "Sky Beyond". Among the initiatives that took place were:

TEKNOLOGI INFORMASI
Information Technology

- Meningkatkan kemampuan sistem *Loyalty* sehingga anggota GarudaMiles dapat menikmati *Mileage Redemption Online*.
- Digital bisnis dan *mobile*.
- Mengintegrasikan proses *booking* antara GA dan Citilink.
- Mengimplementasikan CRM untuk *Loyalty Member*.
- Implementasi sistem *New Flight Operation Management*.
- Mengembangkan *Mobile Executive Dashboard* untuk mendukung pengambilan keputusan oleh manajemen dengan lebih cepat dan akurat.
- Memastikan dukungan dalam penyiapan TI di area Domestik pada Terminal 3.
- Meningkatkan kemampuan dan otomatisasi sistem kargo dengan menggunakan *barcode*.

Dengan melaksanakan inisiatif TI yang sesuai dengan kebutuhan bisnis maka proses bisnis akan berjalan dengan cepat, tepat, dan akurat.

RENCANA STRATEGI DAN PELAKSANAAN PENGEMBANGAN TEKNOLOGI INFORMASI DI TAHUN 2017

Pada tahun 2017, selain untuk memastikan operasional sistem TI Perseroan berjalan dengan baik untuk mendukung operasional penerbangan, maka rencana strategi dan pelaksanaan pengembangan teknologi informasi adalah antara lain:

- Peningkatan *sales* dengan melakukan mendesain ulang situs, implementasi *digital ancillaries* dan pengembangan aplikasi *mobile* serta mengintegrasikan proses di Perseroan dan anak perusahaan.
- Menggunakan *big data* untuk mendukung kegiatan pemasaran dan penjualan.
- Peningkatan kerja sama *loyalty* dengan SkyTeam *partner*.
- Peningkatan keamanan sistem TI.
- Implementasi sistem New Flight Operation Management dan optimalisasi pengelolaan operasional awak kabin.
- Menyiapkan sistem untuk kontrol kelebihan bagasi untuk meminimalisasi kecurangan.
- Pengembangan integrasi sistem di kargo.
- Memastikan dukungan dalam penyiapan TI di area internasional pada Terminal 3.

- Enhance Loyalty System so that Garudamiles members can access Mileage Redemption Online.
- Digital and mobile business.
- Integrate booking process between GA and Citilink.
- Implement CRM for Loyalty Member.
- Implement New Flight Operation Management system.
- Design Mobile Executive Dashboard to support a faster and more accurate decision making by management.
- Ensure support in IT preparation for Domestic area in Terminal 3.
- Enhance capability and automatization of Cargo system using barcode.

By executing IT initiatives which are in line with business needs, the business process will run quickly, precisely, and accurately.

STRATEGIC PLAN AND IMPLEMENTATION OF INFORMATION TECHNOLOGY DEVELOPMENT IN 2017

In 2017, in addition to ensure that Company's IT system run smoothly to support flight operation, the Company has formulated a series of information technology strategies and development as follow:

- Improve sales by redesigning website, implementing digital ancillaries, and designing mobile app while also integrating process in the Company and subsidiaries.
- Use big data to support marketing and sales activities.
- Enhance loyalty partnership with SkyTeam partner.
- Enhance IT system security.
- Implement New Flight Operation Management system and optimize the operational management of cabin crew.
- Prepare system for Excess Baggage Control to mitigate Fraud.
- Integrate system in cargo.
- Ensure support in IT preparation of international area in Terminal 3.

PENGADAAN
Procurement

Setelah melewati fase "*Procurement Excellence*" yang ditandai dengan penguatan Perseroan terhadap kompetensi intinya di bidang industri penerbangan dan memperkuat sinergi dengan mitra strategis yang bersama-sama berkomitmen untuk selalu melakukan perbaikan berkelanjutan, kini Perseroan memfokuskan pengembangan Pengadaan menuju fase *Collaborative & Digital Procurement* sebagai bagian dari tahapan yang perlu dilalui dalam rangka mencapai "*World Class Procurement*".

After going through "Procurement Excellence", indicated by its stronger competitiveness and better synergy with strategic partners, the Company now focuses on development of Procurement through Collaborative & Digital Procurement phase as part of stages to achieve "World Class Procurement".

Collaborative & Digital Procurement diarahkan untuk dapat mendorong terciptanya pengadaan yang lebih efektif dengan didukung oleh peningkatan sinergi dan kolaborasi antar mitra strategis serta optimalisasi penggunaan *advance technology* yang dapat memperkuat pengadaan menjadi salah satu faktor kunci pendorong peningkatan daya saing Perseroan.

Collaborative & Digital Procurement directed to recreate more effective procurement, supported by improved synergy and collaboration among strategic partners as well as optimization of advanced technology use to strengthen procurement could be a significant aspect to boost Company's competitive advantages.

STRATEGI PENGADAAN TAHUN 2016

Sejalan dengan tujuan tersebut, beberapa strategi yang telah diterapkan pada tahun 2016, antara lain adalah sebagai berikut:

a. Sourcing Strategy
   Sourcing Strategy ditetapkan berdasarkan rencana pengembangan bisnis Perseroan, fokus pada pelayanan yang prima terhadap pelanggan, serta peningkatan efisiensi dan daya saing Perseroan.

   Adapun fokus *sourcing strategy* Perseroan adalah berdasarkan *Pareto Investment & Expense* dijelaskan dalam gambar di bawah ini:

PROCUREMENT STRATEGY IN 2016

In line with those objectives, some strategies applied in 2016 included:

a. Sourcing Strategy
   Sourcing strategy was determined based on Company's business development, focus on service excellence, and increasing efficiency as well as the Company's competitiveness.

   The Company's sourcing strategy focus on Pareto Investment & Expense as described in the following chart:

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Sourcing strategy juga diperkuat dan diarahkan untuk dapat mendorong peningkatan kapabilitas serta daya saing Anak Perusahaan dalam GA Group sebagai mitra strategis Perseroan yang fokus pada kompetensi intinya masing-masing. Di samping itu, upaya untuk dilakukannya perbaikan bersama secara berkesinambungan dengan mitra strategis secara konsisten terus dijalankan guna mendorong peningkatan nilai tambah bagi kedua belah pihak.

Sourcing strategy is strengthened and aimed to drive capability improvement and competitiveness of subsidiaries in GA Group as Company's strategic partners which focuses on its respective core competencies. In addition, the Company also consistently strives for joint continuous improvement with strategic partners to enhance added values for both parties.

b. Sumber Daya Manusia
Keberhasilan pengadaan tidak terlepas dari peran serta kualifikasi personil pengadaan yang wajib dimiliki, yaitu yang cakap dan berintegritas. Dalam pelaksanaan pengadaan, personil pengadaan harus memiliki kemampuan untuk dapat memberikan solusi *end-to-end* dan komprehensif atas strategi pemenuhan kebutuhan barang/jasa dengan tetap berpedoman pada prinsip-prinsip dan tata kelola perusahaan yang baik.

b. Human Resources
Procurement personnels are central to the successful procurement process. Among the qualifications that is required are smart and integrity. In procurement process, the procurement personnel shall be able to provide end-to-end and comprehensive solution for goods/service procurement strategy with reference to good corporate governance and principles.

c. Sistem Pengadaan
Perseroan secara berkelanjutan menyempurnakan Sistem Pengadaan termasuk revitalisasi Pengadaan berbasis TI guna meningkatkan transparansi dalam proses pengadaan, serta sebagai pendukung dalam pengambilan keputusan yang cepat dan tepat melalui sistem yang akuntabel, yang meliputi:
   a. Peningkatan Pengadaan berbasis TI yang terintegrasi untuk mendukung *end-to-end* aktivitas pengadaan, serta sebagai portal interaksi dengan *supplier*.
   b. Menyelaraskan strategi Pengadaan berbasis TI terhadap berkembangnya tren pembelian *online*.

Di samping itu, Perseroan juga terus melakukan peningkatan dari segi proses bisnis dan ketentuan guna meningkatkan efektivitas pelaksanaan pengadaan dengan tetap memperhatikan tata kelola perusahaan yang baik.

c. Procurement System
The Company constantly refines the Procurement System including revitalization of IT-based Procurement in order to enhance transparency of procurement process while supporting a quick and accurate decision making through an accountable system which consist of:

   a. Enhance integrated IT-based procurement to support end-to-end procurement activity, as well as interaction portal with suppliers.
   b. Align IT-based procurement strategy towards the growing trend of online purchasing.

In addition, the Company also continuously improves its business process and provisions to enhance effectiveness of procurement by taking into consideration the good corporate governance principles.

KINERJA 2016
Sepanjang tahun 2016, Unit Pengadaan melaksanakan sebanyak 575 proses pengadaan. Rata-rata produktivitas personil pengadaan mencapai 33 pengadaan per personil. Adapun kontribusi penghematan yang cukup signifikan dapat dijelaskan sebagai berikut:

1. Pengadaan *Integrated Air Cargo Management Solution System* (ICMS) yang merupakan sistem aplikasi pendukung bisnis kargo, akan memberikan potensi penghematan sebesar US$905.960 per tahun.

2016 PERFORMANCE
Throughout 2016, the Procurement Unit has 575 procurement process. Each procurement staff can perform 33 procurement process as the average rate of their productivity. As such, the Company has made a significant savings from the following sources:

1. Procurement of Integrated Air Cargo Management Solution System (ICMS) which is an application system that support cargo business with potential saving US$905,960 per year.

2. Pengadaan asuransi *Personal Accident & Loss of License* yang memberikan hasil potensi penghematan sebesar US$492.592,17 per tahun.

Selain itu, strategi lain yang ditetapkan Perseroan dalam upaya memperoleh penghematan dari segi pengadaan adalah dengan melakukan renegosiasi atas beberapa kontrak kerja sama antara lain:

1. Perseroan melakukan renegosiasi atas penyediaan *Passenger Service System* sehingga akan memberikan potensi penghematan sebesar US$7.358.428 per tahun.
2. Perseroan melakukan renegosiasi atas penyediaan bahan bakar pesawat untuk lokasi domestik sehingga akan memberikan potensi penghematan sebesar US$7.029.364 per tahun.
3. Perseroan melakukan renegosiasi atas penyediaan lisensi aplikasi e-mail dan perkantoran yang akan memberikan potensi penghematan sebesar Rp8.851.531.000 per tahun;

Di samping itu, Perseroan menjalankan program sinergi yaitu *Joint Purchasing* bersama dengan anak perusahaan guna mendorong peningkatan efisiensi dan efektivitas pengadaan baik dari sisi proses maupun *output* yang dihasilkan. Dalam kaitannya dengan hubungan dengan pemasok, secara periodik Perseroan melaksanakan *Supplier Feedback Survey* dengan responden pemasok Garuda Indonesia dengan tujuan mendapatkan persepsi pemasok atas pengadaan di Perseroan dan juga mendapatkan umpan balik dari pemasok untuk peningkatan pengadaan ke depan.

Adapun hasil *Supplier Feedback Survey* selama tiga tahun terakhir dapat digambarkan dalam grafik sebagai berikut:

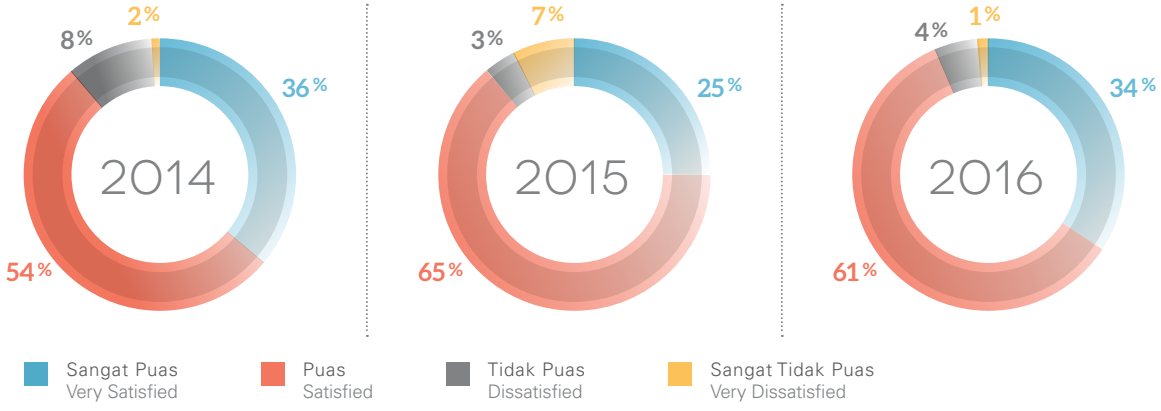
2. Procurement of Personal Accident & Loss of License insurance which offers potential saving US$492,592.17 per year.

In addition, other strategy set by the Company to drive more efficient procurement is by renegotiating several partnership contracts with suppliers among others:

1. Renegotiation of the Passenger Service System with potential saving US$7,358,428 per year.
2. Renegotiation of avtur for domestic locations with potential saving US$7,029,364 per year.
3. Renegotiation of license for e-mail and office application with potential saving Rp8,851,531,000 per year.

Moreover, the Company applies Joint Purchasing Program together with subsidiaries to improve efficiency and effectiveness of procurement both in terms of process and outputs. The Joint Purchasing Program is also part of the strategy to build better synergy with subsidiaries. In regard to its relationship with suppliers, the Company held Supplier Feedback Survey regularly with supplier respondents to obtain supplier opinion on the existing procurement as well as supplier feedbacks for future improvement.

The results of Supplier Feedback Survey for the last three years can be summarized as follows:



PENGADAAN
Procurement

Persepsi pemasok terhadap sistem pengadaan di Perseroan pada tahun 2016 memperoleh pencapaian lebih tinggi dari tahun 2015, yaitu menunjukkan tingkat kepuasan sebesar 95%. Meskipun secara garis besar tingkat kepuasan pemasok cukup baik, Perseroan tetap melakukan *continuous improvement* berdasarkan masukan dari pemasok agar tercipta sinergi yang harmonis antara pemasok dan Perseroan.

RENCANA TAHUN 2017

Di tahun 2017, Unit Pengadaan akan mulai menjalankan insiatif strategi untuk mendukung Perseroan dalam mewujudkan strategi *New Business Model* serta program Perseroan tahun 2017 yaitu di antaranya:

1. Meningkatkan efisiensi melalui penguatan strategi *sourcing*, simplifikasi bisnis proses serta melakukan ulasan atas kerja sama yang sedang berjalan dengan pihak ketiga guna memperoleh skema kerja sama dan keuntungan yang lebih baik;
2. Memperkuat sinergi grup melalui penyelarasan Kebijakan Pengadaan, mendorong peningkatan kapabilitas Anak Perusahaan dan melakukan kegiatan pengadaan bersama antar entitas Garuda Group;
3. Mendorong sistem pengadaan berbasis TI sebagai sarana kolaborasi digital untuk memperkokoh Garuda Indonesia dalam persaingan global.

The suppliers' perception on the Company's procurement in 2016 yielded the higher score than 2015, which indicated 95% of customer satisfaction. While customer satisfaction index is generally good, the Company consistently makes improvements based on feedbacks from suppliers so as to create a harmonious synergy between the suppliers and the Company.

2017 PLAN

In 2017, the Procurement Unit will start to carry out strategy initiatives to support the Company in implementing New Business Model strategy and support Company's programs for 2017 with details as follow:

1. Drive higher efficiency through strengthening of sourcing strategy, simplification of business process, and review existing partnership with third parties to obtain a better partnership framework and benefits;
2. Strengthen group synergy by aligning Procurement Policy, foster enhancement of Subsidiaries' capabilities, and conduct procurement together among Garuda Group's entities;
3. Promote IT-based Procurement system as a digital collaboration medium to reinforce Garuda Indonesia's position in global competition.

ASPEK KESELAMATAN **DAN KEAMANAN**
Safety and Security Aspect

Perseroan bertekad menjaga reputasinya di industri penerbangan melalui investasi yang berkesinambungan dengan tetap memperhatikan aspek keselamatan dan keamanan. Perseroan berupaya untuk memastikan risiko keselamatan yang ditemukan pada aktivitas penerbangan dapat dikendalikan untuk mencapai target kinerja keselamatan secara optimal.

The Company is committed to maintain its reputation in the aviation industry through continuous investment while maintaining the aspects of safety and security. The Company strives to ensure that any safety risks during the flights are under control to optimally achieve safety performance target.

Salah satu mitigasi atas risiko tersebut adalah dengan menerapkan Sistem Manajemen Keselamatan atau *Safety Management System* (SMS) Perseroan. SMS adalah pendekatan sistematis dan komprehensif untuk mengelola keselamatan di Perseroan. Sebagaimana semua sistem manajemen, SMS Perseroan menetapkan tujuan dan target, melakukan perencanaan, membuat program, melakukan pengawasan, hingga pengukuran kinerja atau performa keselamatan. SMS Perseroan merupakan bagian dari sistem manajemen organisasi secara keseluruhan yang dibutuhkan untuk mengkaji, mengembangkan, menerapkan, mencapai, dan memelihara keselamatan dan kesehatan kerja seluruh pegawai secara khusus, dan seluruh personel di luar organisasi yang terlibat dalam aktivitas usaha secara umum, dalam rangka pengendalian risiko yang berkaitan dengan aktivitas kerja guna terciptanya lingkungan kerja yang aman dan mendukung pencapaian kerja yang efisien dan produktif.

One of the mitigation to such risks is to implement a Safety Management System (SMS). SMS is a systematic and comprehensive approach to manage safety in the Company. Similar to all management systems, the Company's SMS has set targets and objectives, planning, created programs, conducted monitoring and measurement of safety performance. SMS is part of the Company's overall management system which is necessary to assess, develop, implement, achieve, and maintain safety and occupational health of all employees in particular and all personnels outside organization which is engaged in business activities in general, to manage risks related to business activities in order to create a safe workplace, and to support efficient and productive work achievement.

SMS Perseroan dibangun berlandaskan kebijakan keselamatan yang ditetapkan oleh pimpinan tertinggi Perseroan atau CEO. CEO Perseroan melalui *Corporate Safety Policy* menyatakan komitmen tertinggi manajemen organisasi terhadap keselamatan sebagai *core element business* yang mengharapkan seluruh pegawai, mitra kerja, kontraktor, dan seluruh pihak ikut berpartisipasi dalam pencapaian SMS yang efektif.

The Company's SMS is designed based on safety policy set by the highest leader or CEO. Through the safety policy, the Company's CEO declares the highest commitment of organization management to safety as a core element business which expects all employees, business partner, and contractor as well as other parties to take part in creating an effective SMS.

Selanjutnya, komitmen ini juga memperlihatkan dukungan penuh CEO yang sekaligus sebagai *Accountable Executive* untuk menyediakan segala sumber daya yang dibutuhkan untuk mencapai target keselamatan yang diinginkan, mendorong seluruh pegawai untuk melaporkan potensi bahaya dan isu-isu keselamatan, pembentukan standar jelas untuk tingkah laku yang dapat diterima maupun tindakan terhadap pelanggaran, komitmen Perseroan untuk menetapkan target spesifik, pengukuran terhadap indikator-indikator kinerja keselamatan, serta melakukan tinjauan secara

Furthermore, the commitment also demonstrates full support of CEO who also serves as Accountable Executive to provide all resources required for achieving the predefined safety targets, driving all employees to report potential hazard and safety issues, establishing clear standards for acceptable behavior and action against violation, the Company's commitment to set specific targets, measure safety performance indicators, and conduct review regularly. Corporate Safety Policy which explicitly demonstrates management commitment, is delivered to be known by all of

ASPEK KESELAMATAN DAN KEAMANAN
Safety and Security Aspect

eksplisit komitmen manajemen disampaikan untuk diketahui oleh seluruh pegawai Perseroan di seluruh lini organisasi, ditinjau dan diperbaharui sedikitnya setiap 2 tahun sekali.

Perseroan memastikan implementasi SMS secara efektif di seluruh lini organisasi, secara khusus di aktivitas operasional penerbangan, dengan mengacu pada rencana pelaksanaan SMS yang telah disusun antara lain meliputi:

i. Melakukan pengelolaan risiko proaktif dari potensi bahaya yang diidentifikasi melalui setiap laporan potensi bahaya atau *hazard report* yang diterima, dan melakukan analisis terhadap rekam-data-pesawat yang diunduh dari *black box* dalam program *Flight Data Monitoring* (FDM).
ii. Melakukan pengelolaan risiko prediktif dari potensi bahaya yang teridentifikasi dalam kokpit pesawat melalui program LOAS (*Line Operations Assessment System*) di mana seorang *observer* dengan kualifikasi tertentu dijadwalkan duduk di dalam kokpit pesawat di penerbangan tertentu, mengamati perilaku kedua awak kokpit pesawat terkait *human factors*, menuliskan hasil pengamatan dalam *checklist item* yang tersedia, dan melaporkan hasil pengamatan untuk dianalisis, serta identifikasi potensi bahaya dan pengelolaan risiko untuk proses/alat kerja/sistem baru atau manajemen perubahan yang akan diimplementasikan di Perseroan dalam kaitannya dengan aspek keselamatan.
iii. Melakukan pengelolaan risiko reaktif dari potensi bahaya yang teridentifikasi dari kejadian kecelakaan maupun kecelakaan serius melalui investigasi, pelaporan, hingga memberikan rekomendasi untuk mengidentifikasi akar masalah/penyebab untuk menghindari kejadian serupa terulang kembali di kemudian hari.
iv. Melaksanakan SMS *records and documentation* dengan mengembangkan dan memelihara sistem pelaporan terintegrasi basis data keselamatan Perseroan atau *Integrated Electronic Safety Database* (IESD) untuk menyimpan setiap identifikasi potensi bahaya dan pengelolaan risiko, menganalisa, memonitor tren, dan menghasilkan pelaporan kinerja keselamatan secara periodik.
v. Melakukan pengawasan pelaksanaan keselamatan dalam rangka memelihara jaminan keselamatan dan juga sebagai upaya pengelolaan risiko proaktif melalui pelaksanaan dan pengelolaan audit keselamatan di departemen atau unit kerja operasional yang terkait langsung dan seluruh kantor cabang operasional Perseroan dalam maupun luar negeri.

the Company's employees across the organization, and being evaluated and renewed at least every two years.

The Company ensures effective SMS implementation across the organization, particularly in flight operation, by referring to SMS implementation plan which includes:

i. Manage proactive risks from any identified potential dangers through every Operational Hazard Report/Air Safety Report) received and analyze aircraft record downloaded from black box in Flight Data Monitoring (FDM).
ii. Manage predictive risks from identified hazard in plane cockpit through LOAS (Line Operations Assessment System) in which an observer with certain qualification is scheduled to sit in the plane cockpit in certain flights, observe behavior of both cockpit crews related to human factors, write down observation results in the available checklist item, and report the observation results for analysis, and identify hazard potential and risk management for new process/tools/system or change management which will be implemented in the Company in regard to safety aspect.
iii. Manage reactive risk management from identified hazard potential from incidents, serious incidents through investigation, reporting, to provide recommendation for identifying the root cause to prevent similar insidents from repeating in the future.
iv. Record and document SMS by developing and maintaining an integrated reporting system on the Company's safety database or Integrated Electronic Safety Database (IESD) to store every identification of hazard potential and risk management, analyze, monitor trend, and produce regular safety performance reporting.
v. Monitor safety implementation in maintaining safety assurance and also proactive risk management through safety audit conduct and management in the directly related department or operational work unit and all of the Company's operational branch offices inside and outside the country.

vi. Meningkatkan dan memelihara kesadaran keselamatan seluruh pegawai Perseroan maupun pihak luar yang terlibat dalam aktivitas operasional melalui program komunikasi, pelatihan, dan edukasi keselamatan.
vii. Mengelola ulasan CSC (*Corporate Safety Committee*) dan JSB (*Joint Safety Board*) *Review* sebagai bentuk ulasan manajemen terhadap pelaksanaan SMS yang dilakukan secara periodik. CSC dan JSB merupakan alat kontrol manajemen tertinggi yang memfasilitasi evaluasi terhadap pelaksanaan SMS Perseroan secara berkala, seperti menetapkan target tingkat keselamatan setiap tahun, melakukan ulasan atas efisiensi dan efektivitas, isu-isu terbaru, kemungkin pencapaian target, kebutuhan tambahan sumber daya, dsb. CSC terdiri atas CEO sebagai pimpinan utama, VP CQSEM sebagai sekretaris, dan seluruh Direktur Perusahaan sebagai anggota. Sedangkan JSB terdiri atas VP CQSEM sebagai pimpinan utama, SM Occupational Safety, Health & Environment Management sebagai sekretaris, dan beberapa pejabat setingkat VP yang terkait langsung dengan aspek keselamatan dan keamanan penerbangan.
viii. Melakukan pengelolaan risiko reaktif dari kejadian kecelakaan fatal dan/atau kejadian darurat melalui perencanaan penanganan tanggap darurat atau *Emergency Response Planning* (ERP) berupa ERP *drill/ exercise* secara berkala untuk memastikan kesiapan seluruh personil dan unit kerja terkait jika kecelakaan fatal dan/atau kejadian darurat terjadi. Perencanaan pengelolaan situasi darurat ini dimaksudkan untuk meminimasi risiko yang mungkin timbul saat kecelakaan yang tidak diharapkan terjadi, sementara Perseroan tetap harus melanjutkan bisnis dan aktivitas operasional secara aman di saat yang bersamaan.

Tingkat insiden merupakan salah satu indikator kinerja keselamatan penerbangan yang menunjukkan tingkat keselamatan yang dicapai oleh penerbangan komersial. Tingkat insiden per 1.000 keberangkatan di tahun 2016 adalah 0,33 atau lebih rendah dibandingkan dengan tingkat insiden di tahun 2015 yang sebesar 0,43. Pelaporan *hazard report* di tahun 2016 sebesar 3.310 laporan atau lebih rendah dibandingkan dengan pelaporan *hazard report* di tahun 2015 sebesar 3.661 laporan. Walaupun sedikit menurun, kesadaran akan keselamatan di kalangan pegawai menunjukkan perkembangan positif yang mencerminkan budaya pemberitahuan dan pelaporan yang telah terbentuk dengan baik di Perseroan.

vi. Improve and maintain safety awareness of the Company's employees and external parties engaged in operational activities through communication, trainings, and safety education programs.
vii. Manage CSC (Corporate Safety Committee) Review and JSB (Joint Safety Board) as part of management review on regular SMS implementation. CSC and JCB is the highest management control which facilitate evaluation on the Company's SMS implementation regularly, such as establishing target of safety rate every year, reviewing efficiency and effectiveness, the newest issues, target achievement probability, need for additional resources, and so forth. CSC consists of CEO as chairman, Vice President CQSEM as secretary and all of the Company's Directors as members. Meanwhile, JSB consists of VP CQSEM as chairman, SM Occupational Safety, Health & Environment Management as secretary, and several VP-levels officials which are directly related to flight safety and security.
viii. Manage reactive risks from accident and/or emergencies through Emergency Response Planning (ERP) through regular ERP drill/exercise to ensure readiness of all personnels and related work units should any accidents and/or emergencies occur. The emergency management planning is intended to mitigate any potentals risks in unexpected accidents, while the Company has to continue business and operational activities securely at the same time.

Incident rate is one of the indicators of flight safety performance which indicates safety level of commercial flight. Incident rate per 1,000 departures in 2016 stood at 0.33 or lower than the incident rate in 2015 at 0.43. The number of hazard reporting in 2016 was amounted to 3,310 reports, or lower than the figure in 2015 at 3,661 reports. Despite the slight drop, safety awareness among employees indicated positive progress which demonstrates a good awareness and reporting culture in the Company.

ASPEK KESELAMATAN DAN KEAMANAN
Safety and Security Aspect

MANAJEMEN KELAIKAN UDARA

Mengacu pada visi Perseroan yaitu menjadi perusahaan penerbangan yang andal dengan menawarkan pelayanan berkualitas kepada masyarakat dunia dengan menggunakan keramahan Indonesia, maka Manajemen Kelaikan Udara sebagai bagian dari Direktorat Teknik dan Teknologi Informasi bertanggung jawab dalam memastikan armada Perseroan senantiasa laik udara dan memenuhi standar keselamatan dunia. Standar yang baik diharapkan dapat mendukung operasional penerbangan Garuda Indonesia, baik domestik maupun internasional.

Manajemen Perawatan Pesawat memastikan bahwa pengaturan serta pemeliharaan pesawat dilakukan dan dilaksanakan sesuai dengan *Company Maintenance Manual* (CMM) serta *Continuing Airworthiness Maintenance Program* (CAMP) yang telah disahkan oleh regulator, serta persyaratan keselamatan dan kelaikan udara lainnya untuk masing-masing tipe pesawat.

KEANDALAN KEBERANGKATAN ARMADA

Pentingnya keandalan keberangkatan *(dispatch reliability)* adalah jelas di bisnis aviasi. Terganggunya operasional pesawat dikarenakan *dispatch reliability* yang buruk akan diterjemahkan ke dalam biaya yang signifikan bagi operator karena biaya-biaya tambahan akan muncul.

Pencapaian *Dispatch Reliability* di tahun 2016 adalah 99,60% atau lebih tinggi dibandingkan dengan *Dispatch Reliability* di tahun 2015 yang sebesar 99,47%.

Meningkatnya angka *dispatch reliability* tersebut sebagai akibat dari berhasilnya penerapan strategi kerja penunjang. Strategi kerja penunjang yang dimaksud adalah berupa evaluasi permasalahan teknis pesawat penyebab keterlambatan melalui forum *Technical Delay Analysis Meeting, Aircraft Type Meeting*, dan *Engineering Review Committee*. Seluruh forum tersebut dirancang untuk merumuskan program pencegahan yang terencana dan berkesinambungan.

AIRWORTHINESS MANAGEMENT

With reference to the Company's vision to become a reliable airline by providing quality services to people around the world with Indonesian hospitality, Airworthiness Management as part of Technical and Information Technology Directorate is responsible to ensure the Company's fleet are air worthy and meet the world safety standards. A good standard is expected to support Garuda Indonesia's flight operational inside and outside the country.

Aircraft Maintenance Management ensures that aircraft configuration and maintenance is carried out in accordance with Company Maintenance Manual (CMM) and Continuing Airworthiness Maintenance Program (CAMP) ratified by the regulators as well as requirement of safety and other airworthiness for each type of aircrafts.

FLEET DISPATCH RELIABILITY

In aviation business, dispatch reliability is very essential. Disruption of aircraft operation due to poor dispatch reliability will translate into significant costs for operators due to the arising additional costs.

Dispatch Reliability in 2016 stood at 99.60% or higher than Dispatch Reliability in 2015 at 99.47%.

The increasing level of dispatch reliability came as result of the successful implementation of work supporting strategy. The work supporting strategy was the evaluation of technical delay issues through Technical Delay Analysis Meeting, Aircraft Type Meeting, and Engineering Review Committee forums. All of these forums are tailored to formulate a systematic and sustainable prevention program.

Keberhasilan Perseroan dalam mempertahankan status sebagai operator IOSA mencerminkan komitmen Perseroan dalam mengedepankan aspek keselamatan dan keamanan.

The Company's success in maintaining its status as IOSA operator reflected the commitment to prioritize the aspects of safety and security.

RENCANA TAHUN 2017

Garuda Indonesia bertekad menjaga reputasinya di industri penerbangan melalui investasi yang berkesinambungan dengan tetap memperhatikan aspek keselamatan dan keamanan sebagaimana tercantum dalam IATA *Operational Safety Audit Program* (IOSA) *Standard*. Program IOSA ini dirancang oleh IATA sebagai standar acuan dalam mengevaluasi kepatuhan maskapai penerbangan terhadap kualitas penerbangan dan standar keamanan. Program IOSA mencerminkan komitmen anggota IATA terhadap aspek keselamatan dan menunjukkan kualitas para anggota IATA. Suksesnya pembaruan status Garuda Indonesia sebagai Operator IOSA pada tahun 2016 akan dipertahankan dengan terus memenuhi standar kerja dunia yang telah ditentukan IATA dan tentunya sekaligus menjaga status keanggotaan IATA.

Perusahaan akan terus mengurangi tingkat insiden melalui penerapan dan pengoptimalan *Safety Management System*, meningkatkan kesadaran dan pengetahuan akan keselamatan, dan meningkatkan kinerja perawatan pesawat melalui perbaikan kualitas pelatihan.

Semakin beratnya persaingan di tahun 2017 menyebabkan perlunya penerapan *Reliability Control Program* yang komprehensif. *Reliability Control Program* memegang peranan penting untuk meningkatkan keandalan pesawat, mesin, struktur, komponen, dan kabin, tanpa mengkompromikan aspek keselamatan namun dengan beban biaya yang minimum.

2017 PLAN

Garuda Indonesia is committed to maintain its reputation in aviation industry through continuous investment by taking into consideration of safety and security aspects as set forth in IATA Operational Safety Audit (IOSA) Standard. IOSA Program is tailored by IATA as a benchmark to evaluate airlines' compliance with quality of flight and safety standards. IOSA Programs reflect the commitment of IATA members to safety aspect and demonstrate quality of IATA members. The successful upgrade of Garuda Indonesia's status as IOSA Operator in 2016 will be maintained by continuing to meet the global work standard set by IATA, while also maintaining IATA membership.

The Company will constantly strive to keep incident rate at minimum by implementing of Safety Management System, increasing the awarenessand knowledge of safety, and enhancing aircraft maintenance by refining training quality.

The tougher competition in 2017 calls for the implementation of a comprehensive Reliability Control Program. Reliability Control Program has a vital role in improving reliability of aircrfats, machines, structures, components, and cabin, without compromising safety aspects but at minimum costs.

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TINJAUAN **MAKROEKONOMI**
Macroeconomic Overview

Kebutuhan akan jasa transportasi udara di Asia Pasifik masih diperkirakan akan menguat seiring dengan perbaikan pertumbuhan ekonomi di negara-negara berkembang.

The need for air transport services in the Asia Pacific region is expected to strengthen in line with improvements in economic growth in developing countries.

TINJAUAN PEREKONOMIAN GLOBAL

Tingkat pertumbuhan ekonomi dunia sampai dengan akhir tahun 2016 berada di kisaran 3,4%. Perlambatan ekonomi dunia antara lain disebabkan oleh penurunan harga komoditas dunia, keluarnya Inggris dari Uni Eropa di bulan Juni 2016, serta kestabilan makro ekonomi yang belum membaik pada beberapa negara besar di dunia, seperti Tiongkok, Amerika Serikat, Inggris, Jepang dan negara di Uni Eropa. Dalam jangka menengah, International Monetary Fund (IMF) mengestimasi negara-negara maju akan mencatat pertumbuhan yang kurang menggembirakan

GLOBAL ECONOMIC OVERVIEW

Global output growth by the end of 2016 stalled at 3.4%. The world's economic slowdown was mainly driven by the plummeting commodity prices, U.K. vote in favor of leaving the European Union (Brexit) in June 2016, and the macroeconomic strains in several major economies such as China, the United States, United Kingdom, Japan, and European Union. Over the medium term, International Monetary Fund (IMF) projects advanced economies to maintain lackluster growth prospects while emerging economies will accelerate more strongly. Nevertheless, there will

Tingkat pertumbuhan di kawasan Asia Pasifik diperkirakan akan terus meningkat dalam 20 tahun mendatang dengan pertumbuhan CAGR 2009 - 2029 sebesar 7,1%

The Asia Pacific aviation industry is set for buoyant growth over the next 20 years with compound average growth rate (CAGR) of 2009 to 2029 amounted 7.1%.

sedangkan pertumbuhan di negara-negara berkembang semakin meningkat. Pertumbuhan ekonomi di negara-negara maju akan stabil dan membaik dalam jangka panjang.

Industri penerbangan di kawasan Asia Pasifik telah berkembang dengan cepat dalam beberapa tahun terakhir. Menurut IATA, kawasan Asia Pasifik telah menjadi pasar industri penerbangan terbesar di tahun 2009, dengan sekitar 647 juta penumpang, atau sebesar 27% dari seluruh pemakai jasa transportasi penerbangan dunia yang berkunjung ke, dari, atau di dalam kawasan Asia Pasifik. Sementara tingkat pertumbuhan di kawasan Asia Pasifik diperkirakan akan terus meningkat dalam 20 tahun mendatang dengan pertumbuhan rata-rata majemuk (CAGR) per tahun sebesar 7,1% dari tahun 2009 sampai dengan tahun 2029 (Prospektus Garuda Indonesia 2011). Sejalan dengan pertumbuhan Produk Domestik Bruto (PDB) Indonesia, industri penerbangan di kawasan Asia Pasifik mengindikasikan potensi peningkatan permintaan untuk pelayanan lalu lintas udara di Indonesia. Hal ini disebabkan kondisi ekonomi yang menguat telah memberikan kontribusi terhadap pengembangan Indonesia menjadi negara menengah.

be a stronger-than-expected pickup in growth in advanced economies on the long run.

Airline business in Asia Pacific has seen a rapid growth in the last few years. According to IATA, Asia Pacific region has turned to the biggest airline business in 2009, with approximately 647 million passengers, or 27% of total airline passengers in the world who fly into, out of, or within Asia Pacific region. In the meantime, Asia Pacific aviation industry is set for buoyant growth over the next 20 years with compound average growth rate (CAGR) of 7.1% per year from 2009 to 2029 (2011 Garuda Indonesia Prospectus). In line with Indonesia's expanding Gross Domestic Product (GDP), the aviation industry in Asia Pacific indicates an upward trend in terms of rising demand for airline service in Indonesia. It is because the strengthening economic conditions has contributed to development of Indonesia as middle-class segment.

TINJAUAN MAKROEKONOMI
Macroeconomic Overview

TINJAUAN PEREKONOMIAN NASIONAL

Di tengah kondisi perekonomian global yang mengalami penurunan, tingkat pertumbuhan ekonomi Indonesia tahun 2016 berada di kisaran 5,02%, meningkat dibandingkan tahun 2015 yang sebesar 4,88% karena terus membaiknya investasi swasta dan masih kuatnya tingkat konsumsi di Indonesia. Pertumbuhan ekonomi di Indonesia diklaim hanya di bawah India dan Tiongkok. Indonesia masih memiliki kemampuan menjaga ekonomi dari sisi domestiknya, sehingga bisa menyeimbangkan pelemahan global.

Pertumbuhan ekonomi tahun 2016, khususnya di triwulan IV didukung oleh pertumbuhan konsumsi rumah tangga, perbaikan kinerja investasi, dan peningkatan ekspor. Konsumsi rumah tangga masih tumbuh cukup kuat didukung oleh terkendalinya inflasi. Peningkatan kinerja investasi terutama didorong oleh pertumbuhan investasi non-bangunan dalam bentuk kendaraan dan peralatan lainnya. Perbaikan ini terindikasi pada kinerja sektor pertambangan dan perkebunan yang meningkat. Di sisi lain, investasi bangunan masih melambat sejalan dengan belum kuatnya dukungan investasi sektor swasta. Sementara itu, kinerja ekspor menunjukkan perbaikan yang signifikan seiring dengan mulai meningkatnya harga beberapa komoditas seperti harga batu bara dan CPO.

Dari sisi produksi, pertumbuhan tertinggi dicapai oleh Lapangan Usaha Jasa Keuangan dan Asuransi sebesar 8,90%. Dari sisi pengeluaran pertumbuhan tertinggi dicapai oleh Komponen Pengeluaran Konsumsi Lembaga Non-Profit yang melayani rumah tangga sebesar 6,62%. Sektor industri yang paling tinggi menyumbang pertumbuhan ekonomi yakni makanan dan minuman. Selanjutnya disusul oleh industri pertanian.

Pada tahun 2016, tingkat inflasi Indonesia mencapai 3,02%. Angka ini mengalami penurunan jika dibandingkan dengan tahun 2015 yang sebesar 3,35%, namun masih dalam proyeksi Pemerintah yang berkisar 3,00% - 3,10% di tahun 2016. Kebijakan Pemerintah untuk mengimpor sejumlah komoditas serta kebijakan operasi pasar untuk menekan inflasi dan menekan harga pangan yang tinggi di 2016 dinilai cukup efektif. Dilihat dari besarnya sumbangan inflasi, kelompok makanan memberikan sumbangan terbesar yaitu 1,21%, sedangkan kelompok transpor, komunikasi dan jasa keuangan memberikan sumbangan deflasi sebesar 0,14%.

NATIONAL ECONOMIC OVERVIEW

In the wake of subdued world economy, Indonesia's economy performed well, registering a strong growth of 5.02%, up from 2015 at 4.88%, mostly fueled by private investment and high consumption. The country's growth is claimed to be under India and China. Indonesia still managed to sustain its growth from the aspect of domestic, thus allow us to offset the global economic downturn.

Particularly in the fourth quarter, national economic growth was supported by the increased household consumption, improved investment, and rising export performance. The household consumption strengthened due to the controlled inflation. Meanwhile, private investment was predominantly boosted by the higher non-building investment growth in the form of vehicles and other devices. The improvement was reflected in the better performance of both mining and plantation sector. On the other hand, construction investment remained impeded by the weakened private sector investment. On the upside, the export performance showed significant improvement in line with the rising price of commodities, such as coal and CPO.

In terms of production, Financial and Insurance Activities reported the highest growth across all industry at 8.90%. Consumption-wise, consumption by non-profit institutions serving households achieved the highest growth at 6.62%. Among the biggest contributors to the overall economic growth is food and beverage sector, followed by agriculture.

In 2016, Indonesia's inflation rate stood at 3.02% (yoy). While it slipped further compared to 2015 at 3.35%, the inflation rate still corresponded to the government's projection of 3.00% - 3.10% in 2016. The government's policy to import a number of commodities and implement market operation to curb inflation and food prices proved to be relatively effective. Drawing on the contribution to inflationary pressures, food remained the biggest contributor at 1.21% while transportation, communication, and financial services were the component that imposed deflation by 0.14%.

TINJAUAN **INDUSTRI**
Industry Overview

Tingkat penetrasi trafik penumpang transportasi udara yang kecil dan letak geografis masih menjadi katalis bagi bisnis penerbangan di Indonesia.

The low penetration rate of air transport passenger traffic and geographic location still serve as catalyst for business aviation in Indonesia.

Negara kita merupakan negara kepulauan yang secara waktu lebih ekonomis ditempuh dengan transportasi udara. Prospek itu juga tak lepas dari jumlah penduduk Indonesia yang mencapai 250 juta orang dan merupakan negara yang memiliki jumlah penduduk terbesar ke empat di dunia setelah Tiongkok, India, dan Amerika Serikat. Terlebih lagi, lokasi geografis berupa kepulauan, menjadikan modal transportasi udara merupakan salah satu alternatif bagi masyarakat untuk melakukan perjalanan ke tempat tujuannya. Dari 250 juta penduduk tersebut, baru sekitar 90 juta penduduk yang menjadi penumpang domestik dan 20 juta penduduk yang bepergian ke luar negeri. Data ini menunjukkan bahwa tingkat penetrasi trafik penumpang transportasi udara Indonesia masih

As an archipelago country, it is simply more efficient to rely on air travel. The prospect is also supported by the fact that Indonesia has a 250 million population, which is the fourth-largest country in the world with regard to population size after China, India, and the United States. In addition, geographical condition of Indonesia as an archipelago country will make air travel one of the options for people to go places. Of the number, only 90 million who travel domestically and 20 million who travel abroad. This data indicates that the passenger traffic of Indonesian air transport is still very low compared to Singapore or Malaysia. Indonesia is such a huge market for airline business because there is such an ample room to grow.

TINJAUAN INDUSTRI
Industry Overview

tergolong kecil Jika dibandingkan dengan Singapura atau Malaysia. Indonesia merupakan pasar yang memiliki potensi besar bagi bisnis penerbangan karena memiliki ruang yang besar untuk tumbuh.

Dampak penerapan MEA (Masyarakat Ekonomi ASEAN) yang dimulai tahun 2016 tidak bisa dihindari, karena sudah menjadi kesepakatan semua anggota, tidak terkecuali penerapan dalam industri penerbangan. Persaingan di industri penerbangan ini sudah dirasakan perusahaan-perusahaan penerbangan domestik, dengan kehadiran perusahaan penerbangan asing yang memasuki wilayah Indonesia ataupun bekerja sama dengan perusahaan penerbangan Indonesia. Tantangan yang lebih berat akan dihadapi perusahaan penerbangan domestik, sebagaimana kita ketahui dan rasakan saat ini, dengan terus bertambahnya jumlah penumpang yang terlayani dan bertambahnya rute-rute penerbangan baru yang dibuka, industri penerbangan Indonesia masih menghadapi masalah mendasar dalam penerbangan, seperti masih tingginya masalah kecelakaan (keselamatan) penerbangan, keterlambatan dan pembatalan, masalah yang terkait dengan sumber daya manusia (SDM) dengan banyaknya kasus kru terlibat narkoba, dan masalah-masalah lainnya.

The implication of AEC (ASEAN Economic Community) which commenced in 2016 was inevitable, as it is agreed upon by all members, including its implementation in the aviation industry. Fierce competition in the airline industry has taken a hit on local airline companies, notably with the presence of foreign airlines which enter Indonesia's region or partner with local airline companies. A tougher challenge awaits the local airline companies in conjunction with the increasing number of passengers and the launching of new flight routes because national aviation industry is still widely plagued by the basic aviation issues such as the high level of plane crash cases (safety), delays and cancellations (delay and cancel), issues related to human resources (HR) with the number of cases of cabin crew involved in drugs, and other problems.

Kemampuan manajemen, kualitas pelayanan, keluasan jaringan dan kekuatan modal perusahan penerbangan asing adalah faktor-faktor yang menjadikan persaingan akan semakin berat dengan penerapan MEA bidang penerbangan tersebut. Kemampuan manajemen yang juga mencerminkan kualitas SDM penerbangan asing menjadi faktor yang sangat penting untuk dicermati. Pengalaman manajemen, pendidikan, jam terbang, kedisiplinan dan *training* yang berkelanjutan menjadikan SDM perusahaan asing cenderung di atas rata-rata kualitas SDM penerbangan Indonesia. Oleh karena itu kerja sama regulator (Kementerian Perhubungan), operator (perusahaan penerbangan), dan *support*/fasilitator (pengelola airport) adalah hal yang sangat penting untuk dicermati dan dilaksanakan.

Management skill, service quality, extensive network, and capital strength of foreign airline companies are among aspects that contribute to the more fierce competition in the wake of AEC implementation in airline business. Management skill which also reflects the quality of foreign aviation professionals, for instance, are among the key aspects to take into account of. Equipped with management experience, education, flight hours, discipline, and continuous trainings, the human resources in foreign airline companies often outperform Indonesia's airline professionals in terms of quality. As such, partnership between regulator (Ministry of Transportation), operator (airline companies), and support/facilitator (airport management) is absolutely essential.

PASAR BISNIS PENUMPANG

Trafik penumpang penerbangan internasional Asia Pasifik – sebagaimana yang dilaporkan oleh maskapai penerbangan anggota AAPA – mencapai 292,8 juta orang pada 2016 atau mengalami peningkatan sebesar 5,97% dibandingkan tahun sebelumnya. Penumpang Kilometer Diangkut (RPK)

PASSENGER MARKET

International flight passenger traffic in Asia Pacific region, as reported by members of AAPA, has hit 292.8 million in 2016, or grew 5.97% than the previous year. The number of Revenue Passenger Kilometer (RPK) also rose 6.64% than the year before. On the contrary, production capacity (ASK)

juga mengalami peningkatan sebesar 6,64% dibandingkan tahun sebelumnya. Di sisi lain Kapasitas Produksi (ASK) mengalami peningkatan sebesar 6,33% dibandingkan tahun sebelumnya. Dengan kapasitas dan pertumbuhan permintaan tersebut tingkat Keterisian Maskapai Penerbangan AAPA mencapai 78,66%. Secara menyeluruh, bisnis penumpang mengalami penurunan disebabkan kinerja *yield* penumpang bertolak belakang dengan pertumbuhan trafik. Pertumbuhan penumpang AAPA meningkat 5,97% namun *yield* penumpang mengalami penurunan 9,34%.

leveled up 6.33% than the previous year. Along with the increased capacity and growing demand, the passenger load factor of AAPA airline companies reached 78.66%. Overall, passengers business experienced a decline due to the performance of passengers yield which contrary to the traffic growth. The growth of AAPA passengers increased by 5.97%, however the passengers yield declined by 9.34%.

Tabel Indikator Pertumbuhan Pasar Bisnis Penumpang
Table of Passenger Market Growth Indicator

Keterangan	2016	2015	2014	2013	2012	CAGR	YoY	Description
Jumlah Penumpang (000)	292.815	276.322	256.177	219.795	207.433	9,00%	5,97%	Passenger (000)
RPK (juta)	1.067.110	1.000.651	924.784	813.038	773.148	8,39%	6,64%	Revenue Passenger Kilometer (in million)
ASK (juta)	1.356.634	1.275.843	1.200.492	1.040.355	992.351	8,13%	6,33%	Available Seat Kilometer (in million)
Tingkat Isian Penumpang (SLF)	78,66%	78,43%	77,03%	78,15%	77,91%	n.a	0,23pp	Seat Load Factor (SLF)
Yield Penumpang (USc)	6,24	6,88	7,78	8,74	9,56	-10,12%	-9,34%	Passengers Yield (USc)
RTK (juta)	66.263	65.068	63.917	59.105	59.439	2,75%	1,84%	Freight Tonne Kilometer (in million)
ATK (juta)	106.022	102.484	98.401	90.366	89.342	4,37%	3,45%	Available Tonne Kilometer (in million)
Tingkat Keterisian Kargo (CLF)	62,50%	63,49%	64,96%	65,41%	66,53%	n.a	-0,99pp	Cargo Load Factor (CLF)

Sumber: AAPA dan Bloomberg
Source: AAPA and Bloomberg

Kebutuhan akan jasa transportasi udara di Indonesia juga masih diperkirakan akan menguat seiring dengan perbaikan pertumbuhan ekonomi. Pertumbuhan trafik penumpang diprediksi meningkat 1,00-2,50 kali pertumbuhan GDP Indonesia. Menurut Badan Pusat Statistik (BPS), trafik penumpang penerbangan internasional Indonesia yang diangkut dari Indonesia selama tahun 2016 tercatat meningkat 8,16% dari 13,66 juta orang pada tahun 2015 menjadi 14,77 juta orang pada tahun 2016. Kenaikan penumpang internasional yang berasal dari Indonesia diperkirakan juga dipicu oleh meningkatnya aktivitas ekonomi dan meningkatnya jumlah masyarakat kelas menengah. Hal ini terlihat dari jumlah penumpang domestik selama tahun 2016 yang meningkat 16,97% dari 68,78 juta orang pada 2015 menjadi 80,45 juta orang pada 2016.

The need for air transport services in Indonesia is still expected to strengthen in line with improvement in economic growth. Total passengers are projected to multiply 1.00-2.5 times of Indonesia's GDP. Based on the data from the Statistics Indonesia (BPS), total international passenger traffic in Indonesia went up 8.16% from 13.66 million in 2015 to 14.77 million in 2016. The growing size of international passengers from Indonesia were likely to be driven by the stronger economic activity and the rising number of the middle-class. It was shown by the number of domestic passengers which saw 16.97% increase from 68.78 million in 2015 to 80.45 million in 2016.

TINJAUAN INDUSTRI
Industry Overview

Pertumbuhan penumpang yang pesat tersebut menjadikan Indonesia negara terbesar ketiga di Asia dalam pembelian pesawat udara setelah Tiongkok dan India. Melihat besarnya perkembangan dan pertumbuhan industri penerbangan di Indonesia, hal ini akan membuka peluang bagi tumbuhnya industri pesawat udara. Selain itu, tingginya pertumbuhan ekonomi yang ditopang jumlah masyarakat kelas menengah yang terus meningkat, sangat berpotensi memacu penggunaan jasa transportasi udara. Terlebih lagi, pasar industri jasa penerbangan di Indonesia tumbuh pesat seiring dengan maraknya penerbangan murah *Low Cost Carrier* (LCC).

The vast growth in passengers makes Indonesia the third largest country in aircraft purchase after China and India. The strong development and growth of Indonesia's aviation industry open up new opportunities for airline business. Additionally, solid economic growth, which is supported by the burgeoning middle-class segment, will further promote air travel. Furthermore, the country's airline business has enjoyed high growth rate along with the surging of Low Cost Carrier (LCC).

Pada tahun 2016, pertumbuhan trafik penumpang Perseroan secara total masih mengalami pertumbuhan sebesar 6,19% dibandingkan periode sebelumnya. Trafik penumpang domestik tumbuh sebesar 6,18% dibandingkan dengan periode tahun sebelumnya sedangkan pertumbuhan trafik penumpang internasional mengalami peningkatan sebesar 6,23%.

In 2016, the Company's total passengers rose 6.19% compared to the previous period. Traffic of domestic passengers climbed 6.18% than the previous year while traffic of international passengers registered a 6.23% increase.

Tabel Indikator Pertumbuhan Pasar Bisnis Penumpang
Table of Passenger Market Development

Keterangan	2016	2015	2014	2013	2012	CAGR	YoY	Description
Trafik Penumpang Domestik (juta orang)*	30,57	28,79	25,16	21,19	16,83	16,09%	6,18%	Traffic of Domestic Passengers (million people)*
Trafik Penumpang Internasional (juta orang)	4,43	4,17	3,98	3,77	3,59	5,44%	6,23%	Traffic of International Passengers (million people)
Jumlah Trafik Penumpang Group (juta orang)	35,00	32,96	29,14	24,97	20,42	14,42%	6,19%	Total Traffic of Group Passengers (million people)

* Trafik Penumpang Domestik: Garuda Main Branch dan Citilink
* Domestic Passengers Traffic: Garuda Main Branch and Citilink

Pada tahun 2016, Perseroan melayani 35,00 juta penumpang pada 274.696 penerbangan yang tersebar di 64 destinasi domestik dan 20 destinasi internasional. Pertumbuhan jumlah penumpang udara domestik meningkat rata-rata 16,09% per tahun selama lima tahun terakhir, sedangkan jumlah penumpang udara internasional meningkat sebesar 5,44% selama lima tahun terakhir.

In 2016, the Company served 35.00 million passengers in 274,696 flights across 64 domestic destinations and 20 international destination. For the last five years, total domestic passengers expanded 16.09% per year while total international passengers edged up 5.44%.

TINJAUAN **BISNIS**
Business Review

ANCILLARY REVENUE

Ancillary Revenue adalah pendapatan non-tiket yang diterima oleh Perseroan, seperti biaya ekstra bagasi dan *sales on-board* yang telah menjadi salah satu komponen keuangan penting bagi Perseroan. Adapun yang tergolong *Ancillary Revenue* bagi Perseroan antara lain mencakup GarudaMiles, *in-flight*, serta *pre-and-post flight*. Kinerja *Ancillary Revenue* ini dilaporkan pada akun pelayanan penerbangan.

ANCILLARY REVENUE

Ancillary Revenue is non-ticket revenue received by the Company, such as excess baggage fees, and on-board food and on-board sales which become one of the important financial components for the Company. The Company Ancillary's Revenue includes, among others GarudaMiles, in-flight, as well as pre-and-post flight. The performance of Ancillary Revenue is reported in the account of airline related.

Tabel Ancillary Revenue
Table of Ancillary Revenue

(dalam US$ penuh kecuali dinyatakan lain)
(In US$, unless stated otherwise)

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Ancillary revenue	63.864.766	64.882.612	48.800.950	47.393.619	47.575.6623	7,64%	-1,57%	Ancillary revenue

* Disajikan kembali
* Restated

GarudaMiles

GarudaMiles merupakan program loyalitas pelanggan berupa keanggotaan dari Garuda Indonesia yang ditujukan sebagai bentuk penghargaan dan apresiasi kepada penumpang setia. Program ini merupakan penyempurnaan dari program Garuda Frequent Flyer (GFF) yang telah ada sebelumnya. Selain itu, program ini dibuat berlandaskan peningkatan kualitas pelayanan dengan memberikan nilai tambah yang berbeda dari maskapai lainnya.

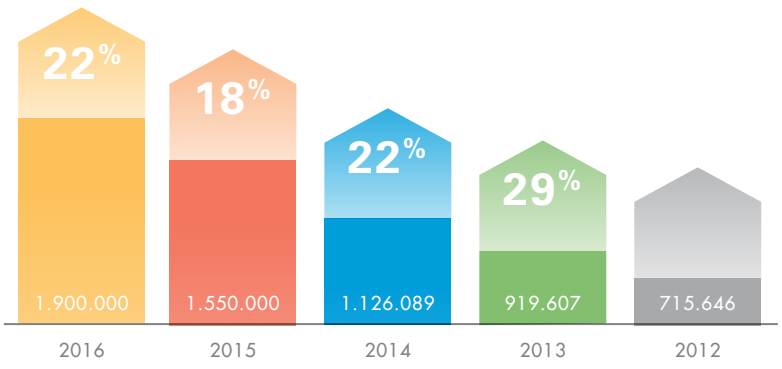
Salah satu bentuk nilai tambah yang dihadirkan Garuda Indonesia melalui GarudaMiles adalah keuntungan dan keistimewaan eksklusif bagi penumpangnya, seperti: konter *check-in* khusus di bandara, kuota bagasi tambahan, prioritas *baggage handling*, prioritas *waiting-list* untuk reservasi tiket, akses untuk *airport lounge* Garuda Indonesia, dan penawaran menarik dari mitra Garuda Indonesia di seluruh dunia.

GarudaMiles

GarudaMiles is a customer loyalty program in the form of a membership card of Garuda Indonesia, which is intended as a form of appreciation to loyal passengers. The program is a refinement of Garuda Frequent Flyer (GFF) program which is existed previously. In addition, the program is designed to improve the service quality by providing added value that is different from other airlines.

One of the added values presented by Garuda Indonesia through GarudaMiles is the advantage and exclusive privilege for passengers, such as: special check-in counters in airports, extra baggage quota, baggage handling priority, waiting-list priority for ticket reservation, and access to airport lounge of Garuda Indonesia, and great deals from Garuda Indonesia's partners worldwide.

Jumlah dan Pertumbuhan Anggota GarudaMiles
Total and Growth of GarudaMiles Members



TINJAUAN BISNIS
Business Overview

Ikhtisar Kinerja GarudaMiles 2016

Pada akhir tahun 2016, anggota GarudaMiles tercatat sebanyak 1,90 juta orang atau tumbuh sebesar 22% dibandingkan tahun sebelumnya yang berjumlah 1,55 juta orang. Pertumbuhan positif juga ditopang oleh penerapan strategi peningkatan kualitas anggota GarudaMiles yang meliputi peningkatan potensi member dari nasabah mitra perbankan dan *frequent flyer* dari FFP lain.

Di tahun 2016, kontribusi kabin GarudaMiles adalah 32,58% dari keseluruhan penumpang Garuda Indonesia. Pencapaian ini lebih besar dari tahun sebelumnya sebesar 31,03%.

Beberapa inisiatif yang diluncurkan Perseroan di tahun 2016 antara lain mencakup Debit CoBrand Card yang mendukung program sinergi BUMN. Pada produk ini, GarudaMiles bekerja sama dengan empat bank BUMN (BNI, Mandiri, BRI, dan BTN) untuk meluncurkan Kartu Debit CoBrand:
1. Kartu Debit BNI Garuda
2. Kartu Debit Mandiri Garuda
3. Kartu Debit BRI Garuda
4. Kartu Debit BTN Garuda

Inisiatif lain dari GarudaMiles adalah peluncuran *online redemption* untuk Award Ticket Garuda Indonesia. Pada tahun 2016 ini, *online redemption* dapat dilakukan melalui *website* resmi Perseroan di www.garuda-indonesia.com. Dampak *online redemption* tersebut adalah meningkatkan *redemption* Award Ticket Garuda Indonesia sebesar 57%.

GarudaMiles Performance Highlights 2016

At the end of 2016, members of GarudaMiles recorded at 1.90 million people, an increase of 22% compared to the previous year amounted to 1.55 million people. Positive growth was also supported by the implementation of GarudaMiles members improvement quality which include potential members improvement from the customers of banking partners and frequent flyer from other FFP.

In 2016, GarudaMiles cabin contribution accounted for 32.58% of the overall Garuda Indonesia's passengers. This achievement was greater that the previous year of 31.03%

Several initiatives launched by the Company in 2016, among others, include Debit CoBrand Card which supports the SOE synergy program. In this case, GarudaMiles cooperates with four SOE banks (BNI, Mandiri, BRI, and BTN) to launch CoBrand Debit Card:
1. BNI Garuda Debit Card
2. Mandiri Garuda Debit Card
3. BRI Garuda Debit Card
4. BTN Garuda Debit Card

Other GarudaMiles' initiatives include the launching of online redemption for Garuda Indonesia Award Ticket. In 2016, online redemption could be done via the Company's official website www.garuda-indonesia.com. The impact of online redemption was the increase of Garuda Indonesia Award Ticket redemption by 57%.

Pada akhir tahun 2016, anggota pengguna GarudaMiles tercatat sebanyak 1,90 juta orang atau tumbuh sebesar 22%

In 2016, the members of GarudaMiles amounted to 1.90 million people or grew by 22%

Strategi GarudaMiles Tahun 2017

Memasuki tahun 2017, Perseroan telah menetapkan berbagai inisiatif untuk terus meningkatkan loyalitas pelanggan melalui berbagai inisiatif yang ditujukan untuk menyempurnakan pengalaman dan kepuasan pelanggan serta memaksimalkan seluruh potensi yang dapat meningkatkan pendapatan. Sejalan dengan strategi digitalisasi Garuda Indonesia, GarudaMiles akan mengaplikasikan produk *online* untuk meningkatkan kenyamanan dan pengalaman anggota GarudaMiles. Produk *online* tersebut antara lain:

1. *Online redemption* via mobile app
   Anggota GarudaMiles dapat menukar miles ke *Award Ticket* melalui *mobile app* Garuda Indonesia.
2. MCAB
   Member GarudaMiles dapat menukar miles ke *Award Ticket* airline SkyTeam melalui *mobile app* Garuda Indonesia.
3. *Online Retro Claim*
   Memungkinkan member klaim *miles* melalui *channel online* dan pada saat yang sama klaim tersebut akan langsung diperoleh anggota.

Inisiatif lain yang juga akan dijalankan oleh Perseroan di tahun 2017 antara lain adalah:

1. *Cash & Miles*
   Anggota bisa mendapatkan *Award Ticket* dengan cara menukar miles dan uang tunai mereka.
2. *Top Up Your Mileage*
   Anggota dapat membeli *miles* melalui kantor penjualan tiket Garuda Indonesia serta melalui pembelian *online*.
3. *Platinum Business Club*
   Merupakan tingkat tertinggi dari keanggotaan GarudaMiles dengan manfaat tambahan yang mencakup *pre-flight*, *post-flight*, dan *in-flight services*, serta *Service Recovery*.

In-Flight Ancillary Revenue

In-Flight Ancillary Revenue merupakan pendapatan tambahan yang didapat Perseroan dari layanan-layanan yang diberikan selama penerbangan. Pendapatan tambahan ini antara lain mencakup:

1. *In-flight shop*
2. *In-flight advertisement*
3. *In-flight connectivity*
4. *In-flight material branding*
5. *Food and beverages co-branding*

GarudaMiles Strategy in 2017

Entering 2017, the Company has set a number of initiatives to continue to increase customer loyalty through various initiatives aimed to enhance customer experience and satisfaction and maximize the full potential that eventually increase the revenue. In line with the Garuda Indonesia's digitalization strategy, GarudaMiles will apply online products to improve the comfort and experience of GarudaMiles members. The online products include:

1. Online redemption via mobile app
   Member of GarudaMiles could redeem the miles to Award Ticket via Garuda Indonesia mobile app.
2. MCAB
   Member of GarudaMiles could redeem the miles to Award Ticket of airline SkyTeam melalui via Garuda Indonesia mobile app.
3. Online Retro Claim
   Allow member to claim the miles via online channel and the claim will be received by the member in real time.

Other initiatives that will be carried out by the Company in 2017, among others, include:

1. Cash & Miles
   Member could earn Award Ticket by redeeming their miles and cash.
2. Top Up Your Mileage
   Member could purchase miles via Garuda Indonesia's ticket sales office and via online purchase.
3. Platinum Business Club
   Represents the highest level of GarudaMiles membership with the added benefit which includes pre-flight, post-flight, and in-flight servces, as well as Service Recovery.

In-Flight Ancillary Revenue

In-Flight Ancillary Revenue is an additional revenue earned by the Company from the in-flight services. This ancillary revenue, among others, includes:

1. In-flight shop
2. In-flight advertisement
3. In-flight connectivity
4. In-flight material branding
5. Food and beverages co-branding

TINJAUAN BISNIS
Business Overview

Ikhtisar Kinerja In-Flight Ancillary Revenue 2016

In-flight ancillary revenue yang diterima Perseroan di tahun 2016 mencapai US$1,23 miliar, atau meningkat 41,38% dari tahun sebelumnya sebesar US$0,87 miliar. Adapun kontribusi terbesar berasal dari *in-flight advertisement* sebesar US$0,31 miliar atau meningkat 158,33% dibandingkan tahun sebelumnya yang hanya sebesar US$0,12 miliar.

Untuk mengoptimalkan pendapatan tambahan yang bersumber dari aktivitas *in-flight services* maka Perseroan telah membentuk Unit *In-flight Ancillary Revenue* pada bulan Maret sebagai bagian dari organisasi *In-flight Services*. Sedangkan upaya yang dilakukan untuk meningkatkan pendapatan dari layanan *Sales on Board*, Perseroan mengimplementasikan *SOB Provider*, *SOB Policy*, *Incentive Scheme*, serta *Sales Target* baru. Dari sisi *in-flight advertisement*, pada bulan Mei Perseroan membentuk Tim Seleksi *In-flight Advertisement Agency* agar dapat meningkatkan pendapatan dari penjualan space iklan. Selain itu, Perseroan juga menetapkan *New Rate Card* dan mendistribusikan Media Kit *In-flight Advertisement* ke seluruh kantor cabang.

Dalam rangka mengoptimalkan *ancillary* sebagai salah satu fokus penentu keberlangsungan bisnis, Perseroan membentuk Organisasi *Ancillary Revenue* pada bulan Juni. Selanjutnya Perseroan mendorong konsolidasi internal serta fokus untuk meningkatkan kontribusi *ancillary* terhadap pendapatan Perseroan. Langkah ini diwujudkan dengan memindahkan fungsi unit *In-flight Ancillary* ke dalam Organisasi *Ancillary Revenue*. Di tahun 2016 Perseroan juga mengembangkan *In-flight Material Branding* dan Produk *Co-Branding* sebagai inisiatif baru untuk mengoptimalkan potensi penerimaan.

Strategi In-Flight Ancillary Revenue 2017

Memasuki tahun 2017, Perseroan telah menetapkan berbagai strategi untuk terus mendorong kontribusi *In-flight Ancillary Revenue*. Strategi tersebut terbagi menjadi tiga fokus utama yang mencakup *in-flight shop*, *on-board advertisement*, serta WiFi *on board*. Adapun inisiatif yang akan dijalankan Perseroan mendorong penerimaan dari *in-flight shop* dapat dilihat pada tabel berikut:

Performance Highlights of In-Flight Ancillary Revenue in 2016

In-flight ancillary revenue earned by the Company in 2016 amounted to US$1.23 billion, an increase of 41.38% from the previous year of US$0.87 billion. The largest contribution derived from the in-flight service advertisement of US$0.31 billion, an increase of 158.33% over the previous year amounted to US$0.12 billion.

To optimize the ancillary revenue derived from in-flight services, the Company has established In-flight Ancillary Revenue Unit in March as part of the In-flight Services organization. As for the efforts made to increase revenues from Sales on Board service, the Company implemented SOB Provider, SOB Policy, Incentive Scheme, as well as the new Sales Target. In terms of in-flight advertisement, the Company established a In-flight Advertisement Agency Selection Team in May in order to increase revenues from the sale of advertising space. In addition, the Company also set a New Rate Card and distributed the In-flight Advertisement Media Kit to all branch offices.

In order to optimize ancillary as one determinant of business sustainability, the Company established Ancillary Revenue Organization in June. Subsequently, the Company encouraged internal consolidation and focused on increasing the ancillary contribution to the Company's revenues. This measure was taken by relocating the function of In-flight Ancillary unit to the Ancillary Revenue Organization. In 2016, the Company also developed the In-flight Material Branding and Co-Branding Product as new initiatives to optimize the revenue potential.

In-Flight Ancillary Revenue Strategy in 2017

Entering 2017, the Company has established a various strategies to continue to drive the contribution of In-flight Ancillary Revenue. The strategy is divided into three main focuses that include in-flight shop, on-board advertisement, as well as WiFi on board. As for the initiatives that will be implemented by the Company to drive the revenue of in-flight shop could be seen in the following table:

Strategi In-Flight Ancillary Revenue 2017
Strategy of In-Flight Ancillary Revenue in 2017

Keterangan Description	Inisiatif Initiatives
SOB in-flight	• Program penjualan reguler • Peluncuran kembali SOB *redemption* GarudaMiles • Program kemitraan dengan bank • Regular sales program • Relaunching of GarudaMiles SOB redemption • Partnership program with banks
Sales on ground	• Ekspansi penjualan pada *channel ground* di kantor penjualan • Peluncuran *channel* penjualan SOB melalui *lounge* • Peluncuran *channel* penjualan SOB melalui pusat layanan kargo • Expand the sales of channel ground in sales office • Launch the SOB sales channel via lounge • Launch the SOB sales channel via cargo service center
Sales on line	• Peluncuran *channel* penjualan *online* • Peluncuran *channel* penjualan SOB melalui GA *mobile app* • Launch the online sales channel • Launch the SOB sales channel via GA mobile app

Dari sisi *On Board Advertisement*, strategi yang diterapkan oleh Perseroan mencakup hal-hal sebagai berikut:

1. Penunjukkan *advertisement agency*
   Guna mengakselerasi dan memaksimalkan penjualan space media *in-flight advertisement* yang dimiliki, maka akan dilakukan penunjukkan dan kerja sama dengan agency melalui skema *fixed fee based* atau *revenue sharing*.
2. Negosiasi ulang atas PKS dengan IFE *provider*
   Dengan meningkatkan jumlah *revenue in-flight advertisement* yang saat ini berlangsung melalui renegosisasi skema *revenue sharing* dari 60:40, menjadi 85:15 atau dengan menetapkan *flat fee* hingga US$2.000 untuk setiap iklan.

Sedangkan dari sisi WiFi *On Board*, Perseroan telah menetapkan strategi sebagai berikut:

1. Penunjukkan *advertisement agency* untuk iklan-iklan di WiFi
   Guna mengakselerasi dan memaksimalkan penjualan *space media advertisement* di dalam WiFi, maka akan dilakukan penunjukkan dan kerja sama dengan *agency* melalui skema *fixed fee based* atau *revenue sharing*.
2. Integrasi sistem *mobile app* dengan WiFi *on board*
   Strategi ini bertujuan untuk menjadikan *mobile app* Garuda Indonesia sebagai perangkat guna memanfaatkan layanan WiFi *On Board*.

On the aspect of On Board Advertisement, the strategies set by the Company include the following things:

1. Appointment of advertisement agency
   In order to accelerate and maximize the sales of in-flight media advertisement space owned by the Company, the appointment and cooperation with the agency will be held through a scheme of fixed fee based or revenue sharing.

2. Renegotiation of Cooperation Agreement with IFE provider
   By increasing the total revenue of in-flight advertisement which is currently ongoing through renegotiation of revenue sharing scheme from 60:40, to 85:15 or by setting a flat fee of up to US$2.000 for each ad.

While from the aspect of WiFi On Board, the Company has set strategies as follows:

1. Appointment of advertisement agency for advertising at WiFi
   In order to accelerate and maximize the sales of media advertisement space in WiFi, the appointment and cooperation with the agency will be held through a scheme of fixed fee based or revenue sharing.
2. Integration of mobile app system with WiFi on board
   The strategy aims to make Garuda Indonesia mobile app as a device to make use of WiFi On Board.

TINJAUAN BISNIS
Business Overview

Pre and Post-Journey Ancillary Revenue

Pre and Post-Journey Ancillary Revenue merupakan pendapatan tambahan yang didapat Perseroan dari layanan-layanan yang diberikan sebelum dan sesudah penerbangan. *Pre and Post-Journey Ancillary Revenue* yang diterima Perseroan di tahun 2016 mencapai US$14,92 juta. Pendapatan tambahan ini antara lain mencakup: *Upgrade Surcharge*, *Bid Upgrade*, Pemilihan Kursi, Asuransi Perjalanan, *Unaccompanied Minor Service Fee*, *Lounge Access*, *Prepaid Baggage*, *Australian Visa Service Fee*, Tabung Oksigen, dan permohonan khusus lainnya.

Strategi Pre and Post-Journey Ancillary Revenue Tahun 2017

Memasuki tahun 2017, Perseroan telah menetapkan berbagai strategi untuk mendorong penerimaan dari *pre and post-journey ancillary revenue* yang antara lain mencakup hal-hal sebagai berikut:

1. Monetisasi *Prepaid Baggage* pada *Mobile App* dan *Website*.
2. Menerapkan metode *zonal price* untuk pembayaran *Excess Baggage*.
3. Mengembangkan kemungkinan perlakuan "*Surcharge Upgrade*" pada distribusi dan proses lainnya.
4. Mengembangkan kemitraan dalam menambah *value of service*, sehingga terdapat potensi *revenue* atas penjualan layanan kemitraan (*fee base commission*).

GROUND SERVICES

Untuk menjadi perusahaan penerbangan yang unggul dan terkemuka di dunia, Perseroan memiliki visi untuk senantiasa meningkatkan kualitas layanan yang berorientasi kepada kepuasan para pelanggannya. Layanan yang berkualitas premium diberikan kepada para penumpang bukan hanya di dalam pesawat *(In-flight Service)* namun juga sebelum dan sesudah *(Pre-Post Flight, Pre-Post Journey)* penerbangan. Integrasi dari keseluruhan layanan ini diharapkan dapat dirasakan langsung oleh para penumpang di bandara keberangkatan dan bandara kedatangan, melalui layanan darat *(Ground Services)* oleh para petugas layanan darat. Sedangkan untuk memberikan pengalaman yang mengesankan bagi para penumpang selama perjalanan, maka melalui Garuda Indonesia *Experience*, para penumpang dapat berinteraksi langsung dengan para petugas *frontliner* kami yang ramah dan akan membantu sepenuhnya kebutuhan para penumpang.

Pre and Post-Journey Ancillary Revenue

Pre and Post-Journey Ancillary Revenue is the ancillary revenue obtained by the Company from services provided before and after the flight. Pre and Post-Journey Ancillary Revenue received by the Company in 2016 amounted to US$14.92 million. This ancillary revenue, among others, includes: Upgrade Surcharge, Bid Upgrade, Seat Assignment, Travel Insurance, Unaccompanied Minor Service Fee, Lounge Access, Prepaid Baggage, Australian Visa Service Fee, Oxygen Bottle, and other specific requests.

Pre and Post-Journey Ancillary Revenue Strategy in 2017

Entering 2017, the Company has established a variety of strategies to encourage acceptance of pre and post-journey ancillary revenue which among other things include the following:

1. Monetization of Prepaid Baggage in Mobile App and Website.
2. Applying zonal price method for the payment of Excess Baggage.
3. Develop the possibility pf "Surcharge Upgrade" in distribution and other process.
4. Develop partnerships in increasing the value of service, so there is a potential revenue on the sale of partnership services (fee base commission).

GROUND SERVICES

To be a leading and excellent airline company, the Company has a vision to continuously improve the quality of service not only in aircraft but also at the airport which is oriented to the customer satisfaction. Premium quality service is provided to the passengers not only inside the aircraft (In-flight service) but also before and after the flight (Pre-Post Flight, Pre-Post Journey). The integration of all these services is expected to be experienced directly by the passengers at the airport of departure and arrival, via Ground Services) by the ground service staffs. Whereas to provide a memorable experience for the passengers during the journey, through the Garuda Indonesia Experience, passengers could interact directly with our frontline officers which are friendly and will fully support the needs of the passengers.

Per tanggal 9 Agustus 2016, Perseroan telah memindahkan operasional penerbangan Domestik ke Terminal 3 Bandara Internasional Soekarno-Hatta

As of August 9, 2016, the Company has relocated its Domestic flight operations to Terminal 3 Soekarno-Hatta International Airport

Lebih lanjut, *ground services* juga didukung oleh "Garuda Indonesia Global Contact Center" (GACC). Garuda Indonesia Contact Center adalah layanan informasi penerbangan yang tersedia selama 24 jam sehari dan 7 hari seminggu melalui *International Toll Free Service* (ITFS) di 08041807807 dan 021-23519999 dari seluruh penjuru dunia. Saat ini, GACC telah terhubung dengan penumpang dari Indonesia, Singapura, Malaysia, dan Australia.

GACC melayani beragam permintaan informasi dari proses reservasi, *check-in*, layanan *loyalty* GarudaMiles hingga layanan khusus, seperti permintaan khusus penumpang seperti menu vegetarian, *children meals,* penjemputan khusus dan juga untuk penumpang yang berkebutuhan khusus (difabel) seperti permintaan kursi roda, petugas pendamping, dan sebagainya.

Kinerja Ground Services 2016

Di tahun 2016, Perseroan melakukan perbaikan signifikan melalui perbaikan layanan staf darat, dengan menyelenggarakan pelatihan layanan *(Up-Lifting Services)* untuk seluruh *frontliner* Kantor Penjualan dan Bandara yang dilakukan secara bertahap. Diharapkan melalui perbaikan signifikan ini maka para penumpang dapat merasakan perubahan layanan yang lebih baik, interaktif, dan menyenangkan.

Moreover, ground services is also supported by "Garuda Indonesia Contact Center" (GACC). Garuda Indonesia Contact Center is a flight information service which is available 24 hours a day and 7 days a week through the International Toll Free Srevice (ITFS) at 0804-807807 and 021-23519999 from all over the world. Currently, GACC is connected with passengers from Indonesia, Singapore, Malaysia, and Australia.

GACC serves a variety of requests for information from the reservation process, check-in, and loyalty service of GarudaMIles up to special service, namely special request such as vegetarian menu, children meals, special pick-up and also the needs of passengers with disability such as wheelchair, escort staff, and others.

Ground Services Performance 2016

In 2016, the Company has made a significant improvements through improved ground services staff, by providing services training (Up-Lifting Services) for the entire frontliners of Sales Office and Airport which is carried out gradually. Through this significant improvement, it is expected that the passengers could experience the changes of better services, interactive, and fun.

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Untuk memenuhi persyaratan sebagai maskapai anggota SkyTeam, dalam hal transfer khusus bagi para penumpang yang melakukan penerbangan antar maskapai anggota aliansi SkyTeam, maka Perseroan telah memulai implementasi layanan SkyTransfer. Di samping itu, penyediaan layanan SkyPriority juga disediakan khusus untuk para pelanggan istimewa anggota SkyTeam Elite Plus juga penumpang *First Class* dan *Business Class* berupa hamparan karpet merah menuju *counter* khusus untuk *priority check-in*, prioritas *drop off* bagasi, dan *priority boarding*. Sky Priority didesain untuk memastikan konsistensi layanan di bandara-bandara utama seluruh anggota aliansi SkyTeam.

To qualify as a SkyTeam member, in terms of special transfers for passengers who transfer flights between SkyTeam alliance members, the Company has begun the implementation of SkyTransfer services. In addition, the provision of SkyPriority also reserved for the privileged customers which are members of SkyTeam Elite Plus and also passengers of First Class and Business Class in the form of a red carpet toward a special counter for priority check-in, drop off baggage priority, and priority boarding. Sky Priority services are designed to ensure consistency in all airports of the SkyTeam alliance members.

Per tanggal 9 Agustus 2016, Perseroan telah memindahkan operasional penerbangan Domestik ke Terminal 3 Bandara Internasional Soekarno-Hatta yang disediakan khusus bagi Garuda Indonesia sebagai terminal penerbangan domestik. Terminal 3 memiliki area yang sangat luas dan representatif untuk Garuda Indonesia yang berkategori maskapai berbintang 5 Versi Skytrax. Sarana yang tersedia di terminal 3 sangat menunjang kenyamanan penumpang melalui penyediaan fasilitas-fasilitas tambahan terbaru dan modern seperti Kios *Check In*, *Baggage Handling System*, dan sebagainya.

As of August 9, 2016, the Company has relocated domestic flight operations to Terminal 3 of Soekarno-Hatta International Airport is specially provided for Garuda Indonesia as the domestic flight terminal. Terminal 3 has a very wide area and representative for Garuda Indonesia categorized Version Skytrax 5-star airline. Facilities are available at terminal 3 is very convenient to the passengers through the provision of additional facilities such as the latest and modern Kiosk Check-In, Baggage Handling System, and so forth.

Rencana Ground Services 2017

Memasuki tahun 2017, peningkatan *ground services* yang akan dilakukan oleh Perseroan antara lain mencakup peningkatan dan pengembangan kompetensi yang dititikberatkan untuk staf bandara, kantor penjualan, dan *contact center*.

Ground Services 2017 Plan

Entering 2017, the improvement in ground services carried out by the Company includes the improvement and development of competencies focused on staff of airport, sales offices, and contact center.

Di sisi lain, pada bulan April 2017 Perseroan akan mulai memindahkan operasional penerbangan Internasional ke Terminal 3 Bandara Soekarno-Hatta. Adapun maskapai yang beroperasi di Terminal 3 Internasional adalah Garuda Indonesia, anggota aliansi dari SkyTeam, dan Maskapai Penerbangan Asing.

On the other hand, in April 2017 the Company will begin to relocate the international flight operations to Terminal 3 Soekarno-Hatta. As for airlines operating in the Terminal 3 is Garuda Indonesia, a member of the SkyTeam alliance, and Foreign Airlines.

IN-FLIGHT SERVICES

Demi menghadirkan kualitas layanan terbaik di dalam pesawat *(on board)*, Perseroan telah melengkapi pesawatnya dengan rangkaian fasilitas yang dirancang untuk memastikan kenyamanan penumpang sepanjang perjalanan. Hal ini termasuk kabin yang elegan dengan fasilitas lengkap seperti kursi ergonomis nyaman dan berbagai menu lezat untuk pengalaman kuliner yang berbeda. Selain itu, penumpang juga dapat menikmati ragam pilihan hiburan *Audio and Video*

IN-FLIGHT SERVICES

To deliver the best quality services in aircraft (on board), Garuda Indonesia has equipped the aircraft with a range of facilities designed to ensure the comfort of passengers throughout the journey. Among them is an elegant cabin with full facilities such as comfortable ergonomic chair and a variety of delicious menu for different culinary experience. In addition, passengers could also enjoy a variety of entertainment through Audio and Video on Demand (AVOD)

on Demand (AVOD) dengan LCD TV layar sentuh selama penerbangan.

Untuk menunjang mobilitas penumpang, tersedia juga layanan *In-Flight Connectivity* yakni akses internet di dalam pesawat untuk menjaga penumpang tetap terhubung dengan keluarga, teman, atau rekan bisnisnya. Layanan ini tersedia untuk seluruh kelas penerbangan di armada Airbus A330 dan gratis untuk seluruh penumpang First Class.

with a touch screen LCD TV during flight.

To support the mobility of people, there is also onboard shopping service and In Flight Connectivity which is internet access in the aircraft to keep passengers connected with family, friends, or business associates. This service is available to the entire class flights in Airbus A330 fleet and is free for all First Class passengers.

28 Touch Points

PRE-JOURNEY

- Website
- Call Center
- Sales Officer
- Social Media

PRE-FLIGHT

- Ticket Sales Airport
- Customer Service (One Stop Service)
- Check-In Service
- Executive Lounge
- Boarding Gate
- Kios K

IN FLIGHT

- Cabin Seat Comfort
- Cabin Comfort Amenities
- Cabin Ambience
- Cabin Cleanlines
- Lavatory
- Inflight Sales
- Cabin Service
- On Board Catering
- In Flight Entertainment
- Reading Material

POST-FLIGHT

- Arrival Assistance
- Baggage Delivery
- Baggage Service
- Transfer Service Desk

POST-JOURNEY

- Customer Loyalty

SPECIFIC FOCUS

- Gesture, Greeting, Announcement
- Delay Management
- Service Recovery

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Secara keseluruhan, *In-Flight Services* dirancang untuk memberikan Garuda Indonesia *Experience* melalui kenyamanan kursi kabin, perlengkapan kabin, suasana kabin, kebersihan kabin, kamar kecil, *sales on board*, layanan kabin, hidangan *on board*, hiburan *in-flight*, dan bahan bacaan.

Kinerja In-Flight Services 2016
Inisiatif terkait *in-flight services* telah menghasilkan beberapa pencapaian positif. Perseroan dianugerahi beberapa penghargaan dari lembaga internasional seperti Skytrax. Beberapa produk dan layanan Perseroan juga mendapatkan *review* positif dari media massa internasional.

Overall, In-Flight Services is designed to provide Garuda Indonesia Experience through the convenience of cabin seat, cabin equipment, cabin ambience, cleanliness of the cabins, restroom, onboard sales, cabin service, onboard dish, in flight entertainment, and reading materials.

In-Flight Services Performance 2016
Initiatives related to In-flight services have produced some positive achievements. The Company was awarded several awards from international institutions such as the Skytrax. Some of the Company's products and services are also getting positive reviews from the international media.

Layanan *Food & Beverages* di *First Class*, *Business Class*, dan *Economy Class* Garuda Indonesia masuk dalam jajaran Skytrax Top 10 World's Best Airlines Catering. Passenger International Magazine juga menganugerahkan *Outstanding Food Service* Award bagi Garuda Indonesia. Guna mendukung *New* Garuda Indonesia *Experience*, pada bulan Maret hingga Juni, Garuda Indonesia memperkenalkan beragam kreasi menu khas Indonesia bekerja sama dengan para *chef* kelas dunia dalam Program *Star Chef*.

Garuda Indonesia's Food & Beverages Service in First Class, Business Class, and Economy Class awarded Skytrax Top 10 World's Best Airlines Catering. Passenger International Magazine also awarded Outstanding Food Service Award for Garuda Indonesia. To support New Garuda Indonesia Experience, in March and June, Garuda Indonesia introduced a variety of typical Indonesian menu in collaboration with world-class chefs in Star Chef Program.

Program *New* Garuda Indonesia *Experience* juga menyentuh aspek hiburan. Penumpang kini dimungkinkan untuk menikmati layanan AVOD segera setelah *boarding* sampai dengan tiba di bandara tujuan melalui Program *In-flight Entertainment* (IFE) *Gate to Gate*. Penambahan konten film Hollywood di penerbangan domestik dan penyediaan teks Bahasa Indonesia di film Hollywood terbaru sejak bulan Agustus 2016 sukses meningkatkan kepuasan pelanggan. Angka indeks kepuasan pelanggan untuk IFE pada Desember 2016 adalah 84,7%. Meningkat hampir 2% dibandingkan dengan pencapaian pada periode yang sama di tahun sebelumnya.

New Garuda Indonesia Experience program also includes the entertainment aspect. Passengers now able to enjoy AVOD service immediately after boarding until arriving at the destination airport via In-flight Entertainment (IFE) Gate to Gate. The addition of Hollywood movie content in domestic flights and the provision of Indonesian text in the latest Hollywood movies since August 2016 successfully increase customer satisfaction. Customer satisfaction index for IFE in December 2016 was 84.7%. Increased by almost 2% compared to the same period in the previous year.

Pada bulan Januari 2016, Garuda Indonesia menerima 4 pesawat Airbus A330-300 baru dilengkapi dengan kursi *Super Diamond* di kelas bisnis dan Kursi *Pinnacle* di kelas ekonomi. Kursi *Super Diamond* dengan fitur *fully flat bed* dan monitor IFE 16 inci mendapatkan banyak apresiasi dari media internasional dan ulasan positif dari para *travel blogger*.

Berdasarkan penilaian Skytrax untuk aspek layanan di dalam pesawat, Garuda Indonesia memiliki standar di atas rata-rata. Hal ini terlihat dari hasil penilaian atas aspek kursi penumpang, hiburan dalam pesawat dan sajian makanan selama penerbangan untuk *First Class*, *Business Class*, dan *Economy Class*.

In January 2016, Garuda Indonesia received 4 new Airbus A330-300 equipped with Super Diamond seats in business class and Pinnacle seats in economy class. Super Diamond seats which feature fully flat bed and 16-inch IFE monitor get a lot of appreciation from the international media and positive reviews from the travel bloggers.

Based on the Skytrax ratings for in flights services aspect, Garuda Indonesia has a standard above the average. This is shown from the assessment results on the aspects of aircraft seat and in flight meals for first class, business class, and economy class.

	First Class	Business Class	Economy Class
Kursi Pesawat (Aircraft Seat)	★★★★★	★★★★½	★★★★½
Hidangan dalam Pesawat (In-flight Meals)	★★★★★	★★★★½	★★★★☆

	Pilihan film, saluran TV, dan Hiburan Lain Di Dalam Pesawat (IFE Entertainment)	Pilihan Bahasa (Language Choice)	Konsistensi Hiburan Di Dalam Pesawat (Consistency of IFE)	On Board WiFi
Hiburan dalam Pesawat (In-flight Entertainment)	★★★★½	★★★★½	★★★★½	★★★★½

Rencana In-Flight Services 2017

Dalam rangka meningkatkan pelayanan di seluruh kelas, Garuda Indonesia akan terus melakukan upaya penyempurnaan aspek layanan melalui pembaharuan desain konsep layanan, spesifikasi peralatan dan produk *in-flight*, seperti *amenity kits* dan *toiletries*, *children toys*, serta *cabin comfort*.

Penerimaan pesawat Boeing 737-MAX dengan desain interior baru akan memberikan nuansa baru bagi penumpang di rute yang menggunakan armada *narrow body* Garuda Indonesia. "Welcome Hospitality" menjadi tema desain interior di armada ini. Warna emas serta corak khas Indonesia yang mewah akan ditampilkan pada kelas bisnis, sedangkan di kelas ekonomi, 3 warna berbeda kursi pesawat akan memberikan kesan modern kontemporer yang menyegarkan. Kenyamanan kabin termutakhir dengan kursi *extra wide* dilengkapi layar AVOD 16 inci dapat dinikmati oleh penumpang kelas bisnis. Di kelas ekonomi, penumpang akan dimanjakan

In-Flight Services 2017 Plan

In order to improve services in the whole class, Garuda Indonesia will continue to make improvement on services by the renewal of services concept, in-flight equipments and products, such as amenitiy kits and toiletries, children toys, as well as cabin comfort.

Boeing 737-MAX with a new interior design will give a fresh new look for passengers on routes which use narrow body fleet of Garuda Indonesia. "Welcome Hospitality" is the theme of interior design in this fleet. The fancy gold color and Indonesian typical pattern will be displayed in business class, while in economy class, three different colors of seat will provide a refreshing contemporary modern feel. Latest cabin comfort with extra wide seats equipped with AVOD 16-inch screen could be enjoyed by business class passengers. In economy class, passengers will be pampered with a wide seats and 10-inch AVOD screen. Overall the installed

TINJAUAN **BISNIS**
Business Overview

dengan kursi yang lebar dan layar AVOD 10 inci. Keseluruhan teknologi kabin yang terpasang akan menjadi standar baru untuk kenyamanan kabin pesawat *Narrow body* baik di level Asia maupun dunia. Melengkapi perangkat yang tersedia, akan diluncurkan layanan Internet WiFi. Garuda Indonesia akan menjadi maskapai pertama di Asia yang memiliki layanan ini di armada *narrow body*.

technology will become the new standard for cabin comfort of narrow body aircraft in both the Asian and world level. Complementing the available devices, WiFi Internet services will also be launched. Garuda Indonesia will be the first airline in Asia to have this service in the narrow body fleet.

Sebagai bagian dari peningkatan layanan IFEC *(Inflight Entertainment and Connectivity)* bekerja sama dengan Panasonic, Garuda Indonesia segera memiliki dan menggunakan *platform* untuk pengelolaan *ancillary revenue* dari media IFEC secara *real-time*. *Platform* yang diberi nama *Onemedia* ini sudah mulai diuji coba per September 2016 dan siap dioperasikan di awal Mei 2017.

As part of the IFEC (Inflight Entertainment and Connectivity) service improvement in collaboration with Panasonic, Garuda Indonesia soon possess and use ancillary revenue management platform from IFEC media in real-time. The platform named Onemedia has already started to be tested per September 2016 and ready for operation in early May 2017.

Sebagai langkah awal untuk menjadi *The Most Caring Airlines* di 2020, layanan *Food and Beverages* akan terus menyesuaikan dengan demografi dan karakter penumpang serta asal penerbangan baik internasional maupun domestik. Penumpang kelas bisnis di rute internasional pun akan mendapatkan keleluasaan dalam menentukan pilihan untuk setiap sajian mulai dari sajian pembuka hingga penutup. Selain itu, akan diluncurkan juga Jus Kedondong-Kiamboy dan Jus Kacang Hijau sebagai "*Signature Drink*" pada rute internasional.

As a first step to become The Most Caring Airlines in 2020, Food and Beverages service will keep adjusting to demographic and passenger character and origin of both international and domestic flights. Business class passengers on international routes will get greater freedom in determining the choice for each dish from appetizer to dessert dish. Moreover, Kedondong-Kiamboy Juice and Green Beans Juice will be launched as "Signature Drink" on international routes.

E-COMMERCE

Layanan transaksional digital berbasis *e-commerce* merupakan bagian dari upaya Garuda Indonesia untuk terus meningkatkan layanannya kepada pengguna jasa akhir *(end customer)* maupun pelanggan korporasi dan *online agent*, khususnya dalam hal kemudahan berinteraksi dan bertransaksi dalam layanan digital.

Pengelolaan *e-commerce* Garuda Indonesia meliputi 5 (lima) saluran distribusi yaitu *Business to Customers* melalui situs www.garuda-indonesia.com dan *contact center* di 0804 1 807 807 dan 021 2351 9999; *Business to Travel Agent* Non-IATA *(Garuda Online Sales* – GOS*)* melalui situs https://gos.garuda-indonesia.com/gos/index.xhtml; *Business to Online Travel Agent* (OTA) melalui *website* masing masing *partner* OTA; dan *Business to Business (Corporate Online Sales* – COS*)* melalui situs https://cos.garuda-indonesia.com/cos/index.xhtml.

Kinerja e-Commerce 2016

Total penjualan *e-commerce* selama tahun 2016 tercatat sebesar US$697,71 juta, meningkat sebesar 19% dibandingkan 2015 yaitu sebesar US$583,93 juta. Peningkatan ini antara lain didukung oleh pertumbuhan kinerja seluruh saluran distribusi *online* dan beberapa perbaikan infrastruktur penunjang sistem penjualan *online*.

Di sisi lain, total penumpang dari jalur distribusi ini mencapai 7.152.260 penumpang di tahun 2016, atau menyumbang sekitar 32% dari total penumpang Garuda Indonesia. Pada tahun 2016, Garuda Indonesia secara konsisten mendorong peningkatan penjualan dari seluruh saluran penjualan *e-commerce*, untuk pelanggan akhir, mitra *online agent*, maupun korporasi. Pada tahun 2016, Garuda Indonesia secara konsisten mendorong peningkatan penjualan dari seluruh saluran penjualan *e-commerce*, untuk pelanggan akhir, mitra *online agent*, maupun korporasi melalui berbagai program penjualan. Salah satu program penjualan dengan angka pencapaian terbesar yaitu Garuda Indonesia Online Travel Fair yang diadakan pada bulan Oktober 2016.

Masih dalam kaitannya dengan *e-commerce*, pengunjung situs Garuda Indonesia yaitu www.garuda-indonesia.com mengalami peningkatan dari 28.497.492 orang pada tahun sebelumnya menjadi 32.524.130 orang. Garuda Indonesia

E-COMMERCE

E-commerce based digital transactional service is part of Garuda Indonesia's attempt to improve its services to end customers including corporate customer and sub agent, particularly in terms of convenience in interaction and transaction in digital services.

Garuda Indonesia e-commerce management includes 5 (five) distribution channels namely Business to Customers through www.garuda-indonesia.com and contact center at 0804 1 807 807 and 021 2351 999; Business to Travel Agent Non-IATA (Garuda Online Sales – GOS) through https://gos.garuda-indonesia.com/gos/index.xhtml; Business to Online Travel Agent (OTA) through website of OTA's respective partner; Business to Business (Corporate Online Sales – COS) through https://cos.garuda-indonesia.com/cos/index.xhtml.

E-Commerce Performance 2016

Total e-commerce sales during 2016 recorded at US$697.71 million, an increase of 19% compared to 2014 amounted to US$583.93 million. The increase, among others, was contributed by the growth of distribution channel of online travel agent and some improvement in the supporting infrastructure of online sales system.

On the other hand, passenger traffic from this distribution channel reached 7.152.260 passengers in 2016, or accounted for 32% of total Garuda Indonesia passengers. In 2016, Garuda Indonesia consistently drove the sales increase from the entire e-commerce sales channel, for end customer, agent online partner, as well as corporates through various sales program. One of the sales program with the largest achievement was Garuda Indonesia Online Travel Fair which held in October 2016.

Still in the context of e-commerce, Garuda Indonesia's website visitors (www.garuda-indonesia.com) has increased from 28,497,492 people in the previous year to 32,524,130 people. In increasing the e-commerce, Garuda Indonesia

TINJAUAN BISNIS
Business Overview

dalam meningkatkan *e-commerce* telah berhasil meningkatan pengalaman pengguna *mobile application* pada tahun 2016. Peningkatan pengalaman pengguna ini berhasil menaikkan angka pengguna *mobile application* dari 593.594 pengguna menjadi 1.383.182 pengguna (pertumbuhan sebanyak 133%).

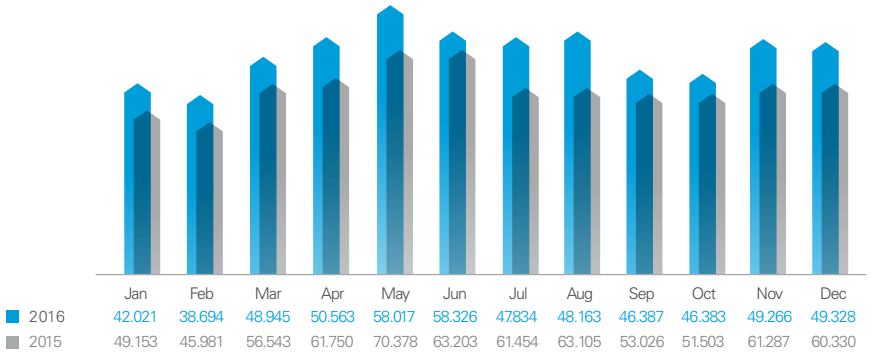
has successfully increase the user experience of mobile application in 2016. The increase of user experience has successfully increase the total user of mobile application from 593,594 users to 1,383,182 users (grew by 133%.)

Rencana e-Commerce 2017

E-Commerce 2017 Plan

Grafik Pertumbuhan Kinerja Penjualan E-Commerce 2015 dan 2016
Growth Chart of E-Commerce 2015 and 2016 Sales Performance

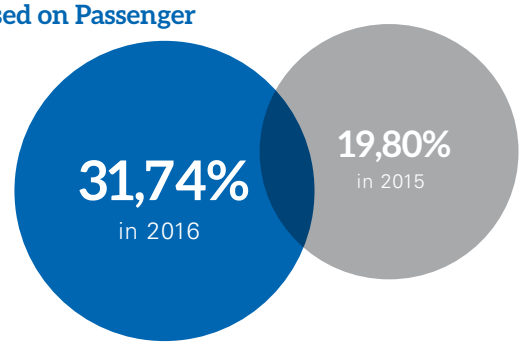
(dalam ribuan USD)
(in thousand USD)



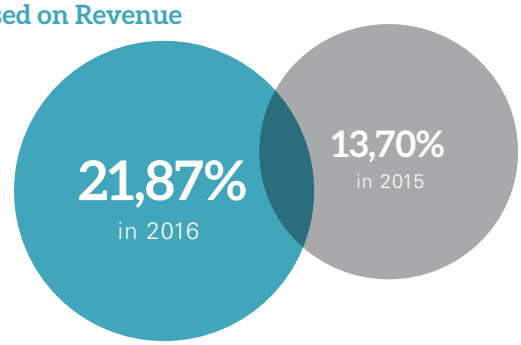
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	42.021	38.694	48.945	50.563	58.017	58.326	47834	48.163	46.387	46.383	49.266	49.328
2015	49.153	45.981	56.543	61.750	70.378	63.203	61.454	63.105	53.026	51.503	61.287	60.330

E-Channel Distribution
E-Channel Distribution

Based on Passenger



Based on Revenue



Transaksi digital berbasis *e-commerce* meningkat signifikan menjadi 31,74% dari total penumpang dan 21,87% dari total pendapatan usaha.

The transaction of digital e-commerce basis increased significantly to be 31.74% of total passengers and 21.87% of total operating revenues.

Sebagai bentuk peningkatan pelayanan dalam bidang *e-commerce*, Perseroan telah menyiapkan rencana pengembangan layanan termasuk memperbarui sistem dan saluran distribusinya serta penambahan beberapa insiatif peningkatan lainnya seperti dijabarkan berikut ini:

1. Implementasi *New Mobile App*.
2. Implementasi *Group Booking* melalui *channe*l penjualan GOS (bagi mitra *online agent Non* IATA Garuda).
3. Implementasi *cross sell* dan *ancillary* produk lainnya seperti layanan sewa kendaraan, reservasi hotel, dan layanan kereta api bandara, *prepaid baggage*, *oxygen bottle, seat selection,* kursi roda, dan lain-lain.
4. Penambahan opsi pembayaran baru seperti, CIMB Click, Internet Banking Danamon, UATP, China Union Pay, Diners, Paypal, Apple Pay, Android Pay, Deposit Top Up dengan rekan bank baru, pilihan mata uang pembayaran *(currency converter)*.
5. Bekerja sama dengan lebih banyak bank mitra dalam melakukan *redeem point* bank untuk pembayaran tiket Garuda melalui *channel e-commerce*.
6. Semakin banyak kerja sama dengan bank terbaik di Indonesia berupa cicilan 0% dan cicilan bunga ringan yang dibebankan kepada pelanggan.
7. Kerja sama dengan perusahaan telekomunikasi berupa pemanfaatan big data telekomunikasi.
8. Penambahan dan perbaikan fitur dan fungsi baru seperti *web revamp*, SAAS *(Ancillary Services)*, *Promo Code, Electronic Miscellaneous Document* (EMD), *Single Platform Payment Page, Localize web revamp, award shopper*, *affinity shopper*, *shopping basket*, *Automatic Ticket Changer*, *auto filled in*, dan *online chatting*.

As an improvement of service in the field of e-Commerce, the Company has prepared a development plan, including updating the system and distribution channel as well as the addition of some other improvement initiatives as described below:

1. Implementation of New Mobile App.
2. Implementation of Group Booking via GOS sales channel (for online/agent partner of Non IATA Garuda).
3. Implementation of cross sell and other ancillary products such as vehicle rent, hotel reservation, and airport train, prepaid baggage, oxygen bottle, seat selection, wheel chair, etc.
4. Addition of new payment options such as, CIMB Click, Internet Banking Danamon, UATP, China Union Pay, Diners, Paypal, Apple Pay, Android Pay, Deposit Top Up with new bank partners, the choice of payment currency (currency converter).
5. Cooperate with more bank partners to redeem points for Garuda ticket payment via e-commerce channel.
6. More cooperation with the best bank in Indonesia in the form of a 0% installment and low interest installment charged to customers.
7. Cooperation with telecommunication companies for the utilization of telecommunications big data.
8. Addition and improvement of new features and functions such as web revamp, SAAS (Ancillary Services), Promo Code, Electronic Miscellaneous Document (EMD), Single Platform Payment Page, Localize web revamp, award shopper, affinity shopper, shopping basket, Automatic Ticket Changer, auto filled in, and online chatting.

TINJAUAN OPERASI PER SEGMEN USAHA

Operational Review Based on Business Segment

Segmen usaha Perseroan dibagi berdasarkan berdasarkan divisi-divisi operasi yaitu operasi penerbangan, jasa pemeliharaan pesawat, dan segmen lain-lain. Segmen operasi penerbangan menyediakan jasa penerbangan berjadwal dan tidak berjadwal (*charter*) di pasar domestik dan internasional. Segmen pemeliharaan pesawat menyediakan jasa pemeliharaan pesawat baik itu milik Perseroan dan umum. Sedangkan segmen lain-lain menyediakan pelayanan penerbangan pendukung seperti Jasa Boga, *Ground Handling*, Fasilitas, Hotel & Transportasi, Teknologi Informasi, serta Pelatihan & Kesehatan.

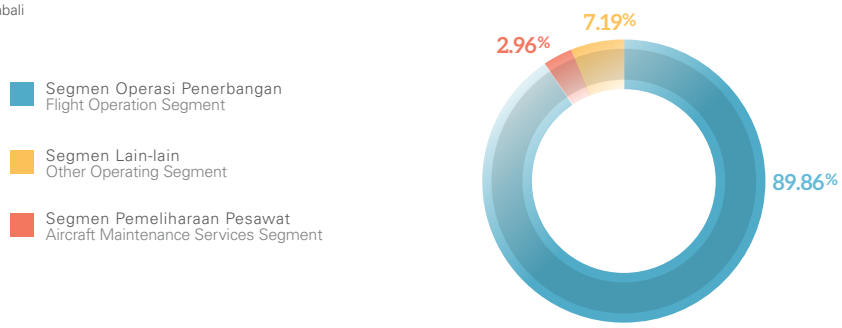
The Company's business segments are categorized based on the operational divisions, comprising of flight operations segment, aircraft maintenance services segment, and other operating segment. Flight operations segment provides scheduled and non-scheduled (charter) airline services for both domestic and international markets. Aircraft maintenance services provides maintenance services for aircrafts that belong to the Company and public. Meanwhile, other operating segment provides supporting flight services such as catering, groundhandling, facility, hotel, information technology, training and health.

Tabel Kinerja Segmen Usaha Perseroan
Table of the Company's Business Segment Performance

(dalam US$ penuh kecuali dinyatakan lain)
(In US$, unless stated otherwise)

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Segmen Operasi Penerbangan	3.471.952.610	3.470.368.871	3.588.157.884	3.386.052.078	3.156.342.321	2,41%	0,05%	Flight Operation
Segmen Pemeliharaan Pesawat	114.301.915	78.627.738	70.989.413	67.835.959	66.966.862	14,30%	45,37%	Aircraft Maintenance
Segmen Lain-lain	277.667.040	265.993.136	274.382.975	305.562.200	284.768.794	-0,63%	4,39%	Others
Jumlah	3.863.921.565	3.814.989.745	3.933.530.272	3.759.450.237	3.508.077.977	2,44%	1,28%	Total

* Disajikan kembali
* Restated



SEGMEN OPERASI PENERBANGAN

Penerbangan Berjadwal

Perseroan menyediakan jasa penerbangan penumpang dengan layanan penuh. Sedangkan layanan jasa penerbangan penumpang di segmen *Low Cost Carrier* (LCC) dilayani oleh Perseroan melalui entitas anak Citilink. Perseroan juga memberikan layanan kargo, kelebihan bagasi, serta pengantaran surat dan dokumen. Kontribusi jasa penerbangan berjadwal tercatat sebesar 84,88% dari total pendapatan usaha Perseroan pada tahun 2016. Tabel di bawah ini menunjukkan rincian informasi mengenai kinerja penerbangan berjadwal Perseroan.

FLIGHT OPERATIONS SEGMENT

Scheduled Airline Services

The Company caters to general passenger flights with full service while passenger flights in Low Cost Carrier (LCC) segment is accomodated through its subsidiaries, Citilink. The Company also provides cargo, excess baggage, and mail and document shipping services. Scheduled airlines service accounted for 84.88% of the Company's total operating revenue in 2016. The following table illustrates detailed information on the Company's scheduled airline services performance.

Tabel Indikator Kinerja Penerbangan Berjadwal

Table of Performance Indicator - Scheduled Airline Services

(dalam US$ penuh kecuali dinyatakan lain)
(In US$, unless stated otherwise)

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Indikator Finansial								Financial Indicator
Penumpang	3.039.347.159	3.002.777.941	3.147.243.028	2.955.288.708	2.687.450.057	3,12%	1,22%	Passenger
Kargo	219.149.213	187.861.891	218.462.668	195.952.040	184.889.000	4,34%	16,65%	Cargo
Kelebihan Bagasi	11.394.544	9.810.315	10.172.649	10.081.118	7.029.768	12,83%	16,15%	Excess Baggage
Surat dan Dokumen	9.915.846	8.019.586	8.377.041	8.764.325	7.881.919	5,91%	23,65%	Mail and Document
Jumlah	3.279.806.762	3.208.469.733	3.384.255.386	3.170.086.191	2.887.250.744	3,24%	2,22%	Sub total
Persentase terhadap Pendapatan Usaha	84,88%	84,10%	86,04%	84,32%	83,15%			Percentage of Operating Revenue
Indikator Operasional								Operational Indicator
RTK (000)	5.066.064	4.559.067	4.233.717	3.772.759	3.124.107	12,85%	11,12%	RTK (000)
ATK (000)	8.215.889	7.603.901	7.501.973	6.243.907	5.153.394	12,37%	8,05%	ATK (000)
Jumlah Kargo (Ton)	415.824	351.741	403.994	345.923	280.285	10,36%	18,22%	Cargo Carried (Ton)
Jumlah Penumpang Diangkut	34.999.847	32.961.027	29.139.277	24.965.239	20.415.285	14,43%	6,19%	Passenger Carried
RPK (000)	43.371.834	40.049.122	35.997.197	31.949.989	27.342.093	12,23%	8,30%	RPK (000)
ASK (000)	58.745.079	51.868.190	50.154.921	43.133.085	36.013.832	13,01%	13,26%	ASK (000)
Tingkat Isian Penumpang (%)	73,83%	77,21%	71,77%	74,07%	75,92%	n.a	-3,38%	Seat Load Factor (%)

* Disajikan kembali
* Restated

Indikator pertumbuhan kinerja penerbangan berjadwal sangat dipengaruhi oleh kinerja operasional. Kinerja penerbangan berjadwal meningkat sebesar 2,22% dibandingkan periode yang sama dengan sebelumnya, hal ini didukung oleh pertumbuhan penumpang sebesar 6,19% dan pertumbuhan jumlah kargo sebesar 18,22%.

Growth indicators of scheduled airline services performance is strongly influenced by operational performance. Performance of scheduled airline services increased by 2.22% over the same period last year, it is supported by the passengers growth of 6.19% and a growth in the number of cargo amounted to 18.22%.

Layanan Kargo

Layanan kargo yang ditawarkan Perseroan meliputi layanan kargo udara umum dan layanan kargo khusus untuk barang dan bahan material yang memerlukan penanganan khusus, termasuk material yang mudah rusak, hewan hidup, barang-barang berharga, dan barang yang membahayakan. Perseroan juga menawarkan layanan surat dan layanan

Cargo Services

The Company offers cargo service for both general air cargo and special cargo service for goods and materials that requires special handling, including fragile materials, livestocks, valuables, and dangerous goods. The Company also provides mailing and express service including 24-hour express mail and express cargo transfer service. The

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kilat, termasuk layanan surat kilat 24 jam dan jasa transfer kargo kilat. Perseroan bermaksud untuk dapat lebih fokus dalam memberikan layanan kargo khusus, yang umumnya menghasilkan marjin yang lebih tinggi. Perseroan memiliki fasilitas terminal kargo utama seluas 23.000 meter persegi yang terletak di Bandara Internasional Soekarno-Hatta yang dapat menangani sekitar 350.000 ton kargo per tahun. Perseroan percaya bahwa dengan perbaikan manajemen layanan kargo dan dengan kondisi lalu lintas kargo yang meningkat, kapasitas penanganan kargo tahunan terminal Perseroan juga diperkirakan meningkat di masa depan.

Company strives to be more focused in delivering special cargo service, which generally generate higher profit margin. The Company manage a main cargo terminal of 23,000 sqm which is located in Soekarno-Hatta International airport and handles approximately 350,000 tons of cargo per year. The Company strongly believes that improvement of cargo sevice management and increased cargo traffic will enable the Company to expand its annual cargo handling capacity in terminal in the future.

Untuk memperkuat bisnis Perseroan selain angkutan penumpang maka Perseroan membentuk Direktorat Kargo pada bulan April 2016 untuk meningkatkan fokus kinerja kargo. Langkah ini berhasil meningkatkan jumlah kargo yang diangkut pada tahun 2016 yang mencapai sekitar 415,82 ribu ton kargo, meningkat 18,22% dibandingkan periode yang sama tahun 2015 yang sebesar 351,74 ribu ton kargo.

To strengthen its business in addition to passengers, the Company established Cargo Directorate in April 2016 in order to enhance cargo performance focus. This measure managed to boost the number of freight cargo carried in 2016 to 415.82 thousand tons, went up 18.22% than the same period in the previous year at 351.74 thousand tons.

Tabel Indikator Kinerja Layanan Kargo
Table of Performance Indicator – Cargo Service

(dalam US$ penuh kecuali dinyatakan lain)
(In US$, except stated otherwise)

Indikator	2016	2015	2014*	2013*	2012*	CAGR	YoY	Indicator
Finansial								Financial
Kargo	219.149.213	187.861.891	218.462.668	195.952.040	184.889.000	4,34%	16,65%	Cargo Revenue
Kelebihan Bagasi	11.394.544	9.810.315	10.172.649	10.081.118	7.029.768	12,83%	16,15%	Excess Baggage Revenue
Surat Dokumen	9.915.846	8.019.586	8.377.041	8.764.325	7.881.919	5,91%	23,65%	Mail and Document Revenue
Operasional								Operational
Jumlah Kargo (kg)	415.824.003	351.740.701	403.994.415	345.923.000	280.285.000	10,36%	18,22%	Cargo Carried (kg)
RTK (000)	5.066.064	4.559.067	4.233.717	3.772.759	3.124.107	12,85%	11,12%	RTK (000)
ATK (000)	8.215.889	7.603.901	7.501.973	6.243.907	5.153.394	12,37%	8,05%	ATK (000)

* Disajikan kembali
* Restated

Penerbangan Tidak Berjadwal

Perseroan memberikan jasa penerbangan tidak berjadwal berpenumpang dengan tujuan domestik dan internasional untuk para rombongan jamaah haji (layanan haji) dan layanan *charter*. Jasa penerbangan tidak berjadwal berpenumpang menyumbang 4,97% dari total pendapatan usaha di tahun 2016. Adapun rincian informasi mengenai kinerja penerbangan tidak berjadwal Perseroan dapat dilihat pada tabel di bawah ini.

Non-Scheduled Airline Service

The Company provides non-schedule airline service to domestic and international destinations for groups of hajj pilgrims (hajj service) and charter service. Non-scheduled airline service accounted for 4.97% of total operating revenue in 2016. The detailed infomation on the performance of Company's non-scheduled airline service could be found in the following table.

Tabel Indikator Kinerja Penerbangan Tidak Berjadwal
Table of Performance Indicator - Non-Scheduled Airline Services

(dalam US$ penuh kecuali dinyatakan lain)
(In US$, unless stated otherwise)

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Indikator Finansial								Financial Indicator
Haji	150.933.872	178.795.362	182.062.387	195.192.932	247.262.921	-11,61%	-15,58%	Hajj
Charter	41.211.976	83.103.776	21.840.111	20.772.955	21.828.656	17,22%	-50,41%	Charter
Jumlah	192.145.848	261.899.138	203.902.498	215.965.887	269.091.577	-8,08%	-26,63%	Total
Persentase terhadap Pendapatan Usaha	4,97%	6,87%	5,18%	5,74%	7,67%			Percentage of Operating Revenue
Indikator Operasional								Operational Indicator
Jemaah Haji	78.772	82.883	82.961	89.946	112.473	-8,52%	-4,96%	Hajj Pilgrims

* Disajikan kembali
* Restated

Layanan Haji

Pada musim haji tahun 2016, Perseroan menerbangkan sebanyak 78.772 jemaah haji yang tergabung dalam 205 kelompok terbang dari 8 embarkasi yang terdiri dari embarkasi Banda Aceh (3.192 jemaah), embarkasi Medan (6.597 jemaah), embarkasi Padang (4.929 jemaah), embarkasi Jakarta (17.752 jemaah), embarkasi Solo (26.480 jemaah), embarkasi Balikpapan (4.248 jemaah), embarkasi Makassar (11.942 jemaah), dan embarkasi Lombok (3.632 jemaah).

Layanan haji tersebut diberikan atas permintaan pemerintah Indonesia dengan tarif yang dinegosiasikan oleh pemerintah berdasarkan dari beberapa faktor termasuk di antaranya nilai tukar Rupiah terhadap Dolar Amerika, tarif penyewaan pesawat dan harga bahan bakar. Kementerian Agama bertanggung jawab untuk mengatur perjalanan bagi para rombongan haji, termasuk pengaturan perjalanan penerbangan dari dan ke dan Arab Saudi. Biaya tiket pesawat yang dikenakan kepada rombongan haji, dibayar oleh Kementerian Agama kepada Perseroan sesuai dengan perjanjian yang telah disetujui bersama antara Perseroan dan Kementerian. Perjanjian tersebut akan dinegosiasi ulang setiap tahun.

Jasa layanan penerbangan haji menyumbang sekitar 3,91% dari total pendapatan usaha pada tahun 2016 di mana sekitar 78,55% merupakan proporsi kontribusi layanan haji terhadap pendapatan usaha dari jasa penerbangan tidak berjadwal pada tahun 2016. Penerimaan dari haji mengalami penurunan disebabkan oleh penurunan harga tiket haji oleh pemerintah Indonesia dan penurunan ini juga disebabkan pengurangan kuota haji sebesar 20% yang diberlakukan oleh pemerintahan Arab Saudi terkait renovasi Masjidil Haram.

Hajj Service

During 2016 Hajj season, the Company took 78,772 hajj pilgrims in 205 groups from 8 (eight) embarkation points, which consisted of Banda Aceh (3,192 pilgrims), Medan (6,597 pilgrims), Padang (4,929 pilgrims), Jakarta (17,752 pilgrims), Solo (26,480 pilgrims), Balikpapan (4,248 pilgrims), Makassar (11,942 pilgrims), and Lombok (3,632 pilgrims).

The hajj service was provided upon the Indonesian government request with fare which was negotiated by the government based on several aspects including Rupiah/US Dollar exchange rate, charter rate, and fuel cost. The Ministry of Religious Affairs is responsible for arranging the trip of hajj groups including making flight arrangements from and to Saudi Arabia. The flight ticket price imposed on the hajj groups, are paid by the Ministry of Religious Affairs to the Company in accordance with the agreement between the Company and Ministry. The agreement will be renegotiated every year.

Hajj service accounted for approximately 3.91% of total operating revenue in 2016 in which around 78.55% was the contribution of hajj service to operating revenue from non-scheduled airline service in 2016. Revenue from hajj service experienced a drop due to the reduction of hajj ticket price by the government of Indonesia and hajj quota reduction by 20% which enacted by the government of Saudi Arabia regarding the renovation of Great Mosque of Mecca.

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Armada yang dioperasikan pada musim haji 2016 ini sebanyak 12 pesawat yang terdiri dari:
- 6 pesawat A 330-300 (kapasitas 360 *seat*);
- 2 pesawat B 747-400 (kapasitas 455 *seat*); dan
- 4 pesawat B 777-300ER (kapasitas 393 *seat*).

Selain itu, Perseroan juga menyiapkan 454 orang awak kabin, yang mana 40% di antaranya merupakan awak kabin yang berasal dari daerah embarkasi. Hal ini dilakukan sebagai bentuk layanan Perseroan kepada para jemaah, khususnya untuk mengatasi kendala komunikasi (bahasa) mengingat sebagian jemaah hanya mampu berbahasa daerah. Tingkat ketepatan waktu penerbangan secara keseluruhan mencapai 93,66%.

Layanan Charter

Pada tahun 2016, Perseroan juga mengoperasikan penerbangan *charter* untuk keperluan bisnis, pemerintahan, pendidikan, dan kelompok wisatawan. Perseroan menentukan pengaturan jadwal penerbangan *charter* berdasarkan permintaan dan keberadaan penerbangan. Dalam operasinya, penerbangan *charter* secara berkala akan melakukan pemindahan atau transfer pesawat yang sebelumnya merupakan penerbangan berjadwal. Perseroan percaya bahwa kenaikan tersebut akan meningkatkan tingkat utilisasi pesawat, mengurangi biaya operasi, dan meningkatkan profitabilitas Perseroan.

Layanan *charter* menyumbang sekitar 21,45% dari pendapatan layanan tidak berjadwal pada tahun 2016. Pada tahun 2016 pendapatan dari penerbangan *charter* turun sebesar 50,41% menjadi sebesar US$41,21 juta pada tahun 2016 dari US$83,10 juta pada tahun 2015. Penurunan kinerja *charter* ini merupakan dampak dari pembukaan rute baru penerbangan berjadwal ke Arab yang sebelumnya dilayani dengan penerbangan *charter* pada tahun 2015. Sehingga permintaan di pasar *charter* berpindah ke pasar penerbangan berjadwal.

Profitabilitas Segmen Operasi Penerbangan

Di tahun 2016, segmen operasi penerbangan berhasil memperoleh pendapatan operasional sebesar US$3,47 miliar dan berkontribusi sebesar 89,86% dalam pendapatan keseluruhan Perseroan pada tahun 2016 yang sebesar US$3,86 miliar.

The Company operated 12 aircrafts during 2016 hajj season, which consisted of:
- 6 units of A330-300 (360 seats);
- 2 units of B747-400 (455 seats); and
- 4 units of B777-300ER (393 seats).

In addition, the Company has also prepared 454 cabin crews, 40% of which is cabin crews from embarkation points. This arrangement is the Company's service to the pilgrims, in order to solve language issues since some of the pilgrims can only speak local languages. The overall On Time Performance was recorded at 93.66%.

Charter Service

In 2016, the Company also operated charter flights for business purpose, government, education, and group of tourists. The Company set up the schedules for charter flights based on demand and flight availability. In its operation, charter flights regularly involve aircraft transfer from the scheduled airline service. The Company believes that the arrangement will help improve aircraft utilisation level, cut down operational cost, and enhance its profitability.

Charter service accounted for around 21.45% of total operating revenue from non-scheduled airline service in 2016. In 2016, revenue from charter service plunged 50.41% to US$41.21 million from US$83.10 million in 2015. The downturn in charter performance was driven by the launching of new route to Arab for scheduled airline service which was previously served by charter flights in 2015. As such, the demand in charter flights shifted to scheduled airline service market.

Profitability of Flight Operations Segment

In 2016, flight operations segment managed to score operating revenue of US$3.47 billion and account for 89.86% of the Company's total operating revenue in 2016 which was amounted to US$3.86 billion.

Tabel Profitabilitas Segmen Operasi Penerbangan
Table of Flight Operations Segment Profitability

(dalam US$ penuh kecuali dinyatakan lain)
(In US$, unless stated otherwise)

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Pendapatan Penerbangan Berjadwal	3.279.806.762	3.208.469.733	3.384.255.386	3.170.086.191	2.887250.744	3,24%	2,22%	Sub total scheduled airline services
Pendapatan Penerbangan Tidak Berjadwal	192.145.848	261.899.138	203.902.498	215.965.887	269.091.577	-8,08%	-26,63%	Sub total non scheduled airline services
Total Pendapatan Operasi Penerbangan	3.471.952.610	3.470.368.871	3.588.157884	3.386.052.078	3.156.342.321	2,41%	0,05%	Total revenues for flight operations segment
Persentase Terhadap Pendapatan Usaha	89,86%	90,97%	91,22%	90,07%	89,97%			Percentage of Operating Revenue

* Disajikan kembali
* Restated

SEGMEN PEMELIHARAAN PESAWAT

Pencapaian *Aircraft Maintenance Management* meliputi tingkat pemenuhan pesawat yang *serviceable (Aircraft Serviceability)*, tingkat fungsionalitas kabin *(Cabin Functionality)*, tingkat penampilan interior kabin dan eksterior *(Cabin Interior and Exterior Appearance)* dan kontribusi keterlambatan karena teknik *(Contribution of Technical Delay)*.

Aircraft Serviceability

Pemenuhan jumlah dan tipe pesawat yang *serviceable* di tahun 2016 mencapai 99,09%, mengalami peningkatan dibandingkan tahun 2015 sebesar 98,60%. Kenaikan ini disebabkan adanya pengurangan jumlah *unscheduled maintenance days* di sebagian besar tipe pesawat.

Menyongsong tahun 2017, untuk meningkatkan performa *Aircraft Serviceability*, program yang dilaksanakan antara lain mengoptimalkan kontrol terhadap pelaksanaan pekerjaan perawatan rutin *(scheduled maintenance)* melalui *IT Based System* yang terintegrasi, termasuk pelaksanaan *Base Maintenance*. Selain itu akan dilaksanakan program penurunan jumlah *unscheduled maintenance days* melalui *Supply Chain Management* yang terintegrasi dan meningkatkan waktu respons terhadap rektifikasi *unscheduled maintenance*/AOG.

Cabin Functionality

Kinerja pencapaian *cabin functionality* serta *Cabin Interior* dan *Exterior Appearance* ditujukan untuk mendukung target perusahaan dalam mempertahankan 5 Star Skytrax Airline.

AIRCRAFT MAINTENANCE SEGMENT

The achievement of the Aircraft Maintenance unit in general included aircraft availability, cabin functionality, cabin interior appearance and aircraft exterior, and contribution of technical delay.

Aircraft Serviceability

The aircraft availability, in terms of number and type of serviceable aircrafts in 2016, reached 99.09%, higher than 2015 at 98.60%. The improvement was driven by reduction of unscheduled maintenance days in most type of aircrafts.

Upon entering 2017, in order to enhance performance of Aircraft Serviceability, the Company will execute some programs such as optimizing control over scheduled maintenance through integrated IT Based System, including implementation of Base Maintenance. In addition, the Company will reduce the number of unscheduled maintenance days through integrated Supply Chain Management and increase response time to rectification of unscheduled maintenance/AOG.

Cabin Functionality

The performance achievement of cabin functionality and Cabin Interior and Exterior is intended to support the Company's target in maintaining 5 Star Skytrax Airline. Particularly for

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Khusus *Cabin Functionality*, pencapaian di tahun 2016 tercatat sebesar 99,93% mengalami peningkatan dari tahun 2015 sebesar 99,85%. Peningkatan ini disebabkan oleh adanya perbaikan dan penambahan stok material, percepatan proses *Warranty Claim* dan perpindahan posisi stok terhadap material dengan pergerakan yang cepat atau kebutuhan yang tinggi di Apron dalam rangka mempercepat proses perbaikan dan untuk menghindari *delay*.

Beberapa strategi yang akan dilakukan untuk meningkatkan pencapaian kinerja ini di tahun 2017 adalah perbaikan stok material baik dalam hal jenis maupun jumlahnya di *Base* Cengkareng (CGK) dan beberapa *station* di luar Cengkareng (CGK), perbaikan kapabilitas perawatan cabin di *multi base station* seperti KNO, UPG, SUB, DPS dan BPN, perbaikan stok *consignment* material di *multi base* dan perbaikan *Reliability of Cabin Part* melalui implementasi *Service Bulletin*, OEM Vendor dan pelaksanaan *Reliability Control Program Cabin* secara berkala.

Cabin Interior and Exterior Appearance

Rata-rata pencapaian indikator penampilan interior kabin di tahun 2016 adalah sebesar 98,25%, mengalami peningkatan dibandingkan tahun 2015 sebesar 96,72%. Hal ini dikarenakan

Cabin Functionality, the achievement in 2016 was 99.93%, an increase from 2015 at 99.85%. The increase was due to the repair and addition of material stock, acceleration of Warranty Claim process, and transfer of stock position against material with fast movement or high needs in Apron in order to speed up repair process and prevent delay.

Among the strategies that will be carried out to improve this performance achievement in 2017 are enhancement of material stock in terms of both type and quantity in Cengkareng Base (CGK) and several stations outside Cengkareng (CGK), improvement of cabin maintenance capability in multi base station such as KNO, UPG, SUB, DPS, and BPN, improvement of consignment material in multi base and enhancement of Reliability of Cabin part through implementation of Service Bulletin, OEM Vendor and implementation Reliability Control Program Cabin on regular basis.

Cabin Interior and Exterior Appearance

The average achievement of cabin interior appearance indicators in 2016 was 98.25%, an increase compared to 2015 at 96.72%. This was due to the constant improvement on the

perbaikan yang terus menerus khususnya terhadap pengawasan pelaksanaan *daily cleaning* baik di CGK dan juga dilakukan *conformity* terhadap pelaksanaan transit dan *daily cleaning* di luar terminal CGK.

monitoring of daily cleaning in CGK as well as conformity on transit and daily cleaning outside CGK station.

Sedangkan penampilan eksterior berhasil membukukan pencapaian di 2016 sebesar 98,38%, mengalami peningkatan dibandingkan tahun 2015 sebesar 95,21%. Peningkatan ini disebabkan oleh implementasi *Aircraft Washing* yang berjalan lebih baik dan melanjutkan program implementasi *Aircraft Polishing* pada pesawat yang berumur lebih dari 2 tahun atau sesuai kondisi.

Meanwhile, exterior appearance indicator was recorded at 98.38% in 2016, increased from 2015 at 95.21%, The improvement was mainly due to the implementation of Aircraft Washing which run better and continued implementation of Aircraft Polishing to aircrafts older than 2 years or in line with the conditions.

Di tahun 2017, dalam rangka mempertahankan 5 Star Skytrax Airline, maka dilakukan beberapa program antara lain perbaikan kontrol terhadap hasil pelaksanaan *aircraft cleaning*, meningkatkan implementasi *Aircraft Interior Maintenance Program* (AIMP), melanjutkan *Aircraft Polishing* sesuai kondisi *exterior* untuk pesawat berumur lebih dari 2 tahun serta pelaksanaan *exterior repainting* bersamaan dengan *schedule maintenance*.

In 2017, in order to maintain 5 Star Skytrax Airline, the Company has formulated a number of programs, among others: improving control over the results of aircraft cleaning, enhancing implementation of Aircraft Interior Maintenance Program (AIMP), continuing Aircraft Polishing in accordance with exterior conditions for fleet whose age more than 2 years as well as exterior repainting at the same time of schedule maintenance.

Contribution of Technical Delay

Pencapaian *Contribution of Technical Delay* di tahun 2016 adalah sebesar 0,67%, lebih baik dibandingkan dengan tahun 2015 sebesar 0,94%. Perbaikan pencapaian tahun ini disebabkan oleh perbaikan dalam hal penyediaan *Spare Part,* proses *troubleshooting* dan penanganan AOG *Recovery* dan *Repetitive Problem*.

Contribution of Technical Delay

The achievement of Contribution of Technical Delay in 2016 was recorded at 0.67%, or better than 2015 at 0.94%. The improved achievement could be attributed to the enhancement in the availability of spare part, the process of handling of AOG Recovery, Hold Item List (HIL) and Repetitive Problem.

Di tahun 2017, pencapaian *Contribution of Technical Delay* akan terus ditingkatkan dengan mengoptimalkan penggunaan sistem *IT based* yang terintegrasi dalam investigasi *root cause Technical Delay* dan dalam melakukan *Technical Delay Management*.

In 2017, the achievement of Contribution of Technical Delay will be improved by optimizing integrated IT-based system in investigation of Technical Delay root cause and in performing Technical Delay Management.

Tabel Jumlah Armada Perseroan yang Mendapat Layanan Pemeliharaan
Table of Total Company's Fleet that Received Maintenance Service

Keterangan	2016	2015	2014	2013	2012	Description
Berbadan Kecil						Narrow Body
B737-300/400/500	-	-	5	7	8	B737-300/400/500
B737-800 NG	75	81	75	65	55	B737-800 NG
CRJ - 1000	18	18	15	12	5	CRJ - 1000
ATR 72-600	15	11	8	2	-	ATR 72-600
B737 Max 8	-	-	-	-	-	B737 Max 8
Total Berbadan Kecil	**108**	**110**	**103**	**86**	**68**	**Total Narrow Body**

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Keterangan	2016	2015	2014	2013	2012	Description
Berbadan Lebar						Wide Body
B747-400	2	2	2	2	2	B747-400
B777-300ER	10	9	6	4	0	B777-300ER
A330-200	7	9	11	11	9	A330-200
A330-300	17	13	11	7	6	A330-300
Total Berbadan Lebar	36	33	30	24	17	Total Wide Body
Garuda Main Brand	**144**	**143**	**133**	**110**	**85**	**Garuda Main Brand**
Citilink						Citilink
B737-300/400	5	5	4	6	7	B737-300/400
B737-500	3	3	-	-	-	B737-500
A320-200	44	36	32	24	14	A320-200
Total Citilink	**52**	**44**	**36**	**30**	**21**	**Total Citilink**
Total Grup	**196**	**187**	**169**	**140**	**106**	**Total Group**

Kinerja Keuangan

Penerimaan dari pemeliharaan dan perbaikan pesawat berasal dari anak perusahaan Garuda Indonesia yaitu PT Garuda Maintenance Facility Aero Asia (GMFAA) yang didirikan untuk melaksanakan dan menunjang kebijakan serta program pemerintah di bidang ekonomi dan pembangunan nasional pada umumnya, khususnya di bidang jasa perawatan pesawat terbang, perawatan komponen dan kalibrasi, perawatan mesin untuk pesawat dan industri, pembuatan dan perawatan sarana pendukung, jasa *engineering*, jasa layanan material, logistik, pergudangan dan konsinyasi serta jasa konsultan, pelatihan dan penyediaan tenaga ahli di bidang perawatan pesawat, komponen dan mesin.

Financial Performance

Revenue from aircraft maintenance and overhaul is derived from Garuda Indonesia's subsidiary, PT Garuda Maintenance Facility Aero Asia (GMFAA) which is established to implement and support the government's policies and program related to the national economy development in general, particularly aircraft maintenance and repair, component maintenance and calibration, maintenance of aircraft and industrial engines, production and maintenance of supporting facilities, engineering service, material service, logistics, warehousing, and consignment as well as consultancy, training, and outsourcing for professionals in maintenance of aircrafts, component, and engines.

Tabel Profitabilitas Segmen Pemeliharaan Pesawat
Table of Aircraft Maintenance Segment Profitability

(dalam US$ penuh kecuali dinyatakan lain)
(In US$, unless stated otherwise)

Indikator Finansial	2016	2015	2014*	2013*	2012*	CAGR	YoY	Financial Indikator
Aircraft maintenance and overhaul	114.301.915	78.627.738	70.989.413	67.835.959	66.966.862	14,30%	45,37%	Aircraft maintenance and overhaul
Persentase Terhadap Pendapatan Usaha	2,96%	2,06%	1,80%	1,80%	1,91%			Percentage of Operating Revenue

* Disajikan kembali
* Restated

Pada tahun 2016 penerimaan dari pemeliharaan dan perbaikan pesawat tercatat sebesar US$114,30 juta atau 2,96% dari jumlah pendapatan usaha Perseroan sebesar US$3,86 miliar.

In 2016, the revenue from aircraft maintenance and overhaul stood at US$114.30 million or 2.96% of total Company's operating revenue at US$3.86 billion. The revenue from

Adapun pendapatan dari segmen pemeliharaan pesawat 2016 Perseroan tercatat meningkat signifikan sebesar 45,37% dari tahun 2015 yang mencapai US$78,63 juta.

aircraft maintenance segment in 2016 registered a significant growth of 45.37% from 2015 at US$78.63 million.

SEGMEN LAIN-LAIN

Perseroan menyediakan jasa lainnya yang berkaitan dengan jasa pendukung penerbangan seperti: Jasa Boga, *Groundhandling*, Fasilitas, Hotel & Transportasi, Teknologi Informasi, Pelatihan, dan serta Kesehatan. Pendapatan segmen operasi lain-lain tercatat sebesar US$277,67 juta atau meningkat 4,39% dari pencapaian tahun sebelumnya sebesar US$265,99 juta. Perseroan mencatat bahwa jasa lainnya terkait dengan penerbangan menyumbangkan sekitar 7,19% dari total pendapatan usaha di tahun 2016.

OTHER OPERATING SEGMENT

The Company provides other services that are related to supporting flight services such as catering, groundhandling, facility, hotel, information technology, training and health. Other operating revenue was amounted to US$277.67 million or went up 4.39% from the previous year at US$265.99 million. The Company recorded that other services related to airline accounted for approximately 7.19% of total operating revenue in 2016.

Tabel Profitabilitas Segmen Lain-lain
Table of Other Operating Segment Profitability

dalam US$ penuh kecuali dinyatakan lain)
(In US$, unless stated otherwise)

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Biro perjalanan	63.837.440	59.013.456	67.041.690	81.964.385	79.878.710	-5,45%	8,17%	Travel agent
Jasa boga	52.540.747	52.930.165	57.113.910	60.461.986	50.136.002	1,18%	-0,74%	Catering
Pelayanan penerbangan	63.864.766	64.882.612	48.800.950	47.393.619	47.575.662	7,64%	-1,57%	Airline related
Hotel	17.949.634	17.722.908	19.819.838	22.218.229	21.357.575	-4,25%	1,28%	Hotel
Fasilitas	19.961.047	20.288.685	19.963.821	22.873.959	21.204.424	-1,50%	-1,61%	Facilities
Transportasi	3.336.799	3.860.963	4.592.232	5.583.464	5.590.643	-12,10%	-13,58%	Transportation
Teknologi informasi	11.741.078	7.126.702	5.780.117	4.849.174	3.892.417	31,79%	64,75%	Information technology
Layanan kesehatan	2.299.072	2.210.056	2.480.238	2.782.424	2.242.632	0,62%	4,03%	Healthcare service
Pelatihan	3.103.143	1.009.149	912.637	432.720	856.530	37,96%	207,50$	Training service
Groundhandling	38.593.280	36.364.751	36.512.163	44.260.248	36.497.588	1,41%	6,13%	Groundhandling
Lain-lain	440.034	583.689	11.365.379	12.741.992	15.536.612	-58,98%	-24,61%	Others
Jumlah	277.667.040	265.993.136	274.382.975	305.562.200	284.768.795	-0,63%	4,39%	Total
Persentase Terhadap Pendapatan Usaha	7,19%	6,97%	6,98%	8,13%	8,12%			Percentage of Operating Revenue

* Disajikan kembali
* Restated

TINJAUAN **KEUANGAN**
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Analisis dan pembahasan kinerja keuangan Perseroan berikut ini disusun berdasarkan informasi yang diperoleh dari laporan keuangan PT Garuda Indonesia (Persero) Tbk yang berakhir pada 31 Desember 2016 sesuai dengan Pernyataan Standar Akuntansi Keuangan Indonesia.

Laporan tersebut diaudit oleh Kantor Akuntan Publik (KAP) Satrio Bing Eny & Rekan (*member of Deloitte Touche Tohmatsu Limited*) yang ditunjuk Perseroan dan memperoleh pendapat wajar tanpa pengecualian dalam semua hal yang material.

Pembahasan dan analisis terperinci tentang kinerja keuangan Perseroan akan disajikan dalam tiga bagian: Laporan Posisi Keuangan Konsolidasian, Laporan Laba Rugi Komprehensif Konsolidasian, dan Laporan Arus Kas Konsolidasian.

Kinerja keuangan Perseroan pada tahun 2016 dipengaruhi oleh pelambatan ekonomi global yang berdampak pada kondisi pertumbuhan ekonomi nasional yang mempengaruhi tingkat daya beli konsumen dan pertumbuhan industri penerbangan. Bencana alam yang melanda berbagai wilayah Indonesia seperti banjir, puting beliung, tanah longsor, kebakaran hutan, dan gempa bumi berpengaruh besar khususnya bagi Garuda Indonesia.

Perseroan melakukan beberapa langkah untuk mendukung peningkatan kinerja operasional dan kinerja keuangan dengan menjalankan program-program yang merupakan turunan dari strategi Sky Beyond dengan fokus utama pada *Return Maximization*, antara lain:

- Memaksimalkan margin operasi melalui optimasi armada, *network*, dan aliansi dengan melakukan:
  a. Restrukturisasi rute.
  b. Peningkatan pendapatan umrah, *charter,* dan bisnis kargo.
  c. Meningkatkan *ancillary revenue.*
- Meningkatkan kemampuan komersial dengan memperkuat saluran penjualan
- Meningkatkan nilai pelanggan melalui optimasi harga dan *revenue management*
- Optimasi armada
- Mendorong efisiensi operasi

The following analysis and discussion of Company's financial performance is based on information obtained from the financial statements of PT Garuda Indonesia (Persero) Tbk, which ended on December 31, 2016 in accordance with Indonesia Financial Accounting Standards.

The financial statements was audited by Public Accounting Firm (KAP) Osman Bing Satrio & Eny (member of Deloitte Touche Tohmatsu Limited) appointed by the Company and obtain an unqualified opinion in all material aspects.

Discussion and detailed analysis of the Company's financial performance will be presented in three sections: Consolidated Statement of Financial Position, Consolidated Statement of Comprehensive Income, and Consolidated Statement of Cash Flows.

The Company's financial performance in 2016 was influenced by the global economic slowdown that impact on national economic growth condition and affect the purchasing power of consumers and the growth of the aviation industry. Natural disasters which hit many parts of Indonesia, such as floods, cyclones, landslides, forest fires, and earthquakes also provided a major impact, especially for Garuda Indonesia.

The Company took some measures to support the improvement of operational performance and financial performance by running programs that are derivatives of Sky Beyond strategy with a primary focus on Return Maximization, among others:

- Maximizing the operating margins through optimization of the fleet, network, and alliance through the following attempts:
  a. Restructuring route.
  b. Increasing the revenue of umrah, charter, and cargo business.
  c. Increasing the ancillary revenue.
- Improving commercial capabilities by strengthening sales channel
- Increasing customer value through price optimization and revenue management
- Optimizing fleet
- Driving operations efficiency

Strategi tersebut berperan penting dalam menghasilkan peningkatan kinerja Perseroan pada periode ini. Program efisiensi yang terus dijalankan secara proporsional juga berperan penting dalam peningkatkan performa aspek operasional, layanan, maupun niaga sehingga memberikan pertumbuhan positif bagi Perseroan. Pada tahun 2016 Perseroan mampu membukukan Laba Bersih Tahun Berjalan dan Laba Komprehensif Tahun Berjalan masing-masing sebesar US$9,36 juta dan US$59,17 juta.

Such strategies played an important role in generating an increase in the Company's performance during the period. Efficiency program which continues to be implemented proportionally also played an important role in enhancing the operational aspects of performance, service, and commercial so as to provide positive growth for the Company. In 2016 the Company was able to record Net Profit for the Year and Comprehensive Income for the Year amounting to US$9.36 million and US$59.17 million respectively.

Tabel Laporan Laba Rugi Konsolidasian
Table of Consolidated Statements of Comprehensive Income

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Pendapatan usaha	3.863.921.565	3.814.989.745	3.933.530.272	3.759.450.237	3.508.077.977	2,44%	1,28%	Operating revenues
Beban usaha	3.764.817.626	3.646.244.304	4.328.758.393	3.683.243.664	3.320.569.395	3,19%	3,25%	Operating expenses
Laba usaha	99.103.939	168.745.441	(395.228.121)	76.206.573	187.508.582	-14,74%	-41,27%	Profit from operations
Laba (rugi) sebelum pajak	17.790.700	106.660.147	(456.453.104)	26.918.220	169.580.666	-43,09%	-83,32%	Profit (loss) before tax
Laba (rugi) tahun berjalan	9.364.858	77.974.161	(368.911.279)	23.531.387	126.187.114	-47,81%	-87,99%	Profit (loss) for the current period
Jumlah laba (rugi) komprehensif	59.174.034	71.255.594	(339.571.157)	18.555.775	176.701.621	-23,93%	-16,96%	Total comprehensive income (loss)

* Disajikan kembali
* Restated

LAPORAN LABA RUGI KOMPREHENSIF KONSOLIDASIAN

Pendapatan Usaha

Pendapatan usaha Perseroan di tahun 2016 naik sebesar 1,28%, dari US$3.814,99 juta di tahun 2015 menjadi sebesar US$3.863,92 juta di tahun 2016. Faktor yang menyebabkan kenaikan adalah meningkatnya pendapatan penerbangan berjadwal dan pendapatan lain-lain. Pendapatan dari penerbangan berjadwal serta pendapatan lainnya masing-masing meningkat sebesar 2,22% dan 13,74%, sedangkan pendapatan dari penerbangan tidak berjadwal turun sebesar US$69,75 juta atau 26,63%.

Pendapatan Usaha - Penerbangan Berjadwal

Pendapatan dari penerbangan berjadwal tahun 2016 sebesar US$3.279,81 juta atau meningkat sebesar 2,22% dari tahun 2015 yang sebesar US$3.208,47 juta. Peningkatan ini sejalan dengan peningkatan jumlah penumpang dan kargo yang diangkut yang masing-masing meningkat sebesar 6,19% dan 18,22% dari tahun 2016.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Operating Revenues

The Company's operating revenues in 2016 increased by 1.28% from US$3,814.99 million in 2015 to US$3,863.92 million in 2016. The increase was derived from the increase of the revenue from scheduled airline services and other revenues. The revenue of scheduled airline services and other increased by 2.22% and 13.74% respectively, while non-scheduled airline services declined of 5.19% to US$3.21 billion. On the other hand, non-scheduled airline services declined by US$69.75 million or 26.63%.

Operating Revenues – Scheduled Airline Services

Revenue from scheduled airline services in 2016 amounted to US$3,279.81 million or increased by 2.22% from 2015 of US$3,208.47 million. The increase was in line with the increase of passenger and cargo carried amounted to 6.19% and 18.22% respectively in 2016.

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Tabel Pendapatan Usaha
Table of Operating Revenues

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Penerbangan berjadwal	3.279.806.762	3.208.469.733	3.384.255.386	3.170.086.191	2.887250.744	3,24%	2,22%	Scheduled airline services
Penerbangan tidak berjadwal	192.145.848	261.899.138	203.902.498	215.965.887	269.091.577	-8,08%	-26,63%	Non-scheduled airline services
Lainnya	391.968.955	344.620.874	345.372.388	373.398.159	351.735.656	2,74%	13,74%	Others
Jumlah Pendapatan Usaha	3.863.921.565	3.814.989.745	3.933.530.272	3.759.450.237	3.508.077.977	2,44%	1,28%	Total Operating Revenues

* Disajikan kembali
* Restated

Peningkatan kinerja penumpang tahun 2016 seiring dengan strategi Sky Beyond dengan memaksimalkan imbal hasil melalui optimasi rute, meningkatkan *commercial capability* dengan memperkuat *sales channel*, serta meningkatkan nilai pelanggan melalui optimasi harga dan *revenue management*.

Sementara itu peningkatan kinerja kargo selama tahun 2016 menunjukkan bahwa di area domestik Garuda Cargo berhasil mencatat pangsa pasar sebesar 67,00% dan menjadi pemimpin di pasar kargo untuk area domestik. Sedangkan untuk pasar internasional *inbound* dan *outbound* Jakarta, Garuda Cargo di tahun 2016 mampu meraih pangsa pasar sebesar 20,00% di bawah Singapore Airline yang menjadi pemimpin pasar *outbound* Jakarta dengan pangsa pasar sebesar 27,00% Untuk meningkatkan fokus kinerja kargo dalam memperkuat bisnis Perseroan di samping angkutan penumpang, maka pada bulan April 2016 Perseroan membentuk Direktorat Kargo.

The increased performance of passengers in 2016 was in line with the Sky Beyond strategy by maximizing returns through route optimization, increasing commercial capability by strengthening the sales channel, and increasing customer value through price optimization and revenue management.

Meanwhile, the increase in cargo performance during 2016 indicated that in the domestic area of Garuda Cargo has recorded a market share of 67.00% and became a leader in the cargo market for domestic area. Whereas in terms of Jakarta international inbound and outbound market, Garuda Cargo in 2016 were able to achieve a market share of 20.00% under the Singapore Airline which led the market of outbound Jakarta with a market share of 27.00% To improve the performance of cargo in strengthening the Company's business in addition to passenger transport, in April 2016 the Company established the Directorate of Cargo.

Tabel Pendapatan Penerbangan Berjadwal
Table of Operating Revenues from Scheduled Airline Services

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Penumpang	3.039.347.159	3.002.777.941	3.147.243.028	2.955.288.708	2.687.450.057	3,12%	1,22%	Passenger
Kargo	219.149.213	187861.891	218.462.668	195.952.040	184.889.000	4,34%	16,65%	Cargo
Kelebihan Bagasi	11.394.544	9.810.315	10.172.649	10.081.118	7.029.768	12,83%	16,15%	Excess baggage
Surat dan Dokumen	9.915.846	8.019.586	8.377.041	8.764.325	7881.919	5,91%	23,65%	Mail and document
Jumlah	3.279.806.762	3.208.469.733	3.384.255.386	3.170.086.191	2.887.250.744	3,24%	2,22%	Total

* Disajikan kembali
* Restated

Pendapatan Usaha - Penerbangan Tidak Berjadwal

Pendapatan penerbangan tidak berjadwal mengalami penurunan sebesar 26,63% pada tahun 2016 menjadi sebesar US$192,15 juta dari US$261,90 juta di tahun 2015. Penurunan tersebut terutama akibat penurunan pendapatan dari penerbangan *charter* yang turun sebesar 50,41% menjadi sebesar US$41,21 juta pada tahun 2016 dari US$83,1 juta pada tahun 2015. Penurunan pendapatan ini terutama dikarenakan banyaknya penerbangan rute Jeddah yang diterbangi *charter* pada tahun 2015, sementara pada tahun 2016 *charter* tidak melayani rute Jeddah dan digantikan menjadi penambahan frekuensi penerbangan berjadwal ke Jeddah dan Madina.

Sementara itu pendapatan dari penerbangan haji mengalami penurunan sebesar 15,58% di tahun 2016 menjadi sebesar US$150,93 juta dari US$178,79 juta di tahun 2015. Penurunan ini terkait pembatasan visa haji akibat renovasi Masjidil Haram yang berpengaruh pada kuota haji 2016 dan penurunan tarif haji di tahun 2016.

Operating Revenues – Non-scheduled Airline Services

The revenue of non-scheduled airline services decreased by 26.63% in 2016 to US$192.15 million from US$261.90 million in 2015. The decrease was primarily due to the decrease in revenue from charter flights, which fell by 50.41% to US$41.21 million in 2016 from US$83.1 million in 2015. The decrease in revenue was mainly because in 2015 the Jeddah route has many charter flights, while in 2016 charter flight did not serve for Jeddah route and replaced into the addition frequency of flights scheduled to Jeddah and Madina.

Meanwhile, revenue from hajj flights decreased by 15.58% in 2016 to US$150.93 million from US$178.79 million in 2015. This decrease was related to the Hajj visa restrictions due to renovation of Masjidil Haram affecting the haj quota in 2016 and a decrease hajj fare in 2016.

Tabel Pendapatan Penerbangan Tidak Berjadwal
Table of Operating Revenues from Non-Scheduled Airline Services

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Haji	150.933.872	178.795.362	182.062.387	195.192.932	247.262.921	-11,61%	-15,58%	Hajj
Charter	41.211.976	83.103.776	21.840.111	20.772.955	21.828.656	17,22%	-50,41%	Charter
Jumlah	192.145.848	261.899.138	203.902.498	215.965.887	269.091.577	-8,08%	-26,63%	Total

* Disajikan kembali
* Restated

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Tabel Pendapatan Usaha Lainnya
Table of Other Operating Revenues

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Biro perjalanan	63.837.440	59.013.456	67.041.690	81.964.385	79.878.710	-5,45%	8,17%	Travel agent
Pemeliharaan dan perbaikan pesawat	114.301.915	78.627.738	70.989.413	67.835.959	66.966.862	14,30%	45,37%	Aircraft maintenance and overhaul
Jasa boga	52.540.747	52.930.165	57.113.910	60.461.986	50.136.002	1,18%	-0,74%	Catering
Pelayanan penerbangan	63.864.766	64.882.612	48.800.950	47.393.619	47.575.662	7,64%	-1,57%	Airline related
Hotel	17.949.634	17.722.908	19.819.838	22.218.229	21.357.575	-4,25%	1,28%	Hotel
Fasilitas	19.961.047	20.288.685	19.963.821	22.873.959	21.204.424	-1,50%	-1,61%	Facilities
Transportasi	3.336.799	3.860.963	4.592.232	5.583.464	5.590.643	-12,10%	-13,58%	Transportation
Teknologi informasi	11.741.078	7.126.702	5.780.117	4.849.174	3.892.417	31,79%	64,75%	Information technology
Layanan kesehatan	2.299.072	2.210.056	2.480.238	2.782.424	2.242.632	0,62%	4,03%	Healthcare service
Pelatihan	3.103.143	1.009.149	912.637	432.720	856.530	37,96%	207,50%	Training service
Groundhandling	38.593.280	36.364.751	36.512.163	44.260.248	36.497.588	1,41%	6,13%	Groundhandling
Lainnya	440.034	583.689	11.365.379	12.741.992	15.536.612	-58,98%	-24,61%	Others
Jumlah	391.968.955	344.620.874	345.372.388	373.398.159	351.735.656	2,74%	13,74%	Sub total others

* Disajikan kembali
* Restated

Pendapatan Usaha Lainnya

Pendapatan usaha lainnya Perseroan di tahun 2016 tercatat sebesar US$391,97 juta, meningkat 13,74% dibandingkan tahun 2015 yang sebesar US$344,62 juta. Adapun pendapatan usaha lainnya Perseroan di tahun 2016 berasal dari:

1. Pendapatan pemeliharaan dan perbaikan pesawat sebesar US$114,30 juta. Jika dibandingkan dengan pencapaian tahun sebelumnya yang tercatat sebesar US$78,63 juta, maka terjadi peningkatan sebesar 45,37%, seiring peningkatan pekerjaan pemeliharaan pesawat maskapai penerbangan lainnya dan meningkatnya kapabilitas anak perseroan GMF dalam melakukan pemeliharaan dan perbaikan pesawat. Pendapatan pemeliharaan dan perbaikan pesawat merupakan kontributor terbesar untuk pendapatan usaha lainnya dan merupakan kontribusi dari anak perseroan PT GMF Aero Asia.
2. Pendapatan pelayanan penerbangan sebesar US$63,86 juta. Jika dibandingkan dengan pencapaian tahun 2015 yang tercatat sebesar US$64,88, maka terjadi penurunan sebesar 1,57% terkait penurunan pendapatan administrasi penumpang.

Other Operating Revenues

Other operating revenues of the Company in 2016 was recorded at US$391.97 million, increased by 13.74% compared to 2015 which amounted to US$344.62 million. The other operating revenue of the Company in 2016 came from:

1. The revenue from aircraft maintenance and overhaul amounted to US$114.30 million. If compared with the previous year which stood at US$78.63 million, there was an increase of 45.37%, along with the increase in aircraft maintenance work and the increasing capabilities of GMF in performing aircraft maintenance and overhaul. Revenue from aircraft maintenance and overhaul is the largest contributor to other operating revenues which contributed from PT GMF Aero Asia.
2. The revenue from airline related amounted to US$63.86 million. If compared to the achievement of 2015 which amounted to US$64.88, there was a decline of 1.57% regarding the decline in revenue passenger administration.

3. Pendapatan biro perjalanan sebesar US$63,84 juta. Jika dibandingkan dengan pencapaian pada periode yang sama di tahun 2015 yang tercatat sebesar US$59,01 juta, maka terjadi peningkatan sebesar 8,17% terkait peningkatan pendapatan GOH-*tour sales* serta peningkatan pendapatan penjualan paket haji & umroh.
4. Pendapatan *groundhandling* sebesar US$38,59 juta. Jika dibandingkan dengan pencapaian tahun 2015 yang tercatat sebesar US$36,36 juta, maka terjadi peningkatan sebesar 6,13%.
5. Pendapatan teknologi informasi sebesar US$11,74 juta. Jika dibandingkan dengan pencapaian sampai dengan 31 Desember 2015 yang tercatat sebesar US$7,13 juta, maka terjadi peningkatan sebesar 64,75% terkait peningkatan pendapatan komisi AIPL serta peningkatan pendapatan lainnya.
6. Pendapatan pelatihan sebesar US$3,10 juta. Jika dibandingkan dengan pencapaian tahun sebelumnya yang tercatat sebesar US$1,01 juta, maka terjadi peningkatan sebesar US$2,09 juta terkait peningkatan pendapatan pelatihan pihak ketiga.

3. The revenue from travel agent amounted to US$63.84 million. If compared to the achievement of same period in 2015 which amounted to US$59.01 million, there was an increase of 8.17% regarding the increase in GOH-tour sales revenue and hajj & umroh package.
4. The revenue of groundhandling amounted to US$38.59 million. If compared to the achievement of 2015 which amounted to US$36.36 million, there was an increase of 6.13%.
5. The revenue from information technology amounted to US$11.74 million. If compared with the achievement as of December 31, 2015 which amounted to US$7.13 million, there was an increase of 64.75% regarding the increase of AIPL commission and other revenues.
6. The revenue from training service amounted to US$3.10 million. If compared to the achievement of previous year which recorded at US$1.01 million, there was an increase of US$2.09 million regarding the increase in revenues related to third party training.

Tabel Beban Usaha
Table of Operating Expenses

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Operasional penerbangan	2.187.316.263	2.190.607.282	2.562.179.370	2.243.445.104	1.906.057.732	3,50%	-0,15%	Flight operations
Pemeliharaan dan perbaikan	393.308.458	376.500.961	419.536.774	285.193.329	287.518.499	8,15%	4,46%	Maintenance and overhaul
Bandara	334.047.207	301.880.822	339.756.096	298.001.244	263.059.575	6,15%	10,66%	User charges and station
Tiket, penjualan dan promosi	310.187.732	309.608.281	354.822.396	335.582.593	316.925.290	-0,54%	0,19%	Ticketing, sales and promotion
Pelayanan penumpang	286.289.766	270.750.084	302.908.137	282.897.297	262.899.987	2,15%	5,74%	Passenger services
Administrasi dan umum	226.797.925	224.907.111	244.510.498	228.315.526	219.762.804	0,79%	0,84%	General and administrative
Operasional hotel	28.180.038	29.698.564	34.077.718	33.758.910	25.809.070	2,22%	-5,11%	Hotel operation
Operasional transportasi	17.848.699	17.528.744	17.798.905	19.816.371	18.290.869	-0,61%	1,83%	Transportation operations
Operasional jaringan	11.951.555	10.303.636	16.755.061	17.956.789	16.837.840	-8,21%	15,99%	Network operation
Beban (Pendapatan) Usaha Lainnya	31.110.017	85.541.181	36.413.438	61.723.499	3.407.729	n.a	-63,63%	Other Operating (Income) Charges
Jumlah Beban Usaha	3.764.817.626	3.646.244.304	4.328.758.393	3.683.243.664	3.320.569.395	3,25%	-2,64%	Total Operating Expenses

* Disajikan kembali
* Restated

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Beban Usaha

Beban usaha Perseroan pada tahun 2016 mengalami peningkatan sebesar 3,25% menjadi US$3.764,82 juta dibandingkan tahun sebelumnya US$3.646,22 juta. Peningkatan biaya terbesar berasal dari beban perbaikan dan pemeliharaan pesawat seiring penambahan armada dan beban bandara.

Beban bahan bakar tahun 2016 tercatat sebesar US$924,65 juta turun 11,92% dibandingkan tahun 2015 yang sebesar US$1.049,82 juta. Penurunan ini merupakan dampak penurunan harga bahan bakar sebesar 17,96% pada tahun 2016.

Operating Expenses

The Company's operating expenses in 2016 increased by 3.25% to US$3,764.82 million compared to the previous year of US$3,646.22 million. The increase of expense mostly derived from the expense of aircraft maintenance and overhaul in line with the increasing fleet, the expense of user charges and station.

The fuel expense in 2016 was recorded at US$924.65 million, declined by 11.92% compared to 2015 which amounted to US$1,049.82 million. This decrease was due to the impact of fuel price reduction of 17.96% in 2016.

Tabel Beban Bahan Bakar
Table of Fuel Expenses

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Finansial								Financial
Beban bahan bakar (dalam US$)	924.651.861	1.049.819.787	1.560.265.649	1.420.139.208	1.255.126.779	-7,35%	-11,92%	Fuel expenses
Operasional								Operational
Bahan bakar yang digunakan (Ribuan Liter)	2.057.219	1.853.647	1.796.637	1.550.216	1.292.013	12,33%	10,98%	Fuel Burned (Thousand Liter)
Rata-rata harga bahan bakar (US$/liter)	42,97	52,38	83,39	87,59	91,13	-17,13%	-17,96%	Average Fuel Price (US$ Cent per liter)

* Disajikan kembali
* Restated

Selain itu, kinerja beban usaha Perseroan selama tahun 2016 adalah sebagai berikut:

- Beban pemeliharaan dan perbaikan tercatat sebesar US$393,31 juta, mengalami peningkatan sebesar 4,46% dari tahun 2015 akibat meningkatnya jam terbang yang digunakan sebagai dasar penetapan tarif aktivitas *maintenance* pesawat. Beban ini menyumbang 10,45% dari total beban usaha.
- Beban tiket, penjualan dan promosi yang menyumbang 8,17% dari total beban usaha juga mengalami peningkatan sebesar 0,19% menjadi US$310,19 juta. Hal ini diakibatkan peningkatan beban reservasi dan beban komisi masing-masing sebesar 13,30% dan 2,78%.
- Beban pelayanan penumpang tahun 2016 tercatat sebesar US$286,29 juta, meningkat 5,74% dari tahun 2015 yang

In addition, the performance of the Company's operating expenses during 2016 were as follows:

- The expense of maintenance and overhaul amounted to US$393.31 million, an increase of 4.46% from 2015 due to increased flight hours were used as the basis for setting tariffs aircraft maintenance activities. This expense accounted for 10.45% of total operating expenses.
- The expense of ticketing, sales and promotion, which accounted for 8.17% of total operating expenses, also increased by 0.19% to US$310.19 million. This was due to an increase in the reservation and commission expenses by 13.30% and 2.78% respectively.
- The expense of passenger services in 2016 stood at US$286.29 million, an increase of 5.74% from 2015 which

tercatat sebesar US$270,75 juta terkait peningkatan beban gaji dan tunjangan sebesar 29,12%.

- Beban bandara tahun 2016 berjumlah US$334,05 juta atau 8,87% dari total beban usaha, mengalami peningkatan sebesar 10,66% terutama akibat kenaikan beban layanan pesawat dan penerbangan seiring peningkatan frekuensi sebesar 9,84%.
- Beban administrasi dan umum mengalami peningkatan sebesar 0,84%, dari US$224,91 juta pada tahun 2015 menjadi US$226,80 juta di tahun 2016, terkait peningkatan beban sewa, asuransi, kesehatan, dan beban lainnya masing-masing sebesar 41,46%, 19,61%, 171,42% dan 66,37%. Beban ini menyumbang 6,02% dari total beban usaha.
- Perseroan di tahun 2016 memperoleh pendapatan lain-lain sebesar US$31,11 juta yang terutama berasal dari keuntungan jual & sewa balik sebesar US$46,07 juta, pemulihan dari (penurunan) nilai aset sebesar US$17,86 juta, dan klaim asuransi sebesar US$4,87 juta.
- Beban operasional hotel berjumlah US$28,18 juta turun 5,11% dari tahun 2015 yang sebesar US$29,70 juta. Beban ini menyumbang 0,74% dari total beban usaha.

- Beban operasional transportasi dan operasi jaringan mengalami peningkatan masing-masing sebesar 1,83% dan 15,99%. Adapun porsi beban ini terhadap total beban usaha masing-masing sebesar 0,47% dan 0,31%.

recorded at US$270.75 million related to the increase in salaries and allowances amounted to 29.12%.

- The expenses of user charges and station in 2016 amounted to US$334.05 million or 8.87% of total operating expenses, increased by 10.66% mainly due to increase in aircraft and flight services expense in line with the increasing frequency of 9.84%.
- General and administrative expenses increased by 0.84%, from US$224.91 million in 2015 to US$226.80 million in 2016, related to the increase in the expenses of rental, insurances, healthcare services, and other expenses by 41.46%, 19.61%, 171.42% and 66.37% respectively. This expenses accounted for 6.02% of total operating expenses.
- The Company in 2016 earned other income amounted to US$31.11 million which was mainly derived from the gain sale and leaseback amounted to US$46.07 million, recovery from losses amounted to US$17.86 million, and insurance claim amounted to US$4.87 million.
- The operating expenses from hotel operation amounted to US$28.18 million, declined by 5.11% from 2015 which amounted to US$29.70 million. This expense accounted for 0.74% of total operating expenses.
- The operating expenses from transportation and network also incresed by 1.83% and 15.99% respectively. These expenses accounted for 0.47% and 0.31% respectively to total operating expenses.

Tabel Laba (Rugi) Usaha dan EBITDA
Table of Profit (Loss) from Operations and EBITDA

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Pendapatan Usaha	3.863.921.565	3.814.989.745	3.933.530.272	3.759.450.237	3.508.077.977	2,44%	1,28%	Operating Revenues
Beban Usaha	3.764.817.626	3.646.244.304	4.328.758.393	3.683.243.664	3.320.569.395	3,19%	3,25%	Operating Expenses
Laba Usaha	99.103.939	168.745.441	(395.228.121)	76.206.573	187.508.582	-14,74%	-41,27%	Operating Income
EBITDA	263.085.738	344.026.198	(215.797.963)	231.447.446	318.032.305	-4,63%	-23,53%	EBITDA
EBITDAR	1.274.862.893	1.248.800.736	550.074.829	823.699.106	766.633.657	13,56%	2,09%	EBITDAR
Marjin EBITDA (%)	6,81%	9,02%	-5,49%	6,16%	9,07%			EBITDA MARGIN (%)
Marjin EBITDAR (%)	32,99%	32,73%	13,98%	21,91%	21,85%			EBITDAR MARGIN (%)

* Disajikan kembali
* Restated

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Laba (Rugi) Usaha dan EBITDA

Perseroan membukukan laba usaha sebesar US$99,10 juta di tahun 2016, turun 41,27% dibandingkan tahun 2015 sebesar US$168,75 juta. Faktor yang menyebabkan penurunan tersebut antara lain adalah tingginya biaya investasi, kondisi perekonomian global yang belum membaik yang berdampak pada turunnya daya beli masyarakat, serta bencana alam seperti erupsi, banjir, dan longsor yang terjadi di beberapa wilayah Indonesia. EBITDA Perseroan mengalami penurunan menjadi US$263,08 juta di tahun 2016, sehingga Margin EBITDA mencapai 6,81% dari 9,02% di tahun 2015.

Profit (Loss) from Operations and EBITDA

The Company posted an operating profit of US$99.10 million in 2016, delined by 41.27% compared to 2015 of US$168.75 million. Factors that led to the decline include the high cost of investment, global economic condition that has not recovered that impact on the decline in purchasing power, as well as natural disasters such as the eruptions, floods, and landslides that occurred in some parts of Indonesia. The Company's EBITDA declined to US$263.08 million in 2016, thus the EBITDA margin reached 6.81% compared to 9.02% in 2015.

Laba (Rugi) Sebelum Pajak

Laba sebelum pajak tercatat sebesar US$17,79 juta di tahun 2016, mengalami penurunan sebesar 83,32% dibandingkan tahun 2015 yang tercatat sebesar US$106,66 juta, hal ini disebabkan meningkatnya biaya operasional terkait ekspansi yang dilakukan Perseroan pada tahun 2016.

Profit (Loss) Before Tax

Profit before tax was recorded at US$17.79 million in 2016, decreased by 83.32% compared to 2015 which was recorded at US$106.66 million, this was due to the increase of operating expenses related to the expansion of the Company in 2016.

Tabel Laba (Rugi) Sebelum Pajak
Table of Profit (Loss) Before Tax

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Laba (Rugi) Sebelum Pajak	17.790.700	106.660.147	(456.453.104)	26.918.220	169.580.666	-43,09%	-83,32%	Profit (Loss) Before Tax
Laba (Rugi) Bersih	9.364.858	77.974.161	(368.911.279)	23.531.387	126.187.114	-47,81%	-87,99%	Net Profit (Loss)
Penghasilan Komprehensif Lain	49.809.176	(6.718.567)	29.340.122	(4.975.612)	50.514.507	-0,35%	-841,37%	Other Comprehensive Income
Jumlah Laba (Rugi) Komprehensif	59.174.034	71.255.594	(339.571.157)	18.555.775	176.701.621	-23,93%	-16,96%	Total Comprehensive Income (Loss)
Laba Bersih per Saham	0,000312	0,002960	-0,014801	0,000905	0,005368	-50,90%	-89,46%	Basic Earning per Share

* Disajikan kembali
* Restated

Laba (Rugi) Bersih

Setelah memperhitungkan pajak penghasilan, maka laba bersih Perseroan di tahun 2016 adalah sebesar US$9,36 juta dengan margin bersih sebesar 0,24%. Sementara laba bersih per saham adalah sebesar US$0,00031, mengalami penurunan sebesar 89,46% seiring menurunnya kinerja keuangan Perseroan.

Net Profit (Loss)

After taking into account the income tax, the Company's net profit in 2016 amounted to US$9.36 million with a net margin of 0.24%. While earnings per share amounted to US$0.00031, decreased by 89.46% in line with declining financial performance of the Company.

Penghasilan Komprehensif Lain

Di tahun 2016 Perseroan mencatat penghasilan komprehensif lain sebesar US$49,81 juta meningkat dibandingkan tahun

Other Comprehensive Income

In 2016 the Company recorded other comprehensive income amounted to US$49.81 million, an increase compared to 2015

2015 yang mengalami pertumbuhan negatif sebesar US$6,72 juta. Peningkatan ini terkait dengan peningkatan revaluasi aset tetap bersih sebesar US$21,17 juta, keuntungan belum direalisasi atas transaksi lindung nilai arus kas sebesar US$13,15, serta selisih kurs karena penjabaran laporan keuangan sebesar US$9,55 juta.

which experienced a negative growth of US$6.72 million. This increase was associated with the increase of gain on revaluation of property and equipment – net, amounted to US$21.17 million, unrealized gain on cash flows hedge transaction amounted to US$13.15 million, and the exchange differences on translating financial statements amounted to US$9.55 million.

Jumlah Laba (Rugi) Komprehensif Pada Tahun Berjalan

Setelah memperhitungkan penghasilan komprehensif lainnya tersebut, maka jumlah Laba Komprehensif Perseroan tahun 2016 tercatat sebesar US$59,17 juta atau turun dibandingkan tahun 2015 yang tercatat sebesar U$71,26 juta.

Total Comprehensive Income (Loss) for the Current Year

After taking into account other comprehensive income, the number of Company's Comprehensive Income in 2016 amounted to US$59.17 million, declined compared to 2015 when it stood at US$71.26 million.

Tabel Laporan Posisi Keuangan Konsolidasian
Table of Consolidated Statements of Financial Position

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Jumlah Aset Lancar	1.165.133.302	1.007.848.005	810.514.943	836.522.314	657.862.675	15,36%	15,61%	Total Current Asset
Jumlah Aset Tidak Lancar	2.572.436.088	2.302.162.981	2.302.564.372	2.161.116.242	1.910.243.758	7,72%	11,74%	Total Non Current Asset
Jumlah Aset	**3.737.569.390**	**3.310.010.986**	**3.113.079.315**	**2.997.638.556**	**2.568.106.433**	**9,84%**	**12,92%**	**Total Asset**
Jumlah Liabilitas Jangka Pendek	1.563.576.121	1.195.849.121	1.219.365.356	999.099.449	764.031.876	19,61%	30,75%	Total Current Liability
Jumlah Liabilitas Jangka Panjang	1.164.096.050	1.163.438.680	1.014.246.368	904.405.513	730.119.257	12,37%	0,06%	Total Non Current Liability
Jumlah Liabilitas	2.727.672.171	2.359.287.801	2.233.611.724	1.903.504.962	1.494.151.133	16,24%	15,61%	Total Liability
Jumlah Ekuitas	1.009.897.219	950.723.185	879.467.591	1.094.133.594	1.073.955.300	-1,53%	6,22%	Total Equity
Jumlah Liabilitas & Ekuitas	**3.737.569.390**	**3.310.010.986**	**3.113.079.315**	**2.997.638.556**	**2.568.106.433**	**9,84%**	**12,92%**	**Total Liabity & Equity**

* Disajikan kembali
* Restated

LAPORAN POSISI KEUANGAN KONSOLIDASIAN

Aset

Jumlah aset Perseroan tahun 2016 tercatat sebesar US$3.737,57 juta, mengalami peningkatan sebesar 12,92% dibandingkan tahun 2015 yang tercatat sebesar US$3.310,01 juta. Peningkatan ini terutama dipicu oleh peningkatan aset lancar sebesar 15,61%. Kenaikan aset lancar tersebut berupa kenaikan kas dan setara kas, piutang, persediaan berupa suku cadang pesawat, serta uang muka dan biaya dibayar di muka.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Assets

Total assets of the Company in 2016 amounted to US$3,737.57 million, increased by 12.92% compared to 2015 which was recorded at US$3,310.01 million. This increase was primarily driven by an increase in current assets amounted to 15.61%. The increase in current assets includes the increase of cash and cash equivalents, trade accounts receivables, inventories in the form of aircraft spare parts, as well as advances and prepaid expenses.

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Tabel Aset Lancar
Table of Current Assets

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Kas dan setara kas	578.702.739	519.972.655	434.327.498	480.429.053	334.081.961	14,72%	11,29%	Cash and cash equivalents
Piutang usaha	191.295.565	121.527.641	120.623.827	145.556.829	135.787.772	8,95%	57,41%	Trade accounts receivables
Piutang lain-lain	21.172.730	17.581.553	8.349.932	9.158.363	8.068.782	27,27%	20,43%	Other receivables
Persediaan – bersih	108.954.457	91.631.231	85.204.399	91.325.429	84.309.102	6,62%	18,91%	Inventories - net
Uang muka dan biaya dibayar di muka	220.275.067	177.104.409	134.765.800	90.118.503	85.886.470	26,55%	24,38%	Advances and prepaid expenses
Pajak dibayar di muka	44.732.744	80.030.516	27.243.487	19.934.137	9.728.588	46,43%	-44,11%	Prepaid taxes
Jumlah Aset Lancar	1.165.133.302	1.007.848.005	810.514.943	836.522.314	657.862.675	15,36%	15,61%	Total Current Asset

* Disajikan kembali
* Restated

Aset Lancar

Aset lancar tahun 2016 tercatat sebesar US$1.165,13 juta, meningkat dibandingkan aset lancar di tahun 2015 yang tercatat sebesar US$1.007,85 juta. Peningkatan ini terutama disebabkan oleh:

- Peningkatan kas dan setara kas sebesar 11,29% menjadi US$578,70 juta di tahun 2016 dari US$519,97 juta di tahun 2015, terutama disebabkan oleh peningkatan kas bersih dari aktivitas pendanaan di tahun 2016.
- Peningkatan piutang usaha sebesar 57,41% menjadi US$191,30 juta di tahun 2016 disebabkan meningkatnya transaksi dari pihak berelasi dan pihak ketiga baik jasa penerbangan maupun non jasa penerbangan.
- Peningkatan persediaan meningkat sebesar 18,91% dibandingkan tahun sebelumnya disebabkan adanya peningkatan suku cadang pesawat, jasa boga, dan dokumen tiket.
- Peningkatan uang muka dan biaya dibayar di muka di tahun 2016 sebesar 24,38% menjadi US$220,28 juta dari US$177,10 juta di tahun 2015 seiring peningkatan sewa dibayar di muka serta uang muka suku cadang.

Current Assets

Current assets in 2016 recorded at US$1,165.13 million, increased from the current assets of 2015 which was US$1,007.85 million. This increase was mainly due to:

- The increased of cash and cash equivalents of 11.29% to US$578.70 million in 2016 from US$519.97 million 2015, mainly derived from the increase of net cash provided from financing activities in 2016.
- The increased of trade accounts receivables by 57.41% to US$191.30 million in 2016 was derived from the increase of transactions with related parties and third parties both in terms of airline services and non-airline services.
- The inventories increased by 18.91% compared to the previous year due to the increase of spare parts, catering, and ticketing document.
- The increase of advances and prepaid expenses in 2016 amounted to 24.38% to US$220.28 million from US$177.10 million in 2015 due to the increase of prepaid rent and spare parts.

Tabel Aset Tidak Lancar
Table of Non Current Assets

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Dana perawatan pesawat dan uang jaminan	1.241.870.703	1.012.753.651	786.933.317	617.623.057	461.933.812	28,05%	22,62%	Maintenance reserve fund and security deposits
Uang muka pembelian pesawat	169.738.910	204.469.384	388.883.491	500.366.435	497.157.419	-23,56%	-16,99%	Advances for purchase of aircraft
Investasi pada entitas asosiasi	427.479	399.772	545.647	972.087	1.179.564	-22,41%	6,93%	Investments in associates
Aset pajak tangguhan	108.493.9634	104.990.625	119.650.511	34.850.834	22.076.105	48,89%	3,34%	Deferred tax assets
Aset tetap	926.666.977	867.089.209	922.994.362	895.017.840	826.747.800	2,89%	6,87%	Property and equipment
Properti investasi	57.772.474	55.390.166	26.818.510	22.020.790	18.912.898	32,20%	4,30%	Investment properties
Aset tak berwujud – bersih	4.992.892	4.648.523	6.047.329	6.822.881	7.217.106	-8,80%	7,41%	Intangible assets - net
Beban tangguhan – bersih	1.307.3120	2.193.585	5.411.785	7.275.144	1.690.740	-6,23%	-40,40%	Deferred charges - net
Aset lain-lain – bersih	61.165.379	50.228.066	45.279.420	76.167.174	73.328.314	-4,43%	21,78%	Other assets - net
Jumlah Aset Tidak Lancar	2.572.436.088	2.302.162.981	2.302.564.372	2.161.116.242	1.910.243.758	7,72%	11,74%	Total Non Current Asset

* Disajikan kembali
* Restated

Aset Tidak Lancar

Aset tidak lancar tahun 2016 meningkat 11,74% menjadi US$2.572,44 juta. Komponen aset tidak lancar yang mengalami peningkatan di tahun 2016, antara lain:

- Dana perawatan pesawat dan uang jaminan meningkat sebesar 22,62% dari US$1.012,75 juta di 2015 menjadi US$1.241,87 juta di 2016.
- Uang muka pembelian pesawat mengalami penurunan sebesar 16,99% menjadi US$169,74 juta dibandingkan tahun sebelumnya sebesar US$204,47 juta seiring berkurangnya order pesawat khususnya jenis pesawat B777-300ER dan A320-200.
- Investasi pada entitas asosiasi mengalami peningkatan 6,93% menjadi US$427,48 ribu dibandingkan periode sebelumnya sebesar US$399,77 ribu hal ini disebabkan meningkatnya laba atas investasi asosiasi pada PT Aeroprima dan PT Aeronurti Catering Services yang bergerak pada bidang jasa boga pesawat sebagai pelayanan pendukung bisnis usaha Perseroan.

Non Current Assets

Non current assets in 2016 increased by 11.74% to US$2,572.44 million. The components of non current assets which increased in 2016, among others:

- Maintenance reserve funds and security deposits increased by 22.62% from US$1,012.75 million in 2015 to US$1,241.87 million in 2016.
- Advances for purchase of aircraft declined by 16.99% to US$169.74 million compared to the previous year of US$204.47 million due to declining aircraft orders particularly for B77-300ER and A320-200.

- Investment in associates increased by 6.93% to US$427.48 thousand caompared to the previous period of US$399.77 thousand due to the increased of gain from investment in associates namely PT Aeroprima and PT Aeronurti Catering Services which operates in the field of aircraft catering services as the business support of the Company.

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- Aset tetap berupa bangunan dan peralatan mengalami peningkatan sebesar 6,87% menjadi US$926,67 juta dibandingkan tahun sebelumnya sebesar US$867,09 juta disebabkan adanya peningkatan nilai aset pesawat dan non-aset pesawat.
- Aset lain-lain bersih sebesar US$61,17 juta meningkat 21,78% dari tahun 2015 akibat peningkatan *manufacture's incentive*.

- Fixed assets in the form of property and equipment increased by 6.87% to US$926.67 million compared to the previous year of US$867.09 million due to the increase in the value of aircraft assets air and non-aircraft assets.
- Other assets – net, amounted to US$61.17 million or increased by 21.78% from 2015 due to the increase of manufacture's incentive.

Tabel Liabilitas
Table of Liabilities

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Utang bank dan lembaga keuangan	698.011.118	361.254.270	75.312.110	45.222.668	5.651.251	233,37%	93,22%	Loan from banks and financial institution
Utang usaha	220.431.958	149.355.767	215.589.431	206.951.374	170.738.652	6,59%	47,59%	Trade accounts payables
Pihak-pihak berelasi	91.412.955	44.963.436	111.563.071	120.771.564	80.037.958	3,38%	103,31%	Related parties
Pihak ketiga	129.019.003	104.392.331	104.026.360	86.179.810	90.700.694	9,21%	23,59%	Third parties
Utang lain-lain	35.583.709	49.901.950	24.196.608	20.988.151	22.119.524	12,62%	-28,69%	Other payables
Utang pajak	39.458.951	80.997.046	18.458.721	18.002.338	21.502.264	16,39%	-51,28%	Taxes payable
Beban akrual	197.983.396	181.042.507	224.597.949	169.670.785	175.064.453	3,12%	9,36%	Accrued expenses
Pendapatan diterima di muka	229.846.173	176.531.019	210.488.910	169.265.396	162.270.578	9,09%	30,20%	Unearned revenues
Uang muka diterima	30.932.877	24.549.496	29.581.017	20.593.426	20.631.988	10,65%	26,00%	Advances received
Liabilitas jangka panjang yang jatuh tempo dalam satu tahun:	111.327.939	172.217.066	421.140.610	348.405.311	186.053.166	-12,05%	-35,36%	Current maturities of long term liabilities
Pinjaman jangka panjang	61.696.994	103.936.071	368.945.183	280.075.641	106.125.048	-12,68%	-40,64%	Long-term loans
Liabilitas sewa pembiayaan	22.311.219	15.125.233	12.933.174	53.268.680	58.132.590	-21,29%	47,51%	Lease liabilities
Liabilitas estimasi biaya pengembalian dan pemeliharaan pesawat	27.319.726	53.155.762	39.262.253	15.060.990	21.795.528	5,81%	-48,60%	Estimated liability for aircraft return and maintenance cost
Jumlah Liabilitas Jangka Pendek	1.563.576.121	1.195.849.121	1.219.365.356	999.099.449	764.031.876	19,61%	30,75%	Total Current Liability
Liabilitas jangka panjang – setelah dikurangi bagian yang jatuh tempo dalam setahun:	998.598.190	944.474.724	785.948.720	683.563.972	476.629.385	20,31%	5,73%	Non current maturities of long-term liabilities:
Pinjaman jangka panjang	132.418.213	133.022.468	446.699.347	327.040.065	297.873.115	-18,35%	-0,45%	Long-term loans
Liabilitas sewa pembiayaan	138.588.227	106.055.960	105.965.183	138.482.264	148.220.008	-1,67%	30,67%	Lease liabilities

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Liabilitas estimasi biaya pengembalian dan pemeliharaan pesawat	86.550.585	69.448.854	73.526.187	55.191.260	30.536.262	29,75%	24,62%	Estimated liability for aircraft return and maintenance cost
Utang obligasi	641.041.165	635.947.442	159.758.003	162.850.383	-	n.a	0,80%	Bonds payable
Liabilitas pajak tangguhan	2.055.561	1.661.989	2.531.137	11.632.923	3.029.549	-9,24%	23,68%	Deferred tax liabilities
Liabilitas imbalan kerja	116.009.808	177.519.224	190.327.180	183.337.325	243.215.410	-16,90%	-34,65%	Employment benefits obligation
Liabilitas tidak lancar lainnya	47.432.491	39.782.743	35.439.331	25.871.293	7.244.913	59,96%	19,23%	Other non current liabilities
Jumlah Liabilitas Jangka Panjang	1.164.096.050	1.163.438.680	1.014.246.368	904.405.513	730.119.257	12,37%	0,06%	Total Non Current Liability
Jumlah Liabilitas	2.727.672.171	2.359.287.801	2.233.611.724	1.903.504.962	1.494.151.133	16,24%	15,61%	Total Liability

* Disajikan kembali
* Restated

Liabilitas

Perseroan mencatat peningkatan dalam jumlah liabilitas sebesar 15,61% dari US$2.359,29 juta pada akhir tahun 2015 menjadi US$2.727,67 juta pada tahun 2016. Peningkatan tersebut terutama didorong kenaikan jumlah liabilitas jangka pendek.

Liabilitas jangka pendek mengalami peningkatan sebesar 30,75% menjadi US$1.563,58 juta di tahun 2016 antara lain disebabkan oleh:

- Peningkatan utang bank dan lembaga keuangan sebesar 93,22% di tahun 2016 menjadi US$698,01 juta dari US$361,25 juta di tahun 2015 terkait peningkatan fasilitas modal kerja Perseroan untuk membiayai pembayaran bahan bakar dan perawatan aset pesawat.
- Utang usaha meningkat 47,59% menjadi US$220,43 juta akibat peningkatan utang kepada PT Pertamina, PT Jasa Raharja, dan PT Angkasa Pura II.
- Penurunan liabilitas jangka panjang yang jatuh tempo dalam satu tahun turun sebesar 35,36%, dari US$172,2 juta di tahun 2015 menjadi US$111,33 juta di tahun 2016. Penurunan tersebut terutama akibat penurunan sebesar 40,64% pada pinjaman jangka panjang yang jatuh tempo dalam satu tahun terkait pelunasan utang kepada kreditor seperti Pertamina, Angkasa Pura I, Angkasa Pura II, dan Bank Panin.

Sementara itu, liabilitas jangka panjang mengalami peningkatan sebesar 0,06% dari US$1.163,44 juta di tahun 2015 menjadi US$1.164,10 juta di tahun 2016 yang terutama

Liabilities

The Company recorded an increase in total liabilities amounted to 15.61% from US$2,359.29 million at the end of 2015 to US$2,727.67 million in 2016. The increase was primarily driven by increases in the number of short-term liabilities.

Short-term liabilities increased by 30.75% to US$1,563.58 million in 2016 partly due to:

- The increase in loan from banks and financial institutions amounted to 93.22% in 2016 to US$698.01 million from US$361.25 million in 2015 due to the increase in the Company's working capital facility to finance the payment of fuel and maintenance of aircraft assets.
- Trade accounts payable increased by 47.59% to US$220.43 million due to an increase in debt to PT Pertamina, PT Jasa Raharja, and PT Angkasa Pura II.
- The declined in current maturities of long-term liabilities by 35.36%, from US$172.2 million in 2015 to US$111.33 million in 2016. The decrease was primarily due to a decrease of 40.64% on long-term loans with a maturity of one year related to repayment of debts to creditors such as Pertamina, Angkasa Pura I, Angkasa Pura II, and Bank Panin.

Meanwhile, long-term liabilities increased by 0.06% from US$1,163.44 million in 2015 to US$1,164.10 million in 2016 which was primarily driven by an increase of 30.67% in

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dipicu oleh kenaikan sebesar 30,67% dalam liabilitas sewa pembiayaan di tahun 2016 seiring pengembangan bisnis Perseroan serta peningkatan liabilitas estimasi biaya pengembalian dan pemeliharaan pesawat.

lease liabilities in 2016 in line with the development of the Company's business as well as increased of estimated liability for aircraft return and maintenance cost.

Ekuitas

Ekuitas Perseroan mengalami peningkatan sebesar 6,22% dari US$950,72 juta di tahun 2015 menjadi US$1.009,90 juta di tahun 2016 terkait keuntungan Perseroan di tahun 2016 serta kenaikan pendapatan komprehensif lainnya yang berasal dari kenaikan surplus revaluasi dan keuntungan instrumen keuangan atas transaksi lindung nilai.

Equity

The Company's equity increased by 6.22% from US$950.72 million in 2015 to US$1,009.90 million in 2016 related to the Company's profits in 2016 and the increase in other comprehensive income derived from the increase in revaluation surplus and the profits of financial instruments for hedging transactions.

Tabel Ekuitas
Table of Equity

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Modal saham	1.309.433.569	1.309.433.569	1.309.433.569	1.146.031.889	1.146.031.889	3,39%	n.a	Capital stock
Tambahan modal disetor	(33.948.489)	(33.948.489)	(33.948.489)	4.548.037	4.548.037	n.a	n.a	Additional paid-in capital
Opsi saham	2.770.970	2.770.970	2.770.970	2.770.970	1.148.451	24,63%	n.a	Stock option
Saldo laba	(214.987.869)	(213.964.526)	(287.873.266)	88.772.641	50.119.105	n.a	0,48%	Retained earnings
Dicadangkan	6.081.861	6.081.861	6.081.861	5.529.919	-	n.a	0,00%	Appropriated
Belum dicadangkan	(221.069.730)	(220.046.387)	(293.955.127)	83.242.722	50.119.105	n.a	0,47%	Unappropriated
Pendapatan komprehensif lainnya	(70.462.233)	(130.770.768)	(126.884.816)	(165.090.777)	(147.278.931)	-16,83%	-46,12%	Other comprehensive income
Ekuitas yang dapat diatribusikan kepada pemilik	992.805.948	933.520.756	863.497.968	1.077.032.760	1.054.568.551	-1,50%	6,35%	Equity attributable to owners of the company
Kepentingan non pengendali	17.091.271	17.202.429	15.969.623	17.100.834	19.386.749	-3,10%	-0,65%	Non controlling interest
Jumlah Ekuitas	1.009.897.219	950.723.185	879.467.591	1.094.133.594	1.073.955.300	-1,53%	6,22%	Total Equity

* Disajikan kembali
* Restated

Arus Kas

Kas Bersih Diperoleh dari (Digunakan untuk) Aktivitas Operasi

Arus kas yang diperoleh dari aktivitas operasi selama 2016 sebesar US$107,53 juta, lebih rendah dibandingkan periode yang sama tahun 2015 yang sebesar US$179,40 juta. Penurunan yang terjadi pada arus kas dari aktivitas operasi terutama akibat pengeluaran kas kepada pemasok dan karyawan yang mengalami peningkatan sebesar 2,21% dan 18,85% serta peningkatan sebesar 21,00% pada pembayaran bunga dan beban keuangan.

Cash Flow

Net Cash Provided from Operating Activities

Cash flows from operating activities during 2016 amounted to US$107.53 million, lower than the same period in 2015 which amounted to US$179.40 million. The decline in cash flow from operating activities was mainly due to cash paid to suppliers and employees which increased by 2.21% and 18.85% as well as the increase of 21.00% on interest and financial charges paid.

Tabel Arus Kas
Table of Cash Flow

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Arus Kas dari Aktivitas Operasi	107.532.264	179.399.348	(54.152.784)	150.275.052	376.603.997	-13,24%	53,58%	Beginning Cash
Arus Kas dari Aktivitas Investasi	(307.091.112)	(199.952.498)	(255.779.988)	(395.731.628)	(541.941.749)	36,11%	47,46%	Operating Activities
Arus Kas dari Aktivitas Pendanaan	267.480.911	181.386.979	252.919.439	432.274.933	77.933.940	n.a	n.a	Investing Activities
Kenaikan (Penurunan) Bersih Kas dan Setara Kas	67.922.063	160.833.829	(57.013.333)	186.818.357	(87.403.812)	4,95%	19,72%	Financing Activities
Kas dan Setara Kas, Awal Tahun	519.972.655	434.327.498	480.429.053	342.378.996	428.630.515	-26,90%	-40,06%	Net Increase (Decrease)
Efek perubahan kurs mata uang asing	(9.191.979)	75.188.672)	10.911.778	(48.768.300)	(7.144.742)	6,50%	-87,77%	Effect of foreign exchange rate changes
Kas dan Setara Kas, Akhir Tahun	578.702.739	519.972.655	434.327.498	480.429.053	334.081.961	14,72%	11,29%	Ending Cash

* Disajikan kembali
* Restated

Kas Bersih Digunakan untuk Aktivitas Investasi

Arus kas yang digunakan untuk kegiatan investasi sebesar US$307,09 juta di tahun 2016, mengalami peningkatan sebesar 53,58% dari tahun 2015 yang sebesar US$199,95. Hal ini terutama akibat peningkatan pengeluaran untuk dana pemeliharaan pesawat sebesar 12,32%, serta penurunan penerimaan pengembalian uang muka pembelian pesawat sebesar 74,61% di tahun 2016.

Net Cash Used in Investing Activities

Cash flows used in investing activities amounted to US$307.09 million in 2016, an increase of 53.58% from 2015 which amounted to US$199.95. This was mainly due to the increase of aircraft maintenance reimbursement amounted to 12.32%, as well as the decline in refund of advance payments for purchase of aircraft amounted to 74.61% in 2016.

Kas Bersih Diperoleh dari Aktivitas Pendanaan

Kas bersih yang diperoleh dari aktivitas pendanaan tahun 2016 sebesar US$267,48 juta. Penerimaan untuk aktivitas pendanaan diperoleh dari penerimaan pinjaman jangka panjang sebesar US$59,66 juta dan penerimaan utang bank & lembaga keuangan sebesar US$1.359,27 juta. Jika dibandingkan dengan periode yang sama di tahun 2015, maka kas bersih yang diperoleh dari aktivitas pendanaan mengalami peningkatan sebesar 47,46%. Sampai dengan 31 Desember 2016, Perseroan telah melakukan pembayaran pinjaman jangka panjang sebesar US$126,46 juta dan pembayaran utang bank dan lembaga keuangan sebesar US$1.024,44 juta.

Net Cash Provided from Financing Activities

Net cash provided from financing activities in 2016 amounted to US$267.48 million. Revenue from financing activities was obtained from the proceeds of long-term loans amounted to US$59.66 million and the payments of bank loan and financial institution amounted to US$1,359.27 million. If compared with the same period in 2015, the net cash provided from financing activities increased by 47.46%. As of December 31, 2016, the Company had made payments of long-term loan amounted to US$126.46 million and the payments of bank loan and financial institution amounted to US$1,024.44 million.

Kas dan Setara Kas Akhir Tahun

Kas dan setara kas per 31 Desember 2016 sebesar US$578,70 juta meningkat 11,29% dari tahun 2015 yang sebesar US$519,97 juta.

Cash and Cash Equivalent at End of the Year

Cash and cash equivalents as of December 31, 2016 amounted to US$578.70 million, an increase of 11.29% from 2015 which amounted to US$519.97 million.

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KEMAMPUAN MEMBAYAR UTANG DAN TINGKAT KOLEKTIBILITAS PIUTANG

Solvabilitas

Sebagai indikator untuk mengukur kemampuan Perseroan dalam memenuhi utangnya, *debt financial to equity ratio* digunakan untuk mengukur kemampuan Perseroan dalam melunasi utang finansialnya berlandaskan total ekuitas yang dimiliki.

SOLVENCY AND COLLECTIBILITY

Solvency

Among the indicators used to measure the Company's solvency is the debt financial to equity ratio which serves to measure the Company's solvency based on the total equity.

Tabel Rasio Kemampuan Membayar Utang
Table of Solvency and Collectibility

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Utang bank dan lembaga keuangan	698.362.396	361.254.270	75.312.110	45.222.668	5.651.251	233,41%	93,32%	Loan from banks and financial institution
Liabilitas jangka panjang yang jatuh tempo dalam satu tahun:	84.008.213	119.061.304	381.878.357	333.344.321	164.257.638	-15,43%	-29,44%	Current maturities of long term liabilities
Pinjaman jangka panjang	61.696.994	103.936.071	368.945.183	280.075.641	106.125.048	-12,68%	-40,64%	Long-term loans
Liabilitas sewa pembiayaan	22.311.219	15.125.233	12.933.174	53.268.680	58.132.590	-21,29%	47,51%	Lease liabilities
Liabilitas jangka panjang – setelah dikurangi bagian yang jatuh tempo dalam setahun:	271.006.440	239.078.428	552.664.530	465.522.329	446.093.123	-11,71%	13,35%	Non current maturities of long-term liabilities:
Pinjaman jangka panjang	132.418.213	133.022.468	446.699.347	327.040.065	297.873.115	-18,35%	-0,45%	Long-term loans
Liabilitas sewa pembiayaan	138.588.227	106.055.960	105.965.183	138.482.264	148.220.008	-1,67%	30,67%	Lease liabilities
Utang obligasi	641.041.165	635.947.442	159.758.003	162.850.383	-	n.a	0,80%	Bonds payable
Jumlah Utang	1.694.418.214	1.355.341.444	1.169.613.000	1.006.939.701	616.002.012	28,78%	25,02%	Total Debt
Jumlah Ekuitas	1.009.897.219	950.723.185	879.467.591	1.094.133.594	1.073.955.300	-1,53%	6,22%	Total Equity
EBITDA	263.085.738	344.290.965	(215.797.963)	231.447.446	318.032.305	-4,63%	-23,59%	EBITDA
Jumlah Liabilitas	2.727.672.171	2.359.287.801	2.233.611.724	1.903.504.962	1.494.151.133	16,24%	15,63%	Total Liability
DER	1,68x	1,43x	1,33x	0,92x	0,57x			DER
Tingkat Solvabilitas	9,65%	14,59%	-9,66%	12,16%	21,29%			Solvency Ratio

* Disajikan kembali
* Restated

Per 31 Desember 2016, angka *Debt to Equity Ratio* (DER) Perseroan tercatat sebesar 1,68x, meningkat dibandingkan dengan tahun 2015 yang sebesar 1,43x. Hal ini disebabkan oleh kenaikan jumlah *debt financial* terkait terkait ekspansi bisnis Perseroan. Hingga saat ini, pembayaran utang Perseroan masih dikategorikan lancar.

As of December 31, 2016, Debt to Equity Ratio (DER) recorded at 1.68x, an increase compared to the 2015 of 1.43x. This was due to the increasing debt financial in relation to the Company's business expansion. To date, the Company still maintains a good solvency.

Tingkat solvabilitas Perseroan mengalami penurunan sebesar 4,95 pp, dari 14,59% di tahun 2015 menjadi 9,65% di tahun 2016. Penurunan ini terutama disebabkan penurunan laba usaha di tahun 2016.

The Company's solvency ratio declined by 4.95%, from 14.59% in 2014 to 14.58% in 2015. This increase was mainly due to the decline of profit from operations in 2016.

Kolektibilitas Piutang

Kolektabilitas piutang adalah pengukuran piutang yang dapat ditagih oleh Perseroan kepada *customer*/debitur sebagai akibat dari transaksi penjualan secara kredit dan atau bentuk kerja sama lainnya dimana penyelesaian kewajiban debitur ditentukan dengan jangka waktu jatuh tempo tertentu sesuai kesepakatan.

Pengolongan piutang berdasarkan kolektibilitas sebagai aktiva produktif adalah klasifikasi piutang berdasarkan kelancaran atau ketidaklancaran penyelesaian piutang, dengan penggolongan kolektibilitas sebagai berikut:

- Lancar, piutang belum jatuh tempo dan tidak terdapat tunggakan;
- Kurang Lancar, piutang telah jatuh tempo melampaui 6 bulan dan belum ada pelunasan serta terdapat tunggakan. Upaya penyelesaian piutang masih dilakukan melalui proses negosiasi dengan debitur;
- Macet, piutang telah jatuh tempo melampaui jangka waktu 12 bulan dan belum ada pelunasan serta terdapat tunggakan. Upaya penyelesaian diserahkan kepada pihak pengadilan negeri (pihak berwajib lainnya) atau telah diajukan penggantian ganti rugi kepada perusahaan asuransi.

Tingkat kolektibilitas piutang Perseroan di tahun 2016 menunjukkan peningkatan dari periode perputaran piutang dari tahun sebelumnya di mana kolektibilitas piutang di tahun 2016 sebesar 18,07 hari, sedangkan di tahun 2015 sebesar 11,63 hari.

Collectibility of Account Receivables

Collectibility is a measurement of account receivables that could 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.

Classification of account receivables based on its collectibility as productive assets was a classification of account receivables based on current or non current payment of the account 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.

The Company's collectibility of account receivables in 2016 indicated an increase in receivable turnover from the previous year in the the collectibility of account receivables in 2016 was amounted to 18.07 days, whereas in 2015 amounted to 11.63 days.

Tabel Kolektibilitas Piutang
Table of Collectibility of Account Receivables

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Piutang usaha	191.295.565	121.527.641	120.623.827	145.556.829	135.787.772	8,95%	57,41%	Trade accounts receivables
Pendapatan usaha x 365 hari	3.863.921.565	3.814.989.745	3.933.530.272	3.759.450.237	3.508.077.977	2,44%	1,28%	Operating Revenues x 365
Rata-rata kolektibilitas piutang (hari)	18,07	11,63	11,19	14,13	14,13			Average Collectibility of Account Receiveables

* Disajikan kembali
* Restated

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STRUKTUR PERMODALAN DAN KEBIJAKAN MANAJEMEN ATAS STRUKTUR PERMODALAN

Perseroan 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 Perseroan.

CAPITAL STRUCTURE AND MANAGEMENT POLICY ON CAPITAL STRUCTURE

The Company strives to maintain healthy capital structure and strong credit rating to build optimal capital structure in achieving business objective, including to maximize value for shareholders and the Company's business continuity.

Tabel Struktur Permodalan
Table of Capital Structure

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Jumlah Liabilitas Jangka Pendek	1.563.576.121	1.195.849.121	1.219.365.356	999.099.449	764.031.876	19,61%	30,75%	Total Current Liability
Jumlah Liabilitas Jangka Panjang	1.164.096.050	1.163.438.680	1.014.246.368	904.405.513	730.119.257	12,37%	0,06%	Total Non Current Liability
Jumlah Liabilitas	2.727.672.171	2.359.287.801	2.233.611.724	1.903.504.962	1.494.151.133	16,24%	15,61%	Total Liability
Jumlah Ekuitas	1.009.897.219	950.723.185	879.467.591	1.094.133.594	1.073.955.300	-1,53%	6,22%	Total Equity
Jumlah Liabilitas & Ekuitas	3.737.569.390	3.310.010.986	3.113.079.315	2.997.638.556	2.568.106.433	9,84%	12,92%	Total Liabity & Equity
Liabilitas Jangka Pendek (%)	41,83%	36,13%	39,17%	33,33%	29,75%			Current Liability (%)
Liabilitas Jangka Panjang (%)	31,15%	35,15%	32,58%	30,17%	28,43%			Non Current Liability (%)
Liabilitas (%)	72,98%	71,28%	71,75%	63,50%	58,18%			Liability (%)
Ekuitas (%)	27,02%	28,72%	28,25%	36,50%	41,82%			Equity (%)
Liabilitas & Ekuitas (%)	100,00%	100,00%	100,00%	100,00%	100,00%			Liabity & Equity (%)

* Disajikan kembali
* Restated

Komposisi struktur modal tahun 2016 yang dimiliki oleh Perseroan adalah 72,98% berasal dari liabilitas dan 27,02% berupa ekuitas. Komposisi ini mengalami sedikit perubahan dibandingkan tahun 2015. Komposisi struktur modal yang berasal dari liabilitas mengalami peningkatan sebesar 15,61% sedangkan modal dari ekuitas meningkat sebesar 6,22%. Selama tahun 2016, Perseroan menerapkan strategi mempertahankan rasio utang finansial terhadap modal maksimum sebesar 2,5 kali.

The Company's composition of capital structure in 2016 was 72.98% derived from liabilities and 27.02% of equity. This composition changed slightly compared to 2015. The composition of the capital structure derived from liabilities increased by 15.61% while the capital from equity increased by 6.22%. Throughout 2016, the Company implemented a strategy to maintain the financial debt to equity ratio maximum of 2.5 times.

Tabel Rasio Utang Finansial
Table of Financial Ratio

dalam US$ penuh kecuali dinyatakan lain
in US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	CAGR	YoY	Description
Utang bank dan lembaga keuangan	698.011.118	361.254.270	75.312.110	45.222.668	5.651.251	233,37%	93,22%	Loan from banks and financial institution
Liabilitas jangka panjang yang jatuh tempo dalam satu tahun:	84.008.213	119.061.304	381.878.357	333.344.321	164.257.638	-15,43%	-29,44%	Current maturities of long term liabilities
Pinjaman jangka panjang	61.696.994	103.936.071	368.945.183	280.075.641	106.125.048	-12,68%	-40,64%	Long-term loans
Liabilitas sewa pembiayaan	22.311.219	15.125.233	12.933.174	53.268.680	58.132.590	-21,29%	47,51%	Lease liabilities
Liabilitas jangka panjang – setelah dikurangi bagian yang jatuh tempo dalam setahun:	271.006.440	239.078.428	552.664.530	465.522.329	446.093.123	-11,71%	13,35%	Non current maturities of long-term liabilities:
Pinjaman jangka panjang	132.418.213	133.022.468	446.699.347	327.040.065	297.873.115	-18,35%	-0,45%	Long-term loans
Liabilitas sewa pembiayaan	138.588.227	106.055.960	105.965.183	138.482.264	148.220.008	-1,67%	30,67%	Lease liabilities
Utang obligasi	641.041.165	635.947.442	159.758.003	162.850.383	-	n.a	0,80%	Bonds payable
Jumlah Utang	1.694.066.936	1.355.341.444	1.169.613.000	1.006.939.701	616.002.012	28,78%	24,99%	Total Debt
Jumlah Ekuitas	1.009.897.219	950.723.185	879.467.591	1.094.133.594	1.073.955.300	-1,53%	6,22%	Total Equity
DER	1,68x	1,43x	1,33x	0,92x	0,57x			DER

* Disajikan kembali
* Restated

Tujuan Perseroan dan Entitas Anak mengelola permodalan adalah untuk melindungi kemampuannya dalam mempertahankan kelangsungan usaha sehingga Perseroan dan Entitas Anak dapat tetap memberikan imbal hasil bagi pemegang saham dan manfaat bagi pemangku kepentingan lainnya dan mempertahankan struktur permodalan yang optimal.

The objective of the Company and the Subsidiaries in managing the capital is to maintain its business sustainability, thus the Company and Subsidiaries could provide yield for the shareholders and benefits for other stakeholders and maintain an optimal capital structure.

Struktur modal Perseroan terdiri dari pinjaman seperti diungkapkan dalam Catatan 18, 23, 24 dan 26, kas dan setara kas, dan ekuitas yang terdiri dari modal saham, tambahan modal disetor, laba ditahan (defisit) dan kepentingan non pengendali. Kebijakan Perseroan terkait komposisi struktur modal telah mempertimbangkan tingkat risiko usaha.

The Company's capital structure comprised of loans as disclosed in Notes 18, 23, 24 and 26, cash and cash equivalents and equity comprising share capital, additional paid-in capital, retained earnings (deficit) and non-controlling interests. The Company's policy related to the composition of the capital structure has considered the level of business risk.

KEBIJAKAN DIVIDEN

Perseroan menetapkan jumlah dividen yang dibayarkan melalui Rapat Umum Pemegang Saham Tahunan (RUPS Tahunan). Penentuan jumlah dan pembayaran dividen tersebut dilaksanakan dengan mempertimbangkan beberapa faktor

DIVIDEND POLICY

The Company sets the amount of dividends paid through the Annual General Meeting of Shareholders (Annual GMS). The determination of the dividend amount and payment of dividends is carried out by considering several factors

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yang terkait dengan kinerja dan kecukupan modal Perseroan. Pada tahun 2016, Perseroan melalui RUPS Tahunan yang diadakan pada tanggal 15 April 2016, telah menetapkan untuk tidak melakukan pembagian dividen kepada pemegang saham dikarenakan saldo laba Perseroan masih negatif. Oleh karenanya seluruh laba Perseroan setelah dikurangi untuk program kemitraan dan bina lingkungan berdasarkan peraturan perundangan yang berlaku, telah disisihkan sebagai saldo laba ditahan. Adapun riwayat pembagian dividen Perseroan selama lima tahun terakhir dapat dilihat pada tabel berikut.

associated with the Company's performance and capital adequacy. In 2016, the Company through the Annual General Meeting of Shareholders held on April 15, 2016, agreed not to distribute dividend to shareholders due to negative retained earnings. Therefore, the total profits of the Company after deducting for partnerships and community development program based on the applicable legislation, has been set aside as retained earnings. The Company's dividend payment history for the last five years could be seen in the following table.

Tabel Distribusi Dividen Perseroan
Table of Company's Dividend Distribution

Tahun Buku Fiscal Year	Laba Bersih Net Profit	Dividen Dividend	Alasan Reason
2011	US$64,225,536	-	Berdasarkan keputusan RUPS Tahunan tanggal 27 April 2012 Perseroan tidak membagikan dividen karena saldo laba masih negatif. Based on the decision of Annual GMS dated April 27, 2012, the Company did not distribute dividend due to negative retained earnings.
2012	US$126.187.114	-	Berdasarkan Keputusan RUPS Tahunan tanggal 26 April 2013 Perseroan tidak membagikan dividen karena belum terpenuhinya kelebihan kas *(excess cash)* Perseroan di tahun bersangkutan sesuai dengan kewajiban Perseroan terhadap para kreditur sebagaimana kebijakan dividen yang dituangkan dalam prospektus IPO. Based on the decision of Annual GMS dated April 27, 2012, the Company did not distribute dividend due to unfulfilled excess cash of the Company in the relevant year in accordance with the Company's obligation to the creditors as well as dividend policy stated in the IPO prospectus.
2013	US$23.531.387	-	Berdasarkan keputusan RUPS Tahunan tanggal 2 April 2014 Perseroan tidak membagikan dividen karena belum terpenuhinya kelebihan kas *(excess cash)* Perseroan di tahun bersangkutan sebagaimana disyaratkan dalam Restrukturisasi Utang tanggal 21 Desember 2010. Based on the decision of Annual GMS dated April 2, 2014, the Company did not distribute dividend due to unfulfilled excess cash of the Company in the relevant year as required under the Debt Restructuring dated December 21, 2010.
2014	(US$368.911.279)	-	Pada tahun buku 2014, Perseroan mencatatkan kerugian sehingga dalam RUPS Tahunan tidak terdapat mata acara penetapan penggunaan laba. In fiscal year 2014, the Company recorded loss, therefore there was no agenda of profit utilization in the Annual GMS.
2015	US$77.974.161	-	Berdasarkan keputusan RUPS Tahunan tanggal 15 April 2016 Perseroan tidak membagikan dividen karena saldo laba masih negatif. Based on the decision of Annual GMS dated April 15, 2016, the Company did not distribute dividend due to negative retained earnings.

PERBANDINGAN ANTARA TARGET DAN REALISASI TAHUN 2016 SERTA PROYEKSI UNTUK TAHUN MENDATANG

Perbandingan antara Target dan Realisasi

Tahun 2016 merupakan tahun yang penuh tantangan bagi bangsa Indonesia, khususnya bagi para pelaku usaha, tidak terkecuali Garuda Indonesia Grup. Pelambatan ekonomi global yang berdampak pada kondisi pertumbuhan ekonomi nasional yang mempengaruhi tingkat daya beli konsumen dan pertumbuhan industri penerbangan merupakan salah satu penyebab tidak tercapainya target kinerja Perseroan di tahun 2016. Bencana alam yang terjadi di berbagai wilayah Indonesia, seperti banjir, puting beliung, tanah longsor, gelombang pasang/abrasi, kebakaran hutan, serta gempa bumi juga berpengaruh besar terhadap Kinerja Perseroan pada tahun 2016.

Sebagaimana yang telah dilakukan pada tahun-tahun sebelumnya, penyusunan RKAP 2016 menggunakan beberapa asumsi yang ditetapkan sebagai dasar produksi dan aktivitas bisnis tahun 2016. Asumsi ekonomi makro yang digunakan dalam awal perencanaan di RKAP 2016, serta perkiraan atas asumsi yang digunakan dalam kenyataannya terjadi penyimpangan. Gambaran asumsi dalam RKAP 2016 dan realisasi atas asumsi yang digunakan terlihat pada tabel berikut.

COMPARISON BETWEEN TARGETS AND ACTUAL RESULTS IN 2016 AS WELL AS PROJECTION FOR THE NEXT YEAR

Comparison between Targets and Actual Results

Year 2016 was a year full of challenges for the Indonesian people, especially for business, Garuda Indonesia is no exception. Global economic slowdown which impacted on national economic growth condition that affect the purchasing power of consumers and the growth of the aviation industry was one of the causes of unmet Company's performance target in 2016. The natural disasters that occurred in various parts of Indonesia, such as floods, cyclones, landslides , tidal waves/abrasion, forest fires, and earthquakes also greatly affected the performance of Garuda Indonesia in 2016.

As has been done in previous years, the preparation of Company's Work Plan and Budget in 2016 using some assumptions that defined as the base of production and business activities in 2016. Macroeconomic assumptions used in the initial planning of Company's Work Plan and Budget 2016 as well as assumption prediction have strayed in reality. Overview of assumptions used in Company's Work Plan and Budget 2016 and the realization of assumptions used shown in the following table.

Tabel Asumsi dan Realisasi RKAP 2016
Table of Assumption and Realization of Company's Work Plan & Budget 2016

Asumsi	RKAP 2016	Realisasi 2016 2016 Realization	Assumption
Pertumbuhan Ekonomi	5,5%	4,8% [1]	Economic Growth
Rata-rata Inflasi	4,7%	3,1% [1]	Average Inflation Rate
SPN 3 Bulan	5,5%	6,3% [2]	SPN 3 Month
Nilai Tukar (IDR/USD)	15.000	13.309	Exchange Rate (IDR/USD)
Harga Bahan Bakar (Usc/L)	47,7	42,4 [3]	Fuel Price (Usc/L)

Sumber / Source: 1. IMF, 2016 2. BI, 2016 3. Bloomberg, 2016

Asumsi pertumbuhan ekonomi turun sebesar 0,7 *percentage point* dari yang diasumsikan, serta terdapat penurunan rata-rata inflasi dari asumsi yang digunakan sebesar 1,6 *percentage point*. Selain itu, SPN 3 bulan juga lebih tinggi sebesar 0,8 *percentage point* dari nilai perkiraan di asumsi RKAP 2016.

Assumption of economic growth fell by 0.7 percentage points from that assumed, and there was a decrease in the average inflation of the assumptions used by 1.6 percentage point. In addition, SPN 3 months was also higher by 0.8 percentage point in the assumption of an approximate value of Company's Work Plan & Budget 2016.

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Realisasi pertumbuhan ekonomi dan rata-rata inflasi selama tahun 2016 yang lebih rendah menunjukkan tingkat daya beli masyarakat Indonesia yang menurun selama tahun 2016. Melemahnya daya beli masyarakat, memberikan gambaran akan semakin ketatnya persaingan operator penerbangan di Indonesia untuk memikat masyarakat dalam memilih penggunaan suatu produk penerbangan (jasa angkutan penerbangan). Kondisi perekonomian tersebut di atas berdampak pada kinerja operasional dan keuangan Garuda Indonesia seperti diperlihatkan dalam tabel berikut.

The realization of lower economic growth and the average inflation for 2016 indicated a declining Indonesian people's purchasing power in 2016. The weakening of the purchasing power, providing a picture of increasing competition in the airline operator in Indonesia to captivate the public in choosing the airline transportation services. Such economic condition impacted on the operational and financial performance of Garuda Indonesia as shown in the following table.

Tabel Kinerja Operasional dan Keuangan Tahun 2016
Table of Operational and Financial Performance in 2016

Keterangan	Aktual 2016 Actual 2016	Target 2016 2016 Target	% Pencapaian % Achievement	Catatan Notes	Description
Operasional					**Operational**
ASK (Milliar)	58,75	66,21	88,72	Below	ASK (bio)
RPK (Milliar)	43,37	51,45	84,31	Below	RPK (bio)
Penumpang (Juta)	35,00	40,00	87,49	Below	Passenger (mio)
SLF	77,83%	77,70%	95,02	Below	SLF
Frekuensi	274.696	301.795	91,02	Below	Frequency
Pangsa Pasar Domestik	41,71%	46,09%	90,50	Below	Market Share Domestic
Pangsa Pasar Internasional	26,93%	27,31%	98,64	Below	Market Share International
Utilisasi (Jam)	8:58	9:46	91,81	Below	Utilization (hour)
Tingkat Ketepatan Waktu	89,51%	85,00%	105,31	Achieved	On-Time Performance
Usia Rata-Rata Pesawat (Tahun)	4,6	4,6	100,00	Achieved	Average age of fleet (year)
Armada	196	196	100,00	Achieved	Fleets
Penghargaan	5 STARS THE BEST CABIN STAFF	5 STARS THE BEST CABIN STAFF	100.00	Achieved	Awards
Finansial					**Financial**
Pendapatan Usaha (Milliar)	3,86	4,95	78,06	Below	Revenues (bio)
Laba (Rugi) Bersih (Juta)	9,36	109,34	8,57	Below	Net profit (mio)
Marjin Laba (Rugi) Bersih	0,24%	2,21%	10,97	Below	Net margin
Kas Minimum	14,67%	5,00%	293,49	Achieved	Minimum cash
Aset (Miliar)	3,74	3,98	94,01	Below	Asset (bio)
Liabilitas (Miliar)	2,73	2,93	93,10	Below	Liability (bio)
Ekuitas (Miliar)	1,01	1,05	96,64	Below	Equity (bio)
DER	1,68	1,86	110,71	Achieved	DER
Destinasi Internasional	19	18	105,56	Achieved	International Destination
Destinasi Domestik	64	63	101,59	Achieved	Domestic Destination
Rata-Rata Harga Bahan Bakar (USc/L)	42,97	47,70	110,93	Achieved	Average fuel price (USc/L)
Nilai Tukar (IDR/USD)	13.305,00	15.000	112,74	Achieved	Exchange Rate (IDR/USD)

Kinerja Operasional 2016

Secara menyeluruh, kinerja Perseroan pada tahun 2016 mengalami penurunan jika dibandingkan dengan hasil kinerja tahun 2015, namun manajemen telah berusaha mengurangi kerugian akibat biaya investasi yang cukup besar di kuartal kedua tahun 2016 dengan melakukan program efisiensi dan penyesuaian kapasitas produksi.

Terkait kinerja operasional, jumlah penumpang pada tahun 2016 tidak tercapai sesuai target dikarenakan kondisi persaingan di bisnis penerbangan domestik dan internasional serta pertumbuhan penumpang mengalami pertumbuhan yang melambat di tengah kondisi keuangan yang belum sepenuhnya membaik. Kondisi ini menyebabkan tidak tercapainya target kapasitas produksi (ASK), target permintaan (RPK), target tingkat keterisian (SLF), dan penumpang diangkut. Tidak tercapainya target penumpang diangkut juga berdampak pada turunnya pangsa pasar Perseroan.

Kinerja Keuangan 2016

Kondisi kinerja operasional yang tidak sesuai ekspektasi juga berdampak pada kinerja keuangan Perseroan. Tidak tercapainya target penumpang diangkut menyebabkan pendapatan pada tahun ini tidak tercapai. Untuk mengurangi kerugian, terutama pada kuartal kedua tahun 2016 Perseroan melakukan penyesuaian kapasitas khususnya pada rute yang mengalami performa yang menurun. Namun manajemen telah berusaha untuk menjaga profitabilitas Perseroan dengan membukukan kinerja laba bersih sebesar US$9,36 juta, atau tercapai 8,57% dari target 2016. Pendapatan operasional perusahaan mencapai US$3.86 juta atau tercapai 78,07%.

Target Tahun 2017

Rencana Kerja dan Anggaran Perusahaan (RKAP) 2017 merupakan RKAP tahun kedua pelaksanaan Rencana Jangka Panjang Perusahaan (RPP) periode tahun 2016 – 2020 dengan tema "Sky Beyond". Tentunya perencanaan dan pencapaian atas target dalam RKAP 2017 ini akan menjadi dasar pelaksanaan tahapan RJPP di tahun-tahun berikutnya.

Penyusunan RKAP 2017 dilakukan dengan mempertimbangkan kondisi eksternal dan internal yang sangat mempengaruhi perkembangan bisnis Perseroan di tahun 2017. Sebagaimana disampaikan oleh IMF (International Monetary Fund) dalam siaran persnya di bulan Agustus 2016, bahwa perekonomian dunia masih akan mengalami

Operational Performance 2016

Overall, the Company's performance in 2016 has decreased when compared with the performance in 2015, but the management has tried to reduce losses due to considerable investment expenses in the second quarter of 2016 with a program of efficiency and production capacity adjustment.

Regarding the operational performance, the number of passengers in 2016 did not meet the target due to the increasing competition in domestic and international flights as well as plummeted passenger growth amid financial condition that has not been fully recovered. This condition led to the unmet target of production capacity (ASK), the demand target (RPK), the occupancy rate target (SLF), and passenger carried. The unmet target of passengers carried also have an impact on the decline in the market share of the Company.

Financial Performance 2016

The condition of operational performance below expectation also affected the Company's financial performance. The unmet target of passengers carried led to the unmet revenue target. To reduce losses, especially in the second quarter of 2016 the Company made adjustment to its capacity, especially on routes that experienced declining performance. However, management has sought to maintain the profitability of the Company with the net income of US$9.36 million, or 8.57% achieved in 2016. Operating revenues amounted to US$3.86 million, reached 78.07% of target.

Target in 2017

The Company's Work Plan & Budget (RKAP) 2017 serves as the second year of implementation of the Company's Long-Term Plan for the period of 2016 – 2020 with the theme "Sky Beyond". Certainly, the planning and the achievement of the targets in the Company's Work Plan & Budget 2017 will be the basis for the implementation phase of Company's Long-Term Plan in subsequent years.

Preparation of Company's Work Plan & Budget 2017 is done by considering the external and internal conditions that will significantly affect the Company's business development in 2017. As noted by the IMF (International Monetary Fund) in a press release in August 2016, that the world economy will still experience a slowdown in economic growth. Several things

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perlambatan pertumbuhan ekonomi. Beberapa hal yang mendorong melemahnya pertumbuhan ekonomi di antaranya masih belum pulihnya atau pertumbuhan ekonomi pada negara-negara sedang berkembang, khususnya Tiongkok, masih lemah. Sedangkan pulihnya perekonomian di negara maju masih belum cukup kuat, seperti pada Amerika Serikat, Uni Eropa, Jepang, dan Tiongkok.

that drive the weakening of economic growth, among others, is the economic growth in emerging markets still recovering, especially China, which is still weak. While the economic recovery in developed economies are still not robust enough, as in the United States, European Union, Japan, and China.

Berdasarkan data IMF, pertumbuhan perekonomian Indonesia di tahun 2017 akan berada pada kisaran 5,10%, meningkat dibandingkan perkiraan pencapaian pertumbuhan perekonomian tahun 2016 yang berada pada kisaran 4,80%.

Based on IMF data, Indonesia's economic growth in 2017 will be in the range of 5.10%, an increase compared to the projected economic growth in 2016 which was in the range of 4.80%.

Tingkat inflasi Indonesia tahun 2016 berada pada kisaran 3,10%, namun tekanan yang berpengaruh terhadap inflasi selama tahun 2016 akan terus berkembang dan berpengaruh kepada tingkat daya beli masyarakat Indonesia. Sehingga pada tahun 2017, tingkat inflasi diperkirakan akan berada pada kisaran 3,07%.

Indonesia's inflation rate in 2016 was in the range of 3.10%, but the pressures that affected inflation during 2016 will continue to grow and affect the purchasing power of Indonesian people. Thus, in 2017, inflation rate is expected to be in the range 3.07%.

Faktor penting lain dari perekonomian adalah pergerakan nilai tukar Rupiah terhadap valuta asing. Berdasarkan asumsi internal perkiraan rata-rata nilai tukar Rupiah terhadap Dolar AS di tahun 2017 dapat berada di kisaran Rp13.000 – Rp13.300 per US$1. Sejalan dengan indikator tersebut, maka target operasional dan keuangan yang ditetapkan pada tahun 2017 sebagai berikut:

Another important factor of the economy is the movement of the Rupiah exchange rate against foreign currencies. Based on internal assumption, the average exchange rate of the Rupiah against the US Dollar in 2017 could be in the range of Rp13,000 - Rp13,300 per US$1. In line with these indicators, the operational and financial targets set in 2017 as follows:

Indikator	Target 2017 2017 Target	Indicator
Operasional		Operational
ASK (Milliar)	66,64	ASK (bio)
RPK (Milliar)	48,05	RPK (bio)
Penumpang (Juta)	38,78	Passenger (mio)
SLF	72,11%	SLF
Frekuensi	308.681	Frequency
Pangsa Pasar Domestik	47,69%	Market Share Domestic
Pangsa Pasar Internasional	26,53%	Market Share International
Utilisasi (Jam)	9:21	Utilization (hour)
Tingkat Ketepatan Waktu	88,00%	On-Time Performance
Usia Rata-Rata Pesawat (Tahun)	5,06	Average age of fleet (year)
Armada	199	Fleets
Penghargaan	5 STARS THE BEST CABIN STAFF	Awards

	Target 2017 Target 2017	
Finansial		Financial
Pendapatan Usaha (Milliar)	4,52	Revenues (bio)
Laba (Rugi) Bersih (Juta)	57,80	Net profit (mio)
Marjin Laba (Rugi) Bersih	1,28%	Net margin
Kas Minimum	5,00%	Minimum cash
Aset (Miliar)	4,39	Asset (bio)
Liabilitas (Miliar)	3,34	Liability (bio)
Ekuitas (Miliar)	1,05	Equity (bio)
DER	2,50	DER
Destinasi Internasional	22	International Destination
Destinasi Domestik	68	Domestic Destination
Rata-Rata Harga Bahan Bakar (USc/L)	54,27	Average fuel price (USc/L)
Nilai Tukar (IDR/USD)	13.500	Exchange Rate (IDR/USD)

PROGRAM KOMPENSASI MANAJEMEN DAN KARYAWAN BERBASIS SAHAM (MESOP)

Perseroan 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 instrument 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 Perseroan yang akhirnya akan diberikan, dengan peningkatan yang sesuai pada ekuitas.

Pada setiap akhir periode pelaporan, Perseroan 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.

(MESOP) 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.

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Akumulasi biaya kompensasi saham diakui sebagai opsi saham dalam bagian ekuitas per 31 Desember 2016 sebesar US$2.770.970.

The accumulated costs are recognized as stock options in equity as of December 31, 2016 was amounted to US$2,770,970.

REALISASI PENGGUNAAN DANA HASIL PENAWARAN UMUM

Pencatatan Saham Perseroan pada Bursa Efek Indonesia dilaksanakan pada 11 Februari 2011 dan berhasil memperoleh dana hasil bersih Penawaran Umum Perdana (IPO) sebesar Rp3.187.020.395.046. Adapun penggunaan dana hasil IPO tersebut terbagi untuk pendanaan pengembangan armada baru dan belanja modal dengan proporsi masing-masing sebesar 80% dan 20%.

Hingga akhir tahun 2015, sebesar 80,0% dana IPO atau setara dengan Rp2.549.616.316.037 telah digunakan untuk pengembangan armada baru yaitu mendanai *Pre Delivery Payment* (PDP), *security deposit* dan biaya lain terkait pengembangan armada. Sedangkan 20,0% dana dari hasil bersih yaitu Rp637.404.079.009 atau setara dengan Rp466.124.579.009 dimanfaatkan sebagai belanja modal Perseroan dan entitas anaknya. Per 31 Desember 2016, dana IPO yang belum terpakai adalah sebesar Rp27.417.300.000.

Adapun dana hasil bersih Penawaran Umum Terbatas I (PUT I) yang dilaksanakan pada April 2014 telah dipergunakan seluruhnya oleh Perseroan untuk pengembangan armada baru, pembayaran PDP pesawat, *security deposit* pesawat yang disewa, *final payment* pembelian pesawat baru, maupun belanja modal lain yang diperlukan dalam rangka pengembangan armada, seperti suku cadang pesawat, serta persediaan *engine*/mesin pesawat.

USE OF PROCEED FROM PUBLIC OFFERING

The Company's share listing in the Indonesian Stock Exchange was carried out on February 11, 2011 and managed to obtain net proceed from Initial Public Offering (IPO) of Rp3,187,020,395,046. The IPO proceed was divided for funding the development of new fleet and capital expenditures with respective proportions of 80% and 20%.

By the end of 2015, 80.0% of IPO proceed equivalent to Rp2,549,616,316,037, has been used for the development of new fleet which is to fund the Pre Delivery Payment (PDP), security deposits and other expenses related to the development of the fleet. While 20.0% of the net proceed which is amounted to Rp637,404,079,009 or equivalent to Rp466,124,579,009 was used as the the capital expenditure for the Company and its subsidiaries. As of December 31, 2016, the remaining proceed of IPO was amounted to Rp27,417,300,000.

The net proceed of Limited Public Offering I (PUT I) held in April 2014 was fully used by the Company to develop new fleet, aircraft Pre-Delivery Payment, security deposit of leased aircraft, final payment for the new aircraft purchase, as well as other capital expenditures needed to develop the fleet, such as spare parts, aircraft components, as well as inventories of aircraft engines.

IKATAN YANG MATERIAL UNTUK INVESTASI BARANG MODAL

Per 31 Desember 2016, Perseroan memiliki ikatan yang material terkait uang muka pembelian pesawat dari perusahaan manufaktur The Boeing Company, Airbus, dan Avions de Transport Regional (ATR) sebagaimana diungkapkan pada Catatan atas Laporan Keuangan Konsolidasian nomor 49 - Ikatan.

MATERIAL COMMITMENT FOR CAPITAL GOODS INVESTMENT

As of December 31, 2016, the Company had a material commitment from advances for purchase of aircrafts from The Boeing Company, Airbus, and Avions de Transport (ATR) as detailed in the Notes to Consolidated Financial Statements No. 49 – Commitments.

INFORMASI DAN FAKTA MATERIAL YANG TERJADI SETELAH TANGGAL LAPORAN AKUNTAN

Tidak terdapat informasi dan fakta material yang terjadi setelah tanggal laporan akuntan.

INVESTASI BARANG MODAL YANG DIREALISASIKAN PADA TAHUN BUKU TERAKHIR

Investasi barang modal yang direalisasikan pada tahun buku 2016 adalah penambahan aset tetap sebesar US$160,11 juta yang terdiri atas US$56,80 juta aset pesawat dan US$103,31 juta aset non pesawat.

INFORMASI MATERIAL MENGENAI INVESTASI, EKSPANSI, DIVESTASI, PENGGABUNGAN/PELEBURAN USAHA, AKUISISI, ATAU RESTRUKTURISASI UTANG/ MODAL

Pada tahun 2016, Perseroan tidak memiliki/memiliki transaksi atau aktivitas yang material terkait investasi, ekspansi, divestasi, penggabungan/peleburan usaha, akuisisi, atau restrukturisasi utang/modal.

INFORMASI TRANSAKSI MATERIAL YANG MENGANDUNG BENTURAN KEPENTINGAN DAN/ATAU TRANSAKSI DENGAN PIHAK AFILIASI

Perseroan melakukan transaksi dengan pihak-pihak berelasi karena hubungan kepemilikan dan/atau kepengurusan. Semua transaksi dengan pihak-pihak berelasi telah dilakukan dengan kebijakan dan syarat yang telah disepakati bersama. Dengan demikian, Perseroan telah melakukan transaksi dengan pihak yang berelasi secara wajar.

Pencatatan transaksi berelasi Perseroan telah dilakukan sesuai dengan ketentuan dalam PSAK No.7 (revisi tahun 2010) mengenai "Pengungkapan Pihak-pihak Berelasi" agar dapat memberikan laporan keuangan yang wajar. Transaksi material dengan pihak berelasi yang dilakukan Perseroan selama tahun 2016 selengkapnya terdapat pada catatan 45 atas Laporan Keuangan Konsolidasian.

PERUBAHAN PERATURAN PERUNDANG-UNDANGAN DAN DAMPAKNYA BAGI PERSEROAN

Pada tahun 2016, Pemerintah, Menteri Keuangan, Kementerian Perhubungan, dan Bank Indonesia telah menerbitkan sejumlah peraturan yang memiliki dampak signifikan bagi Perseroan seperti dijabarkan berikut ini:

MATERIAL INFORMATION AND FACTS SUBSEQUENT TO THE DATE OF ACCOUNTANT'S REPORT

There were no material information and facts subsequent to the date of accountant's report.

CAPITAL GOODS INVESTMENT IMPLEMENTED AT THE END OF THE YEAR

Capital goods investment implemented in 2016 was the addition of fixed assets of US$160.11 million comprising of US$56.80 million of aircraft assets and US$103.31 million of non-aircraft assets.

MATERIAL INFORMATION ON INVESTMENT, EXPANSION, DIVESTMENT, ACQUISITION OR RESTRUCTURING OF DEBTS AND CAPITAL

In 2016, the Company had/did not had material transaction or activity regarding the investment, expansion, divestment, acquisition, or restructuring of debts/capital.

INFORMATION ON MATERIAL TRANSACTION CONTAINING CONFLICT OF INTEREST AND/OR TRANSACTION WITH AFFILIATED PARTIES

The Company conducted transactions with parties that have ownership and/or management relation. All transactions with related parties have been carried out in compliance with policies and requirements agreed by both parties. Therefore, the Company's transactions with related parties have been conducted appropriately.

Disclosure of the Company's transactions with related parties follow SFAS No. 7 (revised 2010) on "Disclosure of Related Parties" in order to provide appropriate financial statements. The Company's material transactions with related parties in 2016 are presented under Note 45 of Audited Consolidated Financial Statements.

CHANGES IN THE REGULATION AND IMPACT ON THE COMPANY

In 2016, the Government, the Minister of Finance, the Ministry of Transportation, and Bank Indonesia has issued a number of regulations that have significant impact to the Company as described below:

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No.	Peraturan Regulation	Isi Peraturan Regulation Content	Dampak terhadap Perseroan Impact toward the Company
Operasional			Operational
1.	Peraturan Menteri Perhubungan No. PM 185 Tahun 2015 ("PM 185/2015") tanggal 4 Desember 2015 dan mulai berlaku 3 Januari 2016 Minister of Transportation Regulation No. PM 185 Year 2015 ("PM 185/2015") dated December 4, 2015 and comes into effect on January 3, 2016	PM 185/2015 ini berisi peraturan mengenai standar pelayanan penumpang kelas ekonomi angkutan udara niaga dalam negeri yang berkualitas, cepat dan mudah kepada penumpang. Pada intinya aturan ini mewajibkan setiap angkutan udara niaga dalam negeri menyesuaikan SOP Pelayanan terhadap penumpang baik itu sebelum, pada saat dan setelah penerbangan, yang dimulai dari syarat dan ketentuan informasi/publikasi penerbangan, reservasi, *check-in*, fasilitas di dalam pesawat udara, pelayanan penumpang kebutuhan khusus sampai dengan penanganan keluhan penumpang. Ketentuan mengenai Pembatalan penerbangan juga diatur khusus dalam aturan ini terdiri dari pembatalan karena permintaan sendiri, *force majeure* dan dikarenakan kesalahan maskapai itu sendiri. Dalam hal pelanggaran aturan ini terkait SOP angkutan udara niaga dalam negeri tidak sesuai PM185/2015 maka dapat dikenakan sanksi administratif sampai dengan ganti rugi. PM 185/2015 contains regulations regarding service standard of economy class passengers in domestic commercial air transport which has quality, prompt and accessible to passengers. In essence, the regulation requires that every commercial airline in the country to adjust their service SOP to passengers both before, during and after the flight, which starts from the terms and provisions of flights information/publication, reservations, check-in, onboard facilities, passenger with special needs, up to handling passenger complaints. Provisions regarding flight Cancellation also specifically arranged in this regulation which consists of cancellation due to personal request, force majeure, and due to airline fault. In case of violation of the regulation related to domestic commercial air transport SOP which is not in accordance with PM185/2015, it could be subject to administrative sanctions up to indemnity.	1. GA wajib menyusun SOP Pelayanan penerbangan dalam bahasa Indonesia paling lambat 4 Maret 2016 dan mendapatkan persetujuan Direktur Jenderal Angkutan Udara; serta menyusun dan melaksanakan Maklumat Pelayanan sebagai kesanggupan dan kewajiban melaksanakan pelayanan sesuai standar pelayanan PM 185/2015 untuk kemudian wajib dipublikasikan secara luas. 2. GA akan menerapkan ketentuan kewajiban *refund* untuk biaya jasa angkutan udara yang telah dibayarkan penumpang terhadap *Cancel*, dengan kondisi dan syarat ketentuan sebagai berikut; *refund* karena permintaan sendiri adalah sesuai dengan persentase yang diatur dalam PM185/2015; *refund* karena *force majeure* adalah sebesar 80% dari harga tiket; dan *cancel* yang disebabkan faktor kesalahan maskapai penerbangan, GA wajib mengalihkan ke penerbangan berikutnya (*reschedule* atau mengalihkan ke penerbangan maskapai lain yang tersedia) atau mengembalikan *full refund* apabila diminta. 1. GA is required to formulate flight services SOP in the Indonesian language no later than March 4, 2016 and approved by the Director General of Air Transport; and formulate and execute the Service Edict as the capability and the obligation to carry out services according to service standards of PM 185/2015 and shall be widely publicized. 2. GA will implement the provision of refund for the cost of air transport services that have been paid by passengers who cancel their flights, with the terms and conditions as follows; refund due to personal request is based on the percentage set out in PM185/2015; refund due to force majeure is equal to 80% of the ticket price; and cancellation due to the error caused by the airline, GA shall transfer the passengers to the next flight (reschedule or transfer the flight to another airline provided) or provide full refund if requested.
2.	Surat Edaran No. 18 Tahun 2016 tentang Baterai Lithium, Powerbank dan Smartphone Samsung Galaxy Note 7 Circular Letter No. 18 Year 2016 regarding Lithium Batteries, Powerbank and Samsung Galaxy Note 7 Smartphone	Sesuai dengan aspek keselamatan dan kemanaan penerbangan maka penumpang dilarang mengaktifkan, mengisi ulang Smartphone Samsung Galaxy Note 7 dan tidak menempatkan Baterai Lithium, Powerbank dan Smartphone Samsung Galaxy Note 7 dalam bagasi tercatat. In accordance with the safety and security aspects of the flight, the passengers are prohibited from activating, recharge the Samsung Galaxy Note 7 Smartphone and do not place Lithium Batteries, Powerbank and Samsung Galaxy Note 7 Smartphone in baggage.	GA mengeluarkan SOP terkait pelarangan penumpang untuk mengaktifkan dan mengisi ulang Smartphone Samsung Galaxy Note 7 dan meletakkan *banner* sebagai sosialisasi. GA issued SOP regarding prohibition for passengers to activate and recharge the Samsung Galaxy Note 7 Smartphone and put socialization banner.

PERUBAHAN KEBIJAKAN AKUNTANSI

Dalam tahun berjalan, Perseroan telah menerapkan standar dan interpretasi baru dan revisi 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 2016.

- PSAK 4: Laporan Keuangan Tersendiri tentang Metode Ekuitas dalam Laporan Keuangan Tersendiri
- PSAK 7: Pengungkapan Pihak-pihak Berelasi
- PSAK 13: Properti Investasi
- PSAK 15: Investasi Pada Entitas Asosiasi dan Ventura Bersama tentang Entitas Investasi: Penerapan Pengecualian Konsolidasi
- PSAK 16: Aset Tetap, tentang Klarifikasi Metode yang Diterima untuk Penyusutan dan Amortisasi
- PSAK 19: Aset Tak Berwujud tentang Klarifikasi Metode yang Diterima untuk Penyusutan dan Amortisasi
- PSAK 22: Kombinasi Bisnis
- PSAK 24: Imbalan Kerja tentang Program Imbalan Pasti: Iuran Pekerja
- PSAK 25: Kebijakan Akuntansi, Perubahan Estimasi Akuntansi dan Kesalahan
- PSAK 65: Laporan Keuangan Konsolidasian tentang Entitas Investasi: Penerapan Pengecualian Konsolidasi
- PSAK 66: Pengaturan Bersama tentang Akuntansi Akuisisi Kepentingan dalam Operasi Bersama
- PSAK 67: Pengungkapan Kepentingan dalam Entitas Lain tentang Entitas Investasi: Penerapan Pengecualian Konsolidasi
- PSAK 70: Akuntansi Aset dan Liabilitas Pengampunan Pajak
- ISAK 30: Pungutan

Amandemen standar dan interpretasi berikut efektif untuk periode yang dimulai pada atau setelah 1 Januari 2017, dengan penerapan dini diperkenankan yaitu amandemen PSAK 1: Penyajian Laporan Keuangan tentang Prakarsa Pengungkapan dan ISAK 31: Interpretasi atas Ruang Lingkup PSAK 13: Properti Investasi.

Standar dan amandemen standar berikut efektif untuk periode yang dimulai pada atau setelah tanggal 1 Januari 2018, dengan penerapan dini diperkenankan yaitu PSAK 69: Agrikultur dan amandemen PSAK 16: Aset Tetap tentang Agrikultur: Tanaman Produktif.

CHANGES IN ACCOUNTING POLICIES

In the current year, the Group has applied new standards and interpretations and revisions issued by the Financial Accounting Standards Board of the Indonesian Institute of Accountants that are relevant to its operations and effective for accounting periods beginning on January 1, 2016.

- PSAK 4: Separate Financial Statements about Equity Method in Separate Financial Statements
- PSAK 7: Related Party Disclosures
- PSAK 13: Investment Property
- PSAK 15: Investment in Associates and Joint Venture about Investment Entities: Applying the Consolidation Exception
- PSAK 16: Property, Plant and Equipment about Clarification of Acceptable Methods of Depreciation and Amortization
- PSAK 19: Intangible Asset about Clarification of Acceptable Methods of Depreciation and Amortization
- PSAK 22: Business Combination
- PSAK 24: Employee Benefits about Defined Benefit Plans: Employee Contributions
- PSAK 25: Accounting Policies, Changes in Accounting Estimates and Errors
- PSAK 65: Consolidation Financial Statements about Investment Entities: Applying the Consolidation Exception
- PSAK 66: Joint Arrangements about Accounting for Acquisitions of Interests in Joint Operation
- PSAK 67: Disclosures of Interest in Other Entities about Investment Entities: Applying the Consolidation Exception
- PSAK 70: Accounting for Tax Amnesty Asset and Liability
- ISAK 30: Levies

Amendments to standard and interpretation effective for periods beginning on or after January 1, 2017, with early application permitted are amendments to PSAK 1: Presentation of Financial Statements about Disclosure Initiative and ISAK 31: Scope Interpretation of PSAK 13: Investment Property.

Standard and amendment to standard effective for periods beginning on or after January 1, 2018, with early application permitted are PSAK 69: Agriculture and amendments to PSAK 16: Property, Plant and Equipment about Agriculture: Bearer Plants.

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Sampai dengan tanggal penerbitan laporan keuangan konsolidasian, dampak dari standar dan interpretasi tersebut terhadap laporan keuangan konsolidasian tidak dapat diketahui atau diestimasi oleh manajemen.

As of the issuance date of the consolidated financial statements, the effect of adoption of these standards, amendments and interpretations of the consolidated financial statements is not known nor reasonably estimable by management.

INFORMASI KELANGSUNGAN USAHA

Industri penerbangan rentan terhadap ketidakpastian yang berasal dari eksternal maupun internal Perseroan, di antaranya seperti pertumbuhan GDP, persaingan usaha, fluktuasi harga bahan bakar, nilai tukar mata uang asing, perubahan regulasi, keterbatasan infrastruktur, kondisi alam pada saat penerbangan, kesiapan pesawat, kesiapan SDM (udara dan darat), kondisi keuangan, dan lain sebagainya. Ketidakpastian tersebut dapat berdampak pada finansial, operasional, reputasi, legal, *security* dan *safety* Perseroan.

Industri penerbangan memiliki karakteristik sebagai industri padat modal. Hal ini tercermin dalam besarnya biaya operasional dan tingginya investasi alat produksi yang digunakan. Hal tersebut memberikan tekanan yang besar dalam bisnis penerbangan dikarenakan tipisnya margin yang ingin dicapai. Data Association of Asia Pacific Airlines (AAPA) 2016 menunjukkan produksi (ASK) Garuda Internasional tumbuh lebih tinggi dibandingkan rata-rata Asia Pasifik yang tumbuh sebesar 6,34%. Hal ini berdampak pada peningkatan biaya yang lebih tinggi dibandingkan peningkatan pendapatan sehingga berpengaruh pada keuntungan. Dalam meminimalisir eksposur dari risiko ini, Perseroan mengambil langkah-langkah strategis sebagai berikut:

1. Penguatan rute-rute dengan potensi permintaan yang tinggi.
2. Melakukan pemantauan serta evaluasi terhadap rute yang memiliki performa negatif.
3. Optimalisasi pendapatan melalui aliansi.

Selain itu, Perseroan juga berusaha meningkatkan pendapatan melalui langkah-langkah tindakan berikut:

1. Pengembangan program *Ancillary Revenue*.
2. Meningkatkan kerja sama dengan korporasi.
3. Optimalisasi penjualan melalui *channel distribution* yang lebih efisien (*E-Commerce*).
4. Menerapkan strategi promosi dan *marketing* yang tepat.
5. Memperbaiki proses bisnis yang terkait dengan penjualan.
6. Evaluasi kebijakan *corporate sales*.

BUSINESS CONTINUITY INFORMATION

The aviation industry is vulnerable to uncertainties from external and internal aspects of the Company, among them such as GDP growth, competition, fluctuation in fuel prices, foreign currency exchange rates, regulatory changes, the lack of infrastructure, natural conditions at the time of the flight, aircraft readiness, the readiness of human resources (air and ground), financial condition, and so forth. The uncertainty may impact on financial, operational, reputation, legal, security and safety of the Company.

The airline industry has characteristics as a capital-intensive industry. This is reflected in the magnitude of operational expenses and the high investment production equipment. It provides tremendous pressure in the aviation business due to the thinness of the margin to be achieved. AAPA data in showed production (ASK) of Garuda International which grew higher than the average growth of Asia Pacific of 6.34%. This resulted in higher increase in expenses compared to the revenue increase, thus impacted on profit. In minimizing the exposure of such risks, the Company took strategic steps as follows:

1. Reinforced routes with high-revenue potential.
2. Monitored and evaluated routes that have negative performance.
3. Optimized the revenue through alliance.

In addition, the Company also seeks to raise revenue through following actions:

1. Development of Ancillary Revenue program.
2. Improve cooperation with corporates.
3. Optimize sales via more efficient distribution channel (E-Commerce).
4. Implement proper promotion and marketing strategy.
5. Improve sales related business process.
6. Evaluation of corporate sales policy.

7. Meningkatkan kompetensi personil yang ditempatkan di kantor-kantor cabang dalam hal penguasaan pengetahuan produk dan pelayanan kepada pelanggan.

Naiknya beban operasional yang tidak diimbangi dengan kenaikan pendapatan dapat menyebabkan Perseroan merugi dan tidak mampu memenuhi kewajibannya. Ketidakmampuan Perseroan dalam memenuhi kewajiban keuangannya akan menyebabkan dampak yang besar bagi Perseroan. Adapun mitigasi yang telah dilakukan Perseroan dalam menghadapi risiko tersebut dengan mendorong program efisiensi biaya dan mencari alternatif pendanaan eksternal.

Selain itu, sebagian besar dari pengeluaran Perseroan dibayarkan dalam mata uang Dolar Amerika Serikat, seperti kewajiban utang, kewajiban pembayaran sewa, beban pemeliharaan dan perbaikan, serta beban bahan bakar. Di sisi lain, sebagian besar pendapatan Perseroan diperoleh dalam mata uang Rupiah Indonesia dan sisanya diterima dalam mata uang asing lainnya. Volatilitas *currency* dan tidak seimbangnya antara pendapatan dan biaya antar *currency* (seperti Rupiah dan Dolar Amerika Serikat) dapat berdampak negatif terhadap kinerja Perseroan. Kondisi ekonomi makro dan stabilitas politik negara memiliki kontribusi fluktuasi nilai tukar tersebut.

Perseroan melakukan pengelolaan risiko fluktuasi nilai tukar mata uang asing melalui optimalisasi implementasi *hedging* dan melakukan negosiasi untuk mengubah kontrak-kontrak kewajiban menjadi mata uang Rupiah. Perseroan melakukan transaksi lindung mata uang asing yang juga bertujuan untuk menjaga nilai atas pendapatan Rupiah Perseroan mengingat pergerakan nilai tukar Rupiah cenderung mengalami pelemahan sepanjang tahun 2016. Di samping itu, guna menjaga besaran biaya suku bunga dan juga atas fluktuasi nilai tukar yang mempengaruhi nilai buku, Perseroan melakukan transaksi *cross currency swap*. Untuk aktivitas lindung nilai mata uang asing pada tahun 2017, Perseroan akan berusaha menjaga nilai tukar Rupiah internal di level Rp13.500 per Dolar Amerika Serikat.

Demikian halnya, bahan bakar sebagai beban terbesar di bisnis penerbangan juga merupakan tantangan yang akan dihadapi. Untuk memitigasi fluktuasi harga bahan bakar Perseroan juga telah memiliki kebijakan untuk melakukan transaksi lindung nilai bahan bakar sebanyak-banyaknya 50% dari total rencana konsumsi bahan bakar. Dalam hal ini, manajemen Perseroan

7. Improve the competence of personnel deployed in branch offices in terms of mastery of knowledge products and services to customers.

The rise in operating expenses that is not offset by the increase in revenue could cause the Company to suffer a loss and not be able to meet its obligations. The Company's inability to meet its financial obligations would cause a great impact for the Company. The mitigation carried out by the Company to address such risks, among others, by driving the cost efficiency program and seek alternative external funding.

In addition, most of the expense of the Company paid in the currency of the US Dollar, as the loan obligation, the obligation to pay rent, maintenance and overhaul, as well as the fuel expense. On the other hand, most of the Company's revenues earned in the Indonesian Rupiah and the remainder received in other foreign currencies. Currency volatility and the imbalance between revenues and expenses of currency differences (such as Rupiah and US Dollar) could negatively impact the Company's performance. Macroeconomic condition and country's political stability also contribute to the exchange rate fluctuations.

The Company managed the risk of foreign exchange rate fluctuation through the optimization of hedging implementation and negotiating liability contracts into Rupiah. The Company carried out foreign currency transaction hedging which also aims to keep the value of the revenues of the Company considering the Rupiah exchange rate tend to weaken throughout 2016. In addition, in order to maintain the amount of interest expense and also on exchange rate fluctuations which could affect the book value, the Company's carried out cross currency swap transaction. For the hedging of foreign currency in 2017, the Company will strive to maintain the internal Rupiah exchange rate at the level of Rp13,500 per US Dollar.

Similarly, the fuel as the biggest burden in the airline business is also a challenge to be faced. To mitigate fuel price fluctuations The Company also has a policy to conduct fuel hedging transactions as much as 50% of the total planned fuel consumption. In this regard, the Company's management continues to view the market movements as a challenge and

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terus melihat pergerakan pasar sebagai tantangan dan kesempatan untuk memanfaatkan peluang yang ada di pasar sehingga kinerja Perseroan tetap terjaga. Pada tahun 2017, Perseroan akan berencana menjaga rata-rata harga bahan bakar USc 54,27/L.

Di sisi lain, rentannya industri penerbangan terhadap kondisi ekonomi global menyebabkan Perseroan menghadapi risiko yang cukup besar. Adanya resesi atau penurunan daya beli masyarakat dapat menyebabkan penumpang beralih pada pilihan transportasi yang lebih murah bahkan memilih untuk tidak berpergian. Untuk dapat tetap bertahan pada persaingan harga yang cukup ketat, Perseroan akan melakukan sinergi dengan Citilink melalui integrasi Supergreen & GarudaMiles. Dengan strategi ini Perseroan dapat meningkatkan nilai tambah Garuda Indonesia Group. Selain itu, untuk mencegah kanibalisasi antara brand Garuda Indonesia dan Citilink, Perseroan akan melakukan sinergi melalui pemetaan rute yang baik dari segi jadwal dan destinasi bagi Brand Garuda Indonesia (FSC) dan Citilink (LCC). Pada tahun 2017, Perseroan juga akan tetap akan memusatkan strateginya pada *revenue management* untuk meningkatkan pendapatan operasional dengan memaksimalkan penerimaan penumpang, kargo, *ancillary revenue*, dan kontribusi laba dari anak perusahaan.

a chance to take advantage of the existing opportunities in the market, thus the Company's performance is maintained. In 2017, the Company plans to maintain an average fuel price of USc 54.27/L.

On the other hand, the airline industry's vulnerability to global economic condition cause the Company faces considerable risk. Recession or decline in consumer purchasing power could cause passengers to switch to the cheaper transportation option or even choose not to travel. To be able to survive on a fairly tight price competition, the Company will synergize with Citilink through the integration of Supergreen & GarudaMiles. With this strategy the Company is able to increase the added value of Garuda Indonesia Group. In addition, to prevent cannibalization between brands of Garuda Indonesia and Citilink, the Company will create synergy through the mapping of routes both in terms of schedules and destinations for Garuda Indonesia (FSC) and Citilink (LCC). In 2017, the Company will also continue to focus its strategy on revenue management to increase operating revenues by maximizing the revenue from passengers, cargo, ancillary revenue and profit contribution from subsidiaries.

KINERJA **ENTITAS ANAK**
Performance of Subsidiaries

Aerowisata
GARUDA INDONESIA GROUP

Dewan Komisaris
Board of Commissioners

Komisaris Utama / President Commissioner
Agus Toni Soetirto
Komisaris / Commissioner
Arfiyanti Samad
Komisaris / Commissioner
Helmi Imam Satriyono
Komisaris / Commissioner
Sharmila
Komisaris / Commissioner
Zainal Rahman

Direksi
Board of Directors

Direktur / Director
Gatot Satriawan

Alamat Perusahaan
Company Address

Kantor Pusat / Head Office
Aerowisata Building
Jalan Prajurit KKO dan Harun No.32
Jakarta Pusat 10410
Phone: +62 21 231 0002
Fax : +62 21 231 0003

PT Aero Wisata

PT Aero Wisata merupakan salah satu anak perusahaan milik PT Garuda Indonesia (Persero) Tbk yang didirikan di Jakarta pada tanggal 30 Juni 1973. Bergerak di bidang usaha jasa penyediaan barang dan/atau jasa yang bermutu tinggi dan berdaya saling kuat di bidang usaha pariwisata dan jasa pendukung angkutan udara dengan tujuan menjadi penyedia layanan terdepan pada industri *hospitality* dan wisata nasional.

PT Aero Wisata is one of subsidiaries of PT Garuda Indonesia (Persero) Tbk which was established in Jakarta on June 30, 1973. Engages in in the provision of quality goods and/or services and strong competitiveness in the tourism business and air transport support services with the goal of becoming a leading provider in the hospitality industry and national tourism.

Aerowisata memiliki lini bisnis perusahaan sebagai berikut:

- *Food Services* merupakan lini bisnis Aerowisata yang melayani kebutuhan penerbangan domestik dan internasional *(In-Flight Catering Services)* serta kebutuhan industrial catering dengan ragam pilihan sajian hidangan berkualitas tertinggi.
- *Hotels & Resorts Services* merupakan lini bisnis Aerowisata yang menawarkan layanan akomodasi berstandar internasional melalui fasilitas hotel dan *resort* terbaik di lokasi-lokasi primer di Indonesia.
- *Travel & Leisure Services* merupakan lini bisnis Aerowisata yang menyediakan layanan perjalanan setiap pelanggan.
- *Transportation Services* merupakan lini bisnis Aerowisata yang menyediakan solusi terbaik di bidang transportasi.

Aerowisata has the following business lines

- Food Services is Aerowisata's business line that serves the needs of domestic and international flights (In-Flight Catering Services) as well as the needs of industrial catering with a wide selection of the highest quality dish servings.
- Hotels & Resorts Services is Aerowisata's business line that offers international-standard accommodation services through the facilities of the best hotels and resorts in primary locations in Indonesia.
- Travel & Leisure Services is Aerowisata's business line that provides travel services for every customer.
- Transportation Services is Aerowisata's business line that provides the best solution in the field of transport.

KINERJA ENTITAS ANAK
Performance of Subsidiaries

KINERJA PERUSAHAAN 2016

Selama tahun 2016 pendapatan usaha yang diraih sebesar Rp3,17 triliun, meningkat sebesar 2,63% dari tahun lalu terutama dikontribusikan dari kenaikan *meal uplift* dan *passenger tours & ticket*. Dengan beban usaha sebesar Rp3,04 triliun maka laba usaha yang dicatat pada tahun 2016 sebesar Rp110,48 miliar, menurun 2,43% dari tahun lalu dikarenakan penurunan pendapatan lain-lain. Setelah memperhitungkan pendapatan dan (biaya lain lain) maka pada tahun 2016 laba bersih yang dapat didistribusikan kepada pemilik entitas induk sebesar Rp107,93 miliar, menurun 5,80% dari tahun lalu karena penurunan pendapatan lain-lain.

Aset per 31 Desember 2016 sebesar Rp3,07 triliun, meningkat 4,93% dari tahun lalu terutama karena kenaikan aset tidak lancar. Liabilitas per 31 Desember 2016 meningkat sebesar 0,89% menjadi sebesar Rp931,28 miliar terutama karena peningkatan *employee benefit obligation*. Ekuitas per 31 Desember 2016 sebesar Rp2,14 triliun, meningkat 6,79% dari tahun lalu.

COMPANY'S PERFORMANCE IN 2016

During 2016, operating revenues achieved Rp3.17 trillion, an increase of 2.63% from last year which mainly contributed by the increase in meal uplift and passenger tours and ticket. With operating expenses of Rp3.04 trillion, the profit from operations in 2016 was recorded at Rp110.48 billion, decreased 2.43% from last year due to the decrease of other revenue. After taking into account income and (other expenses), in 2016 net profit distributed to the owners of company amounted to Rp107.93 billion, a decrease of 5.80% from the previous year due to a decrease in other income.

Assets per December 31, 2016 amounted to Rp3.07 trillion, increased 4.93% from last year mainly due to the increase in non-current assets. Liabilities per December 31, 2016 increased by 0.89% to Rp931.28 billion, primarily due to an increase in employee benefit obligation. Equity per December 31, 2016 amounted to Rp2.14 trillion, an increase of 6.79% from the previous year in line with the increase in accumulated earnings.

Tabel Kinerja Finansial Aerowisata
Table of Aerowisata Financial Performance

dalam milliar Rupiah kecuali dinyatakan lain
in billion Rupiah, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	YoY (%)	Description
Laporan Laba (Rugi)							Profit (Loss) Statement
Pendapatan Usaha	3.169,81	3.088,44	3.166,80	2.826,09	2.278,88	2,63	Operating Revenues
Laba (Rugi) Usaha	126,36	124,31	119,29	103,57	74,41	1,65	Profit (Loss) from Operations
Laba (Rugi) Bersih	110,48	113,23	69,59	68,86	61,22	-2,43	Nett Profit (Loss)
EBITDA	236,28	223,00	215,24	187,78	149,18	5,96	EBITDA
Laporan Posisi Keuangan							Financial Position Statement
Aset	3.070,18	2.926,02	2.735,46	2.504,44	2.027,65	4,93	Assets
Liabilitas	931,28	923.03	937,20	965,84	744,72	0,89	Liabilities
Ekuitas	2.138,91	2.002,99	1.798,26	1.538,59	1.282,93	6,79	Equity

PT Sabre Travel Network Indonesia

Dewan Komisaris
Board of Commissioners

Komisaris Utama / President Commissioner
Sigit Muhartono
Komisaris / Commissioner
Hans Belle
Komisaris / Commissioner
Tengku Burhanuddin

Direksi
Board of Directors

Direktur / Director
Deny Fajar Arianto

Alamat Perusahaan
Company Address

Kantor Cabang Jakarta
Jl. Mampang Prapatan Raya No. 93
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Sejarah PT Sabre Travel Network Indonesia (d/h Abacus Distribution Systems Indonesia) bermula dari persetujuan Menteri Telekomunikasi dan Menteri Keuangan atas skema kerja sama *joint venture* antara Garuda Indonesia dengan Abacus International. Atas persetujuan tersebut, Garuda Indonesia kemudian membentuk tim Mega CRS. PT Abacus Distribution Systems Indonesia atau juga dikenal dengan Abacus Indonesia kemudian resmi terbentuk pada tanggal 1 Maret 1995. Pada Desember 2015, Sabre sebagai perusahaan penyedia teknologi untuk perjalanan dan industri pariwisata global terkemuka di dunia melakukan akuisisi atas Abacus, dengan demikian mengubah nama Abacus Indonesia menjadi Sabre Travel Network Indonesia atau Sabre Indonesia.

Kegiatan usaha Sabre Indonesia meliputi layanan sistem reservasi yang terkomputerisasi, penyewaan peralatan komputer yang digunakan oleh agen-agen perjalanan, menyediakan fasilitas pelatihan pegawai untuk agen-agen perjalanan serta menyediakan bantuan teknis dalam sistem pemesanan tiket terkomputerisasi (*computerized reservation systems*/CRS) untuk agen-agen perjalanan. Saat ini, kepemilikan saham Sabre Indonesia dibagi atas PT Garuda Indonesia (Persero) Tbk sebesar 95% dan Sabre Asia Pacific Pte. Ltd. (Sabre APAC) sebesar 5%. PT Sabre Travel Network Indonesia berkedudukan di Jakarta dan mengoperasikan tiga kantor cabang di Medan, Surabaya, dan Denpasar.

History PT Sabre Travel Network Indonesia (formerly known as Abacus Distribution Systems Indonesia) stems from the approval of the Minister of Telecommunications and the Ministry of Finance on a cooperation scheme of joint venture between Garuda Indonesia and Abacus International. On the approval, Garuda Indonesia later formed a Mega CRS team. PT Abacus Distribution Systems Indonesia or also known as Abacus Indonesia later officially established on March 1, 1995. In December 2015, Sabre as the world's leading technology provider for travel and global tourism industry acquired Abacus, thereby changing the name of Abacus Indonesia to Sabre Travel Network Indonesia or Sabre Indonesia.

Business activities of Sabre Indonesia include computerized reservation system, rental of computer equipment used by travel agents, provides training facilities for the employees of travel agencies as well as providing technical assistance in the computerized reservation systems (CRS) for travel agents. Currently, the share ownership of Sabre Indonesia is divided to PT Garuda Indonesia (Persero) Tbk amounted to 95% and Sabre Asia Pacific Pte. Ltd. (Sabre APAC) by 5%. PT Sabre Travel Network Indonesia is located in Jakarta and operates three branches in Medan, Surabaya, and Denpasar.

KINERJA ENTITAS ANAK
Performance of Subsidiaries

KINERJA PERUSAHAAN 2016

Pada tahun 2016 perolehan pendapatan usaha tercatat sebesar US$4,06 juta, meningkat 22,24% dibandingkan tahun lalu terutama karena ada peningkatan pendapatan komisi. Beban usaha meningkat sebesar 12,14% menjadi sebesar US$2,87 juta karena ada kenaikan biaya penjualan. Realisasi laba usaha meningkat 55,98% dari tahun lalu menjadi sebesar US$1,19 juta dan laba bersih 2016 meningkat 56,99% dari tahun lalu menjadi sebesar US$946,11 ribu.

Aset per 31 Desember 2016 sebesar US$9,12 juta, meningkat 17,82% dari tahun lalu karena kenaikan aset lancar. Liabilitas per 31 Desember 2016 sebesar US$1,41 juta, meningkat 21,92% dari tahun lalu karena kenaikan utang lain-lain. Ekuitas per 31 Desember 2016 sebesar US$7,71 juta, meningkat 17,10% dari tahun lalu karena kenaikan akumulasi laba.

COMPANY'S PERFORMANCE IN 2016

In 2016 the acquisition of operating revenue amounted to US$4.06 million, an increase of 22.24% compared to last year mainly due to the increase in commission income. Operating expenses increased by 12.14% to US$2.87 million due to the increase of sales expenses. Realized operating profit increased by 55.98% from last year to US$1.19 million and net profit in 2016 increased by 56.99% from last year to US$946.11 thousand.

Assets per December 31, 2016 amounted to US$9.12 million, increased by 17.82% from the previous year due to the increase in current assets. Liabilities per December 31, 2016 amounted to US$1.41 million, increased by 21.92% from the previous year due to the increase in other payables. Equity per December 31, 2016 amounted to US$7.71 million, increased by 17.10% from the previous year due to the increase in accumulated earnings.

Tabel Kinerja Finansial Sabre TN
Table of Sabre TN Financial Performance

dalam ribuan US$ penuh kecuali dinyatakan lain
in thousand US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	YoY	Description
Laporan Laba (Rugi)							Profit (Loss) Statement
Pendapatan Usaha	4.059,59	3.321,03	3.037,51	3.082,21	2.840,47	22,24	Operating Revenues
Laba (Rugi) Usaha	1.193,61	765,21	383,20	397,68	95,94	55,98	Profit (Loss) from Operations
Laba (Rugi) Bersih	946,11	602,66	350,69	125,12	71,49	56,99	Net Profit (Loss)
EBITDA	1.294,13	919,32	593,86	595,93	292,68	40,77	EBITDA
Laporan Posisi Keuangan							Financial Position Statement
Aset	9.122,47	7.743,00	6.644,62	5.565,96	6.228,90	17,82	Assets
Liabilitas	1.408,26	1.155,05	683,71	548,77	995,52	21,92	Liabilities
Ekuitas	7.714,21	6.587,95	5.960,90	5.017,19	5.233,38	17,10	Equity

GMF AeroAsia
GARUDA INDONESIA GROUP

PT Garuda Maintenance Facility Aero Asia

PT Garuda Maintenance Facility Aero Asia (GMF) didirikan berdasarkan akta No. 93 tanggal 26 April 2002 sebagaimana telah diumumkan dalam Tambahan Berita Negara RI No. 78 tanggal 27 September 2002. Pendirian GMF ini dimaksudkan untuk melaksanakan dan menunjang kebijakan serta program Pemerintah di bidang ekonomi dan pembangunan nasional pada umumnya, khususnya di bidang jasa perawatan pesawat terbang, perawatan komponen dan kalibrasi, perawatan mesin untuk pesawat dan industri, pembuatan dan perawatan sarana pendukung, jasa engineering, jasa layanan material, logistik, pergudangan dan konsinyasi serta jasa konsultan, pelatihan dan penyediaan tenaga ahli di bidang perawatan pesawat, komponen dan mesin. Saat ini, kepemilikan saham GMF dimiliki oleh PT Garuda Indonesia (Persero) Tbk sebesar 99% dan PT Aero Wisata yang juga merupakan anak perusahaan Garuda Indonesia sebesar 1%.

PT Garuda Maintenance Facility Aero Asia (GMF) was established by deed No. 93 dated April 26, 2002 as published in the Supplement to State Gazette of Republic of Indonesia No. 78 dated September 27, 2002. The establishment of GMF is intended to implement and support the government policies and programs in national economy and development in general, especially in the field of aircraft maintenance services, component maintenance and calibration, maintenance for aircraft and industrial engines, manufacture and supporting facilities maintenance, engineering services, material services, logistics, warehousing and consignment, as well as consulting services, training and provision of experts in aircraft maintenance, component and engine. Currently, the share ownership of GMF is owned by PT Garuda Indonesia (Persero) Tbk amounting 99% and PT Aero Wisata which is also the subsidiary of Garuda Indonesia with 1% ownership.

Dewan Komisaris
Board of Commissioners

Komisaris Utama / President Commissioner
Iwan Joeniarto
Komisaris / Commissioner
Helmi Imam Satriyono
Komisaris / Commissioner
Linggarsari Suharso
Komisaris / Commissioner
Mohammad Alwi

Direksi
Board of Directors

Direktur Utama / President Director
Juliandra Nurtjahjo
Direktur / Director
Harkandri M. Dahler
Direktur / Director
Insan Nur Cahyo
Direktur / Director
I Wayan Susena
Direktur / Director
Tazar Marta Kurniawan

Alamat Perusahaan
Company Address

Kantor Pusat / Head Office
Gedung Manajemen GMF Lt. 3
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Susunan Dewan Komisaris tersebut berdasarkan Akta Notaris Arry Supratno, S.H tentang Pernyataan Keputusan Para Pemegang Saham, No. 08 tanggal 1 Juli 2016.
Composition of the Board of Commissioners based on Notary Deed of Arry Supratno, S.H on Shareholders Decision, No. 08 dated July 1, 2016.

Susunan Direksi tersebut berdasarkan Akta Notaris Arry Supratno, S.H tentang Pernyataan Keputusan Para Pemegang Saham, No. 229 tanggal 29 Juni 2016.
Composition of the Board of Directors based on Notary Deed of Arry Supratno, S.H on Shareholders Decision, No. 229 dated June 29, 2016.

KINERJA ENTITAS ANAK
Performance of Subsidiaries

KINERJA PERUSAHAAN 2016

Pendapatan usaha yang diraih selama tahun 2016 sebesar US$388,66 juta, meningkat 27,18% dibandingkan tahun lalu. Realisasi beban usaha menjadi sebesar US$305,57 juta, ada kenaikan sebesar 19,83% dari tahun lalu sehingga laba usaha yang diraih meningkat sebesar 64,24% menjadi sebesar US$83,08 juta. Peningkatan ini dikontribusikan dari kenaikan pemeliharaan pesawat Garuda Indonesia dan kenaikan pendapatan dari maskapai lainnya. Setelah memperhitungkan pendapatan dan (biaya) lain-lain, laba bersih yang diraih sebesar US$57,74 juta, atau meningkat sebesar 59,58% dari tahun lalu.

Aset per 31 Desember 2016 sebesar US$442,59 juta, meningkat sebesar 41,40% dari tahun lalu seiring kenaikan aset lancar. Liabilitas per 31 Desember 2016 meningkat sebesar 41,97% menjadi sebesar US$270,03 juta terutama ada peningkatan liabilitas lancar. Ekuitas per 31 Desember 2016 sebesar US$172,55 miliar, meningkat sebesar 40,53% dari tahun lalu seiring peningkatan kinerja.

COMPANY'S PERFORMANCE IN 2016

Operating revenues achieved in 2016 amounted to US$388.66 million, increased by 27.18% compared to previous year. Realization of operating expenses amounted to US$305.57 million, there was an increase of 19.83% from last year so that the operating profit was increased by 64.24% to US$83.08 million. This increase contributed from Garuda Indonesia's aircraft maintenance and the increase of revenue from other airlines. After taking into account other income and (expense), the net profit recorded at US$57.74 million, or an increase of 59.58% from last year.

Assets per December 31, 2016 amounted to US$442.59 million, an increase of 41.40% from last year in line with the increase in current assets. Liabilities per December 31, 2016 increased by 41.97% to US$270.03 million mainly due to the increase in current liabilities. Equity per December 31, 2016 amounted to US$172.55 billion, an increase of 40.53% from the previous year in line with the increasing performance.

Tabel Kinerja Finansial GMF AeroAsia
Table of GMF AeroAsia Financial Performance

dalam ribuan US$ kecuali dinyatakan lain
in thousand US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	YoY	Description
Laporan Laba (Rugi)							Profit (Loss) Statement
Pendapatan Usaha	388.662,51	305.590,12	264.048,58	230.294,14	211.637,72	27,18	Operating Revenues
Laba (Rugi) Usaha	83.087,70	50.590,17	24.574,08	17.812,69	14.436,50	64,24	Profit (Loss) from Operations
Laba (Rugi) Bersih	57.742,21	36.184,97	18.160,47	19.127,17	11.021,27	59,58	Net Profit (Loss)
EBITDA	94.473,14	59.498,49	31.080,60	22.927,14	17.978,38	58,78	EBITDA
Laporan Posisi Keuangan							Financial Position Statement
Aset	442.589,11	312.994,60	256.151,43	212.239,26	179.673,25	41,40	Assets
Liabilitas	270.034,36	190.202,73	165.957,98	137.185,46	110.026,31	41,97	Liabilities
Ekuitas	172.554,75	122.791,86	90.193,45	75.053,80	69.646,93	40,53	Equity

PT Aero Systems Indonesia

Dewan Komisaris
Board of Commissioners

Komisaris Utama / President Commissioner
Iwan Joeniarto
Komisaris / Commissioner
Agus Toni Soetirto

Direksi
Board of Directors

Direktur Utama / President Director
Boedi Soeharto
Direktur / Director
Amrulloh Hakiem

Alamat Perusahaan
Company Address

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Fax : +62 21 29356071

PT Aero Systems Indonesia (ASYST), sebelumnya dikenal dengan nama PT Lufthansa Systems Indonesia, didirikan di Jakarta pada tanggal 9 Juni 2005. Kegiatan ASYST meliputi layanan konsultasi dan sistem teknik teknologi informasi serta layanan pemeliharaan penerbangan dan industri lainnya. Saat ini, kepemilikan saham ASYST dimiliki oleh PT Garuda Indonesia (Persero) Tbk sebesar 51% dan PT Aero Wisata sebesar 49%.

PT Aero Systems Indonesia (ASYST), formerly known as PT Lufthansa Systems Indonesia, was established in Jakarta on June 9, 2005. The ASYST activities including consulting services and information technology systems as well as aviation maintenance services and other industries. Currently, the share ownership of ASYST is owned by PT Garuda Indonesia (Persero) Tbk by 51% and PT Aero Wisata by 49%.

KINERJA PERUSAHAAN 2016

Pendapatan usaha selama tahun 2016 tercatat sebesar US$14,42 juta, meningkat 11,46% dari tahun lalu. Biaya usaha terealisir sebesar US$12,82 juta, meningkat sebesar 0,30% sehingga laba usaha yang diperoleh sebesar US$1,60 juta, ada peningkatan yang signifikan dari tahun lalu dengan laba usaha sebesar US$158,01 ribu. Dengan adanya kenaikan pendapatan usaha sebesar 11,46%, maka laba bersih yang diraih sebesar US$176,89 ribu, meningkat sebesar 478,68% dari tahun lalu.

Aset per 31 Desember 2016 sebesar US$30,17 juta, atau meningkat sebesar 2,41% dari tahun lalu terutama karena kenaikan aset lancar. Liabilitas per 31 Desember 2016 sebesar US$18,39 juta, meningkat 4,40% karena kenaikan liabilitas lancar. Ekuitas per 31 Desember 2016 sebesar US$11,78 juta, ada penurunan 0,55% dari tahun sebelumnya.

COMPANY'S PERFORMANCE IN 2016

Operating revenues in 2016 amounted to US$14.42 million, increased by 11.46% from the previous year. Operating expenses recorded at US$12.82 million, an increase of 0.30%, thus the operating profit amounted to US$1.60 million, a significant increase from last year with an operating profit of US$158.01 thousand. With the increase in operating revenue of 11.46%, net profit recorded at US$176.89 thousand, an increase of 478.68% from the previous year.

Assets per December 31, 2016 amounted to US$30.17 million, or an increase of 2.41% from the previous year mainly due to the increase in current assets. Liabilities per December 31, 2016 amounted to US$18.39 million, increased by 4.40% due to the increase in current liabilities. Equity per December 31, 2016 amounted to US$11.78 million, declined by 0.55% from the previous year.

KINERJA ENTITAS ANAK
Performance of Subsidiaries

Tabel Kinerja Finansial Asyst
Table of Asyst Financial Performance

dalam ribuan US$ kecuali dinyatakan lain
in thousand US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	YoY	Description
Laporan Laba (Rugi)							**Profit (Loss) Statement**
Pendapatan Usaha	14.420,62	12.938,09	17.949,64	22.078,79	18.727,92	11,46	Operating Revenues
Laba (Rugi) Usaha	1.601,71	158,01	(1.244,67)	2.424,93	613,77	913,68	Profit (Loss) from Operations
Laba (Rugi) Bersih	176,89	30,57	(1.372,67)	783,89	(128,60)	478,68	Net Profit (Loss)
EBITDA	3.736,86	2.835,52	1.408,03	4.762,40	2.023,27	31,79	EBITDA
Laporan Posisi Keuangan							**Financial Position Statement**
Aset	30.166,12	29.455,94	28.769,08	29.414,85	28.094,35	2,41	Assets
Liabilitas	18.386,84	17.611,89	17.123,12	16.298,97	17.854,87	4,40	Liabilities
Ekuitas	11.779,28	11.844,05	11.645,96	13.115,88	10.239,48	-0,55	Equity

citilink

PT Citilink Indonesia

PT Citilink Indonesia (disingkat "Citilink") didirikan pada tanggal 6 Januari 2009 berdasarkan Akta Notaris Arikanti Nata Kusumah No.01 tanggal 6 Januari 2009 dan disahkan oleh Menteri Hukum dan Hak Asasi Manusia No.AHU_14555. AH.01.01 tahun 2009 tanggal 22 April 2009. Berdasarkan izin usaha penerbangan SIUAU/NB-027 tanggal 27 Januari 2012 dan sertifikat penerbangan AOC 121-046 tanggal 22 Juni 2012, Citilink mulai beroperasi secara independen mulai tanggal 30 Juli 2012 dengan IATA *flight code* "QG", ICAO *designation* "CTV", dan *call sign* "Supergreen".

Citilink merupakan maskapai penerbangan berbiaya rendah dengan visi menjadi perusahaan angkutan udara berbiaya murah terkemuka di kawasan regional dengan misi menyediakan jasa angkutan udara komersial berjadwal, berbiaya murah dan mengutamakan keselamatan, serta menguntungkan.

Struktur modal terbaru Citilink tercatat dalam Akta No. 34 tanggal Mei 2015 mengenai penyertaan tambahan modal berupa pesawat dan telah disetujui oleh Menteri Hukum dan Hak Asasi Manusia NO.AHU-AH.01.03-0934668 tanggal 26 Mei 2015. Modal yang ditempatkan dan disetor sebanyak 1.081.710 saham. Saham Citilink dimiliki oleh PT Garuda Indonesia (Persero) Tbk sebanyak 1.137.893 saham (97,80%) dan dimiliki oleh PT Aero Wisata sebanyak 24.750 saham (2,20%). Jumlah modal disetor sebesar Rp1.137.893.000.

PT Citilink Indonesia (abbreviated as "Citilink") was established on January 6, 2009 based on Notarial Deed of Arikanti Nata Kusuma No.01 dated January 6, 2009 and approved by the Minister of Law and Human Rights No.AHU_14555. AH.01.01 year 2009 dated April 22, 2009. Based on the aviation business license of SIUAU/NB-027 dated January 27, 2012 and AOC flight certificates 121-046 dated June 22, 2012, Citilink began operating independently on July 30, 2012 with the IATA flight code " QG ", ICAO designation" CTV ", and the call sign" Supergreen ".

Citilink is a low-cost carrier with a vision of becoming a leading low-cost air transport company in the region and the mission of providing scheduled commercial air transport, low cost and prioritizing safety, as well as profitable.

The latest capital structure of Citilink is stated in Deed No. 34 dated May 2015 regarding the additional capital in the form of aircraft and has been approved by the Minister of Law and Human Rights No.AHU-AH.01.03-0934668 dated May 26, 2015. The issued and paid-up capital amounted to 1,081,710 million shares. Citilink shares owned by PT Garuda Indonesia (Persero) Tbk as much as 1,137,893 shares (97.80%) and is also owned by PT Aero Wisata as much as 24,750 shares (2.20%). The total paid-up capital amounted to Rp1,137,893,000.

Dewan Komisaris
Board of Commissioners

Komisaris Utama / President Commissioner
M. Arif Wibowo
Komisaris / Commissioner
Abdul Aziz
Komisaris / Commissioner
Herbert Timbo Siahaan
Komisaris / Commissioner
Marsekal Madya (Purn) Daryatmo

Direksi
Board of Directors

Direktur Utama / President Director
Albert Burhan*
Direktur / Director
Hadinoto Soedigno*
Direktur / Director
Hans Nugroho**
Direktur / Director
Mega Satria

Alamat Perusahaan
Company Address

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Jl. S. Parman Kav. 72 Slipi
Jakarta Barat 11410, Indonesia
Contact Center 24 hours:
08041080808/+6231-2931100
Fax : 021-6258151
E-mail : info@citilink.co.id

* efektif mengundurkan diri pada 30 Januari 2017
** efektif mengundurkan diri pada 1 September 2016

* effectively resigned on January 30, 2017
** effectively resigned on September 1, 2016

KINERJA ENTITAS ANAK
Performance of Subsidiaries

KINERJA PERUSAHAAN 2016

Pada tahun 2016 pendapatan tercatat sebesar US$506,89 juta, meningkat sebesar 7,84% dari tahun lalu terutama karena kenaikan pendapatan penumpang. Biaya usaha meningkat 10,93% menjadi sebesar US$509,68 juta sehingga tercatat rugi usaha sebesar US$2,79 juta, atau menurun signifikan dari pencapaian tahun lalu sebesar US$10,56 juta. Dengan peningkatan biaya lain-lain maka tercatat rugi bersih sebesar US$9,75 juta, terdapat penurunan kinerja dari tahun lalu dengan laba bersih sebesar US$3,56 juta. Penurunan kinerja ini disebabkan oleh kondisi persaingan yang ketat terutama pada kuartal pertama tahun 2016 serta besarnya biaya investasi ekspansi Citilink yang meningkatkan produksi (ASK) 23,38% dibandingkan tahun lalu.

Aset per 31 Desember 2016 sebesar US$329,72 juta, meningkat 28,09% dari tahun lalu karena kenaikan *maintenance reserve fund & security deposits*. Liabilitas per 31 Desember 2016 sebesar US$319,38 juta, meningkat 33,16% karena ada kenaikan liabilitas lancar. Ekuitas per 31 Desember 2016 sebesar US$10,34 juta, menurun 41,12% dari tahun lalu.

COMPANY'S PERFORMANCE IN 2016

In 2016, the revenues recorded at US$506.89 million, an increase of 7.84% from the previous year mainly due to the increase in passenger revenue. Operating expenses increased by 10.93% to US$509.68 million, which recorded an operating loss of US$2.79 million, declined significantly from last year's achievement of US$10.56 million. With the increase in other expenses, net loss was recorded at US$9.75 million, a decline compared to last year performance with a net profit of US$3.56 million. The decline in performance was due to the highly competitive condition, especially in the first quarter of 2016 as well as the magnitude of the investment cost of Citilink expansion that increased the production (ASK) by 23.38% compared to last year.

Assets per December 31, 2016 amounted to US$329.72 million, up 28.09% from the previous year due to the increase in maintenance reserve fund and security deposits. Liabilities per December 31, 2016 amounted to US$319.38 million, an increase of 33.16% due to the increase in current liabilities. Equity per December 31, 2016 amounted to US$10.34 million, declined 41.12% from the previous year.

Tabel Kinerja Finansial Citilink
Table of Citilink Financial Performance

dalam ribuan US$ kecuali dinyatakan lain
in thousand US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	YoY	Description
Laporan Laba (Rugi)							Profit (Loss) Statement
Pendapatan Usaha	506.886,21	470.034,36	403.544,10	273.398,83	73.397,95	7,84	Operating Revenues
Laba (Rugi) Usaha	(2.793,07)	10.555,41	(13.542,91)	(60.204,92)	(31.545,12)	-126,46	Profit (Loss) from Operations
Laba (Rugi) Bersih	(9.745,46)	3.561,88	(14.890,20)	(48.480,18)	(28.410,04)	-373,60	Net Profit (Loss)
EBITDAR	155.289,63	152.229,53	84.825,52	21.145,67	(14.894,70)	2,01	EBITDAR
Laporan Posisi Keuangan							Financial Position Statement
Aset	329.715,60	257.400,32	166.784,67	106.054,60	73.144,32	28,09	Assets
Liabilitas	319.379,30	239.846,68	209.441,43	131.034,79	50.155,55	33,16	Liabilities
Ekuitas	10.336,31	17.553,64	(42.656,76)	(24.980,19)	22.988,77	-41,12	Equity

Ringkasan Kinerja Operasional Citilink
Operational Performance Highlight of Citilink

Keterangan	2016	2015	2014*	2013*	2012*	YoY	Description
Jumlah Penumpang	11.079.426	9.374.965	7.550.753	5.344.920	2.860.993	18,18%	Passengers Carried
ASK (000)	11.178.933	9.134.514	7.250.626	5.454.816	3.120.681	22,38%	ASK (000)
RPK (000)	8.581.511	7.296.576	5.766.142	4.197.935	2.238.353	17,61%	RPK (000)
SLF (%)	76,77	79,88	79,53	76,96	71,73	-3,11pp	SLF (%)
Frekuensi	78.784	64.599	52.593	39.010	24.148	21,96%	Frequencies
Jumlah Kargo (kg)	74.234.227	55.441.444	105.274.000	76.888.000	48.326.000	33,90%	Cargo Carried (kg)
Yield Penumpang (Usc)	5,20	5,63	6,39	6,10	5,80	-7,64%	Passenger Yield (Usc)
CASK (Usc)	4,47	4,80	5,63	6,07	6,46	-6,88%	CASK (Usc)
CASK-excl Fuel (Usc)	2,96	3,09	3,00	3,20	3,23	-4,21%	CASK-excl Fuel (Usc)
Jumlah Armada							Number of Fleet
• B737-300/400	5	5	4	6	7	n.a.	• B737-300/400
• B737-500	3	3	-	-	-	n.a.	• B737-500
• A320-200	44	36	32	24	14	22,22%	• A320-200
Total	52	44	36	30	21	18,18%	Total

KINERJA ENTITAS ANAK
Performance of Subsidiaries

Gapura
AIRPORT SERVICES

PT Gapura Angkasa

PT Gapura Angkasa adalah perusahaan di bidang jasa *ground handling* yang didirikan pada tanggal 26 Januari 1998 atas perjanjian kerja sama antara tiga BUMN, yaitu PT Garuda Indonesia (Persero) Tbk (Garuda Indonesia), PT Angkasa Pura I (Persero), dan PT Angkasa Pura II (Persero). Garuda Indonesia memiliki saham Gapura Angkasa sebesar 58,75%. Saat ini, Gapura Angkasa beroperasi di 57 Bandara Indonesia yang terdiri dari 31 kantor cabang (termasuk kantor cabang pergudangan di Bandara Soekarno-Hatta) dan 26 Kantor Perwakilan.

PT Gapura Angkasa is a ground handling service provider which was established on January 26, 1998 on a cooperation agreement between three SOEs, namely PT Garuda Indonesia (Persero) Tbk, PT Angkasa Pura I (Persero), and PT Angkasa Pura II (Persero). Garuda Indonesia owns 58.75% of Gapura Angkasa shares. Currently, Gapura Angkasa operates in 57 Airports in Indonesia which consists of 31 branch offices (including branch office warehousing at Soekarno-Hatta) and 26 representative offices.

Dewan Komisaris
Board of Commissioners

Komisaris Utama / President Commissioner
Novianto Herupratomo
Komisaris / Commissioner
Bintang Hidayat
Komisaris / Commissioner
Ituk Herarindri
Komisaris / Commissioner
Mohamad Pramintohadi Sukarno
Komisaris / Commissioner
M. Asrori

Direksi
Board of Directors

Direktur Utama / President Director
Sucipto
Direktur / Director
Eko Diantoro
Direktur / Director
Ester Siahaan

Alamat Perusahaan
Company Address

Kantor Pusat / Head Office
Gedung DAPENRA Lantai 1, 2 dan 3, Blok B-12 Kav. 8,
Kota Baru Bandar Kemayoran
Jakarta 10610, Indonesia
Phone : +62 21 6545410
Fax : +62 21 6545408

Susunan Dewan Komisaris tersebut berdasarkan Akta Notaris Hendra Wismal, S.H, No. 14 tanggal 31 September 2016.
Composition of the Board of Commissioners based on Notary Act of Hendra Wismal, S.H, No. 14 dated September 31, 2016.

Susunan Direksi tersebut berdasarkan Keputusan Pemegang Saham di luar Rapat Umum Pemegang Saham tanggal 15 September 2016.
Composition of the Board of Directors based on the Decision of Shareholders outside General Meeting of Shareholders dated September 15, 2016.

KINERJA PERUSAHAAN 2016

Selama tahun 2016 pendapatan usaha yang diraih sebesar Rp1,49 triliun, meningkat sebesar 13,23% dari tahun lalu. Biaya usaha meningkat 17,11% menjadi sebesar Rp1,44 triliun sehingga laba usaha yang diperoleh sebesar Rp48,78 miliar, ada penurunan dibandingkan dengan pencapaian tahun lalu sebesar Rp85,34 miliar. Penurunan ini disebabkan biaya investasi *Ground Service Equipment* (GSE) yang dibiayai melalui *leasing* dan menyebabkan biaya operasional meningkat. Dengan memperhitungkan pendapatan dan (biaya) lain-lain maka PT Gapura Angkasa meraih laba bersih sebesar Rp28,26 miliar, menurun 47,47% dari tahun lalu.

Aset per 31 Desember 2016 sebesar Rp1,76 triliun, ada kenaikan 75,53% dari tahun lalu akibat kenaikan aset tetap. Liabilitas per 31 Desember 2016 sebesar Rp1,38 triliun, meningkat signifikan karena ada kenaikan utang jangka panjang seiring kenaikan aset tetap. Ekuitas per 31 Desember 2016 sebesar Rp385,32 miliar, menurun 3,66% dari tahun sebelumnya karena penurunan akumulasi laba.

COMPANY'S PERFORMANCE IN 2016

During 2016, operating revenues recorded at Rp1.49 trillion, an increase of 13.23% from last year. Operating expenses increased by 17.11% to Rp1.44 trillion, resulting in operating profit of Rp48.78 billion, a decline compared to the previous year of Rp85.34 billion. This decrease was due to the investment expenses of Ground Service Equipment (GSE) which is financed through leasing and led to the increase of operating expenses. Taking into account the other income and (expense), PT Gapura Angkasa achieved net profit of Rp28.26 billion, declined by 47.47% from the previous year.

Assets per December 31, 2016 amounted to Rp1.76 trillion, there was an increase 75.53% from last year due to the increase in fixed assets. Liabilities per December 31, 2016 amounted to Rp1.38 trillion, significantly increased due to the increase in long-term loans following the increase of fixed assets. Equity per December 31, 2016 amounted to Rp385.32 billion, declined by 3.66% from the previous year due to a decrease in accumulated profit.

Tabel Kinerja Finansial Gapura Angkasa
Table of Gapura Angkasa Financial Performance

dalam milliar Rupiah kecuali dinyatakan lain
in billion Rupiah, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	YoY	Description
Laporan Laba (Rugi)							Profit (Loss) Statement
Pendapatan Usaha	1.493,31	1.318,82	1.210,44	1.092,67	859,08	13.23	Operating Revenues
Laba (Rugi) Usaha	48,78	85,34	9,48	59,02	44,97	-42,84	Profit (Loss) from Operations
Laba (Rugi) Bersih	28,26	53,80	35,19	50,67	40,24	-47,47	Net Profit (Loss)
EBITDA	133,00	143,59	48,57	95,01	71,56	-7,38	EBITDA
Laporan Posisi Keuangan							Financial Position Statement
Aset	1.763,65	1.004,77	796,20	712,72	597,58	75,53	Assets
Liabilitas	1.378,33	604,80	458,77	301,47	216,75	127,90	Liabilities
Ekuitas	385,32	399,97	337,43	411,25	380,82	-3,66	Equity

KINERJA **ENTITAS ANAK**
Performance of Subsidiaries

Garuda Indonesia
HOLIDAYFRANCE

Direksi
Board of Directors

Presiden / President
Harold Rudolph Tobing

Alamat Perusahaan
Company Address

255 Rue Saint Honore, 75001 Paris, France
Phone :(+33) 01 86 21 52 23
Fax :(+33) 01 42 61 04 54
E-mail : contact@garudaholiday.fr

Garuda Indonesia Holiday France

Garuda Indonesia Holiday France (GIHF) resmi didirikan dan terdaftar pada tanggal 23 Desember 2013 sebagai perusahaan terbatas (Société par Actions Simplifiée/ S.A.S.) yang memegang peranan sebagai Unit Bisnis Strategis (SBU) dari PT Garuda Indonesia (Persero) Tbk. Saat ini, GIHF dimiliki sepenuhnya oleh PT Garuda Indonesia (Persero) Tbk sebagai pemegang saham tunggal dengan modal sejumlah €1.000.000 mewakili 1.000.000 lembar saham dengan nilai nominal sebesar €1 per saham.

Garuda Indonesia Holiday France (GIHF) was officially established and registered on December 23, 2013 as a simplified limited liability company (Société par Actions Simplifiée/S.A.S.) which has the role of a Strategic Business Unit (SBU) of PT Garuda Indonesia (Persero) Tbk. Currently, GIHF is fully owned by PT Garuda Indonesia (Persero) Tbk as a sole shareholder with the capital amounted to of €1,000,000, corresponding to 1,000,000 shares with a par value of €1.

GIHF resmi terdaftar dan dapat beroperasi di Perancis pada tanggal 26 Januari 2014 dengan bernomorkan 799 887 765 RCS Paris. Sebagai anak perusahaan Garuda Indonesia, kegiatan usaha GIHF meliputi agen wisata (*tour* & *travel*), penjualan tiket pesawat, serta sewa menyewa pesawat. GIHF memiliki misi untuk menyediakan ragam pilihan liburan terbaik dari berbagai penyedia layanan wisata terpilih untuk wisatawan dan korporasi yang berdomisili di Paris, Perancis.

GIHF is officially registered and commences operation in France on January 26, 2014 with number 799 887 765 RCS Paris. As a subsidiary of Garuda Indonesia, GIHF business activities include travel agent (tour & travel), airline ticket sales, and aircraft leasing. GIHF mission is to provide a wide selection of the best holidays of various travel service providers selected for tourists and corporations domiciled in Paris, France.

KINERJA PERUSAHAAN 2016

Pendapatan usaha selama tahun 2016 tercatat sebesar US$497,79 juta, meningkat sebesar 46,16% dari tahun lalu. Biaya usaha meningkat 46,15% menjadi sebesar US$496,04 juta sehingga laba usaha yang diperoleh sebesar US$1,75 juta, meningkat sebesar

COMPANY'S PERFORMANCE IN 2016

Operating revenues for 2016 stood at US$497.79 million, an increase of 46.16% from last year. Operating expenses increased by 46.15% to US$496.04 million which led to the operating profit recorded at US$1.75 million, an increase of 47.82%. This increase

47,82%. Peningkatan ini disebabkan karena semakin banyaknya pesawat yang disewa melalui GIHF. Setelah memperhitungkan pendapatan dan (biaya) lain-lain maka diperoleh laba bersih sebesar US$1,41 juta, meningkat 23,85% dari tahun lalu yang sebesar US$1,13 juta.

Aset per 31 Desember 2016 sebesar US$376,47 juta, meningkat 96,35% seiring kenaikan *maintenance reserve fund & security deposit*. Liabilitas per 31 Desember 2016 sebesar US$373,24 juta, meningkat 96,53% karena ada kenaikan penerimaan di muka dan uang muka diterima. Ekuitas per 31 Desember 2016 sebesar US$3,23 juta, meningkat 76,86% dari tahun lalu.

was due to the increasing number of aircraft leased through GIHF. After taking into account other income and (expense), the net income was recorded at US$1.41 million, increased by 23.85% from the previous year of US$1.13 million.

Assets per December 31, 2016 amounted to US$376.47 million, increased by 96.35% following the increase in the maintenance reserve fund & security deposit. Liabilities per December 31, 2016 amounted to US$373.24 million, increased by 96.53% due to the increase in prepaid income and advances received. Equity per December 31, 2016 amounted to US$3.23 million, increased by 76.86% from the previous year.

Tabel Kinerja Finansial GIH France
Table of GIH France Financial Performance

dalam ribuan US$ kecuali dinyatakan lain
in thousand US$, unless stated otherwise

Keterangan	2016	2015	2014*	2013*	2012*	YoY	Description
Laporan Laba (Rugi)							Profit (Loss) Statement
Pendapatan Usaha	497.789,01	340.585,53	75.979,71	-	-	46,16	Operating Revenues
Laba (Rugi) Usaha	1.749,05	1.183,21	107,30	-	-	47,82	Profit (Loss) from Operations
Laba (Rugi) Bersih	1.405,22	1.134,64	8,90	-	-	23,85	Net Profit (Loss)
EBITDA	1.751,55	1.191,78	108,42	-	-	46,97	EBITDA
Laporan Posisi Keuangan							Financial Position Statement
Aset	376.469,52	191.737,54	67.941,99	-	-	96,35	Assets
Liabilitas	373.236,03	189.909,27	67.248,36	-	-	96,53	Liabilities
Ekuitas	3.233,49	1.828,27	693,63	-	-	76,86	Equity

ASPEK **PEMASARAN**
Marketing Aspect

Total pengunjung yang hadir pada GATF 2016 ini mencapai lebih dari 140 ribu pengunjung, meningkat 20,00% dibanding tahun sebelumnya dan berdampak langsung pada peningkatan penjualan sebesar 56,00%.

GATF 2016 attracted more than 140 thousand visitors, went up 20.00% compared to the previous year and directly pumped up the sales by 56.00%.

INDUSTRI DAN PANGSA PASAR

Pertumbuhan industri penerbangan di Indonesia menunjukkan pertumbuhan yang cukup besar selama beberapa tahun ini. Badan Pusat Statistik (BPS) mencatatkan pertumbuhan penumpang pada tahun 2016 domestik mencapai 17% dan internasional mencapai 8,2%. Sejumlah maskapai penerbangan bersaing ketat merebut pasar domestik dan internasional. Pada akhir 2016, maskapai penerbangan asing reguler yang masuk ke bandara Soekarno Hatta tercatat berjumlah 34 maskapai.

Penambahan armada baik Garuda Indonesia maupun pesaing ikut mendorong semakin meningkatnya penumpang dengan semakin banyaknya rute dan frekuensi yang ditawarkan. Garuda Indonesia dan pesaing sama-sama aktif melakukan ekspansi ke rute-rute baru dan penambahan frekuensi seiring dengan terus bertambahnya armada yang dimiliki.

INDUSTRY AND MARKET SHARE

The national airline industry has seen a vast growth for the last few years. Statistics Indonesia reported the number of domestic and international passengers in 2016 to grow 17% and 8.2% respectively. Several airlines competed to seize portion in both domestic and regional markets. By the end of 2016, regular foreign airlines which entered Soekarno-Hatta airport were amounted to 34 airlines.

The expansion of both Garuda Indonesia's fleet as well as rival carriers also contribute to the increasing number of passengers with a growing number of offered routes and frequencies. Both Garuda Indonesia and rival carriers actively expand to new routes and increase frequencies in line with the higher number of fleet operated.

Pangsa pasar domestik Garuda Indonesia pada selama tahun 2016 pada rute yang diterbangi dari dan ke Bandar Udara Internasional Soekarno-Hatta, Ngurah Rai Denpasar, Sepinggan Balikpapan, Sultan Hasanuddin Makassar, dan Juanda Surabaya berada di angka 31,7%. Total penumpang Garuda Indonesia untuk rute domestik pada periode tahun 2016 mencapai 19.5 juta.

Sementara itu, pangsa pasar Garuda Indonesia di pasar internasional dari dan ke Bandar Udara Internasional Soekarno-Hatta, Ngurah Rai Denpasar, Sepinggan Balikpapan, Sultan Hasanuddin Makassar, dan Juanda Surabaya berada di 26,9% selama tahun 2016. Pertumbuhan pasar terbesar di mana Garuda Indonesia beroperasi, dinikmati oleh area Timur Tengah (+37%), Eropa (+33%), dan Tiongkok (23%). Sementara itu pasar Jepang dan Korea mengalami penurunan (-1,5%) dibandingkan tahun 2015. Total penumpang Garuda Indonesia di rute internasional pada tahun 2016 mencapai 4,4 juta.

STRATEGI PEMASARAN 2016

Dalam memperkuat *branding* dan reputasi, Garuda Indonesia menggunakan beberapa media dalam mencapai strategi pemasaran, seperti Garuda Indonesia Travel Fair (GATF). GATF adalah acara tahunan yang diselenggarakan Garuda Indonesia dalam rangka mendukung program pemerintah untuk mempromosikan pariwisata Indonesia baik domestik maupun internasional. GATF diselenggarakan 2 (dua) kali dalam setahun khususnya pertengahan tahun (April) dan akhir tahun (Oktober), dengan pertimbangan bahwa pada masa-masa tersebut angka *travelling* tergolong tinggi.

Untuk pasar domestik, GATF mendukung program pemerintah melalui Kementerian Pariwisata dengan mempromosikan destinasi-destinasi yang menarik seperti Labuan Bajo, Yogyakarta, Danau Toba, Raja Ampat, Sumatera Barat, dan destinasi lainnya sebagi fokus destinasi yang ditawarkan. Hal ini terlihat juga dari penjualan untuk destinasi domestik memberikan kontribusi yang lebih tinggi dibandingkan destinasi internasional (60:40). Sedangkan untuk destinasi internasional, Garuda Indonesia menawarkan kesempatan untuk berwisata ke luar negeri dengan harga tiket yang terjangkau dan paket tur yang menarik.

Garuda Indonesia's domestic market share in 2016 with reference to flight routes out of and into Soekarno-Hatta International Airport, Ngurah Rai in Denpasar, Sepinggan in Balikpapan, Sultan Hasanuddin in Makassar, and Juanda in Surabaya was recorded at 31.7%. On the other hand, total passengers of Garuda Indonesia for domestic service in 2016 stood at 19.5 million.

Meanwhile, Garuda Indonesia's market share in the international market with reference to flight routes out of and into Soekarno-Hatta International Airport, Ngurah Rai in Denpasar, Sepinggan in Balikpapan, Sultan Hasanuddin in Makassar, and Juanda in Surabaya was recorded at 26.9% in 2016. The highest market growth was enjoyed by Middle East (+37%), Europe (+33%), and China (23%). On the other hand, Japan and Korea market saw a decline (-1.5%) compared to 2015. Total passengers of Garuda Indonesia in international route in 2016 stood at 4.4 million.

MARKETING STRATEGY IN 2016

In order to strengthen its brand and reputation, Garuda Indonesia utilizes several medias to achieve marketing strategies, among others, Garuda Indonesia Travel Fair (GATF). GATF is an annual event which is organized by Garuda Indonesia in supporting the government's program to promote Indonesian tourism abroad. In addition, the public also have the opportunity to travel abroad with affordable ticket price and attractive tour packages. GATF was conducted two (2) times a year, especially in the mid-year (April) and in the end of the year (October), considering both months are the peak season for travelling.

For the domestic market, GATF supports the government through the Ministry of Tourism to promote the attractive destinations like Labuan Bajo, Yogyakarta, Lake Toba, Raja Ampat, West Sumatra, and other destinations as a focus of offered destinations. This is also indicated from the higher sales contribution from domestic destinations contribution copared to international destinations (60:40). As for international destinations, Garuda Indonesia offers the opportunity to travel abroad with affordable ticket price and attractive tour packages.

ASPEK PEMASARAN
Marketing Aspect

Dalam acara GATF 2016, Garuda Indonesia menghadirkan 101 biro perjalanan, 8 NTO, 14 hotel and ritel, dan 3 mitra binaan. Total pengunjung yang hadir pada GATF 2016 ini mencapai lebih dari 140 ribu pengunjung, meningkat 20% dibanding tahun lalu. Seiring dengan pertumbuhan jumlah pengunjung, juga berdampak pada peningkatan penjualan sebesar 56%.

In 2016's GATF event, Garuda Indonesia presented 101 travel agents, 8 NTO, 14 hotels and retail, and 3 fostered partners. GATF 2016 attracted more than 140 thousand visitors, went up 20% compared to the previous year. The growing number of visitors also directly pumped up the sales by 56%.

STRATEGI PEMASARAN 2017

Tahun 2017 Garuda Indonesia akan fokus untuk meningkatkan pangsa pasar di pasar domestik dan memperkuat pasar regional dan internasional. Dengan semakin ketatnya persaingan baik di pasar domestik maupun pasar internasional, untuk dapat bersaing Garuda Indonesia harus semakin fokus terhadap layanan dan produk yang ditawarkan yang menjadi pembeda Garuda Indonesia dibandingkan dengan maskapai lainnya.

MARKETING STRATEGY IN 2017

In 2017 Garuda Indonesia will focus on increasing market share in the domestic market and strengthen regional and international markets. In order to be able to compete amid increasing competition in both domestic market and international market, Garuda Indonesia should focus on providing distinctive services and products that differentiates Garuda Indonesia to other airlines.

PROSPEK BISNIS DAN STRATEGI 2017

Business Outlook and Strategy In 2017

Perekonomian global diperkirakan akan lebih kuat pada tahun 2017. Berdasarkan data IMF, pertumbuhan perekonomian Indonesia di tahun 2017 akan berada pada kisaran 5,30%, meningkat dibandingkan perkiraan pencapaian pertumbuhan perekonomian tahun 2016 yang berada pada kisaran 4,80%. Tingkat inflasi Indonesia tahun 2016 berada pada kisaran 3,30%, namun tekanan yang berpengaruh terhadap inflasi selama tahun 2016 akan terus berkembang dan berpengaruh kepada tingkat daya beli masyarakat Indonesia. Sehingga pada tahun 2017, tingkat inflasi diperkirakan akan berada pada kisaran 3,07%. Meski kondisi perekonomian secara umum diharapkan akan menjadi lebih baik, prospek ekonomi untuk negara maju maupun berkembang cenderung tetap lemah dengan potensi gangguan yang mungkin muncul seiring kenaikan suku bunga di Amerika Serikat dan pelemahan Tiongkok yang berlanjut, sehingga akan menyebabkan ketidakpastian ekonomi dan gejolak pasar keuangan.

Global outlook is projected to strengthen in 2017. According to IMF economic forecast, Indonesia will expand by 5.30% in 2017, a notch up from 4.80% in 2016. The inflation rate in 2016 stood at 3.30%. However, the pressures which influence the inflation rate throughout 2016 will likely to persist and drag down people's purchasing power. As such, inflation rate in 2017 will be trimmed to approximately 3.07%. Although the overall economic outlook are expected to turn for the better, both emerging and advanced economies will continue to struggle, dampened by the potential spilover from the US interest rate hike and China's continued weakening which will cause economic uncertainties and turmoil in the financial market.

Persaingan harga di bisnis penerbangan masih akan menjadi tantangan seiring dengan meningkatnya kapasitas produksi dari maskapai *Full Service Carrier* (FSC) dan *Low Cost Carrier* (LCC). Kompetisi akan sangat terasa di pasar penerbangan di Asia Tenggara, di mana maskapai di Asia Pasifik masih akan meningkatkan kapasitas produksi baik di rute pendek maupun panjang. Keuntungan dari turunnya harga bahan bakar akan

Price competition in ailine business will still pose challenge in conjuction with the increased production capacity of both FSC and LCC. The competition will especially heat up in Southeast Asia market, in which Asia Pacific airlines will continue to enhance production capacity in both short-haul and long-haul flights. Profit from the low fuel price will definitely diminish once the fuel price goes up again. In 2016, Brent crude

Pada tahun 2017 Perseroan akan mulai memindahkan operasional penerbangan Internasional ke Terminal 3 Bandara Soekarno-Hatta.

In 2017 the Company will relocate its International flight operations to Terminal 3 Soekarno-Hatta Airport.

PROSPEK BISNIS DAN STRATEGI 2017
Business Outlook and Strategy In 2017

berkurang seiring dengan meningkatnya harga bahan bakar. Pada tahun 2016, harga minyak mentah Brent rata-rata adalah US$44,60 per barel dan diperkirakan meningkat menjadi US$56,00 pada 2017. Hal ini akan mendorong beban bahan bakar penerbangan akan meningkat di tahun 2017 seiring dengan kenaikan harga dan penambahan kapasitas produksi.

oil price average US$44.60 per barrel and will increase to US$56.00 per barrel in 2017. It will inevitably cause the fuel cost to surge in correspondence to price hike and expanded production capacity.

Perseroan memperkirakan pertumbuhan kapasitas tahun 2017 mencapai 10,00% – 15,00% di mana pertumbuhan domestik akan fokus pada penambahan kapasitas di Indonesia Bagian Timur dan penambahan kapasitas penerbangan Citilink. Pasar domestik menunjukkan pertumbuhan yang relatif lebih tinggi dibandingkan pasar internasional. Secara historis, pasar domestik tumbuh dengan CAGR 2011 – 2015 sebesar 6,30% dan pertumbuhan ini diperkirakan akan terus berlanjut hingga 2016 – 2017 sebesar 6,90%. Sedangkan untuk penerbangan internasional, Perseroan akan fokus pada penerbangan yang memiliki potensi yang besar seperti Tiongkok dan Timur Tengah. Dari data yang bersumber dari Kementerian Perhubungan, didapatkan bahwa secara historis 2011 – 2015 pasar internasional tumbuh dengan CAGR sebesar 6,00%. Pertumbuhan ini diperkirakan akan terus berlanjut di tahun 2016 dan 2017 dengan CAGR 5,90%. Berdasarkan region, proyeksi pasar internasional dengan kondisi perekonomian global yang masih melambat maka diperkirakan pertumbuhan tertinggi terjadi di Tiongkok dan kawasan Asia.

The Company expects its capacity to rise to 10.00% – 15.00% in 2017 in which domestic growth will focus on capacity expansion in Eastern Indonesia and Citilink low-cost flights. Domestic market indicates a relatively higher growth than international market. Historically, domestic market grows by CAGR 2011 – 2015 at 6.30% and the growth is likely to continue into 2016 – 2017 at 6.90%. As for international flights, the Company will focus on markets with bigger potentials such as China and Middle East. Drawing on data from the Ministry of Transportation, it is concluded that international market grew at CAGR of 6.00% between 2011 and 2015. The growth is expected to continue into 2016 and 2017 at CAGR of 5.90%. Based on regions, international market will see the highest growth particularly in China and Asian regions amid the suppressed global growth.

Di sisi lain, industri penerbangan nasional diyakini masih menyimpan potensi yang sangat besar. Berdasarkan data IATA, saat ini trafik transportasi udara tersebar hampir sama rata di Amerika Utara, Eropa, dan Asia Pasifik. Namun di tahun 2030, komposisi ini diprediksi berubah menjadi 25% di Amerika Utara, 25% di Eropa, dan 50% di Asia Pasifik.

On the other hand, the national airline industry is believed to still hold enormous potential. Based on IATA's data, the current air transport traffic is stretched almost equally in North America, Europe, and Asia Pacific. Nevertheless, this composition is predicted to change into 25% in North America, 25% in Europe and 50% in Asia Pacific by 2030.

Menurut Maskapai Penerbangan Asia Pasifik atau Association of Asia Pasific Airlines (AAPA), kondisi ini merupakan peluang yang amat menjanjikan bagi para pelaku industri transportasi udara, termasuk Indonesia. Jumlah masyarakat kelas menengah Indonesia diperkirakan akan tumbuh dari 45 juta saat ini menjadi 135 juta pada tahun 2030. Pertumbuhan kelas menengah dan kondisi geografis Indonesia sebagai negara kepulauan akan menjadikan transportasi udara semakin dibutuhkan untuk meningkatkan konektivitas antar wilayah. Hal ini juga ditunjang dengan masih sangat rendahnya rasio antara pengguna jasa transportasi udara dengan jumlah penduduk Indonesia dibandingkan negara-negara lain di kawasan Asia Pasifik, seperti Singapura, Malaysia, Hong Kong, dan Australia.

According to the Asia-Pacific Airlines or the Association of Asia Pacific Airlines (AAPA), this condition is a very promising opportunity for the air transportation industry player, including Indonesia. The number of Indonesia's middle-class consumers is expected to grow from 45 million in the present to 135 million by 2030. The growth of the middle class and geographical condition of Indonesia as an archipelago country will increase the needs of air transportation to improve inter-regional connectivity. This is also supported by the low ratio of the airline passengers to Indonesia's population compared to other countries in Asia Pacific region, such as Singapore, Malaysia, Hong Kong, and Australia.

Beberapa hal yang mendukung industri penerbangan di Indonesia tumbuh pesat antara lain adalah pertambahan jumlah penumpang, pertumbuhan ekonomi, populasi, serta letak geografis. Jika dilihat dari populasi, Indonesia memiliki penduduk berkisar 250 juta jiwa sedangkan jumlah trafik penumpang udara hanya berkisar 100 juta jiwa sehingga bisnis penerbangan masih memiliki ruang yang besar untuk tumbuh. Selain itu, pertumbuhan ekonomi Indonesia juga termasuk yang tinggi jika dibandingkan dengan negara lain di dunia. Beberapa program pemerintah yang juga mendukung pertumbuhan pasar penerbangan di Indonesia antara lain bebas visa untuk 169 negara, program 20 juta wisatawan asing tahun 2019, program pengenalan 'New Bali' dan perbaikan infrasruktur dengan meningkatkan kualitas bandara lama dan pembangunan bandara baru masih akan menjadi katalis pada bisnis penerbangan di Indonesia.

Among the aspects that will help accelerating the growth of airline business in Indonesia are the increased number of passengers, economic growth, population, and geographical locations. In terms of population, Indonesia has 250 million populations while total passenger traffic only reaches 100 million. As such, there is such an ample room to grow. In addition, Indonesia's economy is among the countries with the strongest growth than the rest of the world. Some government initiatives that also support the growth of Indonesia's airline market are Free Visa for 169 countries, 20 million foreign tourists by 2019 program, 'New Bali' introduction program, and infrastructure improvement by enhancing quality of older airports and construction of new airports will still be the catalyst for the airline business in Indonesia.

Menurut INACA, potensi pasar penerbangan *charter* juga masih cukup luas karena kontribusinya baru mencapai 5% dari total seluruh nilai penjualan penerbangan nasional. Dari sisi utilisasi atau rata-rata jam terbang pesawat *charter* Indonesia juga masih di bawah 100 jam dibandingkan Eropa yang rata-rata sudah di atas 100 jam, bahkan di atas 200 jam di Timur Tengah. Di Indonesia pasar *Charter* juga masih memiliki potensi terutama pada pasar Haji dan Umrah. Sebagai katalis di tahun 2017, kunjungan Raja Salman juga berdampak meningkatnya kuota haji berkisar 30% dibadingkan tahun 2016. Untuk tahun 2017 Indonesia akan mendapatkan kuota haji sebesar 221 ribu jamaah.

According to INACA, the charter flights market potential is still quite large as it just accounts for 5% of the total national airline sales value. In terms of utilization or the average flight hours of Indonesia's charter flights is still below 100 hours compared to the European average which has reached above 100 hours, even over 200 hours in the Middle East. In Indonesia, charter market also still has potential, particularly for Hajj and Umrah market. As a catalyst in 2017, King Salman's visit also leads to higher hajj quota to rise 30% than 2016. In 2017, Indonesia will enjoy hajj quota of 221 thousand pilgrims.

Faktor penting lain dari perekonomian adalah pergerakan nilai tukar Rupiah terhadap valuta asing. Berdasarkan asumsi internal perkiraan rata-rata nilai tukar Rupiah terhadap Dolar Amerika Serikat di tahun 2017 dapat berada di kisaran Rp13.000 – Rp13.500 per US$1. Guna menjaga besaran biaya suku bunga dan juga atas fluktuasi nilai tukar yang mempengaruhi nilai buku, Perseroan melakukan transaksi *cross currency swap*. Untuk aktivitas lindung nilai mata uang asing pada tahun 2017, Perseroan akan berusaha menjaga nilai tukar rata-rata di level Rp13.500 per USD.

Another factor that will contribute to the economic conditions is the foreign exchange rate. Based on internal assumption, Rupiah/USD exchange rate in 2017 will average between Rp13,000 to Rp13,300. In order to maintain interest rate and fluctuation of exchange rate which affect book value, the Company does cross currency swap. For foreign exchange hedging in 2017, the Company will keep average exchange rate at Rp13,500 per US$.

Untuk dapat tetap bertahan pada persaingan harga yang cukup ketat, Perseroan fokus untuk menciptakan nilai tambah dari Garuda Indonesia Group melalui upaya sinergi dengan Citilink melalui integrasi antara Supergreen & GarudaMiles.

In order to survive the intense price competition, the Company will build synergy with Citilink through integration of Supergreen & GarudaMiles. With this strategy, the Company could create higher added-values for Garuda Indonesia Group.

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Sebagai katalis di tahun 2017, proyeksi kuota haji meningkat 30% menjadi 221 ribu jamaah.

As a catalyst in 2017, hajj quota is projected to increase by 30% to 221 thousand congregations.

Selain itu, untuk mencegah kanibalisasi antara brand Garuda Indonesia dan Citilink, Perseroan akan melakukan sinergi melalui pemetaan rute yang baik dari segi jadwal dan destinasi bagi *brand* Garuda Indonesia (FSC) dan Citilink (LCC). Pada tahun 2017 Perseroan juga akan tetap akan memusatkan strateginya pada *revenue management* untuk meningkatkan pendapatan operasional dengan memaksimalkan penerimaan penumpang, kargo, *ancillary revenue*, serta kontribusi laba dari anak perusahaan.

Industri penerbangan nasional saat ini juga masih dibayangi oleh kondisi *force majeure*, seperti dampak asap kebakaran lahan dan erupsi gunung berapi di beberapa wilayah Indonesia, yang berpengaruh pada hilangnya potensi pendapatan maskapai akibat ribuan pembatalan operasional penerbangan.

Adapun rumusan prospek usaha dan strategi yang disusun oleh Perseroan telah mempertimbangkan pengaruh kondisi ekonomi Indonesia di tahun 2017 terhadap industri penerbangan nasional secara umum dan Garuda Indonesia secara khusus. Di samping itu, prospek usaha juga telah mempertimbangkan tren industri penerbangan nasional dengan mempertimbangkan kebijakan dan peraturan yang relevan seperti kebijakan batasan usia pesawat, *refund* tiket, bea masuk dan PPN untuk impor suku cadang pesawat serta perkiraan pertumbuhan industri penerbangan nasional secara umum dan Garuda Indonesia secara khusus, antara lain dari aspek jumlah penumpang. Sedangkan secara khusus, strategi Perseroan untuk tahun 2017 dapat dilihat di bawah ini.

Additionally, to prevent cannibalization between Garuda Indonesia and Citilink, the Company will build synergy by mapping routes in terms of schedules and destinations for both Garuda Indonesia (FSC) and Citilink (LCC) brand. In 2017, the Company will still emphasize on revenue management to leverage operational revenue by maximixing profits from passengers, cargo, ancillary revenue, and profit contribution from subsidiaries.

National airline industry today is also still shadowed by the force majeure conditions, such as the impact of forest fire and volcanic eruptions in several areas of Indonesia, which leads to the loss of potential revenue due to thousand flight cancellations.

The business outlook and strategy formulation developed by the Company has considered the impact of Indonesia economic conditions in 2017 on the national airline industry in general, and Garuda Indonesia in particular. In addition, the business outlook also takes into account of the national airline industry trend by considering the relevant policies and legislations such as the fleet age limit policy, ticket refund, import duty and VAT on imported aircraft spare parts and the expected growth of the national aviation industry in general, and Garuda Indonesia in particular, among others from total passengers. In particular, the Company's strategies for 2017 are as follows.

STRATEGI PERSEROAN TAHUN 2017

Strategi Network Management dan Produksi

1. Membuka penerbangan langsung jarak jauh yang potensial.
2. Membuka ekspansi pada rute Timur Tengah dan Tiongkok.
3. Menambah rute domestik terutama wilayah Indonesia Timur.
4. Meningkatkan pangsa pasar *charter* yang lebih luas.
5. Sinergi jaringan Garuda dan Citilink untuk memperkuat pasar domestik.

Strategi Revenue

1. Meningkatkan kontribusi dari *corporate sales program*.
2. Meningkatkan efektivitas *e-channel distribution*.
3. Meningkatkan *ancillary revenue* dari program GarudaMiles dan *loyalty program*.
4. Optimalisasi *revenue* dari aliansi SkyTeam & kemitraan *codeshare*.
5. Meningkatkan kontribusi *revenue* dari *Strategic Business Unit* (SBU).

Strategi Kargo

1. Pengembangan usaha dari *Port to Port* (PTP) menjadi *Door to Door* (DTD).
2. Sinergi kargo dengan anak perusahaan.
3. Sinergi kargo dengan sesama BUMN.
4. Meningkatkan *cargo operational excellence*.

Strategi Efektivitas Biaya

1. Efektivitas *fleet cost* (*maintenance & leasing*).
2. Efisiensi biaya terkait operasi (bahan bakar & *Air Traffic Control*/ATC).
3. Efisiensi pada *in-flight service*.
4. Efisiensi pada *ground service*.
5. Efisiensi pada Teknologi Informasi.
6. Efisiensi biaya terkait kepegawaian dan bidang umum.

CORPORATE STRATEGY FOR 2017

Network Management and Production Strategy

1. Launch potential long-haul flight routes.
2. Expand flight routes to Middle East and China.
3. Introduce more domestic routes particularly for Eastern Indonesia.
4. Increase charter market share.
5. Synergize network of Garuda Indonesia and Citilink to strengthen domestic market.

Revenue Strategy

1. Improve contribution from corporate sales program.
2. Boost effectiveness of e-channel distribution.
3. Increase ancillary revenue from GarudaMiles program and loyalty program.
4. Optimize revenue from Sky Team alliance & codeshare partnership.
5. Increase revenue contribution from strategic business unit (SBU).

Cargo Strategy

1. Business development from Port to Port (PTP) to Door to Door (DTD).
2. Synergize cargo with susbsidiaries.
3. Synergize cargo with fellow SOEs.
4. Enhance cargo operational excellence.

Cost Efficiency Strategy

1. Fleet cost effectiveness (maintenance & leasing).
2. Operation-related cost efficiency (fuel & Air Traffic Control/ ATC).
3. Efficiency in in-flight service.
4. Efficiency in ground service.
5. Efficiency in Information Technology.
6. Employment and general affair-related cost efficiency.

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TATA KELOLA **PERUSAHAAN**

Good Corporate Governance

LANDASAN PENERAPAN **TATA KELOLA PERUSAHAAN**

Foundation of Corporate Governance Implementation

Penerapan prinsip-prinsip Tata Kelola Perusahaan yang Baik atau Good Corporate Governance (GCG) di dalam setiap kegiatan usaha sangat dibutuhkan untuk dapat mewujudkan perusahaan yang dipercaya pemangku kepentingan, berkinerja unggul, serta tumbuh secara berkelanjutan. Dengan berpegang pada komitmen tersebut, Perseroan senantiasa mengikuti perkembangan praktik tata kelola terbaik yang berlaku di ranah nasional, regional, maupun internasional yang relevan dan sesuai denggan kebutuhannya. Ini adalah bagian dari komitmen Perseroan untuk mendorong terwujudnya perusahaan yang kokoh dan independen.

Landasan Referensi Penerapan GCG

Untuk mewujudkan penerapan GCG yang komprehensif, Perseroan secara konsisten berpedoman pada standar terbaik yang berlaku di dunia usaha internasional dan berbagai peraturan perundang-undangan yang ditetapkan oleh Pemerintah, UU Republik Indonesia, dan Otoritas Jasa Keuangan (OJK) sebagai berikut:

1. Peraturan Menteri Badan Usaha Milik Negara No. PER-01/MBU/2011 tanggal 1 Agustus 2011 tentang Penetapan

The implementation of Good Corporate Governance (GCG) principles in every business activity is required to realize an excellent company that is trusted by the stakeholders and to grow sustainably. By adhering to this commitment, the Company always follows the development of best governance practices in the national, regional, and international scale which relevant and appropriate to its needs. It has been a part of the Company's commitment to promote the establishment of robust and independent company.

Reference of GCG Implementation

In order to achieve a comprehensive GCG implementation, the Company consistently adheres to the best standards that are applicable in the international business world and various regulations set by the Government, the Law of the Republic of Indonesia, and the Financial Services Authority (OJK) as follows:

1. Minister of SOEs Regulation No. PER-01/MBU/2011 dated August 1, 2011 on the Implementation of Good Corporate

Tata Kelola Perusahaan yang baik (Good Corporate Governance) pada Badan Usaha Milik Negara (BUMN), sebagaimana telah diubah dengan Peraturan Menteri Badan Usaha Milik Negara No. PER-09/MBU/2012 tanggal 6 Juli 2012;
2. Surat Edaran Otoritas Jasa Keuangan No. 32/SEOJK.04/2015 tentang Pedoman Tata Kelola Perusahaan Terbuka;
3. Undang-Undang RI No. 19 Tahun 2003 tentang Badan Usaha Milik Negara;
4. Undang-Undang RI No. 40 Tahun 2007 tentang Perseroan Terbatas (PT);
5. Pedoman Umum GCG Indonesia oleh Komite Nasional Kebijakan Governance (KNKG) Tahun 2006;
6. Principles of Corporate Governance oleh Organization for Economic Co-operation and Development (OECD);
7. ASEAN Corporate Governance Scorecard Tahun 2012; dan
8. Peta Arah Tata Kelola Perusahaan Indonesia (Roadmap Good Corporate Governance) yang diluncurkan Otoritas Jasa Keuangan pada tahun 2014.

Governance in State Owned Enterprises, as amended by Minister of SOE Regulation No. PER-09/MBU/2012 dated July 6, 2012;
2. Circular Letter of Financial Services Authority No. 32/SEOJK.04/2015 on Public Companies' Corporate Governance Guidelines;
3. Law of the Republic of Indonesia No. 19 of 2003 on State Owned Enterprises;
4. Law of the Republic of Indonesia No 40 of 2007 on Limited Liability Company;
5. Guidelines on Indonesia's Good Corporate Governance issued by the National Committee on Governance (KNKG) in 2006;
6. Principles of Corporate Governance issued by Organization for Economic Co-operation and Development (OECD);
7. ASEAN Corporate Governance Scorecard Year 2012; and
8. Good Corporate Governance Roadmap issued by the Financial Services Authority in 2014.

Tujuan GCG

Merujuk pada Pedoman Umum Corporate Governance Indonesia yang dikeluarkan oleh Komite Nasional Kebijakan Governance (KNKG) pada tahun 2006 dan peraturan perundang-undangan untuk BUMN dan Perusahaan Terbuka, Perseroan menetapkan tujuan utama penerapan GCG adalah sebagai berikut:

1. Mengoptimalkan nilai Perseroan agar Perseroan memiliki daya saing yang kuat, baik secara nasional maupun internasional, sehingga mampu mempertahankan keberadaannya dan hidup berkelanjutan untuk mencapai maksud dan tujuan Perseroan;
2. Mendorong pengelolaan Perseroan secara profesional, efisien, dan efektif serta memberdayakan fungsi dan meningkatkan kemandirian organ Perseroan;
3. Mendorong agar organ Perseroan dalam membuat keputusan dan menjalankan tindakan dilandasi nilai moral yang tinggi dan kepatuhan terhadap peraturan perundang-undangan, serta kesadaran akan adanya tanggung jawab sosial Perseroan terhadap pemangku kepentingan maupun kelestarian lingkungan di sekitar BUMN;
4. Meningkatkan kontribusi Perseroan dalam perekonomian nasional; dan
5. Meningkatkan iklim yang kondusif bagi perkembangan investasi nasional.

GCG Objectives

Referring to the Guidelines on Indonesia's Good Corporate Governance issued by the National Committee on Governance (KNKG) in 2006 and the Laws on State Owned Enterprises and Limited Liability Company, the Company has established the main objectives of GCG implementation to be as follows:

1. To 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;
2. To promote a professional, efficient and effective management, while also empowering the function and enhance the independence of the Company's organ;
3. To 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 in SOE;
4. To promote the Company's contributions to national economy; and
5. To promote conducive climate for national investment.

LANDASAN PENERAPAN TATA KELOLA PERUSAHAAN
Foundation of Corporate Governance Implementation

Selain peraturan perundang-undangan, pelaksanaan GCG Perseroan juga mempertimbangkan aspek-aspek pokok praktik GCG yang mencakup 3 (tiga) hal, yaitu 3P (profit, planet, and people) atau Triple Bottom Line. Ketiga aspek ini berkembang secara selaras dan berkesinambungan sesuai dengan pertumbuhan bisnis Perseroan.

1. Aspek profit
   Meningkatkan pendapatan dan efisiensi biaya dalam rangka memberikan manfaat ekonomis bagi para pemangku kepentingan.
2. Aspek planet
   Melakukan kegiatan-kegiatan yang dapat mendukung kelestarian alam melalui program-program tanggung jawab sosial perusahaan sebagai wujud kepatuhan tata kelola lingkungan.
3. Aspek people
   Meningkatkan kualitas sumber daya manusia dari waktu ke waktu untuk mencapai pertumbuhan kinerja yang berkelanjutan dan memberikan hasil yang terbaik bagi seluruh pemangku kepentingan.

On top of the laws, the Company's GCG implementation also considers the main aspects of GCG practice which comprises of 3 (three) matters, namely 3P (profit, planet, and people) or Triple Bottom Line. These three aspects develop continuously and harmoniously according to the Company's business growth.

1. Profit aspect
   Increase the income and cost efficiency in order to provide economic benefit to all of its stakeholders.

2. Planet aspect
   Conduct activities to support the preservation of nature through corporate social responsibility programs as a form of compliance to the environment governance.

3. People aspect
   Improve the quality of human resources from time to time to achieve sustainable performance growth and to provide the best result to all stakeholders.

PRINSIP-PRINSIP GCG

Dalam implementasi praktik GCG, Perseroan mengutamakan penciptaan nilai tambah dan perbaikan yang konsisten dengan memastikan penerapan kelima prinsip utama GCG secara benar dan sesuai dengan Peta Arah Tata Kelola Perusahaan yang ditetapkan OJK serta praktik global terbaik berikut ini:

GCG PRINCIPLES

In the implementation of GCG practices, the Company prioritizes the creation of added value and consistent improvement to ensure the implementation of five main principles of GCG properly and in accordance with the Corporate Governance Map Roadmap set by the Financial Services Authority and the best global practices as follows:

Prinsip GCG GCG Principle	Keterangan Description	Implementasi Application
Transparansi Transparency	Menjaga objektivitas dalam menjalankan bisnis, perusahaan harus menyediakan informasi yang material dan relevan dengan cara yang mudah diakses dan dipahami oleh pemangku kepentingan. Mengambil inisiatif untuk mengungkapkan tidak hanya masalah yang disyaratkan oleh peraturan perundang-undangan, tetapi juga hal yang penting untuk pengambilan keputusan oleh pemegang saham, kreditur dan pemangku kepentingan lainnya.	1. Penyediaan informasi secara tepat waktu, memadai, jelas, akurat dan dapat diperbandingkan serta mudah diakses oleh pemangku kepentingan sesuai dengan haknya. 2. Pengungkapan informasi yang meliputi, tetapi tidak terbatas pada, visi, misi, sasaran usaha dan strategi perusahaan, kondisi keuangan, susunan dan kompensasi pengurus, pemegang saham pengendali, kepemilikan saham oleh anggota Direksi dan anggota Dewan Komisaris beserta anggota keluarganya dalam perusahaan dan perusahaan lainnya, sistem manajemen risiko, sistem pengawasan dan pengendalian internal, sistem dan pelaksanaan GCG serta tingkat kepatuhannya, dan kejadian penting yang dapat mempengaruhi kondisi perusahaan. 3. Pemenuhan ketentuan kerahasiaan perusahaan sesuai dengan peraturan perundang-undangan, rahasia jabatan, dan hak-hak pribadi. 4. Kebijakan perusahaan tertulis yang secara proporsional dikomunikasikan kepada pemangku kepentingan.

Prinsip GCG GCG Principle	Keterangan Description	Implementasi Application
	To preserve and maintain the objectivity in practicing business, the Company shall provide material and relevant information that are easily accessible and understandable by stakeholders. To take the initiative to disclose not only the issues mandated by laws and regulations, but also other information deemed necessary by shareholders, creditors and other stakeholders to form a decision	1. Disclosure of information in timely, appropriate, clear, accurate and comparable manner in which they are accessible to stakeholders in accordance with their rights. 2. Disclosure of information which include but not limited to the Company's vision, mission, business targets and strategy, financial condition, composition and compensation of the management, controlling shareholders, shares owned by members of the Board of Directors and the Board of Commissioners and its family members in a company and other companies, risk management system, oversight and internal control system, GCG structure and mechanism and its level of compliance, and important events that may affect the condition of the Company. 3. Fulfillment of provisions on confidentiality in accordance with laws and regulations, professional confidentiality, and personal rights. 4. Formal written policies which are proportionally communicated to stakeholders.
Akuntabilitas Accountability	Mempertanggungjawabkan kinerjanya secara transparan dan wajar. Mengelola bisnis secara benar, terukur dan sesuai dengan kepentingan perusahaan dengan tetap memperhitungkan kepentingan pemegang saham dan pemangku kepentingan lain. To account for its performance transparently and fairly. To manage business in a proper and measurable manner, in such that it is aligned with the interest of the Company by also considering the interest of shareholders and other stakeholders. Accountability is a prerequisite to achieve sustainable performance.	1. Rincian tugas dan tanggung jawab masing-masing organ perusahaan dan semua karyawan yang jelas dan selaras dengan visi, misi, nilai-nilai perusahaan *(corporate values)*, dan strategi perusahaan. 2. Kepastian bahwa setiap organ Perusahaan dan semua karyawan memiliki kualifikasi sesuai tugas, tanggung jawab dan perannya dalam implementasi GCG. 3. Kepastian berjalannya sistem pengendalian internal yang efektif dalam pengelolaan perusahaan. 4. Penetapan ukuran kinerja untuk semua jajaran perusahaan yang konsisten dengan sasaran usaha perusahaan, serta memiliki sistem penghargaan dan sanksi *(reward and punishment system)*. 5. Kepastian bahwa setiap organ perusahaan dan semua karyawan harus berpegang pada etika bisnis dan pedoman perilaku *(code of conduct)* yang telah disepakati melaksanakan tugas dan tanggung jawabnya. 1. Clear definition of the job description and responsibilities of each organ and all employees that are in line with the Company's vision, mission, values, and strategy. 2. Assurance that all of the Company's organs and all employees shall have the qualifications that fit its duty, responsibility, and role in GCG implementation. 3. Assurance of the existence of an effective internal control system within the Company. 4. Establishment of performance indicators for all members of the Board of Directors and the Board of Commissioners as well as the employees that are consistent with the company's objectives, and have a reward and punishment system. 5. Assurance that each organ of the Company and all employees shall uphold to the business ethics and an agreed upon code of conduct in executing its duty and responsibility.

LANDASAN PENERAPAN TATA KELOLA PERUSAHAAN
Foundation of Corporate Governance Implementation

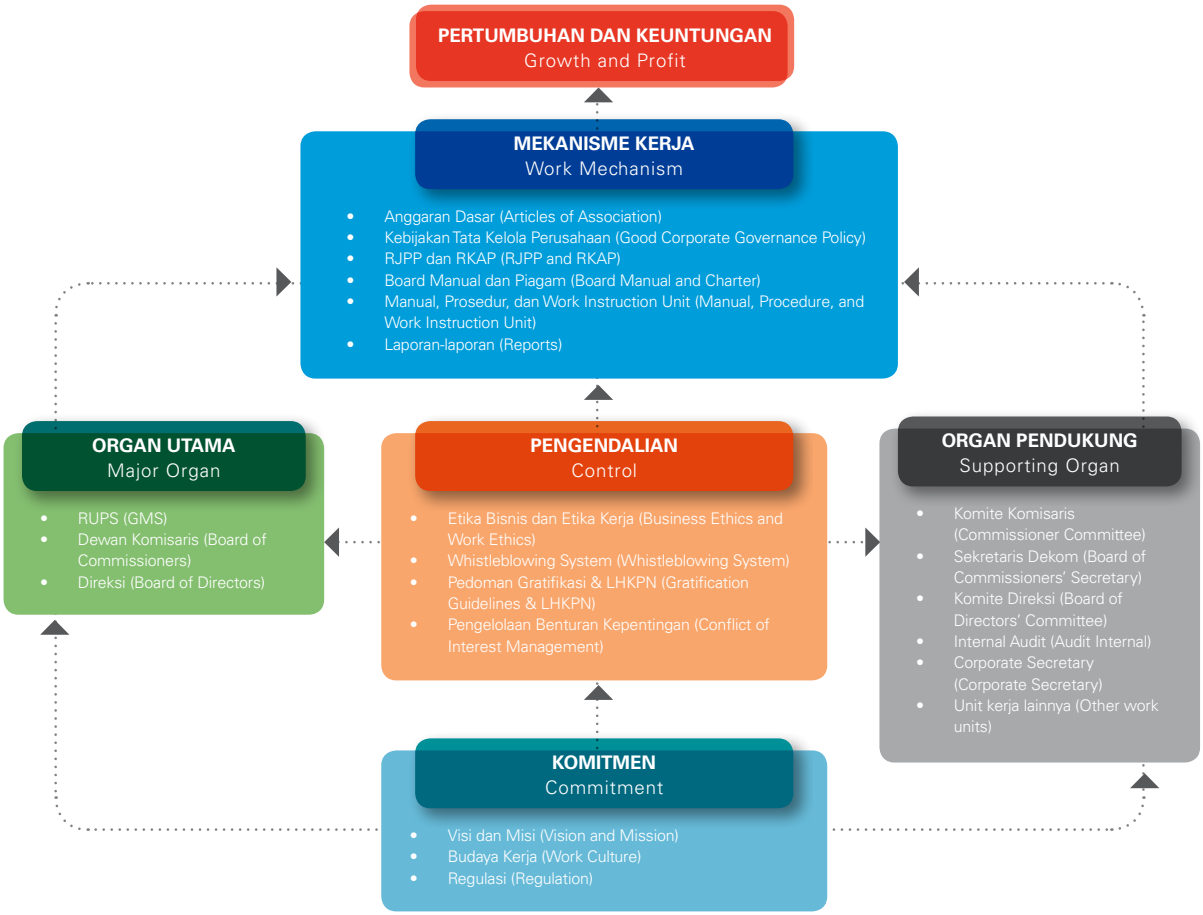
Prinsip GCG GCG Principle	Keterangan Description	Implementasi Application
Tanggung Jawab Responsibility	Mematuhi peraturan perundang-undangan serta melaksanakan tanggung jawab terhadap masyarakat dan lingkungan sehingga dapat terpelihara kesinambungan usaha dalam jangka panjang dan mendapat pengakuan sebagai *good corporate citizen*. To abide by laws and regulations and fulfill its responsibility to the communities and environment for the purpose of maintaining long term sustainability of the business and to be recognized as a good corporate citizen.	1. Kepastian bahwa seluruh organ Perseroan berpegang pada prinsip kehati-hatian dan peraturan perundang-undangan, anggaran dasar dan peraturan perusahaan *(by-laws)*. 2. Pelaksanaan tanggung jawab sosial dengan antara lain peduli terhadap masyarakat dan kelestarian lingkungan terutama di sekitar perusahaan dengan membuat perencanaan dan pelaksanaan yang memadai 1. Assurance that all the Company's organs apply prudent principles and comply with laws and regulations, its articles of association, and by-laws. 2. Fulfillment of social responsibility by having, inter alia, an awareness of the environmental and societal interests of the communities in which the Company operates through an appropriate planning and implementation to address the issues.
Independensi Independence	Mendorong penerapan prinsip GCG yang berkelanjutan dengan melalui kegiatan operasional yang independen dengan kuasa yang seimbang sehingga masing-masing organ perusahaan tidak saling mendominasi dan tidak dapat diintervensi oleh pihak lain. To accelerate the implementation of the GCG principles by operating independently with an appropriate balance of power, in such a manner that no single organ shall dominate the other and that no intervention from other party shall exist.	1. Kepastian bahwa masing-masing organ perusahaan harus menghindari terjadinya dominasi oleh pihak manapun, tidak terpengaruh oleh kepentingan tertentu, bebas dari benturan kepentingan (*confict of interest*) dan dari segala pengaruh atau tekanan, sehingga pengambilan keputusan dapat dilakukan secara objektif. 2. Kepastian bahwa masing-masing organ perusahaan harus melaksanakan fungsi dan tugasnya sesuai dengan anggaran dasar dan peraturan perundang-undangan, tidak saling mendominasi dan atau melempar tanggung jawab antara satu dengan yang lain. 1. Assurance that each of the Company's organ shall avoid the occurrence of domination by any party, shall not be influenced by any certain interest, avoid conflict of interests and any influence or pressure, so that the decision making can be carried out objectively. 2. Assurance that each of the Company's organ shall exercise its function and duties in accordance with the Articles of Association and rules and regulations, not dominating each other and or shifting the responsibility from one to the other.
Kewajaran dan Kesetaraan Fairness	Senantiasa memperhatikan kepentingan pemegang saham dan pemangku kepentingan lainnya berdasarkan asas kewajaran dan kesetaraan dalam menjalankan bisnis. Always consider the interests of shareholders and other stakeholders based on a fairness principle in conducting business activities.	1. Kesempatan kepada pemangku kepentingan untuk memberikan masukan dan menyampaikan pendapat bagi kepentingan perusahaan serta membuka akses terhadap informasi sesuai dengan prinsip transparansi dalam lingkup kedudukan masing-masing. 2. Perlakuan yang setara dan wajar kepada pemangku kepentingan sesuai dengan manfaat dan kontribusi yang diberikan kepada perusahaan. 3. Kesempatan yang sama dalam penerimaan karyawan, berkarir dan melaksanakan tugasnya secara profesional tanpa membedakan suku, agama, ras, golongan, gender, dan kondisi fisik. 1. Opportunities for stakeholders to give input and opinions in the interest of the Company, and establish access to the Company's information in accordance with the transparency principle and within the scope of their respective capacities. 2. A fair and equitable treatment to stakeholders in accordance with benefit and contribution given to the Company. 3. Equal opportunity in recruitment of employees, in career development and for employees to carry out their duty professionally.

PENERAPAN TATA KELOLA PERUSAHAAN

Corporate Governance Implementation

Sebagai landasan dalam mengimplementasikan GCG, Perseroan telah menetapkan dan mengesahkan Kebijakan Tata Kelola Perusahaan yang merupakan pedoman kebijakan pelaksanaan Tata Kelola Perusahaan; Board Manual yang merupakan pedoman dalam bagi Direksi dan Dewan Komisaris dalam melaksanakan tugas dan tanggung jawabnya; Etika Bisnis & Etika Kerja yang merupakan pedoman perilaku kerja bagi Insan Garuda Indonesia dan pedoman bagi Insan Garuda Indonesia dalam melaksanakan kegiatan usaha Perseroan dengan pihak pemangku kepentingan. Perseroan juga telah menetapkan dan memperbaharui secara terus-menerus prosedur-prosedur operasional dan manual-manual teknis pada seluruh lini organisasi sehingga setiap fungsi organisasi dalam melaksanakan tugasnya berpedoman dan tunduk kepada aturan dan kebijakan yang telah ditetapkan tersebut.

As the foundation in implementing GCG, the Company has determided and ratified Good Corporate Governance Policy, policy guidelines in implementing Good Corporate Governance; Board Manual, guidelines for Board of Commissioner and Board of Director in conducting duties and responsibilities; Business Ethics & Work Ethics, guidelines for every Garuda Indonesia's individual on business ethics and in implementing the Company's business activities with Stakeholders. The Company has also determined and continually improving operational procedures and technical manuals on every lines of organization so each function is being guided and complied to regulations and policies which have been determined in carrying out its duties.



PENERAPAN TATA KELOLA PERUSAHAAN
Corporate Governance Implementation

KEBIJAKAN DAN KOMITMEN GCG

Sebagaimana dituangkan dalam Kebijakan Tata Kelola Perusahaan, kebijakan penerapan GCG di Perseroan dirumuskan dan diterapkan berpusat pada penciptaan nilai tambah dan keseimbangan manfaat bagi seluruh kepentingan.

Perseroan juga secara konsisten menggunakan penilai independen untuk mengetahui penerapan praktik terbaik GCG yang berlaku dan senantiasa menindaklanjuti rekomendasi penerapan GCG dari penilai independen. Pengkajian dan pengkinian atas kebijakan GCG yang berlaku dilakukan secara berkala dengan mempertimbangkan kesesuaian dan relevansinya dengan kondisi terkini dan peraturan perundang-undangan yang berlaku. Perseroan juga mempublikasikan dan mensosialisasikan kebijakan pada saluran komunikasi internal untuk memperkuat budaya kepatuhan dan pemberlakuan nilai-nilai dan norma etika di seluruh unit bisnis dan kegiatan operasionalnya.

TAHAPAN GCG

Perseroan menyadari pentingnya penerapan GCG secara terarah dan terencana. Oleh karena itu, implementasi GCG Perseroan juga berlandaskan pada *roadmap* GCG yang telah disusun dan disepakati oleh seluruh manajemen perusahaan untuk mencapai GCG *Excellence*. Adapun *roadmap* GCG Perseroan disusun sejak tahun 2005 sampai dengan tahun 2016 dengan pembagian tahapan yang terdiri dari "Good Governed Garuda", "Good Corporate Citizen", serta "Sustainability dan Garuda Group Governance".

Dua tahapan telah diselesaikan dengan berbagai pencapaian positif Perseroan sampai dengan tahun 2013. Tahapan penerapan *Good Corporate Governance* selanjutnya adalah tahap "Sustainability dan Garuda Group Governance", yang merupakan bagian dari *roadmap Good Corporate Governance* Garuda Indonesia dalam rentang waktu antara tahun 2014 hingga 2016.

Pada tahapan ini, Perseroan senantiasa berupaya untuk mempertahankan pencapaian GCG dan meningkatkan penerapannya dalam setiap kegiatan usaha. Selain itu, fokus pada tahapan ini adalah untuk menerapkan dan membentuk perangkat GCG pada Entitas Anak Perseroan sejalan dengan komitmen Garuda Indonesia Group untuk menjunjung tinggi integritas dan menegakkan budaya bersih dari praktik-praktik anti Korupsi, Kolusi, dan Nepotisme.

POLICY AND COMMITMENT OF GCG

As set forth in the Corporate Governance Policy, the Company's GCG implementation policy is formulated and implemented by emphasizing on added value creation and the balanced benefits for all parties.

The Company also consistently uses an independent appraiser to determine the application of the best practices of corporate governance that are applicable and to always follow the recommendations of the independent appraisal on the implementation of GCG. The assessment and update of the corporate governance policies are being conducted periodically to consider the suitability and relevancy to current conditions and applicable rules and legislations. The Company also publishes and disseminates policies on internal communication channel to strengthen compliance culture and to enforce of the values and ethical norms in all of its business units and operational activities.

GCG STAGES

The Company realizes the importance of directed and planned implementation of the GCG. Therefore, the implementation of the Company's GCG is also based on the GCG roadmap that has been developed and agreed by all of the company's management in order to achieve GCG Excellence. The Company's GCG roadmap has been compiled since 2005 to 2016 with the division of the stages consisting of "Good Governed Garuda", "Good Corporate Ctizen" as well as "Sustainability and Garuda Group Governance".

Two phases have been completed with various Garuda Indonesia's positive achievements up to 2013. The next phase of the Good Corporate Governance implementation is the "Sustainability and Garuda Group Governance" stage, which is part of the Garuda Indonesia's Good Corporate Governance roadmap from 2014 to 2016.

At this phase, the Company continuously strives to maintain the achievement of Good Corporate Governance and to improve the implementation of Good Corporate Goernance in each of its business activity and business. Additionally, the focus at this stage is to apply and to establish Good Corporate Governance apparatus in the Company's subsidiaries in line with Garuda Indonesia's Group commitment to uphold the integrity and to enforce a culture that is free from corruption, collusion, and nepotism practices.

Diharapkan dalam pelaksanaannya, tahapan ini mampu membawa Perseroan beserta Entitas Anak secara group senantiasa menerapkan dan menjadi panutan bagi terselenggaranya prinsip-prinsip *Good Corporate Governance* dalam setiap kegiatan usaha.

Through the implementation, it is expected that this phase would bring the Company and its subsidiaries as a group to always apply and become a role model on the implementation of Good Corporate Governance principles in each of its business activity and business.

Tahun Year	Tahapan GCG GCG Phase	Implementasi GCG GCG Implementation
2005-2008	Good Garuda Governance	• Komitmen Bersama Direksi, Dewan Komisaris, dan Pegawai terhadap GCG • Struktur dan Mekanisme Organ Utama Perseroan • Mutual Commitment of the Board of Directors, Board of Commissioners, and employees to GCG • Structure and the Company's Major Organ Mechanism
2009-2010	Good Governed Garuda	*Legal Due Diligence* IPO
2011-2013	Good Garuda Citizen	• Etika Bisnis & Etika Kerja • Anggaran Dasar • *Board Manual* • Sistem Pelaporan Pelanggaran • Program Anti Gratifikasi • Pengelolaan Sistem Pelaporan Pelanggaran • Sistem *Online* Laporan Gratifikasi • Laporan Harta Kekayaan Penyelenggara Negara (LHKPN) • Enterprise Risk Management (ERM) • Business Ethics & Work Ethics • Articles of Association • Board Manual • Whistleblowing System • Anti Gratification Program • Whistleblowing System Management • Gratification Report Online System • Wealth Report of the State Officials (LHKPN) • Enterprise Risk Management (ERM)
2014-2016	Garuda Group Governance	• Penyempurnaan Kebijakan dan Manual • *Board of Directors Policy Manual* • Penerapan GCG pada Garuda Indonesia Group • GCG *Holding Organization* • *Adoption* GCG *Roadmap* OJK • Penyempurnaan GCG di *web* GA • Governance Risk Compliance (GRC) • Improvement of Policies and Manual • Board of Directors Policy Manual • GCG Implementation within Garuda Indonesia Group • GCG Holding Organization • Adoption of OJK's GCG Roadmap • GCG Improvement on GA's web • Governance Risk Compliance (GRC)

PENERAPAN TATA KELOLA PERUSAHAAN
Corporate Governance Implementation

- **Good Garuda Governance**
  Pada tahap ini, Perseroan berkomitmen untuk mengimplementasikan aspek kepatuhan terhadap peraturan dan perundang-undangan yang berlaku. Sikap kepatuhan diyakini menjadi salah satu akar penerapan praktik GCG yang baik. Tahapan ini telah sesuai dengan *roadmap* GCG yang diterbitkan oleh Komite Nasional Kebijakan Governance (KNKG) yaitu *Corporate Governance Commitment*.

- **Good Governed Garuda**
  Merujuk pada kesesuaian dengan *roadmap* GCG KNKG yaitu *Good Governed Company*, pada tahap ini Perseroan melakukan proses internalisasi tata nilai dan budaya kerja yang dikenal sebagai "SINCERITY". Setelah beranjak dari aspek kepatuhan, Perseroan berupaya untuk menyeragamkan tujuan dan persepsi setiap individu, sehingga setiap individu mampu bersikap dan bertingkah laku yang mencerminkan karakter Insan Garuda Indonesia.

- **Good Garuda Citizen**
  Pada tahap ini, Perseroan mewujudkan praktik bisnis yang bersih, beretika, dan bermartabat di semua lapisan organisasi dengan menerbitkan buku Pedoman Etika Bisnis dan Etika Kerja beserta Panduan *Whistleblowing System* (WBS). Sesuai dengan *roadmap* GCG KNKG yaitu *Good Corporate Citizen*, tahap ini bertujuan untuk membangun budaya GCG melalui pendekatan pada 3 (tiga) aspek penting yaitu "*Leadership, Systems dan Members*"

- **Garuda Group Governance**
  Pada tahap ini, Perseroan berupaya untuk mendorong pelaksanaan GCG pada Entitas Anak menuju sebuah perusahaan yang kokoh dan independen. Tahapan ini difokuskan untuk membentuk dan mengimplementasikan perangkat serta program-program terkait dengan pelaksanaan GCG pada Entitas Anak agar sejalan dengan pelaksanaan GCG pada Entitas Perseroan. Di antaranya adalah pelaksanaan GCG *Assessment,* pelaksanaan program WBS, dan pelaporan Harta Kekayaan.

- **Good Garuda Governance**
  In this phase, the Company is committed in implementing the aspect of compliance with the applicable laws and regulations. Compliance is believed to be one of the foundations of the implementation of GCG practice. This phase is in line with GCG roadmap issued by the National Committee on Corporate Governance (KNKG), namely Corporate Governance Committee.

- **Good Governed Garuda**
  Based on the conformity with KNKG's GCG roadmap, namely Good Governed Company, the Company internalizes corporate values and working culture known as "SINCERITY" in this stage. After this stage, the Company seeks to align the objective and perception of each individual, thus each individual is expected to take action that reflects the character of the Company.

- **Good Garuda Citizen**
  In this stage, the Company implements clean, ethical, and dignified business practice in all layers of the organization by publishing guidelines on Business Ethics and Working Ethics, as well as the guideline on Whistleblowing System (WBS). According to KNKG's GCG roadmap, namely Good Corporate Citizen, this stage aims to build GCG culture through an approach that on 3 (three) important aspects namely "Leadership, Systems, and Members".

- **Garuda Group Governance**
  In this stage, the Company seeks to encourage the Implementation of GCG on its subsidiaries that will bring the Company to be a strong and independent. This stage is focused on shaping and implementing tools and programs in relation to GCG implementation of its subsidiaries to be in line with the Company's GCG implementation. Among others are GCG Asessment, WBS program execution, and Wealth Reporting.

IMPLEMENTASI **REKOMENDASI OJK**

Implementation of Financial Services Authority's Recommendation

No.	Rekomendasi Recommendation	Realisasi Realization		Penjelasan Description
		Sudah Realized	Belum Unrealized	
1.1	Perusahaan Terbuka memiliki cara atau prosedur teknis pengumpulan suara (*voting*) baik secara terbuka maupun tertutup yang mengedepankan independensi, dan kepentingan pemegang saham. The Public Company has a way or technical procedure of voting in public or in private, which will put forward the independence and interest of the shareholders.	√		Anggaran Dasar Perseroan mengatur bahwa pemungutan suara dilakukan secara lisan, kecuali apabila Ketua Rapat menentukan lain. Adapun mekanisme pemungutan suara secara lisan dilakukan dengan "mengangkat tangan". Prosedur pemungutan suara ini diatur dan disampaikan dalam Tata Tertib RUPS kepada seluruh pemegang saham sebelum RUPS dilaksanakan. The Company's Articles of Association stipulates that the voting is done verbally, except if the Chairman of the Meeting decides otherwise. The voting mechanism is done by "rising hand". This voting procedure is governed and delivered in the Rules of GMS to all shareholders prior to the GMS implementation.
1.2	Seluruh anggota Direksi dan anggota Dewan Komisaris Perusahaan Terbuka hadir dalam RUPS Tahunan. All members of the Board of Directors and Board of Commissioners of the public Company are present in the Annual GMS.	√		Seluruh anggota Direksi dan anggota Dewan Komisaris hadir dalam RUPS Tahunan Tahun Buku 2015 yang diselenggarakan pada tanggal 15 April 2016. All members of the Board of Directors and Board of Commissioners attended the Annual GMS for Fiscal Year 2015 held on April 15, 2016.
1.3	Ringkasan risalah RUPS tersedia dalam situs *web* Perusahaan Terbuka paling sedikit selama 1 (satu) tahun. The summary of meeting minutes of the GMS is available on the Public Company's website for at least 1 (one) year.	√		Hasil/Ringkasan Risalah RUPS tersedia dalam situs *web* Perseroan dalam jangka waktu paling lambat 2 (dua) hari kerja setelah tanggal penyelenggaraan RUPS. Ringkasan Risalah RUPS tersedia dalam Bahasa Indonesia dan Bahasa Inggris. Saat ini, informasi Ringkasan Risalah RUPS yang tersedia dalam *web* Perseroan adalah RUPS tahun 2011 sampai dengan RUPS tahun 2016. Results/Minutes of the GMS are available on the website of the Company within a period of at least 2 (two) working days after the date of the GMS. Minutes of the GMS is available in Indonesian and English. Currently, the information of GMS Minutes provided in the Company's web is the GMS 2011 until the GMS 2016.
2.1	Perusahaan Terbuka memiliki suatu kebijakan komunikasi dengan pemegang saham atau investor.			Perseroan menyediakan laporan berkala, keterbukaan informasi, kondisi atau prospek bisnis dan kinerja, serta pelaksanaan tata kelola perusahaan melalui *web* Perseroan dan *web* Bursa Efek Indonesia. Perseroan menyediakan sarana komunikasi melalui: Telepon: 021-25601201 E-mail: investor@garuda-indonesia.com

IMPLEMENTASI **REKOMENDASI OJK**
Corporate Governance Implementation

No.	Rekomendasi Recommendation	Realisasi Realization		Penjelasan Description
		Sudah Realized	Belum Unrealized	
	The Public Company has a communication policy with shareholders or investors.			The Company provides periodic reports, information disclosure, condition or business prospects and performance, as well as the implementation of corporate governance through the Company's website and website of Indonesia Stock Exchange. The Company provides a means of communications via: Phone: 021-25601201 E-mail: investor@garuda-indonesia.com
2.2.	Perusahaan Terbuka mengungkapkan kebijakan komunikasi Perusahaan Terbuka dengan pemegang saham atau investor dalam situs *web*. The Public Company discloses the communication policy that the public company has with shareholders/investors on the website.	√		Perseroan mengungkapkan kebijakan Perseroan melalui *web* Perseroan di www.garuda-indonesia.com dan *web* Bursa Efek Indonesia. The Company discloses the Company's policies via the Company's web at www.garuda-indonesia.com Company and website of Indonesia Stock Exchange.
3.1	Penentuan jumlah anggota Dewan Komisaris mempertimbangkan kondisi Perusahaan Terbuka. The stipulation of number of the Board of Commissioners' members will take into account the condition of the Public Company.	√		Dewan Komisaris beranggotakan sebanyak 6 orang. Jumlah Dewan Komisaris berbanding dengan jumlah Direksi, sebagai bentuk optimalisasi pengawasan berkenaan dengan kapasitas dan ukuran Perseroan. Namun demikian, jumlah anggota Dewan Komisaris tetap tidak melebihi jumlah anggota Direksi. The Board of Commissioners consists of as many as 6 people. Number of Board of Commissioners is proportional to the number of the Board of Directors, as a form of supervision optimization with regard to the capacity and size of the Company. However, the number of members of the Board of Commissioners still do not exceed the number of members of the Board of Directors.
3.2	Penentuan komposisi anggota Dewan Komisaris memperhatikan keberagaman keahlian, pengetahuan, dan pengalaman yang dibutuhkan. The composition stipulation of the Board of Commissioners pays attention to the diversity of required skills, knowledge, and experiences.	√		Komposisi Dewan Komisaris telah memperhatikan kebutuhan Perseroan, di mana masing-masing anggota Dewan Komisaris memiliki latar belakang pendidikan sesuai kebutuhan Perseroan antara lain di bidang manajemen transportasi, keuangan, manajemen risiko, bisnis *development*. Composition of the Board of Commissioners has been attentive to the needs of the Company, in which each member of the Board of Commissioners have appropriate educational background in accordance to the Company's needs, among others, in the field of transport management, finance, risk management, business development.
4.1	Dewan Komisaris mempunyai kebijakan penilaian sendiri *(self-assessment)* untuk menilai kinerja Dewan Komisaris. The Board of Commissioners has a self-assessment policy to evaluate the performance of the Board of Commissioners.	√		Penilaian kinerja Dewan Komisaris dilakukan sekali dalam 1 (satu) tahun, dengan menggunakan metode *self-assessment*. The evaluation of the Board of Commissioners' performance is held once every 1 (one) year, using the method of self-assessment.

No.	Rekomendasi Recommendation	Realisasi Realization		Penjelasan Description
		Sudah Realized	Belum Unrealized	
4.2	Kebijakan penilaian sendiri *(self-assessment)* untuk menilai kinerja Dewan Komisaris, diungkapkan melalui Laporan Tahunan Perusahaan Terbuka. The self-assessment policy that evaluates the performance of the Board of Commissioners is disclosed in the Annual Report of the Public Company.	√		Kebijakan penilaian sendiri kinerja Dewan Komisaris telah kami ungkapkan dalam Laporan Tahunan ini. The self-assessment policy of Board of Commissioners' performance has been disclosed in this Annual Report.
4.3	Dewan Komisaris mempunyai kebijakan terkait pengunduran diri anggota Dewan Komisaris apabila terlibat dalam kejahatan keuangan. The Board of Commissioners has a resignation policy if the member of the Board of Commissioners is involved in a financial crime.	√		Perseroan tidak secara khusus mengatur mengenai pengunduran diri anggota Dewan Komisaris, sehubungan dengan kejahatan keuangan. Namun demikian dalam Anggaran Dasar Perseroan telah diatur mengenai ketentuan pengunduran diri Dewan Komisaris. Adapun kaitannya dengan kejahatan keuangan, Anggaran Dasar mengatur lebih ketat di mana apabila berdasarkan kenyataan, anggota Dewan Komisaris terlibat dalam tindakan yang merugikan Perseroan dan/atau negara dan/atau dinyatakan bersalah dengan putusan pengadilan yang mempunyai kekuatan hukum tetap maka yang bersangkutan diberhentikan. The Company does not specifically govern the resignation of members of the Board of Commissioners, in connection with financial crimes. However, the Articles of Association regulates the provision of the resignation of the Board of Commissioners. As for the connection with financial crimes, the Articles of Association has more stringent provision in which if based on fact, members of the Board of Commissioners engaged in acts detrimental to the Company and/or the country and/or convicted by a court decision which has permanent legal force then they weill be dismissed.
4.4	Dewan Komisaris atau Komite yang menjalankan fungsi Nominasi dan Remunerasi menyusun kebijakan suksesi dalam proses Nominasi anggota Direksi.	√		Dewan Komisaris atau Komite yang menjalankan fungsi Nominasi dan Remunerasi dalam hal ini melalui Komite Audit yang bertugas untuk melakukan penelaahan dan pemantauan mengenai strategi dan kebijakan nominasi Perseroan, memberikan rekomendasi kepada Dewan Komisaris perihal calon anggota Direksi dan Komisaris anak perusahaan dan memastikan bahwa proses seleksi dan nominasinya telah sesuai dengan peraturan dan mekanisme yang berlaku.

IMPLEMENTASI **REKOMENDASI OJK**
Corporate Governance Implementation

No.	Rekomendasi Recommendation	Realisasi Realization		Penjelasan Description
		Sudah Realized	Belum Unrealized	
	The Board of Commissioners or Committee that executes the Nomination and Remuneration function prepares the succession policy in the process of nominating a member of the Board of Directors.			The Board of Commissioners or Committee that carries out the function of the Nomination and Remuneration Committee, in this regard through the Audit Committee which is tasked to conduct a review and monitor the nomination strategy and policy of the Company, provide recommendations to the Board of Commissioners concerning candidates for the Board of Directors and Board of Commissioners of subsidiaries and ensure that the process of selection and nomination comply with applicable regulation and mechanism.
5.1	Penentuan jumlah anggota Direksi mempertimbangkan kondisi Perusahaan Terbuka serta efektivitas dalam pengambilan keputusan. The stipulation of number of Board of Directors' members will take into account the condition of the Public Company as well as the effectivity in decision-making.	√		Jumlah anggota Direksi sebanyak 8 orang, jumlah tersebut dengan mempertimbangkan karakteristik dan kapasitas serta ukuran Perseroan. The number of Board of Directors' members consist of 8 people, this amount has considered the characteristics and capacity as well as the size of the Company.
5.2	Penentuan komposisi anggota Direksi memperhatikan, keberagaman keahlian, pengetahuan, dan pengalaman yang dibutuhkan. The composition stipulation of the Board of Directors pays attention to the diversity of required skills, knowledge, and experiences.	√		Latar belakang pendidikan Direksi telah sesuai dengan kebutuhan Perseroan antara lain, manajemen kargo, niaga, layanan, operasi, teknik & teknologi informasi, SDM dan keuangan, serta manajemen risiko. The educational background of the Board of Directors is in accordance to the needs of the Company, among others, cargo management, commercial, services, operations, maintenance and information technology, human resources and finance, as well as risk management.
5.3	Anggota Direksi yang membawahi bidang akuntansi atau keuangan memiliki keahlian dan/atau pengetahuan di bidang akuntansi. The member of Board of Directors who oversees accounting or finance has the skills and/or knowledge in accounting.	√		Direktur yang membidangi keuangan berlatar belakang Manajemen Keuangan dan Perbankan. The Director in charge of financial has background in Financial Management and Banking.
6.1	Direksi mempunyai kebijakan penilaian sendiri *(self-assessment)* untuk menilai kinerja Direksi. The Board of Directors have a self-assessment policy to evaluate the performance of the Board of Directors.	√		Kebijakan penilaian kinerja Direksi dituangkan dalam *Board Manual* Perseroan. Di mana penilaian kinerja Direksi dilakukan secara *self-assessment* dan dievaluasi oleh Dewan Komisaris. The policy of Board of Directors' performance assessment is outlined in the Board Manual of the Company. Where the performance assessment of the Board of Directors is carried out in a self-assessment and evaluation by the Board of Commissioners.
6.2	Kebijakan penilaian sendiri *(self-assessment)* untuk menilai kinerja Direksi diungkapkan melalui laporan tahunan Perusahaan Terbuka. The self-assessment policy that evaluates the performance of the Board of Directors is disclosed in the Annual Report of the Public Company.	√		Kebijakan penilaian sendiri untuk kinerja Direksi telah diungkapkan dalam Laporan Tahunan ini. The self-assessment policy for the performance of the Board of Directors is disclosed in this Annual Report.

No.	Rekomendasi Recommendation	Realisasi Realization		Penjelasan Description
		Sudah Realized	Belum Unrealized	
6.3	Direksi mempunyai kebijakan terkait pengunduran diri anggota Direksi apabila terlibat dalam kejahatan keuangan. The Board of Directors has a resignation policy if a member of Board of Directors is involved in a financial crime.	√		Perseroan tidak secara khusus mengatur mengenai pengunduran diri anggota Direksi sehubungan dengan kejahatan keuangan. Namun demikian dalam Anggaran Dasar Perseroan telah diatur mengenai ketentuan pengunduran diri Direksi. Adapun kaitannya dengan kejahatan keuangan, Anggaran Dasar mengatur lebih ketat di mana apabila berdasarkan kenyataan, anggota Direksi terlibat dalam tindakan yang merugikan Perseroan dan/atau negara dan/atau dinyatakan bersalah dengan putusan pengadilan yang mempunyai kekuatan hukum tetap maka yang bersangkutan diberhentikan. The Company does not specifically govern the resignation of members of the Board of Directors in connection with financial crimes. However, the Company's Articles of Association has set the rules concerning the resignation of Board of Directors. As for the connection with financial crimes, the Articles of Association has more stringent provision in which if based on fact, members of the Board of Directors engaged in acts detrimental to the Company and/or state and/or convicted by a court decision which has permanent legal force then they will be dismissed.
7.1	Perusahaan Terbuka memiliki kebijakan untuk mencegah terjadinya *insider trading*. The Public Company has the policy to prevent insider trading.	√		Perseroan telah memiliki kebijakan terkait *Insider Trading* yang dituangkan dalam Surat Keputusan Direktur Utama Perseroan yang juga dituangkan kembali dalam *Board Manual* Perseroan serta Pedoman Etika Bisnis dan Etika Kerja Perseroan. The Company has established policies related to Insider Trading policy as outlined in the Decree of Company's President Director which is also stated in the Company's Board Manual and Code of Business Ethics and Work Ethics of the Company.
7.2	Perusahaan Terbuka memiliki kebijakan anti korupsi dan *anti-fraud*. The Public Company has an anti-corruption policy and anti-fraud policy.	√		Perseroan telah memiliki kebijakan anti korupsi dan *anti fraud* yang dituangkan dalam Surat Keputusan Direktur Utama Perseroan yang juga dituangkan kembali dalam Pedoman Etika Bisnis dan Etika Kerja Perseroan. Kebijakan yang telah dimiliki Perseroan direalisasikan dalam program pengendalian gratifikasi, pelaporan harta kekayaan, dan *whistleblowing system*. The Company has anti-corruption and anti-fraud policy as outlined in the Decree of the Company's President Director which is also stated in the Code of Business Ethics and Work Ethics of the Company. Policies that have been owned by the Company are realized in the program of gratification control, assets reporting, and whistleblowing system.

IMPLEMENTASI **REKOMENDASI OJK**
Corporate Governance Implementation

No.	Rekomendasi Recommendation	Realisasi Realization		Penjelasan Description
		Sudah Realized	Belum Unrealized	
7.3	Perusahaan Terbuka memiliki kebijakan tentang seleksi dan peningkatan kemampuan pemasok atau *vendor*. The Public Company has a policy on selection and capability improvement of suppliers or vendors.	√		Perseroan telah memiliki kebijakan tentang seleksi dan peningkatan kemampuan pemasok yang dituangkan dalam *Procurement Manual*. The Company has a policy of selection and capability improvement of supplier as outlined in the Procurement Manual.
7.4	Perusahaan Terbuka memiliki kebijakan tentang pemenuhan hak-hak kreditur. The Public Company has a policy on complying creditors' rights.	√		Perseroan telah memiliki kebijakan tentang pemenuhan hak-hak kreditur yang dituangkan dalam Pedoman Etika Bisnis dan Etika Kerja. The Company has policy on the fulfillment of creditors' rights as outlined in the Code of Business Ethics and Work Ethics.
7.5	Perusahaan Terbuka memiliki kebijakan sistem *whistleblowing*. The Public Company has a policy on the whistleblowing system	√		Perseroan telah menetapkan program pelaporan pelanggaran dengan nama Garuda Indonesia *Whistleblowing System* (WBS) melalui alamat *web* www.ga-whistleblower.com. Informasi lebih lanjut terkait dengan kebijakan WBS telah kami tuangkan juga dalam Laporan Tahunan ini. The Company has adopted a violation reporting program under the name of Garuda Indonesia Whistleblowing System (WBS) via www.ga-whistleblower.com. Further information related to the WBS policy is also stated in this Annual Report.
7.6	Perusahaan Terbuka memiliki kebijakan pemberian insentif jangka panjang kepada Direksi dan karyawan. The Public Company has a policy on the provision of long-term incentives to the Board of Directors and employees.	√		Kebijakan pemberian insentif kepada Direksi dan karyawan telah diungkapkan dalam Laporan Tahunan ini, khususnya sub bab Kebijakan dan Prosedur Penetapan Remunerasi Direksi dan sub bab Strategi Remunerasi. The policy of incentives provision to the Board of Directors and employees is disclosed in this Annual Report, particularly in the section Policies and Procedures of Remuneration Determination of Board of Directors and sub section of Remuneration Strategy.
8.1	Perusahaan Terbuka memanfaatkan penggunaan teknologi informasi secara lebih luas selain situs *web* sebagai media keterbukaan informasi.	√		Perseroan menyampaikan keterbukaan informasi (utamanya terkait dengan pelaporan-pelaporan) melalui teknologi informasi berbasis *web*, di antaranya IDXnet, SPE OJK, Bea Cukai, Perdagangan dan BUMN Online. Informasi lain terkait dengan Perseroan di luar yang telah diatur oleh peraturan perundangan juga disampaikan melalui media sosial Perseroan. Secara khusus, Perseroan memanfaatkan *E-mail blast* melalui investor@garuda-indonesia.com untuk menyampaikan informasi indikator umum kinerja perusahaan secara periodik kepada para pemangku kepentingan termasuk komunitas pasar modal.

No.	Rekomendasi Recommendation	Realisasi Realization		Penjelasan Description
		Sudah Realized	Belum Unrealized	
	The Public Company utilizes information technology more broadly as the media of information disclosure.			The Company delivers information disclosure (particularly regarding the reporting) via web-based information technology, among others, IDXnet, SPE OJK, Customs, Trade, and BUMN Online. Additional information relating to the Company beyond those stipulated by law is also delivered through Company's social media. In particular, the Company utilizes the E-mail blast via investor@garuda-indonesia.com to submit general information of general indicators of Company performance periodically to stakeholders including capital market community.
8.2	Laporan Tahunan Perusahaan Terbuka mengungkapkan pemilik manfaat akhir dalam kepemilikan saham Perusahaan Terbuka paling sedikit 5% (lima persen), selain pengungkapan pemilik manfaat akhir dalam kepemilikan saham Perusahaan Terbuka melalui pemegang saham utama dan pengendali. The Public Company's Annual Report discloses the final beneficial owner of shares in the ownership of the Public Company at least 5% (five percent), in addition to the disclosure of the final beneficial ownership of the Public Company through the major and controlling shareholder.	√		Pemilik manfaat akhir dalam kepemilikan saham Perseroan telah diungkapkan dalam Laporan Tahunan ini pada bagian Ikhtisar Saham kolom Komposisi Pemegang Saham Domestik dan Internasional serta pada bagian 20 Pemegang Saham Terbesar. Final beneficial owners in the Company's shares ownership have been disclosed in the Annual Report on Share Highlights in Shareholders Composition of Domestic and International as well as in the 20 Majority Shareholders.

STRUKTUR
TATA KELOLA PERUSAHAAN
Corporate Governance Structure

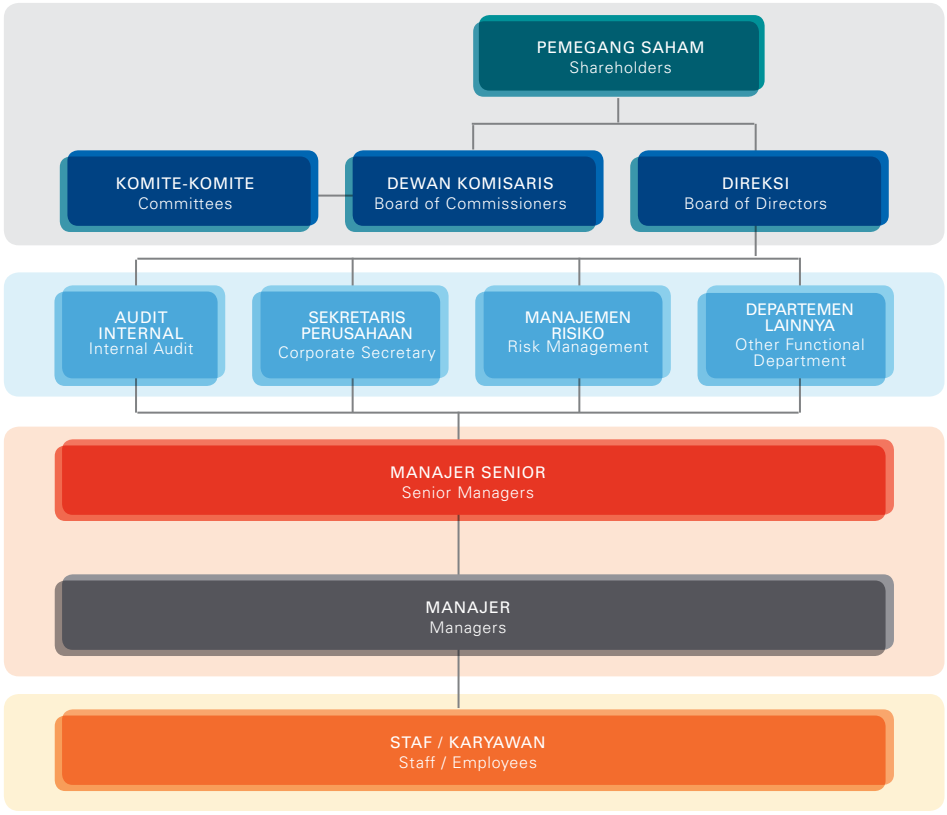
Berdasarkan Undang-Undang No. 40 Tahun 2007 tentang Perseroan Terbatas, struktur organ utama GCG Perseroan terdiri dari Rapat Umum Pemegang Saham (RUPS), Dewan Komisaris, dan Direksi. Organ Perseroan tersebut memainkan peran kunci dalam keberhasilan pelaksanaan GCG. Selain itu, Perseroan juga telah membentuk organ-organ pendukung GCG di bawah Komisaris, yaitu Komite Audit, Komite Pengembangan Usaha dan Pemantauan Risiko, dan Sekretaris Dewan Komisaris serta organ pendukung GCG di bawah Direksi yang terdiri dari Sekretaris Perusahaan dan Satuan Pengawas Internal (SPI).

Dalam pelaksanaannya, masing-masing organ Perseroan tersebut menjalankan tugas, fungsi dan tanggung jawabnya secara independen untuk kepentingan Perseroan sesuai dengan ketentuan perundang-undangan, Anggaran Dasar Perseroan, dan ketentuan lain yang berlaku.

Referring to Law No. 40 of 2007 regarding to Limited Liability Company, the Company's GCG major organ consists of General Meeting of Shareholders (GMS), Board of Commissioner, and Board of Director. The Company's organ plays a key role in the success of GCG implementation. In addition, the Company also has established GCG supporting organs under Board of Commissioner, namely Audit Committee, Business Development Unit, and Risk Control, and Board of Commissioner Secretary, as well as GCG supporting organs under Board of Director consisting of Corporate Secretary and Internal Audit Unit (IAU).

Each of the Company's organ performs its duties, functions and responsibilities independently in the interest of the Company in accordance with the statutory provisions, the Articles of Association and other applicable provisions.

Bagan Struktur Tata Kelola Perusahaan Per 31 Desember 2016
Structure of Corporate Governance as of December 31, 2016



PENUNJUKAN DIREKTUR YANG BERTANGGUNG JAWAB DALAM PENERAPAN DAN PEMANTAUAN TATA KELOLA PERUSAHAAN (GOOD CORPORATE GOVERNANCE/"GCG")

Dalam rangka memenuhi ketentuan Pasal 19 Peraturan Menteri BUMN No.: PER-01/MBU/2011 tentang Penerapan Tata Kelola Perusahaan yang Baik (Good Corporate Governance) pada Badan Usaha Milik Negara ("Permen BUMN No.: PER-01/MBU/2011") berikut perubahannya, bahwa salah seorang anggota Direksi ditunjuk oleh Rapat Direksi sebagai penanggung jawab dalam penerapan dan pemantauan GCG di BUMN yang bersangkutan, maka melalui Keputusan Rapat Direksi tanggal 28 April 2016, Direksi telah menunjuk Direktur SDM & Umum Perseroan sebagai Direktur yang bertanggung jawab dalam penerapan dan pemantauan GCG di Garuda Indonesia.

THE APPOINTMENT OF DIRECTOR RESPONSIBLES IN IMPLEMENTATION AND MONITORING GOOD CORPORATE GOVERNANCE (GCG)

In pursuant to the Regulation in the Minister of SOEs Regulation No.: PER-01/MBU/2011 Article 19 concerning implementation of Good Corporate Governance on State Owned Enterprises (Minister of SOEs Regulation No.: PER-01/MBU/2011") with its amendments, that one of Board of Director's member is appointed by Board of Director's Meeting as person in charge in implementation and monitoring of GCG in concerned SOE, thus through Resolution on Board of Directors' Meeting dated April 28, 2016, Board of Directors has appointed the Company's Director of HR & General Affair as the Director who responsibles in GCG's implementation and monitoring in Garuda Indonesia.

PENILAIAN
TATA KELOLA PERUSAHAAN
Good Corporate Governance Assessment

Dalam rangka memenuhi Peraturan Menteri Badan Usaha Milik Negara No. PER-01/MBU/2011 sebagaimana telah diubah dengan Peraturan Menteri Badan Usaha Milik Negara No. PER-09/MBU/2012 tanggal 6 Juli 2012 tentang Penerapan Tata Kelola Perusahaan yang baik (*Good Corporate Governance*) pada Badan Usaha Milik Negara (BUMN), Perseroan melakukan pengukuran penerapan GCG melalui penilaian penerapan GCG yang dilaksanakan secara berkala setiap 2 (dua) tahun dan evaluasi yang dilakukan sendiri untuk mendeskripsikan tindak lanjut pelaksanaan dan penerapan GCG di Perseroan yang dilakukan tahun berikutnya.

Adapun tujuan penilaian/evaluasi penerapan GCG oleh Perseroan adalah:

1. Mengukur kualitas penerapan GCG di BUMN melalui penilaian/evaluasi tingkat pemenuhan kriteria GCG dengan kondisi nyata yang diterapkan di BUMN melalui pemberian skor/nilai atas penerapan GCG dan kategori kualitas penerapan GCG-nya;

In pursuant to the Minister of SOE Regulation No. PER-01/MBU/2011 as amended by the Regulation of the Minister of SOE No. PER-09/MBU/2012 dated July 6, 2012 regarding the Implementation of Good Corporate Governance on State Owned Enterprises, the Company has measured GCG implementation through GCG assessment that is carried out periodically every 2 (two) years, and self-assessment evaluation to determine follow-up and GCG initiatives that will be applied in the following year.

The purpose of the assessment/evaluation of GCG implementation by the Company is:

1. To measure the quality of GCG implementation on State Owned Enterprises through assessment/evaluation of the level of compliance of the GCG criterias with the real condition that are being implemented in SOEs through the provision of scores and category;

PENILAIAN TATA KELOLA PERUSAHAAN
Good Corporate Governance Assessment

2. Mengidentifikasi kekuatan dan kelemahan penerapan GCG di BUMN serta mengusulkan rekomendasi perbaikan untuk mengurangi celah antara kriteria GCG dengan penerapan GCG di BUMN yang bersangkutan; dan

3. Memantau konsistensi penerapan GCG di BUMN dan memperoleh masukan untuk penyempurnaan dan pengembangan kebijakan *corporate governance* di lingkungan BUMN.

Pada tahun 2016, Perseroan melaksanakan evaluasi (*self-assessment*) atas penerapan GCG yang dilakukan dengan mengacu pada keputusan Sekretaris Kementerian Badan Usaha Milik Negara Nomor: SK-16/S.MBU/2012 tentang Indikator/parameter penilaian dan evaluasi atas Penerapan Tata Kelola Perusahaan yang baik (*Good Corporate Governance*) pada Badan Usaha Milik Negara yang meliputi 6 (enam) aspek pokok pengukuran sebagai berikut:

- Komitmen terhadap penerapan tata kelola perusahaan yang baik secara berkelanjutan
- Pemegang saham dan RUPS/pemilik modal
- Dewan Komisaris/Dewan Pengawas
- Direksi
- Pengungkapan informasi dan transparansi
- Aspek lainnya

Penilaian atas penerapan GCG di Perseroan dilaksanakan sebagai wujud komitmen untuk melakukan langkah perbaikan dan pemutakhiran struktural maupun operasional dalam rangka menciptakan kinerja usaha yang tidak hanya berkualitas tapi juga mendukung perkembangan usaha yang sejalan dengan peraturan perundang-undangan yang berlaku, etika bisnis, dan praktik bisnis terbaik.

KRITERIA PENILAIAN TATA KELOLA PERUSAHAAN

Penilaian dan evaluasi atas penerapan GCG dilakukan dengan mengacu kepada Indikator/Parameter GCG yang ditetapkan melalui Surat Keputusan Sekretaris Kementerian BUMN Nomor: SK-16/S.MBU/2012 tanggal 6 Juni 2012 tentang Indikator/Parameter Penilaian dan Evaluasi atas Penerapan Tata Kelola Perusahaan yang Baik (*Good Corporate Governance*) pada Badan Usaha Milik Negara. Indikator dan parameter penilaian tersebut dijabarkan dari beberapa aspek dan memiliki bobot sebagai berikut:

2. To identify the strengths and weaknesses of GCG implementation on SOEs as well as to propose recommendations for improvement to reduce the gap between the GCG criterias with the GCG implementation on relevant SOE;
3. To monitor the consistent of GCG implementation on SOEs and obtain feedbacks for improvement and development on corporate governance policies in SOEs.

In 2016, the Company's GCG evaluation (self-assessment) of the implementation was carried out in correspondence to the Decree of the Secretary of the Ministry of SOE No. SK-16/S.MBU/2012 on Indicators/Parameters of Assessment and Evaluation on the Implementation of Good Corporate Governance at the State Owned Enterprises which include 6 (six) measurements of the following key aspects:

- Commitment to the implementation of good corporate governance on an ongoing basis
- Shareholders and GMS/Investors
- Board of Commissioners/Supervisory Board
- Board of Directors
- Disclosure of information and transparency
- Other aspects

The assessment of GCG implementation in the Company was held as a form of commitment to take on improvement measures and structural as well as operational update in order to create quality business performance and also to support business development that is in line with the prevailing legislations, business ethics and good business practices.

ASSESSMENT CRITERIA FOR CORPORATE GOVERNANCE

Assessment and review of the GCG implementation was carried out by referring to the Indicators/Parameters of GCG as stipulated by the Secretaryto the Minister of SOE by virtue of Decision Letter of the Secretary of the Minister of SOE No. SK- 16/S.MBU/2012 dated June 6, 2012 concerning the Indicators/Parameters of the Assessment and Evaluation on the Implementation of Good Corporate Governance in State Owned Enterprises. The assessment indicators and parameters are elaborated on several aspects and are being weighted as follows:

Aspek Pengujian Assessment Aspect	Bobot Point
Komitmen terhadap Penerapan Tata Kelola secara Berkelanjutan Commitment to Sustainable Corporate Governance Implementation	7,00
Pemegang Saham dan RUPS/Pemilik Modal Shareholders and GMS/Investors	9,00
Dewan Komisaris/Dewan Pengawas Board of Commissioners/Supervisory Board	35,00
Direksi Board of Directors	35,00
Pengungkapan Informasi dan Transparansi Disclosure of Information and Transparency	9,00
Aspek Lainnya Other Aspects	5,00
Skor Keseluruhan Total Score	100,00

METODE PENILAIAN TATA KELOLA PERUSAHAAN

Penilaian/evaluasi GCG oleh Perseroan dilakukan dengan mengacu kepada indikator dan parameter dalam SK-16/S.MBU/2012 dan dilaksanakan dengan melalui empat tahapan yakni:

1. Mempelajari dan memahami aspek/indikator/parameter dan faktor-faktor yang diuji kesesuaian penerapannya;
2. Menyusun analisis kecukupan pelaksanaan GCG;
3. Mengambil kesimpulan melalui penetapan tingkat pemenuhan setiap parameter/sub-indikator beserta penjelasannya dengan berpedoman pada faktor-faktor yang diuji kesesuaian penerapannya; dan
4. Menyusun hasil akhir penilaian/evaluasi.

Metode pendekatan yang digunakan oleh Perseroan dalam penilaian dan evaluasi atas penerapan GCG dilakukan dengan beberapa tahapan yaitu *review* dokumen, wawancara, dan kuesioner.

PIHAK YANG MENILAI

Pelaksanaan penilaian sendiri GCG untuk tahun buku 2016 dilaksanakan oleh Perseroan dengan asistensi dari Badan Pengawasan Keuangan dan Pembangunan (BPKP).

HASIL PENILAIAN

Pada tahun 2016, Perseroan telah melaksanakan penilaian GCG untuk tahun buku yang berakhir pada 31 Desember 2015, penilaian dilakukan oleh Mitra Utama Indojasa (MUC Consulting). Berdasarkan hasil penilaian yang telah

ASSESSMENT METHOD OF CORPORATE GOVERNANCE

GCG assessment/evaluation was carried out based on the indicators and parameters stated in SK-16/S.MBU/2012 and was implemented through four phases, namely:

1. To study and understand the aspects/indicators/parameters and the factors that are being tested for the application suitability;
2. To prepare analysis of the GCG implementation adequacy;
3. To conclude through the establishment of compliance level of every parameter/sub-indicator including the explanations based on the factors that are tested for the application suitability; and
4. To compile the final assessment/evaluation.

The methods that were used by the Company in the assessment and evaluation of GCG implementation were conducted in several stages namely documents review, interviews, and questionnaires.

ASSESSOR

The implementation of GCG's self assessment for 2016 financial year conducted by the Company with the assistance of the Financial and Development Supervisory Agency (BPKP).

ASSESSMENT RESULT

In 2016, the Company has performed its GCG assessment for the financial year ended on December 31, 2015, the assessment is executed by Mitra Utama Indojasa (MUC Consulting). Based on assessment result performed in

PENILAIAN TATA KELOLA PERUSAHAAN
Good Corporate Governance Assessment

dilaksanakan di tahun 2016, Perseroan memperoleh skor 92,72 dan masuk dalam kategori "Sangat Baik".

Selanjutnya Perseroan melaksanakan penilaian sendiri untuk penerapan GCG pada tahun buku yang berakhir pada 31 Desember 2016 dengan asistensi oleh Badan Pengawasan Keuangan dan Pembangunan (BPKP). Penilaian dilakukan dengan mengacu kepada Indikator/Parameter GCG yang ditetapkan oleh Sekretaris Menteri Negara BUMN melalui Surat Keputusan Sekretaris Kementerian BUMN No. SK-16/S.MBU/2012 tanggal 6 Juni 2012 tentang Indikator/Parameter Penilaian dan Evaluasi atas Penerapan Tata Kelola Perusahaan yang Baik (GCG) pada Badan Usaha Milik Negara.

Hasil penilaian sendiri atas penerapan GCG Perseroan untuk tahun buku 2016 adalah sebagai berikut.

2016, the Company scored 92.72 and achieved "Excellent" category.

Next, the Company performed self-assessment on GCG implementation for the financial year ending on December 31, 2016 with the assistance of the Financial and Development Supervisory Agency (BPKP). The assessment was conducted by referring to the GCG Indicators/Parameters set by the Secretary of the Minister of SOEs by Decree by virtue of Decission Letter of the Secretary to the Minister of SOE No. SK-16/S.MBU/2012 dated 6 June 2012 concerning the Indicators/Parameters of the Assessment and Evaluation of Good Corporate Governance (GCG) in State Owned Enterprises.
Assessment result of the Company's GCG implementation in financial year 2016 was as follows:

Aspek Pengujian Assessment Aspect	Bobot Point	Capaian Tahun Buku 2016 Achievement in Fiscal Year 2016		Capaian Tahun Buku 2015 Achievement in Fiscal Year 2015	
		Nilai Score	% Pencapaian % Achievement	Nilai Score	% Pencapaian % Achievement
Komitmen terhadap Penerapan Tata Kelola secara Berkelanjutan Commitment to Sustainable Corporate Governance Implementation	7,00	6,45	92,20	6,60	94,29
Pemegang Saham dan RUPS/Pemilik Modal Shareholders and GMS/Investors	9,00	8,65	96,16	8,83	98,16
Dewan Komisaris/Dewan Pengawas Board of Commissioners/Supervisory Board	35,00	31,30	89,43	31,10	88,87
Direksi Board of Directors	35,00	33,22	94,85	33,09	94,54
Pengungkapan Informasi dan Transparansi Disclosure of Information and Transparency	9,00	8,11	90,12	7,99	88,72
Aspek Lainnya Other Aspects	5,00	5,00	100,00	5,00	100,00
Skor Keseluruhan Total Score	**100,00**	**92,72**	**92,72**	**92,61**	**92,61**
Kualifikasi Kualitas Penerapan GCG GCG Implementation Quality Qualification		Sangat Baik Excellent		Sangat Baik Excellent	

Ke depannya, Perseroan akan senantiasa melakukan peningkatan penerapan GCG di seluruh sendi usahanya melalui beberapa peningkatan operasional untuk mendukung pengelolaan Perseroan yang sesuai dengan Tata Kelola Perusahaan yang Baik, pengoptimalan fungsi Komite-komite pendukung Tugas Dewan Komisaris dan Direksi, perluasan internalisasi Pakta Integritas ke seluruh insan Perseroan, pengembangan sistem *fraud risk management* yang diikuti penilaian berkala dan pembentukan Komite Pemantau

Going forward, the Company will continue to improve its GCG implementation on all of its business aspects through series of operational improvements to support company management that is in accordance to the Good Corporate Governance, optimization of the functions of the Committees under the Board of Commissioners and the Board of Directors, further internalization of the Integrity Pact to all individuals within the Company, development of the fraud risk management system followed by periodic assessment

Risiko, serta penerapan kebijakan sumber daya manusia dan intensifikasi pelaksanaan keselamatan, kesehatan kerja dan pengelolaan lingkungan.

HASIL PENILAIAN LAINNYA

ASEAN Corporate Governance Scorecard

ASEAN Corporate Governance Scorecard merupakan inisiatif dari ASEAN Capital Market Forum (ACMF) untuk melakukan penilaian penerapan GCG dengan mengacu pada prinsip-prinsip GCG yang dikembangkan oleh Organization for Economic Cooperation and Development (OECD), yaitu mencakup:

1. Hak-hak Pemegang Saham
2. Perlakuan yang setara terhadap Pemegang Saham
3. Peran Pemangku Kepentingan
4. Pengungkapan dan Transparansi
5. Tanggung jawab Dewan Komisaris dan Direksi

Terdapat 2 (dua) level penilaian dalam ASEAN Corporate Governance Scorecard. Level 1 penilaian berada pada aspek hak-hak pemegang saham, kesetaraan perlakuan untuk pemegang saham, peran pemegang saham, pengungkapan dan transparansi, serta tanggung jawab Manajemen. Level 2 berada pada aspek tantiem dan penalti. Tantiem akan diberikan kepada perusahaan yang mempraktikkan GCG melebihi standar minimum dan penalti berupa pengurangan skor diberikan pada perusahaan yang mempraktikkan *bad governance*. Jumlah total parameter pada level 1 sebanyak 196 dan untuk level 2 sebanyak 9 parameter. *Scorecard* ini telah digunakan untuk menilai praktik GCG perusahaan terbuka di negara ASEAN lainnya seperti Filipina, Singapura, Thailand, Malaysia, dan Vietnam.

Pada tahun 2016, Perseroan melaksanakan penilaian atas penerapan GCG dengan menggunakan standar ASEAN Corporate Governance Scorecard yang dilakukan oleh MUC Consulting dengan skor 78,4. Selain itu Perseroan juga masuk sebagai salah satu dalam Top 50 Emiten pada acara The 8th Indonesian Institute for Corporate Directorship (IICD) Corporate Governance Conference & Award dengan skor 76,91.

and establishment of the Risk Oversight Committee, as well as the implementation of human resources policies and intensification on work safety, health and environmental management implementation.

ASSESSMENT RESULT

ASEAN Corporate Governance Scorecard

ASEAN Corporate Governance Scorecard is an initiative of the ASEAN Capital Market Forum (ACMF) to assess the GCG implementation by referring to GCG principles that are developed by the Organization for Economic Cooperation and Development (OECD), which includes:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Role of Stakeholders
4. Disclosure and Transparency
5. Responsibilities of the Board of Commissioners and the Board of Directors

There are 2 (two) levels of assessment within the ASEAN GCG Scorecard. Level 1 assesses the aspects of rights of shareholders, equitable treatment of shareholders, role of stakeholders, disclosure and transparency, and the responsibilities of the boards. Level 2 assesses the aspects of bonus and penalty. Bonus will be given for companies who practice GCG beyond the minimum standard and score penalty will be given for companies who practice bad governance. Total parameters for level 1 are 196 and for level 2 are 9 parameters. The scorecard has been used to assess the GCG practice of public companies in other ASEAN countries such as the Philippine, Singapore, Thailand, Malaysia, and Vietnam.

In 2016, the Company has performed assessment on GCG implementation by using ASEAN Corporate Governance Scorecard's standard conducted by MUC Consulting with as score of 78.4. Additionally, the Company included as one of Top 50 Company in the event of The 8th Indonesian Institute for Corporate Directorship (IICD) Corporate Governance Conference & Award with a score of 76.91.

REALISASI PROGRAM **TATA KELOLA PERUSAHAAN TAHUN 2016**

Realization of Corporate Governance Program in 2016

Pada tahun 2016, Perseroan melakukan sejumlah langkah strategis sebagai wujud implementasi program GCG yang telah direncanakan sebagai berikut:

1. Pelaksanaan Penilaian GCG untuk tahun buku 2015
2. Penerapan Program-Program GCG pada Anak Perusahaan Perseroan
3. Penyusunan ketentuan Benturan Kepentingan

In 2016, the Company had taken some strategic measures as part of GCG program implementation which had been planned as follow:

1. Implementation of GCG Assessment for Financial Year 2015
2. Implentation of GCG Programs on Subsidiaries
3. Preparation of the Conflict of Interest Provisions

RENCANA **TATA KELOLA PERUSAHAAN TAHUN 2017**

Corporate Governance Plan in 2017

Untuk meningkatkan penerapan GCG di tahun 2017, Perseroan telah menyusun dan menyiapkan sejumlah rencana kerja terkait penerapan GCG sebagai berikut:

1. Pembaruan *Board Manual*
2. Pembaruan Ketentuan Pengendalian Gratifikasi dan Pelaporan Harta Kekayaan
3. Pelaksanaan penilaian GCG untuk tahun buku 2016
4. Kepatuhan terhadap peraturan Pasar Modal bagi Anak Perusahaan terkonsolidasi

To improve GCG implementation in 2017, the Company has developed and organized a set of working plans regarding the GCG implementation as follows:

1. Renewal of Board Manual
2. Renewal of Gratification Control Provisions and Wealth Reporting
3. Implementation of GCG Self-Assessment for financial year 2016
4. Compliance to the regulation of Capital Market for consolidated Subsidiaries

RAPAT UMUM **PEMEGANG SAHAM**
General Meeting of Shareholders

Rapat Umum Pemegang Saham (RUPS) merupakan pemegang kekuasaan tertinggi dalam struktur kepengurusan Perseroan dan memiliki wewenang yang tidak dimiliki oleh Dewan Komisaris dan Direksi. Sesuai Anggaran Dasar Perseroan, wewenang tersebut antara lain termasuk mengambil keputusan terkait pengubahan Anggaran Dasar Perseroan, mengangkat dan memberhentikan Direktur dan Anggota Dewan Komisaris, memutuskan pembagian tugas dan wewenang pengurusan di antara Direktur dan hal-hal lain terkait penggabungan, peleburan, pengambilalihan, kepailitan, dan pembubaran Perseroan.

Rapat Umum Pemegang Saham berhak memperoleh seluruh informasi tentang jalannya Perseroan dan meminta pertanggungjawaban kepada Dewan Komisaris dan Direksi atas pengelolaan Perseroan.

1. RUPS Perseroan terdiri dari:
   a. RUPS Tahunan
   b. RUPS Luar Biasa
2. RUPS Tahunan diadakan tiap-tiap tahun untuk menyetujui di antaranya Laporan Tahunan, penggunaan laba, atau penetapan Kantor Akuntan Publik.
3. RUPS Tahunan mengenai laporan tahunan diadakan paling lambat enam bulan setelah tahun penutupan buku yang bersangkutan.
4. RUPS Luar Biasa dapat diadakan setiap waktu sesuai dengan kebutuhan untuk kepentingan Perseroan.

Wewenang RUPS

1. Mengangkat dan memberhentikan Direksi dan Komisaris.
2. Menetapkan Kantor Akuntan Publik berdasarkan usulan dari Dewan Komisaris.
3. Menetapkan remunerasi Dewan Komisaris dan Direksi.
4. Menetapkan pembagian tugas dan wewenang anggota Direksi.
5. Wewenang lainnya sebagaimana diatur dalam Anggaran Dasar dan peraturan perundang-undangan.

PELAKSANAAN RUPS

Sesuai Anggaran Dasar Perseroan, RUPS dalam Perseroan adalah RUPS Tahunan ("RUPST") dan RUPS Luar Biasa ("RUPSPLB").

General Meeting of Shareholders (GMS) represents the highest authority within the Company's management structure and has the authority that is not owned by the Board of Commissioners and the Board of Directors. Based on the Company's Articles of Association, the authorities include taking decisions in relation to the amendments of the Company's Articles of Association, the appointment and dismissal of members of the Board of Directors and the Board of Commissioners, the decision on the roles and responsibilities of the management of the Directors and other matters in relation to mergers, consolidations, acquisitions, and dissolutions of the Company.

The General Meeting of Shareholders is entitled to obtain all information regarding the course of the Company and to have the Board of Commissioners and the Board of Directors being held accountable on the Company's management.

1. The Company's GMS consists of:
   a. Annual GMS
   b. Extraordinary GMS
2. AGM is held every year to approve the Annual Report, the utilization of profits, or the appointment of Public Accounting Firm.
3. AGM regarding the annual report is to be held no later than six months after the closing of the book in question.
4. Extraordinary GMS can be held at any time in accordance with the needs for the Company's interests.

Authority of the GMS

1. To appoint and discharge members of the Board of Directors and the Board of Commissioners.
2. To appoint a Public Accounting Firm based on the proposals of the Board of Commissioners.
3. To determine the remunerations of the Board of Commissioners and the Board of Directors.
4. To establish the roles and responsibilities of members of the Board of Directors.
5. Other authorities as stipulated in the Articles of Association and the legislation.

HOLDING THE GMS

According to the Company's Articles of Association, the Company's General Meetings of Shareholders (GMS) consists of Annual GMS and Extraordinary GMS.

RAPAT UMUM **PEMEGANG SAHAM**
General Meeting of Shareholders

RUPS Tahunan (RUPST)
RUPST diselenggarakan selambat-lambatnya 6 (enam) bulan setelah akhir tahun buku. Selama rapat berlangsung, para Pemegang Saham membahas agenda yang telah ditetapkan dan hal lain yang memerlukan persetujuan RUPS untuk kepentingan Perseroan dengan memperhatikan ketentuan Anggaran Dasar Perseroan.

RUPS Luar Biasa (RUPSLB)
RUPSLB dapat diadakan setiap waktu berdasarkan kebutuhan untuk kepentingan Perseroan. Penyelenggaraan RUPSLB dapat dilakukan atas permintaan 1 (satu) orang atau lebih pemegang saham yang bersama-sama mewakili 1/10 (satu persepuluh) atau lebih dari jumlah seluruh saham dengan hak suara.

Rencana dan Penyelenggaraan RUPS
RUPST dan RUPSLB diselenggarakan dengan didahului perencanaan yang matang dan tetap mematuhi panduan prosedur sebagaimana diatur dalam Anggaran Dasar dan Peraturan Otoritas Jasa Keuangan No. 32/POJK.04/2014 tanggal 8 Desember 2014 tentang Rencana dan Penyelenggaraan RUPS yang menggantikan Keputusan Ketua Badan Pengawas Pasar Modal dan Lembaga Keuangan Nomor: KEP-60/PM/1996 tanggal 17 Januari 1996 tentang Rencana dan Pelaksanaan Rapat Umum Pemegang Saham yang sudah tidak berlaku. Dalam peraturan tersebut, penyelenggaraan RUPS oleh Perseroan terdiri dari beberapa tahap mulai dari pemberitahuan penyelenggaraan RUPS, pengumuman RUPS, pemanggilan RUPS, dan penyelenggaraan RUPS.

Perseroan telah mematuhi prosedur RUPS terkini dan menyelenggarakan RUPS dengan tahapan berikut:
1. Perseroan menyampaikan kepada Otoritas Jasa Keuangan ("OJK") perihal rencana penyelenggaraan RUPS selambat-lambatnya 5 (lima) hari kerja sebelum pengumuman RUPS, dengan tanpa memperhitungkan tanggal pengumuman RUPS.
2. Perseroan melakukan pengumuman RUPS kepada para pemegang saham melalui surat kabar harian berbahasa Indonesia yang berperedaran nasional, situs *web* Bursa Efek Indonesia, dan situs *web* Perseroan paling lambat 14 (empat belas) hari sebelum pemanggilan RUPS dengan tidak memperhitungkan tanggal pengumuman dan pemanggilan RUPS.

Annual GMS
The Annual General Meeting of Shareholders is to be held no later than 6 (six) months after the end of the financial year. During the meeting, the shareholders discuss the present agenda and other matters that require the approval of the GMS on the interest of the Company with regard to the Company's Articles of Association.

Extraordinary GMS
Extraordinary General Meeting of Shareholders can be held at any time in accordance with the needs of the Company's interests. The execution of the GMS can be held at the request of 1 (one) or more shareholders who together present 1/10 (one tenth) or more of the total voting rights shares.

GMS Plan and Implementation
Annual and Extraordinary GMS are organized through careful planning and compliance with the procedures as stipulated in the Articles of Association and the Financial Services Authority Regulation No. 32/POJK.04/2014 dated December 8, 2014 concerning Plan and Convening of the General Meeting of Shareholders which replaces the terminated Decisions of the Chairman of the Indonesian Capital Market Regulatory Authority No: KEP-60/PM/1996 dated January 17, 1996 concerning the Plan and Execution of the General Meeting of Shareholders. In the regulation, the Company's GMS holding consists of several stages ranging from the notification of the organization of GMS, the GMS announcement, the GMS invitation, and the establishment of GMS.

The Company has complied with the latest GMS procedures and organized the GMS based on the following procedures:
1. The Company notifies the plan to hold GMS to the Financial Services Authority ("OJK") no later than 5 (five) working days prior to the announcement of the GMS, without taking into account the announcement date.
2. The Company announces the plan of GMS to the shareholders through national newspapers, the Indonesian Stock Exchange's website no later than 14 (fourteen) days before the GMS invitation without taking into account the date of the announcement and the date of the invitation.

3. Perseroan melakukan pemanggillan RUPS melalui surat kabar harian berbahasa Indonesia yang berperedaran nasional, situs *web* Bursa Efek Indonesia, dan situs *web* Perseroan paling lambat 21 (dua puluh satu) hari sebelum RUPS dengan tidak memperhitungkan tanggal pemanggilan dan tanggal RUPS
4. Perseroan menyampaikan bukti pengumuman dan pemanggilan RUPS kepada OJK paling lambat 2 (dua) hari kerja setelah penerbitan pengumuman dan pemanggilan tersebut
5. Perseroan mengumumkan ringkasan risalah RUPS melalui surat kabar harian berbahasa Indonesia yang berperedaran nasional, situs *web* Bursa Efek Indonesia, dan situs *web* Perseroan paling lambat 2 (dua) hari kerja setelah RUPS dan menyampaikan bukti pengumumannya kepada OJK paling lambat 2 (dua) hari kerja setelah diumumkan.

Pemungutan Suara

Sesuai dengan Pasal 25 ayat 14 Anggaran Dasar Perseroan dan Tata Tertib RUPS, tata cara pemungutan suara yang dilakukan dalam pelaksanaan RUPS adalah secara lisan kecuali apabila Pimpinan Rapat menentukan lain. Pemungutan suara secara lisan dilakukan dengan "Mengangkat Tangan" dengan prosedur sebagai berikut:

a. Mereka yang memberikan suara tidak setuju akan diminta untuk mengangkat tangan dan menyerahkan kartu suaranya.
b. Mereka yang tidak memberikan suara *(abstain)* diminta untuk mengangkat tangan dan menyerahkan kartu suaranya.
    1. Sesuai dengan Pasal 25 ayat 12 Anggaran Dasar Perseroan, suara *abstain* dianggap mengeluarkan suara yang sama dengan suara mayoritas Pemegang Saham yang mengeluarkan suara.
    2. Selanjutnya jumlah suara yang tidak setuju dan suara *abstain* akan diperhitungkan dengan suara yang sah dan selisihnya merupakan jumlah suara yang setuju.

Apabila terdapat peserta rapat yang kehadirannya telah diperhitungkan dalam menentukan kuorum, namun tidak berada di ruangan rapat pada saat pemungutan suara dilakukan, maka yang bersangkutan dianggap menyetujui segala keputusan yang diambil dalam rapat. Perseroan memberikan hak yang setara kepada seluruh pemegang saham, tanpa membedakan jumlah, jenis, dan kelas saham yang dimiliki, kecuali sebagaimana ditentukan dalam Anggaran Dasar Perusahaan.

3. The Company carries out the GMS plan through national newspapers, the Indonesian Stock Exchange's website no later than 21 (twenty-one) days before the GMS without taking into account the date of the invitation and the date of GMS.
4. The Company presents their evidence of GMS announcement and invitation to the OJK no later than 2 (two) working days after the publication of the announcement and the invitation.
5. The Company publishes the summary of the GMS minutes through national newspapers, the Indonesian Stock Exchange's website, and the Company's website no later than 2 (two) working days after the GMS and submit the announcement evidence to the OJK no later than 2 (two) working days after the publication.

Voting

According to Article 25 paragraph 14 of the Company's Articles of Association, voting procedures at the GMS is conducted orally, unless the Chairman determines otherwise. The oral voting procedures are conducted by "Raising Hand" with the following procedures:

a. Those who opposed the motion are required to raise their hand and submit the voting card.
b. Those who abstain from voting are required to raise their hands and hand over the voting card.
    1. According to Article 25 paragraph 12 of the Company's Articles of Association, abstain vote counts as the majority vote of the shareholders who cast their vote.
    2. Furthermore, the number of "Against" vote is calculated on the basis of valid notes, and the difference represents the number of "Yes" votes.

If there is a meeting participant whose presence has been taken into account to establish the meeting quorum, but is unable to attend the meeting at the time of the voting procedure, thus the said participant is assumed to be in agreement with all the decisions taken during the meeting. The Company grants equal voting rights to all of its shareholders, regardless of the number, type, and the class of shares owned, with the exception as determined in the Company's Articles of Association.

RAPAT UMUM **PEMEGANG SAHAM**
General Meeting of Shareholders

RUPS dipimpin oleh salah satu anggota Dewan Komisaris yang ditunjuk oleh Dewan Komisaris dan diselenggarakan dalam bahasa Indonesia. RUPS dimulai dengan terlebih dahulu membacakan tata tertib RUPS. Pada pembukaan RUPS, Pimpinan RUPS akan menyampaikan kondisi Perseroan, mekanisme pengambilan keputusan untuk mata acara rapat dan prosedur untuk menggunakan hak suara pemegang saham dalam mengajukan permintaan dan/atau komentar.

The GMS is led by one of the members of the Board of Commissioners appointed by the Board of Commissioners and is being held in the Indonesia language. The GMS begins by first reciting the code of conduct of the GMS. At the opening of the GMS, the GMS Chairman will deliver the Company's guidelines on the decision-making mechanism for the meeting agenda and the procedures to use the shareholder's voting rights in proposing questions and/or comments.

Pada akhir pembahasan setiap mata acara RUPS, Pimpinan RUPS memberikan kesempatan kepada pemegang saham atau kuasanya untuk mengajukan pertanyaan/tanggapan dan/atau usulan pada setiap agenda rapat. Pimpinan RUPS atau Direktur yang ditunjuk oleh ketua rapat, menjawab atau menanggapi pertanyaan/catatan pemegang saham yang hadir.

At the end of the discussions of each GMS' agenda item, the GMS Chairman provides an opportunity to the shareholders or their proxies to submit questions/comments and/or suggestions on each meeting agenda. The GMS Chairman or the Board of Director appointed by the chairman of the meeting, answers or responds to the questions/notes of the shareholders who are present.

Setelah semua pertanyaan dijawab dan ditanggapi selanjutnya dilakukan pengambilan keputusan berdasarkan musyawarah untuk mufakat. Jika musyawarah untuk mufakat tidak tercapai, pengambilan keputusan akan dilaksanakan melalui pemungutan suara. Pemungutan suara diselenggarakan secara lisan dan hanya pemegang saham atau kuasanya yang sah yang berhak untuk mengeluarkan suara. Setiap satu saham memberikan hak kepada pemegangnya untuk mengeluarkan satu suara. Perseroan telah menunjuk pihak independen yaitu Notaris dibantu oleh Biro Administrasi Efek dalam melakukan penghitungan dan/atau memvalidasi suara dan membuat risalah rapat RUPS.

Once all questions have been answered and responded, a deliberation and consensus decision is subsequently made. In the event that a consensus decision is not reached, the decision will be implemented through a voting process. Voting is held orally and only shareholders or their proxies' delegates are entitled to make a vote. Each share entitles its holder to case one vote. The Company has appointed an independent party which is the Notary in calculating and/or validating the votes and to make the minutes of meetings of the GMS.

Pada tahun 2016, Garuda Indonesia telah melaksanakan RUPS sebanyak 1 (satu) kali, yaitu RUPS Tahunan Tahun Buku 2015 yang diselenggarakan pada tanggal 15 April 2016.

In 2016, Garuda Indonesia had performed 1 (one) GMS which was Annual GMS for Financial Year 2015 held on April 15, 2016.

Pemberitahuan pada Regulator Notice to the Regulators	Pengumuman RUPST AGM Announcement	Pemanggilan RUPST AGM Invitation	Penyelenggaraan RUPST AGM Holding	Hasil RUPST AGM Result
Penyampaian Rencana Penyelenggaraan RUPST kepada OJK melalui surat Perseroan Nomor GARUDA/JKTDZ/20035/16 tanggal 29 Januari 2016 dan Nomor GARUDA/JKTDZ/20085/16 tanggal 16 Februari 2016.	Pengumuman RUPST pada tanggal 5 Februari 2016 melalui iklan di surat kabar harian Investor Daily, situs *web* Bursa Efek Indonesia, dan situs *web* Perseroan.	Pemanggilan RUPST pada tanggal 23 Februari 2016 melalui iklan di surat kabar harian Investor Daily, situs *web* Bursa Efek Indonesia, dan situs *web* Perseroan dan Ralat Panggilan pada tanggal 15 Maret 2016 dan 24 Maret 2016 masing-masing melalui iklan di surat kabar harian Suara Pembaruan, situs *web* Bursa Efek Indonesia, dan situs *web* Perseroan.	Rapat Umum Pemegang Saham Tahunan diselenggarakan pada tanggal 15 April 2016 pukul 14.15 WIB di Auditorium Gedung Manajemen Garuda Indonesia, Cengkareng. Dipimpin oleh Jusman Syafii Djamal selaku Komisaris Utama sekaligus Komisaris Independen berdasarkan penunjukkan oleh Dewan Komisaris Perseroan.	Pengumuman Ringkasan hasil RUPST pada tanggal 18 April 2016 melalui iklan di surat kabar harian Suara Pembaruan, situs *web* Bursa Efek Indonesia, dan situs *web* Perseroan.

Pemberitahuan pada Regulator Notice to the Regulators	Pengumuman RUPST AGM Announcement	Pemanggilan RUPST AGM Invitation	Penyelenggaraan RUPST AGM Holding	Hasil RUPST AGM Result
Submission of AGM Plan to the Financial Services Authority through Company's letter No. GARUDA/JKTDZ/20035/16 dated January 29, 2016 and No. GARUDA/JKTDZ/20085/16 dated February 16, 2016.	AGM Announcement on February 5, 2016 through an advertisement in Bisnis Indonesia and Investor's Daily newspapers, the Indonesian Stock Exchange's website, and the Company's website.	AGM Invitation on February 23, 2016 through an advertisement in Bisnis Indonesia and Investor's Daily newspapers, the Indonesian Stock Exchange's website, and the Company's website and correction AGM invitation on March 15, 2016 and March 24, 2016 each invitation sent through advertisement in Suara Pembaruan daily newspapers, Indonesian Stock Exchange's website and the Company's website.	AGM was held on April 15, 2016 at 02.15 pm Indonesian Western Standard Time (WIB) at the Auditorium of Garuda Indonesia's Management Building, Cengkareng. The GMS was led by Jusman Syafii Djamal as the President Commissioner as well as the Independent Commissioner based on the appointment of the Company's Board of Commissioners.	Announcement of AGM Results on April 18, 2016 thorugh an advertisement in Suara Pembaruan Daily newspapers, the Indonesian Stock Exchange's website, and the Company's website.

No.	Mata Acara Agenda	Keputusan Decisions
1.	Laporan Tahunan Perseroan Tahun 2015 termasuk di dalamnya Laporan Keuangan Perseroan dan Laporan Keuangan Program Kemitraan dan Bina Lingkungan Perseroan serta Laporan Tugas Pengawasan Dewan Komisaris yang berakhir pada tanggal 31 Desember 2015. The Company's 2015 Annual Report, including the Company's Financial Statements and the Financial Statements of the Partnership Program and Community Development as well as Report on the Implementation of Supervisory Duties of the Board of Commissioners for the year ended December 31, 2015.	1. a. Menyetujui Laporan Tahunan Perseroan termasuk di dalamnya Laporan Pelaksanaan Tugas Pengawasan Dewan Komisaris selama Tahun Buku 2015 serta mengesahkan Laporan Keuangan Perseroan untuk Tahun Buku yang berakhir pada 31 Desember 2015 yang telah diaudit oleh Kantor Akuntan Publik (KAP) Osman Bing Satrio & Eny (Deloitte) sebagaimana termuat dalam laporannya No. GA116 0042 GIA FAN tanggal 12 Februari 2016 dengan pendapat Wajar dalam semua hal yang material, sekaligus memberikan pelunasan dan pembebasan tanggung jawab sepenuhnya (*volledig acquit et de charge*) kepada Direksi dan Dewan Komisaris Perseroan atas pengurusan dan pengawasan yang telah dijalankan selama Tahun Buku 2015 sepanjang tindakan tersebut bukan merupakan tindak pidana atau tidak melanggar ketentuan dan prosedur hukum yang berlaku dan tercermin di dalam Laporan Tahunan dan Laporan Keuangan Perseroan. b. Mengesahkan penyajian kembali (*restatement*) Laporan Keuangan Perseroan Tahun yang berakhir 31 Desember 2014 sebagaimana yang telah diaudit oleh Kantor Akuntan Publik sebagaimana termuat dalam laporannya No. GA116 0042 GIA FAN tanggal 12 Februari 2016 tersebut. c. Menyetujui dan mengesahkan Laporan Tahunan Program Kemitraan dan Bina Lingkungan Tahun Buku yang berakhir pada tanggal 31 Desember 2015 yang disusun berdasarkan Laporan Keuangan PKBL yang telah diaudit oleh Kantor Akuntan Publik (KAP) Osman Bing Satrio & Eny (Deloitte) sebagaimana dimuat dalam laporannya Nomor GA116 0115 PKBLGIA FAN tanggal 10 Maret 2016 sekaligus memberikan pelunasan dan pembebasan tanggung jawab *(acquit et de charge)* kepada Direksi dan Dewan Komisaris Perseroan atas tindakan pengurusan dan pengawasan PKBL Tahun Buku yang berakhir pada 31 Desember 2015, sepanjang tindakan tersebut bukan merupakan tindak pidana atau tidak melanggar ketentuan dan prosedur hukum yang berlaku dan tercermin di dalam Laporan tersebut. 2. Menyetujui pemberian kewenangan kepada Direksi untuk melaksanakan rekomendasi dari hasil pemeriksaan BPK Tahun 2015. 1. a. Approved of the Company's Annual Report including the Report on the Implementation of Supervisory Duties of the Board of Commissioners for Financial Year 2015 as well as ratified the Company's Financial Statements for the financial year ending in December 31, 2015, which have been audited by Public Accounting Firm of Osman Bing Satrio & Associates (Deloitte) as stated in the report No. GA116 0042 GIA FAN dated February 12, 2016 with unqualified opinion in all material aspects, while providing full release and discharge (acquit de charge) to the Board of Directors and Board of Commissioners for the management and supervisory actions that have been taken in Financial Year 2015 to the extent that such actions do not represent criminal actions or violate the provisions and procedures of the applicable laws and are reflected in the Company's Annual Report and the Financial Statements. b. Ratified the restatement of the Company's Financial Statements for Financial Year ending in December 31, 2014 which have been audited by Public Accounting as stated in the report No. GA116 0042 GIA FAN dated February 12, 2016.

RAPAT UMUM **PEMEGANG SAHAM**
General Meeting of Shareholders

No.	Mata Acara Agenda	Keputusan Decisions
		c. Approved and ratified the Partnership Program and Community Development Annual Report for Financial Year ending in December 31, 2015 as compiled based on PKBL's Financial Statements which have been audited by Public Accounting Firm of Osman Bing Satrio & Eny (Deloitte) as stated in the report No. GA116 0115 PKBLGIA FAN dated March 10, 2016 while providing full release and discharge (acquit de charge) to the Board of Directors and Board of Commissioners for PKBL management and supervisions for the Financial Year ending in December 31, 2015, to the extent that such actions do not represent criminal actions or violate the provisions and procedures of the applicable laws and are reflected in the Report. 2. Approved authority grant to the Board of Director for conducting recomendations from summary of BPK audit 2015.
2.	Penetapan Penggunaan Laba Bersih Perseroan Tahun Buku 2015. Determinantion on the use of the Company's 2015 Financial Year net income	1. Menyetujui penetapan penggunaan laba bersih konsolidasi Perseroan Tahun Buku 2015 sebesar 100% atau USD 76.480.236 sebagai laba ditahan. 2. Alokasi Program Bina Lingkungan tahun 2016 sebesar 2% dari laba bersih atau sebesar USD 1.529.605 menjadi beban Perseroan. 1. Approved determination on the use of the Company's consolidation net income in 2015 Financial Year at 100% or USD 76,480,236 as retained earnings. 2. Allocation for 2016 Community Development Program at 2% from net income or at USD 1,529,605 became the Company's expenses.
3.	Penetapan Tantiem Tahun Buku 2015, Gaji/ Honorarium berikut fasilitas dan tunjangan lainnya bagi anggota Direksi dan Dewan Komisaris Tahun Buku 2016. Tantiem determination for 2015 Financial Year, Salary/Honorarium, allowances and facilities for Board of Director and Board of Commissioner for 2016 Financial Year.	Memberikan wewenang dan kuasa kepada Dewan Komisaris dengan terlebih dahulu mendapatkan persetujuan Pemegang Saham Seri A Dwiwarna untuk menetapkan besarnya tantiem bagi Direksi dan Dewan Komisaris Tahun Buku 2015 serta menetapkan gaji, honorarium, tunjangan dan fasilitas bagi Direksi dan Dewan Komisaris Tahun Buku 2016. Granted the authority and power to the Board of Commissioners with prior consent of the holders of Dwiwarna Shares Serie A to determine the amount of tantiem (bonus) for the financial year 2015 and determine the salary/honorarium, allowances and facilities for the members of the Board of Directors and the Board of Commissioners for 2016 Financial Year.
4.	Penunjukkan Kantor Akuntan Publik (KAP) Untuk Mengaudit Laporan Keuangan Perseroan Tahun Buku 2016 dan Laporan Keuangan Pelaksanaan Program Kemitraan dan Bina Lingkungan Perseroan Tahun 2016. The appointment of Public Accounting Firm to audit the Company's Financial statements for Financial Year 2016 and the Partnership Program and Community Development Financial Statements for Financial Year 2016.	1. Menetapkan Kantor Akuntan Publik (KAP) Osman Bing Satrio & Eny (Deloitte) untuk melakukan audit atas Laporan Keuangan Perseroan untuk Tahun Buku yang akan berakhir pada 31 Desember 2016 dan Laporan Keuangan Program Kemitraan dan Bina Lingkungan (PKBL) Perseroan untuk Tahun Buku yang berakhir pada tanggal 31 Desember 2016. 2. Melimpahkan kewenangan kepada Dewan Komisaris untuk menetapkan besaran imbalan jasa audit dan persyaratan penunjukan lainnya yang wajar bagi KAP tersebut, serta menetapkan KAP pengganti dalam hal KAP Osman Bing Satrio & Eny (Deloitte) karena sebab apapun tidak dapat melaksanakan audit atas Laporan Keuangan Perseroan dan Laporan Keuangan Program Kemitraan dan Bina Lingkungan Perseroan untuk Tahun Buku yang berakhir pada tanggal 31 Desember 2016. 1. Appointed of Public Accounting Firm of Osman Bing Satrio & Eny (Deloitte) to audit the Company's Financial Statements for Financial Year ending in December 31, 2016 and the Partnership Program and Community Development Financial Statements for Financial Year ending in December 31, 2016. 2. Delegation of authority to the Board of Commissioners to determine the reasonable amount of audit fees and other terms and conditions for the Public Accounting Firm, as well as to appoint a replacement of the Public Accounting Firm in case Public Accounting Firm of Osman Bing Satrio & Eny (Deloitte) for any reasons is unable to peform the audit of the Company's Financial Statements and the Partnership Program and Community Development Financial Statements for the year ending in December 31, 2016.
5.	Pelimpahan Kewenangan kepada Dewan Komisaris untuk melaksanakan peningkatan modal ditempatkan dan disetor Perseroan dalam rangka pelaksanaan Program Management and Employee Stock Option Plan (MESOP).	Menyetujui Pelimpahan Kewenangan kepada Dewan Komisaris untuk Melaksanakan Peningkatan Modal Ditempatkan dan Disetor Perseroan dalam rangka Pelaksanaan Program Management and Employee Stock Option Plan (MESOP).

No.	Mata Acara Agenda	Keputusan Decisions
	Delegation of Authority to the Board of Commissioners to increase the amount of issued and paid-up capital of the Company in conjunction with the implementation of the Management and Employees Stock Option Plan (MESOP).	Approved the Delegation of Authority to the Board of Commissioners in Increasing the amount of Issued and Paid-up Capital of the Company in conjunction with the implementation of the Management and Employees Stock Option Plan (MESOP).
6.	Laporan Penggunaan Dana Penawaran Umum Saham Perdana dan Penawaran Umum Terbatas dengan Hak Memesan Efek Terlebih Dahulu. Report on the Use of Fund from the Initial Public Offering (IPO) and from the Rights Issue with Preemptive Rights (HMETD).	Oleh karena Mata Acara Keenam RUPST hanya bersifat laporan, maka tidak dilakukan sesi tanya-jawab maupun pengambilan keputusan. Because of the sixth AGM Agenda was merely a report, therefore question & answer session as well as decision making session were not conducted.
7.	Pengukuhan Pemberlakuan Peraturan Menteri BUMN No. PER-09/MBU/07/2015 tanggal 3 Juli 2015 tentang Program Kemitraan dan Bina Lingkungan Badan Usaha Millik Negara. Inauguration on implementation of the Minister of SOEs Regulation No. PER-09/MBU/07/2015 dated July 3, 2015 concerned on State-Owned Enterprises Partnership Program and Community Development.	Menyetujui pengukuhan pemberlakuan Peraturan Menteri Badan Usaha Milik Negara Nomor: PER-09/MBU/07/2015 tanggal 3 Juli 2015 tentang Program Kemitraan dan Program Bina Lingkungan Badan Usaha Milik Negara. Approved the inauguration on implementation of the Minister of SOEs Regulation No. PER-09/MBU/07/2015 dated July 3, 2015 concerned on State-Owned Enterprises Partnership Program and Community Development.
8.	Perubahan Susunan Pengurus Perseroan. Changes in the Composition of the Company's Management.	1. Mengukuhkan pemberhentian Sdr. Handayani, selaku Direktur PT Garuda Indonesia (Persero), Tbk terhitung sejak diangkatnya sebagai Direktur PT Bank Tabungan Negara (Persero) Tbk dalam RUPS Tahunan 2016 PT Bank Tabungan Negara (Persero), Tbk pada tanggal 12 April 2016. 2. Memberhentikan dengan hormat nama-nama di bawah ini sebagai anggota Direksi Perseroan: - Sdr. IG. N. Askhara Danadiputra sebagai Direktur - Sdr. Heriyanto Agung Putra sebagai Direktur Pemberhentian anggota Direksi tersebut terhitung sejak ditutupnya Rapat ini, dengan ucapan terima kasih atas sumbangan tenaga dan pikiran yang diberikan selama menjabat anggota Direksi. 3. Mengangkat nama-nama tersebut di bawah ini sebagai anggota Direksi Perseroan: - Sdr. Sigit Muhartono sebagai Direktur - Sdr. Helmi Imam Satriyono sebagai Direktur - Sdr. Linggarsari Suharso sebagai Direktur - Sdr. Agus Toni Soetirto sebagai Direktur Berakhirnya masa jabatan anggota Direksi yang diangkat tersebut adalah sampai dengan ditutupnya RUPS Tahunan yang ke-5 sejak pengangkatan yang bersangkutan yaitu RUPS yang diselenggarakan tahun 2021, dengan memperhatikan peraturan perundang-undangan dan tanpa mengurangi hak RUPS untuk memberhentikan sewaktu-waktu. 4. Dengan adanya pengangkatan tersebut, maka susunan Direksi Perseroan adalah sebagai berikut: • Direktur Utama: M. Arif Wibowo • Direktur: Iwan Joeniarto • Direktur: Nicodemus P. Lampe • Direktur: Novianto Herupratomo • Direktur: Sigit Muhartono • Direktur: Helmi Imam Satriyono • Direktur: Linggarsari Suharso • Direktur: Agus Toni Soetirto 5. Memberikan kuasa dan wewenang kepada Direksi Perseroan dengan hak substitusi untuk melakukan segala tindakan yang diperlukan berkaitan dengan keputusan agenda ini sesuai dengan peraturan perundang-undangan yang berlaku, termasuk untuk menyatakan dalam Akta Notaris tersendiri dan memberitahukan susunan Direksi Perseroan kepada Kementerian Hukum dan HAM, sesuai dengan ketentuan yang berlaku.

RAPAT UMUM PEMEGANG SAHAM
General Meeting of Shareholders

No.	Mata Acara Agenda	Keputusan Decisions
		1. Approved the discharged of Mr. Handayani as Director of PT Garuda Indonesia (Persero), Tbk effective after his appointment as Director of PT Bank Tabungan Negara (Persero), Tbk in 2016 Annual GMS of PT Bank Tabungan Negara (Persero), Tbk dated April 12, 2016. 2. Approved to dismiss with honor of this following names as member of the Company's Board of Director: - Mr. IG. N. Askhara Danadiputra as Director - Mr. Heriyanto Agung Putra as Director The dismissal of the members of the Board of Directors was effective after the closing of the GMS, by expression of gratitude for the service during their tenure as members of the Board of Directors. 3. Appointed these following names as the Member of the Board of Directors: - Mr. Sigit Muhartono as Director - Mr. Helmi Imam Satriyono as Director - Mr. Linggarsari Suharso as Director - Mr. Agus Toni Soetirto as Director The end tenure of the appointed Member of the Board Director is until the closing of the fifth Annual GMS after the date of the appointment, on AGM that will be held in 2021 by concerning on law and regulation, but without prejudice to the rights of the GMS to dismiss the member concerned at any time. 4. Having conducted the appointment, composition of the Company's Board of Directors as follow: • President Director: M. Arif Wibowo • Director: Iwan Joeniarto • Director: Nicodemus P. Lampe • Director: Novianto Herupratomo • Director: Sigit Muhartono • Director: Helmi Imam Satriyono • Director: Linggarsari Suharso • Director: Agus Toni Soetirto 5. Authorized the Board of Directors of PT Garuda Indonesia (Persero) Tbk through the right of substitution, to restate the decision of the Annual General Meeting of Shareholders in the notarial deed and further notify the change in the composition of the Board of Directors to the Ministry of Law and Human Rights of the Republic of Indonesia, in accordance to prevailing regulations.

RAPAT UMUM PEMEGANG SAHAM TAHUNAN

Pengambilan Keputusan dan Tindak Lanjut Keputusan RUPS Tahunan

Seluruh keputusan RUPS Tahunan Perseroan sebagaimana tertera di atas disetujui secara musyarawah dan mufakat dan seluruh keputusan telah direalisasikan sebagai berikut:

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Decision Making and Realization of AGM's Decision

All of the decisions of the Annual General Meeting of Shareholders as set out above were approved based on concensus decision and all of the decisions have been realized as follow:

Keputusan dan Tindak Lanjut Keputusan RUPS Tahun Buku 2015
Realization and Follow-up of 2015 GMS Decision

No.	Keputusan Decisions	Tindak Lanjut/Realisasi Follow-up/Realization
1.	Menyetujui pemberian kewenangan kepada Direksi untuk melaksanakan rekomendasi dari hasil pemeriksaan BPK Tahun 2015. Approved authority grant to the Board of Directors to carry out recommendations from the summary of BPK audit in 2015.	Dari seluruh rekomendasi BPK RI yang disampaikan pada RUPS, sejumlah 82% rekomendasi telah selesai ditindaklanjuti dan sisanya sejumlah 18% sedang dalam proses. Of all BPK RI's recommendations which submitted on GMS, a total of 82% recommendations have been followed up and the rest by 18% are still in progress.

No.	Keputusan Decisions	Tindak Lanjut/Realisasi Follow-up/Realization
2.	Memberikan wewenang dan kuasa kepada Dewan Komisaris dengan terlebih dahulu mendapatkan persetujuan Pemegang Saham Seri A Dwiwarna untuk menetapkan besarnya tantiem bagi Direksi dan Dewan Komisaris Tahun Buku 2015 serta menetapkan gaji, honorarium, tunjangan dan fasilitas bagi Direksi dan Dewan Komisaris Tahun Buku 2016. Granted the authority and power to the Board of Commissioners with prior consent of the holders of Dwiwarna Shares Serie A to determine the amount of tantiem (bonus) for the financial year 2015 and determine the salary/honorarium, allowances and facilities for the members of the Board of Directors and the Board of Commissioners for 2016 Financial Year.	Sebagai tindak lanjut atas Penetapan Pemegang Saham Seri A Dwiwarna di Luar Rapat Umum Pemegang Saham No. S-79/D5.MBU/06/2016 tanggal 27 Juni 2016 telah ditetapkan Gaji/Honorarium, Tunjangan dan Fasilitas untuk tahun 2016 serta Tantiem atas Kinerja tahun 2015 bagi Direksi dan Dewan Komisaris dalam Surat Keputusan Dewan Komisaris No. JKTDW/SKEP/051/2016 tanggal 30 Juni 2016 tentang Gaji dan Honorarium serta Fasilitas dan Tunjangan Bagi Direksi dan Dewan Komisaris Tahun Buku 2016. As a follow-up action to the Determination of Series A Dwiwarna Shareholders outside of the General Meeting of Shareholders No. S-79/D5.MBU/06/2016 dated June 27, 2016, the amount of tantiem for Financial Year 2016, remuneration, honorarium, benefits and facilities of the Board of Directors and the Board of Commissioners for Financial Year 2016 based on BOC Decree No. JKTDW/SKEP/051/2016 dated June 30, 2016 concerned on Salary and Honorarium as well as Allowance and Facilities for the Board of Directors and the Board of Commissioners in 2016.
3.	Melimpahkan kewenangan kepada Dewan Komisaris untuk menetapkan besaran imbalan jasa audit dan persyaratan penunjukan lainnya yang wajar bagi KAP tersebut, serta menetapkan KAP pengganti dalam hal KAP Osman Bing Satrio & Eny (Deloitte) karena sebab apapun tidak dapat melaksanakan audit atas Laporan Keuangan Perseroan dan Laporan Keuangan Program Kemitraan dan Bina Lingkungan Perseroan untuk Tahun Buku yang berakhir pada tanggal 31 Desember 2016. Grant the authority to the Board of Commissioners to determine the reasonable amount of audit fees and other terms and conditions for the Public Accounting Firm, as well as to appoint a replacement of the Public Accounting Firm in case Public Accounting Firm of Osman Bing Satrio & Eny (Deloitte) for any reasons is unable to peform the audit of the Company's Financial Statements and the Partnership Program and Community Development Financial Statements for the year ending in December 31, 2016.	Melalui surat Dewan Komisaris nomor No. GARUDA/DEKOM-067/2016 tanggal 8 September 2016 perihal Penugasan Kantor Akuntan Publik ("KAP") dan Surat GARUDA/DEKOM-075/2016 tanggal 17 Oktober 2016 perihal Persetujuan Penambahan Ruang Lingkup dan Harga Jasa Profesional Audit telah ditetapkan ruang lingkup pekerjaan, honorarium dan persyaratan lainnya bagi KAP Osman Bing Satrio & Eny (Deloitte). Based on the Decree of the Board of Commissioners No. GARUDA/DEKOM-067/2016 dated September 8, 2016 concerning the appointment of Public Accounting Firm and the Decree of GARUDA/DEKOM-075/2016 dated on October 17, 2016 concerned on the approval of Additional Scope and Audit Professional Fees, the scope, the honorarium and other qualifications have been set for Osman Bing Satrio & Eny (Deloitte).
4.	Menyetujui Pelimpahan Kewenangan kepada Dewan Komisaris untuk Melaksanakan Peningkatan Modal Ditempatkan dan Disetor Perseroan dalam rangka Pelaksanaan Program Management and Employee Stock Option Plan (MESOP). Approved the Delegation of Authority to the Board of Commissioners in Increasing the amount of Issued and Paid-up Capital of the Company in conjunction with the implementation of the Management and Employees Stock Option Plan (MESOP).	Keputusan ini memperpanjang pelimpahan kewenangan kepada Dewan Komisaris Perseroan untuk menyatakan realisasi peningkatan modal ditempatkan dan modal disetor Perseroan sehubungan dengan pelaksanaan Program Management and Employees Stock Option Plan (MESOP) yang telah disetujui dalam Rapat Umum Pemegang Saham pada tanggal 15 November 2010 dan Keputusan Edaran Para Pemegang Saham sebagai pengganti Rapat Umum Pemegang Saham Luar Biasa Perseroan tanggal 26 Januari 2011, untuk jangka waktu 1 (satu) tahun terhitung sejak ditutupnya RUPS. The decision extends the delegation of authority to the Company's Board of Commissioners to declare issued and paid-up capital in conjunction with the implementation of the Management and Employees Stock Option Plan (MESOP) as has been approved in the General Meeting of Shareholders on November 15, 2010 and Shareholders Circular Resolution as a replacement of the Extraordinary General Meeting the realization of the increase in the Company's of Shareholders of the Company dated January 26, 2011, for a period of 1 (one) year after the closing of this Meeting.
5.	Memberikan kuasa dan wewenang kepada Direksi Perseroan dengan hak substitusi untuk melakukan segala tindakan yang diperlukan berkaitan dengan keputusan agenda ini sesuai dengan peraturan perundang-undangan yang berlaku, termasuk untuk menyatakan dalam Akta Notaris tersendiri dan memberitahukan susunan Direksi Perseroan kepada Kementerian Hukum dan HAM, sesuai dengan ketentuan yang berlaku.	Perseroan telah menindaklanjuti keputusan mengenai perubahan susunan anggota Direksi dengan akta No. 2 tanggal 15 April 2016 yang dibuat dihadapan Aulia Taufani S.H, Notaris di Kabupaten Tangerang dan telah diterima pemberitahuan perubahannya oleh Menteri Hukum dan HAM sesuai suratnya No. AHU-AH.01.03-0043943 tanggal 27 April 2016.

RAPAT UMUM **PEMEGANG SAHAM**
General Meeting of Shareholders

No.	Keputusan Decisions	Tindak Lanjut/Realisasi Follow-up/Realization
	Authorized the Board of Directors of PT Garuda Indonesia (Persero) Tbk through the right of substitution, to restate the decision of the Annual General Meeting of Shareholders in the notarial deed and further notify the change in the composition of the Board of Directors to the Ministry of Law and Human Rights of the Republic of Indonesia, in accordance to prevailing regulations.	The Company has been followed up the decision on composition changes of the Board of the Company with notarial deed No. 3 dated April 15, 2016 of Aulia Taufani S.H, Notary in Tangerang district and has received notification amendment by the Minister of Law and Human Rights in accordance letter No. AHU-AH.01.03-0043943, dated April 27, 2016.

Kehadiran RUPS Tahunan 2016

RUPS Tahunan yang dilaksanakan pada tanggal 15 April 2016 dihadiri oleh 89,530% atau seluruhnya berjumlah 23.160.680.050 (dua puluh tiga miliar seratus enam puluh juta enam ratus delapan puluh ribu lima puluh) saham dari seluruh Pemegang Saham. Lebih dari 50% atau ½ bagian dari jumlah seluruh saham telah hadir sehingga telah memenuhi persyaratan kuorum RUPS Tahunan serta sah dan berhak untuk mengambil keputusan yang sah dan mengikat kehadiran RUPS.

Attendance of Annual GMS 2016

The Annual GMS held on April 15, 2016 was attended by 89.530% or representing 23,160,680,050 (twenty-three billion, one hundred and sixty million six hundred eighty thousand and fifty) shares out of the total issues shares. More than 50% or ½ of the total shares were present so that the Annual GMS quorum requirements have been met as well as legitimate and entitled to make valid and binding decisions.

REALISASI KEPUTUSAN RUPS TAHUN BUKU SEBELUMNYA

REALIZATION OF GMS RESOLUTION OF PREVIOUS FISCAL YEAR

No.	Keputusan RUPS Tahunan Tahun Buku 2014 tanggal 15 Mei 2015 Resolution of Annual GMS for Fiscal Year 2014 on May 15, 2015	Tindak Lanjut/Realisasi Follow-up/Realization
1.	Memberikan wewenang dan kuasa kepada Dewan Komisaris dengan terlebih dahulu mendapatkan persetujuan Pemegang Saham Seri A Dwiwarna untuk menetapkan besarnya tantiem bagi Direksi dan Dewan Komisaris Tahun Buku 2014 serta menetapkan gaji, honorarium, tunjangan dan fasilitas bagi Direksi dan Dewan Komisaris Tahun Buku 2015. Grant the authority to the Board of Commissioners by obtaining prior approval from the series A Dwiwarna shareholders to determine the amount of tantiem of the Board of Directors and the Board of Commissioners for Financial Year 2014 as well as to determine the salary, honorarium, remuneration and benefits for the Board of Directors and the Board of Commissioners for Financial Year 2015.	Sebagai tindak lanjut atas Penetapan Pemegang Saham Seri A Dwiwarna di Luar Rapat Umum Pemegang Saham No. S-329/D4/06/2015 tanggal 24 Juni 2015, telah ditetapkan Tantiem Tahun 2014, Gaji, Honorarium, Tunjangan dan fasilitas bagi Direksi dan Dewan Komisaris Tahun Buku 2015 dalam Surat Keputusan Dewan Komisaris No. JKTDW/SKEP/069/2015 tanggal 6 Juli 2015. As a follow-up action to the Determination of Series A Dwiwarna Shareholders outside of the General Meeting of Shareholders No. S-329/D4/06/2015 dated June 24, 2015, the amount of tantiem for Financial Year 2016, remuneration, honorarium, benefits and facilities of the Board of Directors and the Board of Commissioners for Financial Year 2015 based on BOC Decree No. JKTDW/SKEP/069/2015 dated July 6, 2015.
2.	Melimpahkan kewenangan kepada Dewan Komisaris untuk menetapkan besaran imbalan jasa audit dan persyaratan penunjukkan lainnya yang wajar bagi KAP tersebut, serta menetapkan KAP pengganti dalam hal KAP Osman Bing Satrio & Eny (Deloitte) karena sebab apapun tidak dapat melaksanakan audit atas Laporan Keuangan Perseroan dan Laporan Keuangan Program Kemitraan dan Bina Lingkungan Perseroan untuk Tahun Buku yang berakhir pada tanggal 31 Desember 2015. Grant the authority to the Board of Commissioners to determine the reasonable amount of audit fees and other terms and conditions for the Public Accounting Firm, as well as to appoint a replacement of the Public Accounting Firm in case Public Accounting Firm of Osman Bing Satrio & Eny (Deloitte) for any reasons is unable to peform the audit of the Company's Financial Statements and the Partnership Program and Community Development Financial Statements for the year ending in December 31, 2015.	Melalui surat Dewan Komisaris nomor No. GARUDA/DEKOM-079/2015 tanggal 28 September 2015 perihal Penugasan Kantor Akuntan Publik ("KAP") telah ditetapkan honorarium dan persyaratan lainnya bagi KAP Osman Bing Satrio & Eny (Deloitte). Based on the Decree of the Board of Commissioners No. GARUDA/DEKOM-079/2015 dated September 28, 2015 concerning the appointment of Public Accounting Firm the honorarium and other qualifications have been set for Osman Bing Satrio & Eny (Deloitte).

No.	Keputusan RUPS Tahunan Tahun Buku 2014 tanggal 15 Mei 2015 Resolution of Annual GMS for Fiscal Year 2014 on May 15, 2015	Tindak Lanjut/Realisasi Follow-up/Realization
3.	Menyetujui Pelimpahan Kewenangan kepada Dewan Komisaris untuk Melaksanakan Peningkatan Modal Ditempatkan dan Disetor Perseroan dalam rangka Pelaksanaan Program Management and Employee Stock Option Plan (MESOP) Approved the Delegation of Authority to the Board of Commissioners in Increasing the amount of Issued and Paid-up Capital of the Company in conjunction with the implementation of the Management and Employees Stock Option Plan (MESOP).	Keputusan ini memperpanjang pelimpahan kewenangan kepada Dewan Komisaris Perseroan untuk menyatakan realisasi peningkatan modal ditempatkan dan modal disetor Perseroan sehubungan dengan pelaksanaan Program Management and Employees Stock Option Plan (MESOP) yang telah disetujui dalam Rapat Umum Pemegang Saham pada tanggal 15 November 2010 ("Keputusan RUPS 15 November 2010") dan Keputusan Edaran Para Pemegang Saham sebagai pengganti Rapat Umum Pemegang Saham Luar Biasa Perseroan tanggal 26 Januari 2011 ("Keputusan Pemegang Saham 26 Januari 2011"), untuk jangka waktu 1 (satu) tahun terhitung sejak ditutupnya Rapat ini. The decision extends the delegation of authority to the Company's Board of Commissioners to declare the realization of the increase in the Company's issued and paid-up capital in conjunction with the implementation of the Management and Employees Stock Option Plan (MESOP) as has been approved in the General Meeting of Shareholders on November 15, 2010 ("GMS Decision November 15, 2010") and Shareholders Circular Resolution as a replacement of the Extraordinary General Meeting of Shareholders of the Company dated January 26, 2011 ("Shareholders Decision January 26, 2011"), for a period of 1 (one) year after the closing of this Meeting.
4.	Memberi wewenang dan kuasa kepada Direksi Perseroan untuk menyatakan dalam akta pernyataan keputusan Rapat tersendiri dalam rangka perubahan Anggaran Dasar ini (akta otentik) serta melakukan segala tindakan yang diperlukan untuk memperoleh pengesahan atas perubahan Anggaran Dasar ini. Grant the authority to the Board of Directors to declare the decision of the Meeting deed statement of its own in order to change the Articles of Association (the authentic act) and conduct all the necessary actions to obtain the endorsement of amendments to the Articles of Association.	Perseroan telah menindaklanjuti keputusan mengenai perubahan Anggaran Dasar dengan akta No. 3 tanggal 15 Mei 2015 yang dibuat dihadapan Aulia Taufani S.H., Notaris di Kabupaten Tangerang telah diterima pemberitahuan perubahannya oleh Menteri Hukum dan HAM sesuai suratnya No. AHU-AH.01.03-0939814 tanggal 11 Juni 2015. The Company has been followed up the decision on amendment of the Articles of Association with notarial deed No. 3 dated May 15, 2016 of Aulia Taufani S.H., Notary in Tangerang district and has received notification amendment by the Minister of Law and Human Rights in accordance letter No. AHU-AH.01.03-0939814, dated June11, 2015.
5.	Memberi kuasa dengan hak substitusi kepada Direksi PT Garuda Indonesia (Persero) Tbk, untuk menyatakan kembali keputusan Rapat Umum Pemegang Saham Tahunan dalam akta notaris dan selanjutnya memberitahukan perubahan susunan anggota Direksi tersebut kepada Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia. Authorized the Board of Directors of PT Garuda Indonesia (Persero) Tbk through the right of substitution, to restate the decision of the Annual General Meeting of Shareholders in the notarial deed and further notify the change in the composition of the Board of Directors to the Ministry of Law and Human Rights of the Republic of Indonesia, in accordance to prevailing regulations.	Perseroan telah menindaklanjuti keputusan mengenai perubahan susunan anggota Dewan Komisaris dengan akta No. 4 tanggal 15 Mei 2015 yang dibuat dihadapan Aulia Taufani S.H., Notaris di Kabupaten Tangerang dan telah diterima pemberitahuan perubahannya oleh Menteri Hukum dan HAM sesuai suratnya No. AHU-AH.01.03-0934459 tanggal 25 Mei 2015. The Company has followed up on the decision on changes in the composition of the Board of Directors through deed no. 4 dated May 15, 2015 of Aulia Taufani S.H., Notary in the Tangerang District and the notice of the amendments has been received by the Minister of Law and Human Rights in accordance to the letter No. AHU-AH.01.03-0934459 dated May 25, 2015.

RAPAT UMUM **PEMEGANG SAHAM**
General Meeting of Shareholders

No.	Keputusan RUPS Luar Biasa tanggal 15 Mei 2015 Extraordinary GMS Resolution dated May 15, 2015	Tindak Lanjut/Realisasi Follow-up/Realization
1.	Menyetujui keseluruhan rencana transaksi serta hal-hal yang telah diungkapkan dan diinformasikan oleh Perseroan kepada Para Pemegang Saham Perseroan dalam Keterbukaan Informasi Kepada Pemegang Saham dalam rangka pemenuhan ketentuan Peraturan IX.E.2 tentang Transaksi Material dan Perubahan Kegiatan Usaha Utama yang merupakan transaksi material sebagaimana dimaksud dalam Peraturan Bapepam dan LK No. IX.E.2 yaitu penerbitan Sukuk oleh Perseroan dengan jumlah maksimum USD500.000.000 (lima ratus juta Dollar Amerika) yang akan dilakukan melalui perusahaan penerbit yang akan didirikan dalam rangka penerbitan sukuk secara *private placement* di luar maupun di dalam wilayah Republik Indonesia, dengan tujuan untuk keperluan membiayai kegiatan Perseroan secara umum *(general corporate purpose)*, termasuk pembiayaan kembali hutang Perseroan yang ada saat ini ("Rencana Transaksi"). Approved the overall plan of the proposed transaction as well as on the matters that have been expressed and informed by the Company to the Shareholders in the Disclosures to Shareholders in order to meet the provisions of Regulation IX.E.2 regarding Material Transactions and the Amendment of the Company's Core Business which is a material transaction as referred to in Bapepam- LK Regulation No. IX.E.2 on the issuance of Sukuk by the Company with a maximum total of USD 500,000,000 (five hundred million US Dollars) which will be implemented through an issuing company to be established in relation to the issuance of sukuk through a private placement whether outside or within the territory of the Republic of Indonesia, with the aim to finance the general corporate purpose of the Company, including the refinancing of the Company's existing loan (the "Proposed Transaction".	Perseroan melalui perusahaan penerbit Garuda Indonesia Global Sukuk Limited telah melakukan penerbitan sukuk pada 3 Juni 2015 sejumlah USD500.000.000 (lima ratus juta Dolar Amerika Serikat) dengan harga penerbitan sebesar 99,256% dari jumlah total penerbitan sukuk, dengan nisbah/tingkat imbal hasil sebesar 5,950% per annum. The Company through issuance company, Garuda Indonesia Global Sukuk Limited has been conducted sukuk issuance on June 3, 2015 with total of USD500,000,000 (five hundred million US Dollars) with issuance fee amounted 99.256% from sukuk issuance total, with nisbah/rate equivalent amounted 5,950% per annum.
2.	Menyetujui untuk memberikan kewenangan kepada Direksi Perseroan atau pihak yang ditunjuk oleh Direksi Perseroan untuk melaksanakan setiap tindakan yang diperlukan, dianggap perlu dan dipersyaratkan (termasuk setiap perubahan, perpanjangan, perbaikan dan/atau penambahannya) dan dokumen-dokumen terkait dengannya dalam rangka Rencana Transaksi tersebut. Approved on the delegation of authority to the Board of Directors or to a party appointed by the Board of Directors to carry out the necessary actions, as deemed out necessary and required (including any amendment, extension, repair and/or the addition) and the associated documents in relation to the Proposed Transaction.	

Selain Keputusan RUPS Tahunan, pada tahun buku 2016 Perusahaan telah melaksanakan keputusan RUPS Luar Biasa tanggal 12 Desember 2014 sebagai berikut:

In addition to the Resolution of Annual GMS for fiscal year 2016, the Company has exercised the Extraordinary GMS's resolution dated December 12, 2014 as follows:

No.	Keputusan RUPS Luar Biasa tanggal 12 Desember 2014 Resolution of Extraordinary GMS dated December 12, 2014	Tindak Lanjut/Realisasi Follow-up/Realization
1.	Menyetujui pengeluaran saham baru oleh Perseroan yang akan diambil bagian seluruhnya oleh Negara Republik Indonesia sebagai bagian dari tambahan penyertaan modal negara atas aset berupa unit *jet engine test cell* eks Protocol Loan Perancis yang pengadaannya melalui DIP Departemen Perhubungan tahun 1982/1983 (sesuai surat Menteri Keuangan RI nomor: S-124/MK.016/1993 tanggal 28 Januari 1993), yang akan dilaksanakan sesuai dengan ketentuan yang berlaku di bidang Pasar Modal serta memberikan pelimpahan kewenangan dan kuasa kepada Dewan Komisaris untuk melaksanakan keputusan Rapat ini termasuk menetapkan jumlah saham yang akan diterbitkan dari hasil pengeluaran saham baru tersebut yang akan dilaksanakan setelah Peraturan Pemerintah terkait dengan pengeluaran saham baru tersebut diterbitkan. Approved the issuance of new shares by the Company which will be subscribed entirely to the Republic of Indonesia as part of the state for additional capital assets such as jet engine test cell unit Protocol former French Loan procured through DIP Department of Transportation in 1982/1983 (corresponding letter of the Minister of Finance No. S-124/MK.016/1993 dated January 28, 1993), which will be implemented in accordance with applicable regulations in the capital market as well as provide the delegation of authority and power to the Board of Commissioners to implement the decision of this Meeting includes a set amount of shares to be issued from the issuance of new shares that will be implemented after the government regulation associated with issuing new shares are issued.	Penambahan Modal tanpa Memesan Efek Terlebih Dahulu telah dilaksanakan dengan diterbitkannya Peraturan Pemerintah No. 36 tahun 2016 tentang Penambahan Penyertaan Modal Negara Republik Indonesia ke dalam Modal Saham Perusahaan Perseroan (Persero) PT Garuda Indonesia Tbk. Penambahan modal tersebut telah dicatatkan di Bursa Efek Indonesia pada tanggal 9 Desember 2016, sehingga saham Perusahaan yang tercatat di Bursa Efek Indonesia seluruhnya berjumlah 25.886.576.254 saham. Capital increase without rights issue in advance has been conducted with the issuance of Government Regulation No. 36 in 2016 concerned on Increase in Investment of the Republic of Indonesia to the Capital Shares Owned Company (Persero) PT Garuda Indonesia Tbk. The capital increase has been listed on the Indonesia Stock Exchange on December 9, 2016, so that the Company's shares are listed on the Indonesia Stock Exchange by total amount 25,886,576,254 shares.

DEWAN **KOMISARIS**
Board of Commissioners

Sesuai dengan fungsi dan kewenangan yang tertuang dalam Anggaran Dasar Perseroan, Dewan Komisaris bertanggung jawab atas fungsi pengawasan atas pelaksanaan strategi dan pengelolaan Perseroan oleh Direksi serta pemberian rekomendasi pada Direksi guna memastikan kesinambungan aktivitas bisnis. Selain itu, Dewan Komisaris juga diharapkan mampu melakukan pemantauan atas pelaksanaan dan efektivitas penerapan GCG termasuk di dalamnya memberikan saran konstruktif untuk penyempurnaan implementasi GCG oleh Perseroan.

According to the functions and authority as set out in the Company's Articles of Association, the Board of Directors is responsible in overseeing the Company's implementation of strategy and management by the Board of Directors as well as in providing recommendations to the Board of Directors to ensure the sustainability of the business activities. In addition, the Board of Directors is also expected to monitor GCG implementation and effectiveness which include providing constructive suggestions for the improvement of GCG implementation by the Company.

KRITERIA DAN PROSEDUR PENUNJUKAN ANGGOTA DEWAN KOMISARIS

Kriteria Penunjukan

Dalam rangka memenuhi ketentuan Peraturan Menteri BUMN No. PER-02/MBU/02/2015 berikut dengan perubahannya serta PP No. 45 tahun 2005 serta Peraturan OJK No. 33/POJK.04.2014 tentang Direksi Dan Dewan Komisaris Emiten Atau Perusahaan Publik, kandidat anggota Dewan Komisaris Perseroan harus memenuhi sejumlah kriteria pengangkatan formal, materiil, dan lainnya sebagaimana dijabarkan sebagai berikut:

Persyaratan Formal

1. Orang perseorangan;
2. Cakap melakukan perbuatan hukum;
3. Tidak pernah dinyatakan pailit dalam waktu 5 (lima) tahun sebelum pencalonan;
4. Tidak pernah menjadi anggota Direksi atau anggota Dewan Komisaris atau Dewan Pengawas yang dinyatakan bersalah menyebabkan suatu Perseroan/Perum dinyatakan pailit dalam waktu 5 (lima) tahun sebelum pencalonan;
5. Tidak pernah dihukum karena melakukan tindak pidana yang merugikan keuangan negara dan/atau yang berkaitan dengan sektor keuangan dalam waktu 5 (lima) tahun sebelum pencalonan.

Persyaratan Materiil

1. Integritas;
2. Dedikasi;
3. Memahami masalah-masalah manajemen perusahaan yang berkaitan dengan salah satu fungsi Manajemen;
4. Memiliki pengetahuan yang memadai di bidang usaha Persero/Perum di mana yang Bersangkutan dicalonkan; dan
5. Dapat menyediakan waktu yang cukup untuk melaksanakan tugasnya.

Persyaratan Lainnya

1. Bukan pengurus Partai Politik dan/atau calon anggota legislatif dan/atau anggota legislatif;Calon anggota legislatif atau anggota legislatif terdiri dan calon/anggota DPR, DPD, DPRD Tingkat I, dan DPRD Tingkat II;
2. Bukan calon Kepala/Wakil Kepala Daerah dan/atau Kepala/Wakil Kepala Daerah;

CRITERIA AND PROCEDURES FOR APPOINTMENT OF BOARD OF COMMISSIONERS' MEMBER

Appointment Criteria

In pursuant to the Regulation of the Minister of SOEs No. PER-02/MBU/02/2015 including its amendments as well as Presidential Regulation No. 45 of 2005 and the Financial Services Authority Regulations No. 33/POJK.04.2014 on the Board of Directors and the Board of Commissioners of the Issuer or the Public Company, a candidate member of the Company's Board of Commissioners must meet a number of formal, material, and other appointment requirements as described below:

Formal Requirements

1. An individual;
2. Legally competent;
3. Has never been declared as Bankrupt within 5 (five) years prior to the nomination;
4. Has never been a member of the Board of Directors or the Board of Commissioners or the Supervisory Board who were responsible for causing a Company/Perum to be declared Bankrupt within 5 (five) years prior to the nomination;
5. Has never been sentenced for a criminal offense that is detrimental to the country's financial and/or related to the financial within 5 (five) years prior to the nomination.

Material Requirements

1. Integrity;
2. Dedication;
3. Understands the company's management issues relating to one of the functions Management;
4. Possesses adequate knowledge in the business field of the Company/Perum in which the individual is being nominated; and
5. Able to provide sufficient time to perform their duties.

Other Requirements

1. Not a Political Party official and/or prospective member of the legislative and/or member of the legislative; prospective member of the legislative or member of the legislative and candidate/member of the DPR, DPD, DPRD Level I, and DPRP Level II;
2. Not a candidate for the Head/Deputy Head and/or Head/Deputy Head;

3. Tidak menjabat sebagai anggota Dewan Komisaris/Dewan Pengawas pada BUMN yang bersangkutan selama 2 (dua) periode berturut-turut;
4. Sehat jasmani dan rohani (tidak sedang menderita suatu penyakit yang dapat menghambat pelaksanaan tugas sebagai anggota Dewan Komisaris/Dewan Pengawas), yang dibuktikan dengan surat keterangan sehat dari Dokter;
5. Bagi bakal calon dari Kementerian Teknis atau Instansi Pemerintah lain, harus berdasarkan surat usulan dan instansi yang bersangkutan.

Prosedur Penunjukan

Calon anggota Dewan Komisaris diangkat jika mereka telah memenuhi persyaratan formal, persyaratan materiil, dan persyaratan lain dengan prosedur berikut ini:

1. Anggota Dewan Komisaris diangkat oleh RUPS.
2. Bagi BUMN tertentu yang berdasarkan peraturan perundang-undangan pengangkatan anggota Dewan Komisaris memerlukan penilaian oleh regulator,
3. Anggota Dewan Komisaris wajib mengikuti uji kelayakan dan kepatutan yang dilakukan oleh Lembaga Profesional yang ditunjuk oleh Menteri untuk melakukan uji kelayakan dan kepatutan terhadap calon Direksi.
4. Anggota Dewan Komisaris mulai menjabat secara efektif terhitung sejak tanggal penyerahan keputusan atau tanggal yang ditetapkan dalam keputusan Menteri/RUPS/ seluruh pemegang saham secara sirkuler.
5. Pengangkatan kembali anggota Dewan Komisaris dilakukan berdasarkan penilaian Deputi Teknis dan Sekretaris atas kemampuan yang bersangkutan melaksanakan tugasnya dengan baik selama masa jabatannya. Penyajian hasil penilaian dilakukan dalam bentuk narasi kualitatif.
6. Anggota Dewan Komisaris yang jabatannya berakhir dapat diangkat kembali, dengan memperhatikan ketentuan yang berlaku termasuk penilaian atas kemampuan yang bersangkutan melaksanakan tugasnya dengan baik selama masa jabatannya.

Prosedur Pemberhentian

Anggota Dewan Komisaris diberhentikan sewaktu-waktu oleh keputusan Menteri atau RUPS dengan keadaan sebagai berikut:

3. Has not served as a member of the Board of Commissioners/Supervisory Board of the State-Owned Enterprise in question for a period of 2 (two) consecutive terms;
4. Is physically and mentally healthy (is not suffering from a disease that can hinder the execution of duties as a member of the Board of Commissioners/Supervisory Board), as evidenced by a health reference from a Doctor;
5. For candidates from the Technical Ministry or other government agencies, must be based on the proposal letters and the related agency.

Appointment Procedures

Candidates of the Board of Commissioners shall be appointed if they have met the formal, material, and other requirements based on the following procedures:

1. Members of the Board of Commissioners are appointed through the GMS.
2. The appointment of members of the Board of Commissioners might require an assessment by the regulator for certain SOEs based on the prevailing regulations.
3. Members of the Board of Commissioners must attend a fit and proper test conducted by a Professional Institute appointed by the Minister to conduct the fit and proper test to the candidates of the Board of Directors.
4. Members of the Board of Commissioners will effectively serve the Board as of the date of the decision or the date specified in the decision of the Minister/GMS/all shareholders circularly.
5. The members of the Board of Directors are reappointed based on the assessment of the Technical and Secretary Deputy upon their ability of to perform their duties well during their tenure. The presentation of the results of the assessment will be carried out in the form of qualitative narrative.
6. Members of the Board of Commissioners whose terms expire may be reappointed, with regard to the applicable provisions including an assessment of their capacities to carry out their duties in a well manner during his tenure.

Dismissal Procedures

Member of the Board of Commissioners may be terminated at any time based on the decision of the Minister or the GMS with the following conditions:

DEWAN KOMISARIS
Board of Commissioners

1. Tidak dapat menjalankan tugasnya dengan baik;
2. Melanggar ketentuan anggaran dasar dan/atau peraturan perundang-undangan;
3. Terlibat dalam tindakan yang merugikan BUMN dan/atau negara;
4. Melakukan tindakan yang melanggar etika dan/atau kepatutan yang seharusnya dihormati sebagai anggota Dewan Komisaris BUMN;
5. Dinyatakan bersalah dengan putusan pengadilan yang telah mempunyai kekuatan hukum yang tetap; atau;
6. Mengundurkan diri.

Selain itu, jabatan anggota Dewan Komisaris Perseroan juga dapat berakhir apabila:
1. Meninggal dunia;
2. Masa jabatannya berakhir;
3. Tidak lagi memenuhi persyaratan sebagai anggota Dewan Komisaris berdasarkan ketentuan Anggaran Dasar dan peraturan perundang-undangan yang berlaku.
4. Diberhentikan berdasarkan Keputusan Menteri/RUPS

Masa Jabatan Dewan Komisaris

Perseroan menetapkan masa jabatan keanggotaan Dewan Komisaris adalah 5 (lima) tahun terhitung sejak tanggal ditetapkan oleh RUPS yang mengangkatnya dan berakhir pada penutupan RUPS. Namun demikian, juga tidak tertutup kemungkinan bagi RUPS untuk sewaktu-waktu dapat memberhentikan para anggota Dewan Komisaris sebelum masa jabatannya berakhir.

JUMLAH, KOMPOSISI, DAN STRUKTUR DEWAN KOMISARIS

Komposisi dan jumlah anggota Dewan Komisaris ditentukan dengan mempertimbangkan visi, misi, dan rencana strategis Perseroan untuk mewadahi pengambilan keputusan yang lebih efektif, akurat, dan cepat serta berperilaku independen.

Dewan Komisaris Perseroan diangkat dan diberhentikan melalui mekanisme RUPS dengan masa jabatan anggota selama lima tahun dan dapat diangkat kembali untuk 1 (satu) kali masa jabatan. Per 31 Desember 2016, susunan Dewan Komisaris terdiri dari 6 (enam) anggota yakni 2 (dua) orang Komisaris Independen, yang mana salah satunya merangkap sebagai Komisaris Utama dan 4 (empat) orang Komisaris. Jumlah tersebut tidak melebihi jumlah anggota Direksi yaitu 6 (enam) orang. Hal ini telah sesuai dengan ketentuan Otoritas Jasa Keuangan/Peraturan Kementerian BUMN.

1. Unable to perform his/her duties well;
2. Violate the provisions of the Articles of Association and/or the prevailing legislations;
3. Involved in actions that harm the state-owned enterprise and/or the country;
4. Involved in actions that violate the ethics and/or conformities which should be honored as a member of the Board of Commissioners of SOEs;
5. Declared guilty by a court decision which constitutes permanent legal course; or;
6. Step down from his/her position.

In addition, the position of the member of the Board of Commissioners may be terminated if:
1. Pass away;
2. The term of office expires;
3. No longer qualifies as a member of the Board of Commissioners based on the provisions in the Articles of Association and the prevailing legislations;
4. Terminated based on the decision of the Minister/GMS.

Term of Office of the Board of Commissioners

The term of office for members of the Board of Commissioners is 5 (five) years from the date of appointment by the General Meeting of Shareholders (GMS) and ends at the closing of the GMS, 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.

TOTAL, COMPOSITION, AND STRUCTURE OF THE BOARD OF COMMISSIONERS

The composition and number of the members of the Board of Commissioners are determined by considering the Company's vision, mission, and strategic planning to facilitate effective, accurate, prompt and independent decision-making.

Board of Commissioners are appointed and dismissed through the GMS mechanism with a tenure of five years and may be reappointed for 1 (one) term. As of December 31, 2016, the Board of Commissioners consists of 6 (six) members namely 2 (two) Independent Commissioners, one of whom concurrently serves as President Commissioner and 4 (four) Commissioners. The amount does not exceed the number of 6 (six) members of the Board of Director. This matter is in accordance with Financial Services Authority/ Minister SOEs Regulation.

Pada tahun 2016, tidak terjadi perubahan komposisi dalam Dewan Komisaris berdasarkan RUPST tanggal 15 April 2016. Dengan demikian susunan anggota Dewan Komisaris Perseroan per 31 Desember 2016 adalah sebagai berikut:

In 2016, there is no changes in the composition of Board of Commissioners based on Annual GMS dated April 15, 2016. Therefore, the composition of the Company's Board of Commissioners as of December 31, 2016 is as follows:

Struktur Dewan Komisaris per 31 Desember 2016
Structure of the Board of Commissioners as of December 31, 2016

Nama Name	Posisi Position	Dasar Pengangkatan Basis of Appointment	Masa Jabatan Terms of Office
Jusman Sjafii Djamal	Komisaris Utama dan Komisaris Independen President Commissioner and Independent Commissioner	RUPSLB 12 Desember 2014 EGM, December 12, 2014	2014 - 2019
Chairal Tanjung	Komisaris Commissioner	RUPSLB 12 Desember 2014 EGM, December 12, 2014	2014 - 2019
Dony Oskaria	Komisaris Commissioner	RUPSLB 12 Desember 2014 EGM, December 12, 2014	2014 - 2019
Hasan M. Soedjono	Komisaris Independen Independent Commissioner	RUPSLB 12 Desember 2014 EGM, December 12, 2014	2014 - 2019
Isa Rachmatarwata	Komisaris Commissioner	RUPSLB 12 Desember 2014 EGM, December 12, 2014	2014 - 2019
Muzaffar Ismail	Komisaris Commissioner	RUPST 28 April 2014 AGM, April 28, 2014	2014 - 2019

INDEPENDENSI DEWAN KOMISARIS

Peraturan OJK No. 33/POJK.04.2014 tentang Direksi Dan Dewan Komisaris Emiten Atau Perusahaan Publik menetapkan bahwa Komisaris Independen adalah anggota Dewan Komisaris yang yang berasal dari luar Emiten atau Perusahaan Publik yang tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham, dan/atau keluarga dengan anggota Dewan Komisaris lainnya, Direksi dan/atau Pemegang Saham Pengendali atau hubungan yang dapat mempengaruhi kemampuannya untuk bertindak independen dan telah memenuhi persyaratan sebagai Komisaris Independen sebagaimana peraturan perundang-undangan yang berlaku.

Dengan demikian, semua Komisaris Independen Perseroan wajib memenuhi persyaratan berikut ini:

1. Bukan merupakan orang yang bekerja atau mempunyai wewenang dan tanggung jawab untuk merencanakan, memimpin, mengendalikan, atau mengawasi kegiatan Emiten atau Perusahaan Publik tersebut dalam waktu 6 (enam) bulan terakhir, kecuali untuk pengangkatan kembali sebagai Komisaris Independen Perseroan pada periode berikutnya;
2. Tidak mempunyai saham baik langsung maupun tidak langsung pada Perseroan;

INDEPENDENCE OF THE BOARD OF COMMISSIONERS

The Financial Services Authority Regulation No. 33/POJK.04.2014 concerning the Board of Directors and the Board of Commissioners of a Public Company has stipulated that an Independent Commissioner is a member of the Board of Commissioners who originates from outside of the Public Company who does not have any financial, management, share ownership, and/or family relationships with the other members of the Board of Commissioners, Board of Directors and/or the Controlling Shareholders or any relations that may affect his ability to act independently and has met the requirements as an Independent Commissioner based on the prevailing regulations.

As a result, all the Company's Independent Commissioners are obliged to meet this following requirements:

1. It's not a person who works or has the authority and responsibility to plan, direct, control, or supervise the Public Company's activities within the past 6 (six) months, except in the case of reappointment as the Company's Independent Commissioner in subsequent periods;
2. Does not own shares, directly or indirectly in the Company;

DEWAN KOMISARIS
Board of Commissioners

3. Tidak mempunyai hubungan Afiliasi dengan Emiten atau Perusahaan Publik, anggota Dewan Komisaris, anggota Direksi, atau pemegang saham utama Perseroan; dan
4. Tidak mempunyai hubungan usaha baik langsung maupun tidak langsung yang berkaitan dengan kegiatan utama Perseroan.

Per 31 Desember 2016, pemegang saham melalui Rapat Umum Pemegang Saham yang diselenggarakan tanggal 12 Desember 2014, telah mengangkat 2 (dua) Komisaris Independen dari 6 (enam) anggota Dewan Komisaris atau berjumlah 33,33% yang berarti telah sesuai dengan ketentuan peraturan OJK yaitu paling kurang 30% dari jumlah anggota Dewan Komisaris.

Dewan Komisaris juga tidak memiliki hubungan afiliasi dengan pemegang saham utama atau pemegang saham pengendali dan Direksi Perseroan sebagaimana diatur dalam Pasal 108 UUPT, Pasal 31 UU BUMN, Pasal 15 AD, Pasal 12 Peraturan Kementerian BUMN No. 01/2011. Sepanjang tahun 2016, anggota Dewan Komisaris juga tidak mengalami potensi benturan kepentingan dalam pengambilan keputusannya.

Semua Komisaris Independen Perseroan telah memenuhi persyaratan berikut ini:
1. Bukan merupakan orang yang bekerja atau mempunyai wewenang dan tanggung jawab untuk merencanakan, memimpin, mengendalikan, atau mengawasi kegiatan Emiten atau Perusahaan Publik tersebut dalam waktu 6 (enam) bulan terakhir, kecuali untuk pengangkatan kembali sebagai Komisaris Independen Perseroan pada periode berikutnya;
2. Tidak mempunyai saham baik langsung maupun tidak langsung pada Perseroan;
3. Tidak mempunyai hubungan afiliasi dengan Emiten atau Perusahaan Publik, anggota Dewan Komisaris, anggota Direksi, atau pemegang saham utama Perseroan; dan
4. Tidak mempunyai hubungan usaha baik langsung maupun tidak langsung yang berkaitan dengan kegiatan utama Perseroan.

3. Does not have any affiliation to the Public Company, members of the Board of Commissioners, members of the Board of Directors, or the major shareholders of the Company; and
4. Does not have any business relationship whether directly or indirectly in relation to the main activities of the Company.

As of December 31, 2016, the Shareholders through GMS held on December 12, 2014 has been appointed 2 (two) Independent Commissioners from 6 (six) member of the Board of Commissioners or total 33.33% which is in accordance with the provisions of the Financial Services Authority of at least 30% of the total members of the Board of Commissioners.

Members of the Board of Commissioners do not have any affiliations to the major shareholders on the controlling shareholders and the Company's Board of Directors as stipulated in Article 108 of Law on Limited Liability Company, Article 31 of Law on SOEs, Article 15 of Articles of Association, and Article 12 of Minister of SOEs Regulation No. 01/2011. Throughout 2016, members of the Board of Commissioners did not have any potential conflics interest in their decision-making, and thus performed their duties independently.

All of the Independent Commissioners of the Company has met the following requirements:
1. Not a person who works or has the authority and responsibility to plan, direct, control, or supervise the Public Company's activities within the past 6 (six) months, except in the case of reappointment as the Company's Independent Commissioner in subsequent periods;
2. Does not own shares, directly or indirectly in the Company;
3. Does not have any affiliation to the Public Company, members of the Board of Commissioners, members of the Board of Directors, or the major shareholders of the Company; and
4. Does not have any business relationship whether directly or indirectly in relation to the main activities of the Company.

Pernyataan Independensi Komisaris Independen
Independence Statement of Independent Commissioner

Pernyataan Independensi Independence Statement	Jusman Syafii Djamal	Hasan M. Soedjono
Bukan merupakan orang yang bekerja atau mempunyai wewenang dan tanggung jawab untuk merencanakan, memimpin, mengendalikan, atau mengawasi kegiatan Emiten atau Perusahaan Publik tersebut dalam waktu 6 (enam) bulan terakhir, kecuali untuk pengangkatan kembali sebagai Komisaris Independen Perseroan pada periode berikutnya Does not work or have the authority and responsibility to plan, lead, control, or supervise the Public Company's activities within the past 6 (six) months, except in the case of reappointment as the Company's Independent Commissioner in subsequent periods	√	√
Tidak mempunyai saham baik langsung maupun tidak langsung pada Perseroan Does not own share ownership, directly or inderictly of the Company	√	√
Tidak mempunyai hubungan afiliasi dengan Perseroan, anggota Dewan Komisaris, anggota Direksi, atau pemegang saham utama Perseroan Does not have any affiliation to the Public Company, members of the Board of Commissioners, member of the Board of Directors, or the key shareholders of the Company	√	√
Tidak mempunyai hubungan usaha baik langsung maupun tidak langsung yang berkaitan dengan kegiatan utama Perseroan Does not have any business relationship whether directly or indirectly in relation to the main activities of the Company	√	√
Memenuhi kriteria independensi sebagaimana telah diatur dalam ketentuan yang berlaku Have met the independent criterias as stipulated within the prevailing regulations	√	√

HUBUNGAN AFILIASI ANGGOTA DEWAN KOMISARIS DENGAN DIREKSI DAN PEMEGANG SAHAM UTAMA DAN/ATAU PENGENDALI

Tidak terdapat anggota Dewan Komisaris yang memiliki hubungan keluarga hingga derajat kedua dengan anggota Dewan Komisaris lainnya, anggota Direksi Pemegang Saham Utama dan/atau Pengendali. Selain itu, mayoritas Dewan Komisaris tidak saling memiliki hubungan keuangan dengan pemegang saham pengendali; dan pada saat yang sama, semua anggota Dewan Komisaris juga tidak memiliki hubungan keuangan dengan anggota Dewan Komisaris lainnya dan anggota Direksi.

AFFILIATION OF MEMBERS OF THE BOARD OF COMMISSIONERS WITH THE BOARD OF DIRECTORS AND MAJOR AND/OR CONTROLLING SHAREHOLDERS

There is no member of the Board of Commissioners who has family relationship until the second degree with the other members of the Board of Commissioners, Board of Directors, the Key Shareholders and/or the Controlling Shareholders. In addition, the majority of the Board of Commissioners do not have any financial relationship with the controlling shareholders; and at the same time, all of the members of the Board of Commissioners do not have financial relationship with the other members of the Board of Commissioners and the Board of Directors.

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Dengan status tersebut, anggota Dewan Komisaris Perseroan dapat bertindak independen dalam melaksanakan tugas dan tanggung jawabnya.

With such status, members of the Board of Commissioners of the Company can act independently in carrying out his duties and responsibilities.

Hubungan Afiliasi Anggota Dewan Komisaris
Table of Affiliate Relationship of the Board of Commissioners' Members

Nama Name	Hubungan Keluarga dengan Family Relationship with						Hubungan Keuangan dengan Financial Relationship with					
	Dewan Komisaris Board of Commissioners		Direksi Board of Directors		Pemegang Saham Pengendali Controlling Shareholders		Dewan Komisaris Board of Commissioners		Direksi Board of Directors		Pemegang Saham Pengendali Controlling Shareholders	
	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No
Jusman Sjafii Djamal	-	√	-	√	-	√	-	√	-	√	-	√
Chairal Tanjung	-	√	-	√	-	√	-	√	-	√	-	√
Dony Oskaria	-	√	-	√	-	√	-	√	-	√	-	√
Hasan M. Soedjono	-	√	-	√	-	√	-	√	-	√	-	√
Isa Rachmatarwata	-	√	-	√	-	√	-	√	-	√	-	√
Muzaffar Ismail	-	√	-	√	-	√	-	√	-	√	-	√

KEPEMILIKAN SAHAM OLEH DEWAN KOMISARIS

Perseroan secara berkala melakukan pemantauan, pencatatan, dan pembaharuan atas kepemilikan saham Dewan Komisaris dan anggota keluarganya dalam Daftar Khusus Kepemilikan Saham. Berdasarkan laporan bulanan Biro Administrasi Efek Perseroan yang bertugas untuk melaksanakan pencatatan pemilik efek, selama tahun 2015 tidak terdapat adanya perubahan kepemilikan saham Perseroan yang dimiliki Dewan Komisaris. Adapun Daftar Khusus kepemilikan saham anggota Dewan Komisaris Perseroan per 31 Desember 2016 adalah sebagai berikut:

SHARE OWNERSHIP BY THE BOARD OF COMMISSIONERS

The Company regularly monitors, records, and updates the share ownerships of the Board of Commissioners and their family members in the Special Register of Shareholdings. Based on the monthly report of the Company's Share Registrar, which is responsible in registering the shares ownership, during 2016 there are no share ownership of the Company by the Board of Commissioners personally. Therefore, special form of share ownership by the member of the Company's Board of Commissioners as of December 31, 2016 are as follow:

Kepemilikan Saham Dewan Komisaris per 31 Desember 2016
Share Ownership by the Board of Commissioners as of December 31, 2016

Nama Name	Jabatan Position	Jumlah Saham (Lembar Saham) Total Shares (Shares)	Persentase Saham (%) % of Shares
Jusman Sjafii Djamal	Komisaris Utama / Komisaris Independen President Commissioner / Independent Commissioner	-	-
Chairal Tanjung	Komisaris Commissioner	-	-
Dony Oskaria	Komisaris Commissioner	-	-
Hasan M. Soedjono	Komisaris Independen Independent Commissioner	-	-
Isa Rachmatarwata	Komisaris Commissioner	-	-
Muzaffar Ismail	Komisaris Commissioner	-	-

RANGKAP JABATAN DEWAN KOMISARIS

Semua anggota Dewan Komisaris tidak memiliki rangkap jabatan yang menyalahi ketentuan Peraturan Menteri BUMN No. PER-02/MBU/02/2015 tentang Persyaratan dan Tata Cara Pengangkatan dan Pemberhentian Anggota Dewan Komisaris dan Dewan Pengawas Badan Usaha Milik Negara.

Seluruh anggota Dewan Komisaris tidak memiliki jabatan rangkap pada entitas anak Garuda Indonesia. Jabatan rangkap Dewan Komisaris di luar Garuda Indonesia dapat dilihat pada tabel berikut:

CONCURRENT POSITION OF THE BOARD OF COMMISSIONERS

All of the members of the Board of Commissioners do not have concurrent position that violates the provisions of the Minister of SOEs Regulation No. PER-02/MBU/02/2015 concerning the Terms and Procedures of the Appointment and Dismissal of Members of the Board of Commissioners and the Board of Trustees of State Owned Enterprises.

All of the members of the Board of Commissioners do not have concurrent position within Garuda Indonesia's subsidiaries. Others position of the Board of Commissioners outside Garuda Indonesia is described based on the following table:

Rangkap Jabatan Dewan Komisaris per 31 Desember 2016
Concurrent Position of the Board of Commissioners as of December 31, 2016

Nama Name	Posisi di Garuda Indonesia Position in Garuda Indonesia	Posisi di Institusi Lain Position in Other Institution	Perusahaan/Badan Usaha Company/Organization	Bidang Usaha Field of Business
Jusman Syafii Djamal	Komisaris Utama / Komisaris Independen President Commissioner / Independent Commissioner	Komisaris Utama President Commissioner	PT Toba Bara Sejahtera	Pertambangan (Batu Bara) Mining
		Chairman Chairman	Matsushita Gobel Foundation	Lembaga Nirlaba Non-Profit Organization
Chairal Tanjung	Komisaris Commissioner	Direktur Director	CT Corp	Multi Company Multi Company
Dony Oskaria	Komisaris Commissioner	CEO CEO	Kawasan Terpadu Trans Studio Integrated Area of Trans Studio	Hiburan Entertainment
Hasan M. Soedjono	Komisaris Independen Independent Commissioner	Chairman Chairman	PT Sriboga Four Mill	Produsen Tepung Flour Producer
		SE Asia Representatives SE Asia Representatives	Aircraft Portfolio Management Pte. Ltd.	Leasing Leasing
		Chairman Chairman	PT Sumarno – Pabottingi Associates	Konsultan Consultant
Isa Rachmatarwata	Komisaris Commissioner	Staf Ahli Bidang Kebijakan dan Regulasi Jasa Keuangan dan Pasar Modal Expert Staff on the Policy and Regulation of Financial Service and Capital Markets	Kementerian Keuangan Ministry of Finance	Pemerintah Government
Muzaffar Ismail	Komisaris Commissioner	Direktur Kelayakan Udara & Pengoperasian Pesawat Director of Air Worthiness & Aircraft Operations	Kementerian Perhubungan Ministry of Transportation	Pemerintah Government

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HUBUNGAN KERJA ANTARA DEWAN KOMISARIS DAN DIREKSI

Pengelolaan Perseroan Terbatas di Indonesia mengacu pada kerangka hukum paling tinggi yaitu Undang-Undang Nomor 40 tahun 2007 tentang Perseroan Terbatas. Berdasarkan UU tersebut Indonesia menganut sistem *dual board* (*two-tier board*) yaitu adanya pemisahan fungsi antara Dewan Komisaris yang melakukan fungsi pengawasan dan pemberian nasihat kepada Direksi dan Direksi yang berwenang dan bertanggung jawab atas pengurusan perusahaan. Dewan Komisaris dan Direksi menjalankan kewajibannya sesuai yang diamanahkan dalam Anggaran Dasar dan peraturan perundang-undangan *(fiduciary responsibility)* yang berlaku. Prinsip dasar hubungan kerja Dewan Komisaris dan Direksi adalah berdasarkan prinsip keterbukaan dan saling menghormati yang keduanya mempunyai tanggung jawab untuk memelihara kesinambungan usaha Perseroan dalam jangka panjang. Oleh karena itu, Dewan Komisaris dan Direksi harus memiliki kesamaan visi, misi, nilai-nilai dan strategi perusahaan.

Hubungan kerja yang baik antara Dewan Komisaris dengan Direksi merupakan salah satu hal yang sangat penting agar masing-masing organ Perusahaan dapat bekerja sesuai fungsinya dengan efektif dan efisien. Untuk itu Perusahaan, dalam menjaga hubungan kerja yang baik antara Dewan Komisaris dengan Direksi menerapkan prinsip-prinsip sebagai berikut:

1. Dewan Komisaris menghormati fungsi dan peranan Direksi dalam mengurus Perusahaan sebagaimana telah diatur dalam peraturan perundang-undangan maupun Anggaran Dasar Perusahaan.
2. Direksi menghormati fungsi dan peranan Dewan Komisaris untuk melakukan pengawasan dan pemberian nasihat terhadap kebijakan pengurusan Perseroan.
3. Dalam hal surat menyurat antara Direksi dan Dewan Komisaris harus menjelaskan maksud dan tujuan atas surat tersebut.
4. Setiap hubungan kerja antara Dewan Komisaris dengan Direksi merupakan hubungan yang bersifat formal, dalam arti harus senantiasa dilandasi oleh suatu mekanisme baku atau korespondensi yang dapat dipertanggungjawabkan.

RELATIONSHIP BETWEEN BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS

The management of a Limited Liability Company in Indonesia refers to the Act No. 40 of 2007 regarding Limited Liability Company. Based on that regulation, Indonesia adopts a dual board (two-tier board) system, namely the separation of functions between the Board of Commissioners who conducted monitoring and consulting functions to the Board of Directors and the Board of Directors who authorized and responsible for the Company's management. The Board of Commissioners and the Board of Directors perform their responsibilities based on the guidelines of the Articles of Association and the prevailing regulations (fiduciary responsibility). The basic principles of the Board of Commissioners and the Board of Directors' working relationships are based on principle of disclosure, respecting each other who has responsibilties in maintaining the Company's business sustainability for a long-term. Therefore, the Board of Commissioners and the Board of Directors should have equality on vision, mission, values, and the Company's strategy.

A good working relationship between the Board of Commissioners and the Board of Directors represent one the most important aspects in order to each the Company's function worked effectively and efficiently as its functions. Therefore, in maintaining a good working relationship between the Board of Commissioners and the Board of Directors, the following principles are applied:

1. The Board of Commissioners honour the function and roles of the Board of Directors in managing the Company as stipulated within the prevailing regulations as well as the Articles of Association of the Company.
2. The Board of Directors honour the function and roles of the Board of Commissioners to supervise and advise on the Company's management policy.
3. In correspondences between the Board of Directors and the Board of Commissioners, the intent and purpose of the letter must be explained.
4. Each of the working relationship between the Board of Commissioners and the Board of Directors is a formal relationship, in the sense that it is always based on a standard mechanism or correspondence which could be accounted for.

5. Setiap hubungan kerja yang bersifat informal dapat dilakukan oleh masing-masing Anggota Dewan Komisaris dan Anggota Direksi, namun tidak dapat dipakai sebagai kebijakan formal sebelum melalui mekanisme atau korespondensi yang dapat dipertanggungjawabkan.
6. Setiap hubungan kerja antara Dewan Komisaris dengan Direksi merupakan hubungan kelembagaan dalam arti bahwa Dewan Komisaris dan Direksi sebagai jabatan kolektif yang merepresentasikan keseluruhan anggotanya sehingga setiap hubungan kerja antara Anggota Dewan Komisaris dengan Anggota Direksi harus diketahui oleh Anggota Dewan Komisaris dan Anggota Direksi lainnya.

5. Each of the informal working relationship has been done by each member of the Board of Commissioners and the Board of Directors, but is not used as a formal policy before going through a mechanism or correspondence which could be accounted for.
6. Each of the working relationship between the Board of Commissioners and the Board of Directors represents an institutional relationship in the sense that the Board of Commissioners and the Board of Directors as a whole presents a collective positions of its members so that each of the working relationship between the Board of Commissioners and the Board of Directors should be known by the Board of Commissioners of other members of the Board of Directors.

PEDOMAN DAN TATA TERTIB KERJA DEWAN KOMISARIS

Perseroan telah memiliki Kebijakan Tata Kelola Perusahaan (KTKP) yang secara umum memuat kebijakan utama dan kebijakan induk yang berlaku di lingkungan Perseroan serta merupakan dokumen kebijakan Perseroan yang dikaji secara periodik guna disesuaikan dengan perkembangan dan isu-isu internal maupun eksternal Perseroan. KTKP wajib menjadi acuan dalam melaksanakan kegiatan di Perseroan, sekaligus menjadi pedoman GCG bagi Perseroan.

Mengacu kepada KTKP, Perseroan telah merevisi dan mengesahkan pedoman kerja (*Board Manual*) bagi Dewan Komisaris dan Direksi pada tanggal 8 Desember 2014. *Board Manual* merupakan panduan pelaksanaan tugas dan tanggung jawab Dewan Komisaris dan Direksi untuk kepentingan bagi Perseroan, *Board Manual* secara garis besar memuat pedoman dan ketentuan mencakup 3 bidang, yaitu:

1. Organ Perseroan yaitu Direksi, Dewan Komisaris dan Pemegang Saham;
2. Aksi Perseroan tertentu; dan
3. Hubungan antara Perseroan dengan pemegang saham dan lembaga pemerintah.

Dalam melaksanakan tugas dan tanggung jawabnya dalam pengawasan perusahaan secara efisien, efektif, transparan, kompeten, independen, dan dapat dipertanggungjawabkan, sesuai dengan peraturan perundang-undangan yang berlaku, maka Dewan Komisaris berpegang pada *Board Manual* yang antara lain mengatur:

BOARD OF COMMISSIONERS CHARTER

The Company has Corporate Governance Policy in place which contains the main and holding policies applicable within the Company and represents the Company's policy documents that is observed periodically in order to adapt to developments and internal as well as external issues within the Company. The Corporate Governance Policy becomes a reference in carrying out the activities within the Company, as well as the Company's GCG guidelines.

Referring to the Corporate Governance Policy, the Company has revised and ratified the Board Manual of the Board of Commissioners and the Board of Directors on December 8, 2014. Board Manual is a guidelines to the execution of duties and responsibilities of the Board of Commissioners and the Board of Directors for the interest of the Company. The Board Manual contains guidelines and provisions concerning 3 areas, namely:

1. The Company's organs, namely the Board of Directors, Board of Commissioners, and the Shareholders;
2. Certain types of corporate actions; and
3. Relationship between the Company and the Shareholders and other Government Institutions.

In carrying out their duties and responsibilities in the supervision of the Company in an efficient, effective, transparent, competent, independent, and accountable, in accordance with the prevailing regulations, the Board of Commissioners refers to the Board Manual which among other things regulate:

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1. Komposisi, Pengangkatan, Pemberhentian serta masa jabatan Dewan Komisaris;
2. Nominasi dan Persyaratan Keanggotaan Dewan Komisaris;
3. Program pengenalan anggota Dewan Komisaris;
4. Tugas, tanggung jawab, wewenang dan pendelegasian wewenang Dewan Komisaris;
5. Etika Bisnis dan kebijakan Anti Korupsi;
6. Komite Penunjang Dewan Komisaris;
7. Remunerasi dan pendidikan berkelanjutan bagi Dewan Komisaris;
8. Mekanisme dan tata tertib rapat Dewan Komisaris;
9. Hubungan Kerja Antara Dewan Komisaris dengan Organ Perseroan Lainnya.

1. Composition, Appointment, Dismissal as well as the term of office of the Board of Commissioners;
2. Nomination and the Membership Terms of the Board of Commissioners;
3. Induction program for the Board of Commissioners;
4. Duties, responsibilities, authority and delegation of authority of the Board of Commissioners;
5. Business Ethics and Anti Corruption policies;
6. Supporting Committee of the Board of Commissioners;
7. Remuneration and continuous education of the Board of Commissioners;
8. Mechanisms and the code of conduct of the Board Meetings;
9. Working relationships between the Board of Commissioners and other organs of the Company.

TUGAS DAN TANGGUNG JAWAB DEWAN KOMISARIS

Sebagaimana disebutkan di awal, tugas Dewan Komisaris adalah dengan itikad baik dan tanggung jawab penuh melakukan pengawasan dan memberikan nasihat dan pendapat kepada Direksi dalam rangka memastikan Perseroan dikelola sesuai dengan maksud dan tujuan kegiatan usaha Perseroan. Tugas khusus dapat didistribusikan kepada Komisaris Independen. Dewan Komisaris membuat pembagian tugas yang diatur oleh anggota Dewan Komisaris itu sendiri.

Tugas dan tanggung jawab utama Dewan Komisaris diatur dalam Anggaran Dasar Perseroan dan dipusatkan pada fungsi pengawasan terhadap kebijakan Direksi dalam melaksanakan pengelolaan Perseroan serta memberi nasihat kepada Direksi. Adapun tugas dan tanggung jawab tersebut antara lain meliputi:

1. Memberikan nasihat kepada Direksi dalam melaksanakan pengurusan Perseroan;
2. Memberikan pendapat dan persetujuan Rencana Jangka Panjang Perseroan dan Rencana Kerja dan Anggaran Tahunan Perseroan, serta rencana lainnya, yang disiapkan Direksi, sesuai dengan ketentuan Anggaran Dasar;
3. Mengikuti, mengawasi perkembangan kegiatan Perseroan, memberikan pendapat dan saran kepada RUPS mengenai setiap masalah yang dianggap penting bagi kepengurusan Perseroan;

DUTIES AND RESPONSIBILITIES OF THE BOARD OF COMMISSIONERS

As mentioned earlier, the duty of the Board of Commissioners is to perform in good faith and fully responsible in overseeing and providing advice and opinions to the Board of Directors in order to ensure that the Company is managed in accordance to the purposes and objectives of the Company's business activities. Special tasks can be distributed to the Independent Commissioners. The Board of the Commissioners creates a division of tasks as regulated by the Board of Commissioners.

The main duties and responsibilities of the Board of Commissioners are regulated in the Company's Articles of Association and centralized on monitoring function to the Board of Directors' policy in implementing the Company's management. The Company also provides advice to the Board of Directors. The duties and responsibilities are:

1. Provide advice to the Board of Directors in carrying out the Company's management;
2. Provide opinions and approval of the Company's Long-Term Plan (RJPP) and Annual Work Plan and Budget (RKAP) of the Company, and any other plans, prepared by the Board of Directors, in accordance with the provisions of the Articles of Associations;
3. Follow, supervise the development of the Company's activities, providing opinions and advice to the GMS on any matter of importantce to the Company's management;

4. Melaporkan dengan segera kepada seluruh Pemegang Saham apabila terjadi gejala menurunnya kinerja Perseroan disertai saran mengenai langkah perbaikan yang harus ditempuh melalui keterbukaan informasi kepada publik sesuai dengan ketentuan Pasar Modal;
5. Mengusulkan kepada RUPS mengenai penunjukan Akuntan Publik yang akan melakukan pemeriksaan atas buku-buku Perseroan;
6. Meneliti dan menelaah serta memberikan tanggapan atas laporan berkala dan Laporan Tahunan yang disiapkan Direksi serta menandatangani Laporan Tahunan;
7. Memberikan penjelasan, pendapat dan saran kepada RUPS mengenai Laporan Tahunan;
8. Membuat risalah Rapat Dewan Komisaris dan menyimpan salinannya;
9. Melaporkan kepada Perseroan mengenai kepemilikan sahamnya dan/atau keluarganya pada Perseroan tersebut dan Perseroan lain;
10. Memberikan laporan tentang tugas pengawasan yang telah dilakukan selama tahun buku yang baru lampau kepada RUPS;
11. Melaksanakan kewajiban lainnya dalam rangka tugas pengawasan dan pemberian nasihat, sepanjang tidak bertentangan dengan ketentuan, peraturan perundang-undangan, Anggaran Dasar, dan keputusan RUPS;
12. Dewan Komisaris wajib memberikan penjelasan tentang segala hal yang ditanyakan atau yang diminta pemegang saham Seri A Dwiwarna, dengan memperhatikan peraturan perundang-undangan khususnya peraturan yang berlaku di bidang pasar modal.

Dalam melaksanakan tugasnya, Dewan Komisaris memiliki beberapa kewajiban sebagaimana yang ditetapkan dalam Pasal 116 UUPT, Pasal 31 UU BUMN, Pasal 15 (2b) AD Perseroan, Pasal 12 dan 15 Peraturan Menteri No. 01/2011 yang mencakup fungsi pengawasan, tanggapan atas laporan tahunan Direksi, rapat Dewan Komisaris dan risalahnya, keterbukaan kepemilikan saham, persetujuan RKAP dan RJPP, usulan akuntan publik, RKAP Tahunan Dewan Komisaris dan penilaian kinerja Direksi, persetujuan atas pendayagunaan aktiva tetap Perseroan, melakukan pelaporan kepada RUPS, memantau pelaksanaan GCG, melakukan evaluasi terhadap sekretariat Dewan Komisaris, mengkaji visi dan misi Perseroan, dan memastikan tindak lanjut atas temuan *Whistleblowing System* (WBS) seperti dijabarkan berikut ini

4. Report immediately to the all Shareholders if there is decrease indication in the Company's performance along with provides resolutions steps that must be taken through disclosure of information to the public in accordance to Capital Market's regulation.
5. Propose to the GMS regarding the appointment of Public Accountant to audit the books of the Company;
6. Research and review, as well as provide feedback on the newsletter and annual report prepared by the Board of Directors and also the signing of the Annual Report;
7. Provide explanations, opinions and advice to the GMS regarding the Annual Report;
8. Make the minutes of the Board of Commissioners Meeting and save a copy of it;
9. Report to the Company regarding of its ownership and/or their families' ownership in the Company and other companies;
10. Provide a report on the monitoring tasks that has been carried out during the past financial year to the GMS;
11. Perform other obligations regarding the supervisory and advisory function as long as it is in line with the provisions, laws and regulations, the Articles of Association, the decision of the GMS;
12. Board of Commissioners provides an explanation of all things asked or requested by Series a Dwiwarna shareholders, with particular attention to the applicable laws and regulations in the capital market.

In performing their duties, the Board of Commissioners has meet the obligations as stipulated by Article 116 of Law on Limited Liability Company, Article 31 of Law on SOEs, Article 15 (2b) of the Articles of Association, and Article 12 and 15 of Minister of SOEs Regulation No. 01/2011 concerning the supervisory function, feedbacks on the annual report, the Board of Commissioners meetings and minutes, disclosure on shares ownership, approval on RKAP and RJPP, proposal on public accountant, Annual RKAP of the Board of Commissioners and performance assessment of the Board of Directors, approval on the utilization of the Company's fixed asset, reporting to the GMS, monitoring the implementation of the GCG, evaluating the Secretariat of the Board of the Commissioners, reviewing the Company's vision and mission, and ensuring follow-up on Whistleblowing System findings as further described below.

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Pengawasan	Mengawasi perkembangan kegiatan dan kinerja kepengurusan Perseroan termasuk menyediakan laporan pendapat dan saran untuk RUPS sehubungan dengan seluruh tugas pengawasan dan tindakan yang dilakukan selama tahun buku sebelumnya. Dewan Komisaris bertanggung jawab dan berwenang melakukan pengawasan atas kebijakan pengurusan, jalannya pengurusan pada umumnya, baik mengenai Perseroan maupun usaha Perseroan dan memberikan nasihat kepada Direksi. Pengawasan dan nasihat yang diberikan dilakukan untuk kepentingan Perseroan dan sesuai maksud dan tujuan Perseroan, dan tidak dimaksudkan untuk kepentingan pihak atau golongan tertentu.
Supervision	Supervise the Company's activities and management performance, including preparing opinion and recommendations for the GMS relating the the supervisory duties and actions from the previous year. The Board of Commissioners is responsible and 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 objectives and purposes and are not intended for the benefit of a particular party or group.
Tanggapan atas Laporan Tahunan Direksi	Meneliti dan memberikan tanggapan kepada RUPS atas laporan berkala dan Laporan Tahunan yang disiapkan oleh Direksi dan memastikan bahwa Direksi bertanggung jawab terhadap Laporan Keuangan dengan memberikan sertifikasi terhadap Laporan Keuangan sesuai dengan peraturan OJK (Bapepam-LK) dan menandatangani Laporan Tahunan tersebut. Dewan Komisaris harus memastikan bahwa dalam Laporan Tahunan Perseroan telah memuat informasi mengenai identitas Direksi, pekerjaan-pekerjaan utamanya, jabatan Dewan Komisaris di perusahaan lain, termasuk rapat-rapat yang dilakukan dalam satu tahun buku (rapat internal maupun rapat gabungan dengan Direksi), serta honorarium, fasilitas, dan/atau tunjangan lain yang diterima dari Perseroan.
Feedback on the Annual Report	Review and provide feedback to the GPS on periodical and Annual Report prepared by the Board of Directors while also ensuring that the Board of Directors is accountable for the financial statements by certifying the financial statements in accordance to the regulations of OJK (Bapepam-LK) and signed the Annual Report. The Board of the Commissioners shall ensure that the Company's annual report has contained the information regarding the identity of the Directors, main duties, Commissioners' positions in other companies, and meetings during the fiscal year (internal and joint meetings with the Board of Directors), as well as the honorarium, facilities, and/or allowance received from the Company.
Rapat Dewan Komisaris dan Risalahnya	Menyelenggarakan rapat bulanan Dewan Komisaris dan menyiapkan risalah rapat Dewan Komisaris dan memegang salinan risalah tersebut. Seluruh anggota Dewan Komisaris wajib menandatangani risalah Rapat Dewan Komisaris paling lambat 7 hari kerja setelah dilakukannya Rapat Dewan Komisaris.
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 a copy of the minutes. All members of the Board of Commissioners shall put their signatures on the minutes of Board of Commissioners meeting no later than 7 work days as of the date of the Board of Commissioners meeting.
Keterbukaan kepemikan Saham	Melaporkan kepada Perseroan mengenai kepemilikan saham mereka dan keluarga mereka di Perseroan atau perusahaan lain. Peraturan Pasal Modal mewajibkan Dewan Komisaris untuk melaporkan kepemilikan sahamnya di dalam Perseroan dalam waktu 10 hari sejak terjadinya transaksi.
Disclosure on Share Ownership	To report to the Company with regards to their and their family's ownership in the Company or other companies. The Capital Market regulation requires the Board of Commissioners to report their share ownership in the Company within 10 days after such transaction occurs.
Persetujuan RKAP dan RJPP	Memberikan pendapat dan persetujuan terhadap RJPP dan RKAP yang disusun Direksi. Dengan disetujuinya RJPP dan RKAP oleh Dewan Komisaris, maka Direksi berwenang untuk melaksanakan dan mengimplementasikan pelaksanaan RJPP dan RKAP selama periode tahun anggaran tersebut.
Approval on RKAP and RJPP	To provide opinions and approval on Long Term Corporate Plan (RJPP) and Work Plan and Budjet (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.
Usulan Akuntan Publik	Mengusulkan kepada RUPS mengenai penunjukan Akuntan Publik yang akan melakukan pemeriksaan atas buku-buku Perseroan baik entitas induk maupun entitas anak.
Proposing Public Accountant	To propose to the GMS with regards to the appointment of Certified Public Accountants that will audit the books of the Company and the Company's subsidiaries.

RKAP Tahunan Dewan Komisaris dan Penilaian Kinerja Komisaris The Board of Commissioners' RKAP and Performance Assessment	Menyusun Rencana Kerja dan Anggaran Tahunan Dewan Komisaris yang merupakan bagian yang tidak terpisahkan dari Rencana Kerja dan Anggaran Tahunan Perseroan. Dewan Komisaris dapat memberikan usulan mengenai Indikator Pencapaian Kinerja/*Key Performance Indicator* (KPI) yang merupakan ukuran penilaian atas keberhasilan pelaksanaan tugas dan tanggung jawab pengawasan dan pemberian nasihat oleh Dewan Komisaris, kepada RUPS. Dewan Komisaris dapat memberikan penugasan kepada Komite Nominasi dan Remunerasi berupa penyusunan *Key Performance Indicator* (KPI) Dewan Komisaris dengan sistem *self-assessment* atau sistem lain untuk kemudian diputuskan dalam rapat Dewan Komisaris. To prepare the Board of Commissioners' annual work plan and budget which is an integral part of the Company's Annual Work Plan and Budget (RKAP). The Board of Commissioners may provide suggestions regarding the Key Performance Indicators (KPI), which is a performance measurement in evaluating the level of Board of Commissioners' success in carrying out the oversight and advisory duties and responsibility to the GMS. The Board of Commissioners may assign the Nomination and Remuneration Committee to draft a Key Performance Indicators (KPI) of the Board of Commissioners through a self-assessment system or other systems to be decided later in the Board of Commissioners meeting.
Penilaian Kinerja Direksi Assessment on the Performance of the Board of Directors	Dewan Komisaris memberikan penilaian dan evaluasi mengenai kinerja Direksi berdasarkan KPI yang ditetapkan oleh Dewan Komisaris, baik secara perseorangan maupun kolektif. 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.
Persetujuan atas Pendayagunaan Aktiva Tetap Perseroan Approval on the Utilization of the Company's Fixed Asset	Dewan Komisaris harus memberikan persetujuan atau penolakan selambat lambatnya 30 (tiga puluh) hari setelah menerima permohonan dari Direksi atas Pendayagunaan Aktiva Tetap. Dalam hal Pendayagunaan Aktiva Tetap harus disetujui oleh RUPS, maka Dewan Komisaris juga harus memberikan tanggapan tertulis selambat-lambatnya 30 (tiga puluh) hari, yang ditujukan kepada Direksi setelah menerima permohonan dari Direksi mengenai pendayagunaan tersebut. Pendayagunaan Aktiva Tetap (Pasal 32 dan 33 Permen BUMN No. 06/2011). The Board of Commissioners must give their approval or rejection no later than 30 (thirty) days upon receiving the request from the Board of Directors with regards to the Utilization of the Company's Fixed Asset. The Utilization of the Company's Fixed Asset must be approved by the GMS, therefore the Board of Commissioners must provide their written approvals no later than 30 (thirty) days to the Board of Directors regarding the matter. Utilization of Fixed Asset (Article 32 and 33 Minsiter of SOEs Regulation No. 06/2011).
Melakukan Pelaporan kepada RUPS Reporting to the GMS	Dewan Komisaris wajib menyampaikan laporan tentang tugas pengawasan yang telah dilakukan selama tahun buku yang baru lampau kepada RUPS. The Board of Commissioners shall submit report on the monitoring duties carried out during the last financial year to the GMS.
Memantau Pelaksanaan GCG Moniroting the Implementation of Good Corporate Governance	Pemantauan atas penerapan GCG dilakukan oleh Dewan Komisaris untuk memastikan bahwa GCG di Perseroan telah berjalan secara efektif dan berkelanjutan. Monitoring on the GCG implementation is conducted by the Board of Commissioners to ensure that good corporate governance in the Company was conducted effectively and continuously.
Melakukan Evaluasi Terhadap Sekretariat Dewan Komisaris Evaluation on the Secretariat of the Board of Commissioners	Dewan Komisaris melakukan evaluasi atas kinerja Sekretariat Dewan Komisaris setiap 1 tahun dengan menggunakan metode yang ditetapkan oleh Dewan Komisaris. The Board of Commissioners evaluate the performance of the Secretariat of the Board of Commissioners annually by using the method that is determined by the Board of Commissioners.
Mengkaji Visi dan Misi Perseroan Review of the Company's Vision and Mission	Dewan Komisaris secara periodik bertanggung jawab untuk mengkaji dan menyetujui penyempurnaan Visi dan Misi Perseroan. The Board of Commissioners is responsible for regularly reviewing and approving the improvement on the Company's vision and mission statements.
Memastikan Tindak Lanjut Atas Temuan WBS Ensure Follow-up on Findings of the Whitleblowing Systems	Dewan Komisaris harus memastikan bahwa setiap laporan yang masuk melalui WBS telah ditindaklanjuti oleh Direksi Perseroan. Indepedensi dari tindak lanjut laporan tersebut juga merupakan bagian dari fungsi Dewan Komisaris terkait dengan program WBS. The Board of Commissioners shall ensure that every report of the Whistleblowing System has been followed up by the Board of Directors. Independency of the follow up to the report is also part of the Board of Directors' function in relation to the WBS program.

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Dalam kaitannya dengan fungsi Pengawasan dan Pengendalian Internal, Dewan Komisaris juga telah menjalankan tanggung jawabnya untuk memastikan dipatuhinya prosedur pengendalian internal oleh setiap unit bisnis, termasuk unit-unit pendukung, audit internal, audit eksternal, serta fungsi asuransi dan manajemen risiko. Dalam pelaksanaan fungsi pengawasan dan pengendalian internal, Dewan Komisaris dibantu oleh Komite Audit.

Kewenangan Dewan Komisaris

Dalam melakukan tindakan pengawasan atas tindakan pengurusan yang dilakukan oleh Direksi, Dewan Komisaris berwenang untuk:

1. Memeriksa buku-buku, surat-surat bukti, persediaan barang, memeriksa dan mencocokkan keadaan uang kas dan lain-lain surat berharga serta mengetahui segala tindakan yang telah dijalankan oleh Direksi;
2. Memasuki bangunan-bangunan dan halaman-halaman atau tempat-tempat lain yang dipergunakan atau dikuasai oleh Perseroan;
3. Meminta keterangan/penjelasan dari Direksi atau pejabat lainnya mengenai segala persoalan yang menyangkut pengelolaan Perseroan dan Direksi harus memberikan semua keterangan/penjelasan yang berkenaan dengan Perseroan sebagaimana diperlukan oleh Dewan Komisaris;
4. Mengetahui segala kebijakan dan tindakan yang telah dan akan dijalankan oleh Direksi;
5. Meminta Direksi dan/atau pejabat lainnya di bawah Direksi dengan sepengetahuan Direksi untuk menghadiri Rapat Dewan Komisaris;
6. Mengangkat dan memberhentikan Sekretaris Dewan Komisaris;
7. Memberhentikan sementara anggota Direksi;
8. Membentuk Komite Audit, Komite Remunerasi dan Nominasi, Komite Pemantau Risiko dan komite lainnya jika dianggap perlu;
9. Menghadiri rapat Direksi dan memberikan pandangan terhadap hal yang dibicarakan; dan
10. Melakukan tindakan pengawasan sepanjang tidak bertentangan dengan ketentuan Anggaran Dasar.

In relation to their Supervisory and Internal Control function, the Board of Commissioners has also meet its responsibilities to ensure that each of the business unit, including the supporting units, internal audit, external audit, as well as the insurance and risk management function. In the implementation of surveillance and management, the Board of Commissioners is assisted by the Audit Committee.

Authority of the Board of Commissioners

In supervising the management of the Company undertaken by the Board of Directors, the Board of Commissioners is authorized to:

1. Examine accounts, letters of evidence, inventories, to review cash flows and other securities, and to have all information on every action that has been carried out by the Board of Directors;
2. Enter any buildings, offices or premises used or owned by the Company;
3. Request for explanations 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 oblidged to provide such required information for the Board of Commissioners;
4. To be informed on all policies and actions that have and will be done by the Board of Directors;
5. 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;
6. To appoint and dismiss the Board of Commissioners Secretary;
7. To temporarily dismiss member of the Board of Director;
8. To establish the Audit Committee, Remuneration and Nomination Committee, Risk Oversight Committee and other committtees as deemed necessary;
9. To attend the Board of Directors meeting and to offer opinion on the matters discussed;
10. To exercise the authority to supervise on other matters, provided that it does not violate the regulations and the Articles of Association.

PELAKSANAAN TUGAS DEWAN KOMISARIS TAHUN 2016

Sepanjang tahun 2016, Dewan Komisaris telah melaksanakan tugas dan tanggung jawab pengawasan terkait kegiatan operasional perusahaan termasuk memberikan persetujuan kontrak-kontrak, rekomendasi atas hasil evaluasi audit dan rapat yang dilakukan dalam satu tahun buku (rapat internal Dewan Komisaris, rapat Komite dan rapat Gabungan dengan Direksi). Adapun pelaksanaan tugas pengawasan Dewan Komisaris di tahun 2016 yang telah dilaksanakan di antaranya:

1. Pelaksanaan RJPP 2016 – 2020 yang telah disetujui oleh Dewan Komisaris;
2. Implementasi *Capital Expenditure* (Capex);
3. Penerapan *Enterprise Risk Management* (ERM);
4. Pelaksanaan implementasi GCG;
5. Kepatuhan Perseroan terhadap peraturan perundang-undangan;
6. Pelaksanaan audit internal dan eksternal Perseroan, serta tindak lanjutnya;
7. Penyusunan RKAP 2017
8. Evaluasi Kinerja Perseroan secara periodik bulanan, triwulanan, dan semesteran.

Rekomendasi Dewan Komisaris

Pada tahun 2016, nasihat, rekomendasi dan persetujuan yang diberikan oleh Dewan Komisaris kepada Direksi antara lain mengenai:

1. Perubahan Struktur Organisasi Induk Perseroan;
2. Pengangkatan anggota Direksi dan Komisaris Anak Perusahaan;
3. Penunjukan KAP, serta penetapan honorarium dan ruang lingkup kerja KAP;
4. Rencana Migrasi ke Terminal 3 Ultimate;
5. Tindak Lanjut atas Temuan Audit 2015;
6. Pengelolaan SDM;
7. Pelaksanaan *Redelivery* Pesawat;
8. RKAP 2017;
9. Rencana Perubahan Sistem Imbalan Pasca Kerja;
10. Solusi atas Permasalahan Anak Perusahaan.

Program Pengenalan Komisaris Baru

Perseroan memiliki program pengenalan bagi Direksi dan Komisaris baru melalui pemberian dokumen elektronik dan/atau dokumen cetak mengenai data Perseroan yang perlu diketahui oleh Direksi dan Komisaris sebagai referensi dan tinjauan aktivitas bisnis Perseroan sehingga dapat

DUTIES IMPLEMENTATION OF THE BOARD OF COMMISSIONERS

Throughout 2016, the Board of Commissioners has performed their duties and responsibilities on the supervision relating to the operational activities of the Company which include providing approvals on contracts, recommendation on audit evaluation results and meetings performed during the financial year (Board of Commissioners Internal Meeting, Committee Meeting and joint meeting with the Board of Directors). Therefore, the supervisory duties carried out by the Board of Commissioners in 2016 were as follows:

1. Implementation of Company's Long-Term Plan 2016 – 2020 and Company's Work Plan & Budget 2016 approved by the Board of Commissioners;
2. Implementation of Capital Expenditure (Capex);
3. Implementation of Enterprise Risk Management (ERM);
4. Implementation of GCG;
5. The Company's compliance towards the prevailing laws and regulations;
6. Implementation of Company's internal and external audit as well as its follow-up;
7. Preparation of Company's Work Plan & Budget 2017.
8. Evaluation of Company's performance periodically (monthly, quarterly, and semiannual).

Board of Commissioners Recommendations

In 2016, the Board of Commissioners had provided advice, recommendation and approval to the Board of Directors which include:

1. Changes in Organizational Structure of Parent Company;
2. Appointment of members of the Board of DIrectors and Board of Commissioners of Subsidiaries;
3. Appointment of Public Accounting Firm, as well as stipulation of honorarium and its scope of work;
4. Migration Plan to Terminal 3 Ultimate;
5. Follow-up on Audit Findings 2015;
6. Management of HR;
7. Redelivery of Aircraft;
8. Company's Work Plan & Budget 2017;
9. Plan of Change in Post-Employment Benefit System;
10. Solution to the Subsidiary's Dispute.

New Commissioners Introduction Program

The Company has an induction program for new Commissioners by providing document in soft copy and/or hard copy of Company's data that should be known by the Board of Directors and the Board of Commissioners in order to support them in performing their supervisory functions

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mendukungnya dalam menjalankan fungsi pengawasan Dewan Komisaris. Komisaris atau Direktur baru juga memperoleh kesempatan untuk mengajukan pertanyaan dan melakukan diskusi serta memberi jawaban atas pertanyaan atau memberi penjelasan apabila diminta. Selain itu, program orientasi bagi Direksi dan Dewan Komisaris baru juga dilaksanakan dengan memasukkan agenda mengenai program induksi dalam Rapat Direksi dan Dewan Komisaris.

as the Board of Commissioners. New Commissioners and Directors also have the opportunity to ask questions and answer to questions or provide explanations if required. Additionally, induction program for the new Board of Directors and the Board of Commissioners also had conducted by including agenda on induction program in the Board of Directors and the Board of Commissioners' Meeting.

Adapun selama tahun 2016 Perseroan tidak menyelenggarakan program ini dikarenakan tidak ada penambahan anggota Dewan Komisaris baru.

Throughout 2016, the Company did not conduct such program due to there is no new member of the Board of Commissioners.

PROGRAM PELATIHAN DAN PENGEMBANGAN KOMPETENSI

Dewan Komisaris berpartisipasi dalam program pelatihan untuk meningkatkan pengetahuan anggota Dewan Komisaris tentang perkembangan industri Perseroan dan pengetahuan lainnya yang terkait penerapan tugas dan tanggung jawabnya Dewan Komisaris. Rangkaian program pelatihan yang diikuti Dewan Komisaris selama tahun 2016 termasuk:

TRAINING AND COMPETENCY DEVELOPMENT PROGRAM

The Board of Commissioners should participate in the training program in order to improve their knowledge regarding the Company's industry development and other knowledges related to the tasks implementation and the Board of Commissioners' responsibilities. A series of training programs have been undertaken by the Board of Commissioners in 2016, including:

Nama Name	Jabatan Position	Tanggal Date	Program Program	Tempat Place
Jusman Syafii Djamal	Komisaris Utama dan Komisaris Independen President Commissioner and Independent Commissioner	Januari 2016	Seminar L.E.K "Ancillary Revenue Opportunities"	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Februari 2016	Seminar SkyTeam	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Maret 2016	Honorary Guest Professor Zhejiyang University of Technology	Zhejiyang University of Technology. Hangzhou
		Maret 2016	Workshop Pembentukan Holding Company	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Mei 2016	Sharing Session "Business Strategy" with Bapak Chairul Tanjung	Kantor Manajemen Garuda Indonesia, Cengkareng, Banten
		September 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future"	PT Garuda Indonesia (Persero) Tbk, Jakarta
Chairal Tanjung	Komisaris Commissioner	Januari 2016	Seminar L.E.K "Ancillary Revenue Opportunities"	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Februari 2016	Seminar SkyTeam	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Maret 2016	Workshop Pembentukan Holding Company	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Mei 2016	Sharing Session "Business Strategy" with Bapak Chairul Tanjung	Kantor Manajemen Garuda Indonesia, Cengkareng, Banten
		September 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future"	PT Garuda Indonesia (Persero) Tbk, Jakarta

Nama Name	Jabatan Position	Tanggal Date	Program Program	Tempat Place
Dony Oskaria	Komisaris Commissioner	Januari 2016	Seminar L.E.K "Ancillary Revenue Opportunities"	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Februari 2016	Seminar SkyTeam	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Maret 2016	Workshop Pembentukan Holding Company	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Mei 2016	Sharing Session "Business Strategy" with Bapak Chairul Tanjung	Kantor Manajemen Garuda Indonesia, Cengkareng, Banten
		September 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future"	PT Garuda Indonesia (Persero) Tbk, Jakarta
Hasan M. Soedjono	Komisaris Independen Independent Commissioner	Januari 2016	Seminar L.E.K "Ancillary Revenue Opportunities"	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Februari 2016	Seminar SkyTeam	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Maret 2016	Workshop Pembentukan Holding Company	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Mei 2016	Sharing Session "Business Strategy" with Bapak Chairul Tanjung	Kantor Manajemen Garuda Indonesia, Cengkareng, Banten
		September 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future"	PT Garuda Indonesia (Persero) Tbk, Jakarta
Isa Rachmatarwata	Komisaris Commissioner	Januari 2016	Seminar L.E.K "Ancillary Revenue Opportunities"	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Februari 2016	Seminar SkyTeam	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Maret 2016	Workshop Pembentukan Holding Company	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Mei 2016	Sharing Session "Business Strategy" with Bapak Chairul Tanjung	Kantor Manajemen Garuda Indonesia, Cengkareng, Banten
		September 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future"	PT Garuda Indonesia (Persero) Tbk, Jakarta
Muzaffar Ismail	Komisaris Commissioner	2016	ITSAP, Leadership	Jakarta
		Januari 2016	Seminar L.E.K "Ancillary Revenue Opportunities"	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Februari 2016	Seminar SkyTeam	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Maret 2016	Workshop Pembentukan Holding Company	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Mei 2016	Sharing Session "Business Strategy" with Bapak Chairul Tanjung	Kantor Manajemen Garuda Indonesia, Cengkareng, Banten
		September 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future"	PT Garuda Indonesia (Persero) Tbk, Jakarta

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PENILAIAN KINERJA DEWAN KOMISARIS

Pada setiap akhir tahun dan awal tahun buku, Direksi membuat dan menyampaikan Rencana Kerja dan Anggaran Perusahaan (RKAP) yang dilengkapi dengan Ukuran Kinerja Utama (*Key Performance Indicators*/KPI) dan target yang harus dicapai. RKAP, KPI dan target Perseroan, disahkan dan ditandatangani bersama oleh Direksi dan Dewan Komisaris Perusahaan.

Dewan Komisaris melakukan penilaian atas kinerja manajemen berdasarkan pencapaian KPI dan target serta berdasarkan indikator yang digunakan oleh Dewan Komisaris. Hasil penilaian Dewan Komisaris atas kinerja manajemen selanjutnya digunakan sebagai dasar untuk membuat usulan pemberian remunerasi dan tantiem bagi Direksi dan Dewan Komisaris kepada Kementerian BUMN, selaku Pemegang Saham Seri A Dwiwarna.

Penilaian kinerja Dewan Komisaris dilakukan sekali dalam 1 (satu) tahun, dengan menggunakan metode *self-assessment*. Pengukuran keberhasilan kinerja Dewan Komisaris merupakan hasil kerja kolegial dari seluruh Dewan Komisaris yang tercermin dalam satu kesatuan pada realisasi Rencana Bisnis Perseroan.

Selain melalui *self-assessment*, penilaian Dewan Komisaris dilakukan pada saat pertanggungjawaban laporan tahunan pada saat RUPS. Pelaksanaan RUPS pertanggungjawaban laporan tahun buku mengenai keadaan jalannya perusahaan dan hasil yang telah dicapai selama tahun 2016. Selanjutnya menyatakan serta memberikan pembebasan sepenuhnya pertanggungjawaban (*acquit et decharge*) kepada Dewan Komisaris Perseroan untuk operasional tahun buku 2016.

Proses Pelaksanaan Penilaian
Pelaksanaan penilaian atas kinerja Dewan Komisaris dilakukan setiap tahun melalui mekanisme penilaian mandiri yang dilakukan berdasarkan Surat Keputusan Dewan Komisaris Nomor GARUDA/Dekom-043/2014.

Kriteria/Indikator Kinerja
Kriteria untuk menilai kinerja Dewan Komisaris adalah pelaksanaan tugas dan tanggung jawab Dewan Komisaris

EVALUATION ON BOARD OF COMMISSIONERS' PERFORMANCE

At the end of every year and the beginning of the financial year, the Board of Directors formulates and delivers the Work Plan and Budget (RKAP) equipped with Key Performance Indicators (KPI) and targets that must be achieved. RKAP, KPI and the Company's target are authorized and signed by the Board of Directors and the Board of Commissioners.

The Board of Commissioners evaluates the management's performance based on the KPIs and targets and based on the indicators used by the Board of Commissioners. The result of the Board of Commissioners' evaluation on the management's performance is then used as a basis to generate recommendations on the remunerations and tantiem of the Board of Directors and the Board of Commissioners to the Minister of SOEs, as the holder of Series A Dwiwarna share.

Evaluation of the Board of Commissioners' performance is completed within 1 (one) year, by using the self assessment method. Measurements on the level of success of the Board of Commissioners' performance represents the result of a collegial performance of the whole Board of Commissioners as reflected collectively on the realization of the Company's Business Plan.

In addition to self-assessment, the assessment on the Board of Commissioners is made on the annual accountability report at the time of the GMS. Implementation of the financial year's GMS accountability report cover the Company's condition and the results that have been achieved during 2016. Furthermore, it stated and provided full release and discharge (acquit et decharge) to the Board of Commissioners of the Company for financial year 2016.

Assessment Implementation
The assessment process on the performance of the Board of Commissioners is performed every year using self-assessment based on the Board of Commissioners' Decree No. GARUDA/Dekom-043/2014.

Criteria/Performance Indicator
The performance evaluation criterias of the Board of Commissioners are task implementation and the

dalam melakukan fungsi pengawasan atas kebijakan pengurusan jalannya Perseroan, dan memberi nasihat kepada Direksi untuk kepentingan dan tujuan Perseroan serta pelaksanaan tugas yang secara khusus diberikan kepadanya menurut Anggaran Dasar dan/atau berdasarkan keputusan RUPS dalam koridor peraturan perundang-undangan yang berlaku.

Indikator kinerja yang dipakai sebagai tolak ukur kinerja Dewan Komisaris mencakup konsistensi dan inisiatif Dewan Komisaris dalam:

1. Aspek Pengawasan dan Pemberian Nasihat yang dilakukan rapat Dewan Komisaris maupun secara tertulis;
2. Menilai kinerja Korporasi dari aspek efektivitas produk dan proses,fokus pelanggan, fokus tenaga kerja, kepemimpinan, dan keuangan;
3. Melakukan peningkatan wawasan dan perkembangan pengetahuan di bidang bisnis maskapai penerbangan maupun manajemen risiko melalui pelatihan wajib berkala;
4. Berkontribusi terhadap pelaksanaan rencana jangka panjang Perseroan;
5. Memberikan solusi-solusi atas permasalahan dan tantangan Perseroan;
6. Menjaga dan mendorong penerapan GCG;
7. Mendorong kepemimpinan yang kuat di Perseroan.

responsibility of the Board of Commissioners in performing their supervisory function on the the Company's operational policies, and to advise the Board of Directors on the purposes and objectives of the Company as well as the implementation of tasks that are specially granted to him under the Articles of Association and/or based on the decisions of the GMS within the prevailing legislations.

The performance indicators that are used as a measure of the Board of Commissioners' performance include:

1. Monitoring Aspect and Advice Provision in the the Board of Commissioners' meeting or in writing;
2. Assess the performance of the Corporation from the aspects of product and process effectiveness, custoemr focus, employee focus, leadership, and financial;
3. To increase the insight and knowledge in the field of airline business and risk management through periodic mandatory training;
4. Contribute to the implementation of Company's Long-Term Plan;
5. Provides solutions to the Company's issues and challenges;
6. Maintain and encourage the GCG implementation;
7. Encourage the strong leadership in the Company.

Pencapaian Kinerja Dewan Komisaris Tahun 2016
Achievement of the Board of Commissioners' Performance in 2016

No.	Indikator Indicators	Satuan Unit	Pelaksanaan Implementation
	Aspek Proses Pengawasan & Pemberian Nasihat Aspect of Supervisory and Advisory Provision Process		
	Dewan Komisaris / Board of Commissioners		
1.	Dewan Komisaris menyelenggarakan rapat Dewan Komisaris untuk membahas tugas-tugas Dewan Komisaris Board of Commissioners organizes meetings with the Board of Commissioners to discuss the duties of the Board of Commissioners	Jumlah rapat per tahun Total meetings per year	6
2.	Dewan Komisaris menyelenggarakan rapat dengan Direksi dalam melaksanakan tugas pengawasan dan pemberian nasihat Board of Commissioners organizes meetings with the Board of Directors to implement supervisory and advisory function	Jumlah rapat per tahun Total meetings per year	38
3.	Dewan Komisaris menyelenggarakan rapat dengan organ pendukung Dewan Komisaris untuk membahas perkembangan tugas-tugas masing-masing organ pendukung Board of Commissioners organizes meetings with the supporting organs of the Board of Commissioners to discuss the duties of each supporting organ	Jumlah rapat per tahun Total meetings per year	3

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No.	Indikator Indicators	Satuan Unit	Pelaksanaan Implementation
4.	Dewan Komisaris secara teratur memberikan nasihat kepada Direksi Board of Commissioners regularly provides inputs to the Board of Directors	Jumlah nasihat formal Total formal advice	6
5.	Dewan Komisaris melakukan penilaian kinerja Direksi Board of Commissioners assesses the performance of the Board of Directors	Kegiatan Activity	2
6.	Dewan Komisaris menyampaikan laporan pengawasan Dewan Komisaris kepada RUPS Board of Commissioners submits report on the Supervision of the Board of Commissioners to the GMS	Jumlah kegiatan Total activities	1
7.	Rapat-rapat Dewan Komisaris dilaksanakan dengan dinamika dan interaksi yang sehat di antara Komisaris, di mana Dewan Komisaris berargumentasi dan menyampaikan sudut pandang yang berbeda sebelum mengambil keputusan Meetings of the Board of Commissioners are conducted with healthy and dynamic interactions among the Commissioners, in which the Board of Commissioners argues and shares their different perspectives before making a decision	*Self-Assessment* oleh Dewan Komisaris Self-Assessment by the Board of Commissioners	Terpenuhi Fulfilled
8.	Dewan Komisaris berinisiatif dan konsisten dalam memberikan kontribusi terhadap rencana jangka panjang Perseroan The Board of Commissioners has initiatives and consistent in contributing to the Company's long-term plan	Frekuensi (Tidak Pernah/Kadang/Sering/Selalu) Frequency (Never/Occasionally/Frequently/Always)	Sering Frequently
9.	Dewan Komisaris berinisiatif dan konsisten dalam memberikan solusi-solusi atas permasalahan dan tantangan Perseroan. The Board of Commissioners has initiatives and consistent in providing solutions to the Company's issues and challenges	Frekuensi (Tidak Pernah/Kadang/Sering/Selalu) Frequency (Never/Occasionally/Frequently/Always)	Selalu Always
10.	Dewan Komisaris konsisten dalam menjaga dan mendorong penerapan praktik *Good Corporate Governance* The Board of Commissioners is consistent in encouraging the implementation of Good Corporate Governance's practice	Frekuensi (Tidak Pernah/Kadang/Sering/Selalu) Frequency (Never/Occasionally/Frequently/Always)	Selalu Always
11.	Dewan Komisaris berinisiatif dan konsisten dalam mendorong berkembangnya kepemimpinan yang kuat di Perseroan The Board of Commissioners has initiatives and consistent in encouraging the development of strong leadership in the Company	Frekuensi (Tidak Pernah/Kadang/Sering/Selalu) Frequency (Never/Occasionally/Frequently/Always)	Sering Always
Pengawasan oleh Komite Audit Supervision by Audit Committee			
1.	Menelaah ketaatan akuntansi, penyusunan laporan keuangan, proses audit eksternal Supervision on the accounting, preparation of financial statements, external audit process	Kegiatan Activity	1
2.	Memberikan rekomendasi penunjukan KAP serta ruang lingkup tugas KAP Make recommendations on the KAP's appointment and their scope of work.	Kegiatan Activity	2
3.	Menelaah efektivitas dan memonitor pelaksanaan program kerja SPI terkait teknologi informasi, pengadaan barang dan jasa, mutu dan layanan, umroh, kargo, dan lain-lain Evaluate the effectiveness and monitor the implementation of the SPI work program in relation to information technology, procurement and services, quality and service, umrah, cargo, and others	Kegiatan Activity	9
4.	Menelaah pengelolaan SDM dan remunerasi nominasi Direksi dan Komisaris serta memberikan rekomendasi penunjukan Direksi dan Komisaris Anak Perusahaan Evaluate human resources management and remuneration and nomination of the Board of Directors and the Board of Commissioners as well as provide recommendations on the appointment of the Board of Directors and the Board of Commissioners of the Company's subsidiaries	Kegiatan Activity	10

No.	Indikator Indicators	Satuan Unit	Pelaksanaan Implementation
8.	Pembahasan mengenai kepatuhan perusahaan terhadap seluruh perjanjian dan komitmen yang dibuat dengan pihak ketiga Dicussion on Company's adherence to all agreements and commitments made with third parties	Jumlah rapat/pembahasan Total number of meetings/discussions	3
9,	Pengawasan dan pemberian nasihat terhadap kebijakan pengelolaan anak perusahaan I atau perusahaan patungan Monitoring and providing advice on the policy management of its subsidiaries or joint ventures	Kegiatan Activity	3
10.	Melakukan evaluasi dan memberikan rekomendasi Evaluate and giving recommendations	Kegiatan Activity	7
Pengawasan oleh KPU-PR Supervision by KPU-PR			
1.	Pemantauan dalam penyusunan RKAP Monitoring on the RKAP preparation	Kegiatan dan masukan kepada Dewan Komisaris Activity and input to the Board of Commissioners	3
2.	Pemantauan dalam pendanaan Perseroan Monitoring on the Company's funding	Kegiatan dan masukan kepada Dewan Komisaris Activity and input to the Board of Commissioners	1
3.	Pemantauan peningkatan kinerja *Route Result* (RR) Monitoring on the improvement of the Route Result (RR) performance	Kegiatan dan masukan kepada Dewan Komisaris Activity and input to the Board of Commissioners	7
4.	Pemantauan perkembangan usaha anak perusahaan Monitoring on the business development of the Company's subsidiaries	Kegiatan dan masukan kepada Dewan Komisaris Activity and input to the Board of Commissioners	1
5.	Pemantauan dan evaluasi implementasi Sistem Manajemen Risiko Perseroan Monitoring and evaluation on the implementation of Risk Management System of the Company	Kegiatan dan masukan kepada Dewan Komisaris Activity and input to the Board of Commissioners	4
6.	Pemantauan *Corporate Risk Profile* Monitoring on the Corporate Risk Profile	Kegiatan dan masukan kepada Dewan Komisaris Activity and input to the Board of Commissioners	4
7.	Melakukan kunjungan ke *Regional Operations* untuk melihat realisasi pengelolaan perusahaan di lapangan Visit the Regional Operations to see the implementation result of the corporate management in the field	Kegiatan dan masukan kepada Dewan Komisaris Activity and input to the Board of Commissioners	1
Pendidikan dan Pelatihan Education and Trainings			
1.	Mengikuti seminar/*workshop* untuk meningkatkan pengetahuan dan wawasan dalam industri penerbangan Attending seminars/workshops to improve the knowledge and insights on airline industry	-	Terlaksana Implemented
2.	Mengikuti seminar/*workshop* untuk meningkatkan pengetahuan dan wawasan dalam GCG, *Risk Management* serta fungsi-fungsi Dewan Komisaris lainnya Attend seminars/workshops to improve the knowledge and insights on GCG, Risk Management and other functions of the Board of Commissioners	-	Terlaksana Implemented

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Pihak yang Melaksanakan Penilaian
Pihak yang melakukan penilaian terhadap kinerja Dewan Komisaris adalah RUPS, sedangkan penilaian terhadap kinerja Direksi adalah Dewan Komisaris dan RUPS. Dalam melakukan penilaian terhadap kinerja Direksi, Dewan Komisaris mengacu kepada indikator KPI Direksi sebagaimana uraian di atas. Dewan Komisaris dan Direksi mempertanggungjawabkan pencapaian kinerja mereka pada periode 2016, termasuk di dalamnya pelaksanaan tugas dan tanggung jawab Dewan Komisaris dan Direksi dalam RUPS yang akan diselenggarakan pada tahun 2017 mendatang.

Assessor
The GMS performs the assessment towards the performance of the Board of Commissioners, whereas the Board of Commissioners and the GMS perform the assessment on the performance of the Board of Directors. In assessing the performance of the Board of Directors, the Board of Commissioners refers to the Board of Directors KPI indicators as previously described. The Board of Commissioners and the Board of Directors are responsible towards their performance achievements in financial year 2016, including the implementation of duties and responsibilities of the Board of Commissioners and the Board of Directors in the GMS that will be held in 2017.

KEBIJAKAN DAN PROSEDUR PENETAPAN REMUNERASI DEWAN KOMISARIS
Kebijakan dan prosedur penetapan remunerasi bagi Dewan Komisaris terdiri dari beberapa tahapan yang mencakup proses penyusunan, analisis, pengajuan, dan penetapan. Penyusunan kebijakan dan usulan remunerasi dilaksanakan oleh Komite Audit yang juga membidangi fungsi remunerasi melalui jasa konsultan independen. Rekomendasi remunerasi tersebut kemudian diteruskan pada Dewan Komisaris untuk dibahas dan dianalisis. Pada tahapan terakhir, rekomendasi remunerasi diajukan dalam RUPS.

Penetapan Penghasilan yang berupa Gaji atau Honorarium, Tunjangan, dan Fasilitas yang bersifat tetap dilakukan dengan mempertimbangkan faktor skala usaha, faktor kompleksitas usaha, tingkat inflasi, kondisi dan kemampuan keuangan Perseroan dan faktor-faktor lain yang relevan serta tidak boleh bertentangan dengan peraturan perundang-undangan

Penetapan Penghasilan yang berupa Tantiem/Insentif Kinerja yang bersifat variabel (*merit rating*) dilakukan dengan mempertimbangkan faktor kinerja Perseroan serta faktor-faktor lain yang relevan.

Berdasarkan Peraturan Menteri Badan Usaha Milik Negara No. PER-02/MBU/06/2016 tentang Pedoman Penetapan Penghasilan Direksi, Dewan Komisaris dan Dewan Pengawas Badan Usaha Milik Negara, komponen penghasilan Dewan Komisaris terdiri dari:
1. Honorarium;
2. Tunjangan;
3. Fasilitas;
4. Tantiem.

POLICY AND PROCEDURE OF BOARD OF COMMISSIONERS' REMUNERATION
Policies and procedures in relation to the determination of the remuneration for the Board of Commissioners consist of several stages which include the creation, analysis, submission, and determination. The remuneration policies and proposals are formulated by Audit Committee which also performs remuneration function using independent consultant services. The remuneration recommendations are then forwarded to the Board of Commissioners to be discussed and analyzed. On the final stage, the remuneration recommendations are proposed to the GMS.

Determination of salary, honorarium, allowances, and facilities that are fixed in nature is being carried out by considering the business scale factor, complexity factor of the business, inflation, financial condition and competency of the Company and other factors relevant and not in contrary to the prevailing regulations.

Determination of salary in the form of Tantiem/Insentive that is variable in nature (merit rating) is being carried out by considering the Company's performance factor as well as other relevant factors.

Based on the Minister of SOEs Regulation No. PER-02/MBU/06/2016 concerning the Remuneration Guidelines for the Board of Directors, Commissioners and Supervisory Board of State Owned Enterprises, the salary component of the Board of Commissioners consists of:
1. Honorarium;
2. Allowances;
3. Facilities;
4. Tantiem.

Struktur dan besaran remunerasi Dewan Komisaris Perseroan pada tahun 2016 berlandaskan pada Surat Menteri Badan Usaha Milik Negara Republik Indonesia Nomor S-79/ D5.MBU/06/2016 tentang Penetapan Gaji/ Honorarium, Tunjangan dan Fasilitas Tahun 2016 serta Tantiem atas Kinerja Tahun 2015 PT Garuda Indonesia (Persero) Tbk, pada tanggal 27 Juni 2016. Berdasarkan pertimbangan tersebut, maka struktur dan besaran remunerasi Dewan Komisaris Perseroan untuk tahun 2016 adalah sebagai berikut:

The structure and the amount of the Company's Board of Commissioners' remunerations in 2016 is based on the Letter of the Minister of SOEs Republic of Indonesia No. S-79/ D5.MBU/06/2016 concerning the Determination of Salary/ Honorarium, Allowances and Facilities of 2016 as well as Bonus on 2015 Performance of PT Garuda Indonesia (Persero) Tbk, dated June 27, 2016. According to the recommendations, the structure and the amount of the Company's Board of Commissioners' remuneration in 2016 are as follows:

Jabatan Position	Jenis Remunerasi* Type of Remuneration*	Jumlah (dalam Rupiah) Amount (in Rupiah)	
		Jumlah Orang Number of People	Juta Rupiah Million Rupiah
Dewan Komisaris Board of Commissioners	Honorarium Honorarium	6	4.871
	Tunjangan Allowance	6	6.251
	Tantiem** Tantiem**	6	4.558
Jumlah Total		**6**	**15.680**

*) Data penghasilan adalah net setelah pajak
**) Tantiem atas kinerja 2015 dan dibayarkan pada tahun 2016

*) Data of income is net after tax
**) Tantiem for performance 2015 and paid in 2016

HUBUNGAN ANTARA REMUNERASI DAN KINERJA PERSEROAN

Penetapan remunerasi bagi Direksi dan Dewan Komisaris Perseroan mengacu kepada ketentuan sebagaimana termuat dalam Peraturan Menteri Badan Usaha Milik Negara No. PER-02/MBU/06/2016 tentang Pedoman Penetapan Penghasilan Direksi, Dewan Komisaris dan Dewan Pengawas Badan Usaha Milik Negara. Berdasarkan Peraturan Menteri tersebut, prinsip penetapan penghasilan bagi Direksi dan Dewan Komisaris ditentukan oleh Rapat Umum Pemegang Saham (RUPS). RUPS Tahunan yang dilaksanakan pada tanggal 15 April 2016 telah menetapkan besarnya tantiem yang diberikan kepada anggota Direksi dan Dewan Komisaris untuk tahun buku 2015 serta menetapkan besarnya gaji anggota Direksi dan honorarium Dewan Komisaris serta tunjangan dan fasilitas bagi Direksi dan Dewan Komisaris pada tahun 2016. Penghasilan Direksi dan Dewan Komisaris dapat terdiri dari:

1. Honorarium;
2. Tunjangan;
3. Fasilitas;
4. Tantiem.

CORRELATION BETWEEN REMUNERATION AND COMPANY'S PERFORMANCE

Remuneration for the Company's Board of Directors and the Board of Commissioners is established with reference to the policies in the Minister of SOEs Regulation No. PER-02/ MBU/06/2016 concerning the Remuneration Guidelines for the Board of Directors, Commissioners and Supervisory Board of State Owned Enterprises. Based on the Minister Regulations, the principles on the remuneration for Board of Directors and the Board of Commissioners are established based on the General Meeting of Shareholders (GMS). Annual GMS that was completed in April 15, 2016 had determined the amount of tantiem of the Board of Directors and the Board of Commissioners for financial year 2015 as well as the amount of salaries for the Board of Commissioners, the honorarium of the Board of Commissioners as well as allowances and facilities of the Board of Directors and the Board of Commissioners in 2016. The salary of the Board of Directors and the Board of Commissioners consists of:

1. Honorarium;
2. Allowances;
3. Facilities;
4. Tantiem.

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Sedangkan, penetapan tantiem bagi Direksi dan Dewan Komisaris dapat diberikan berdasarkan penetapan RUPS/ Menteri dalam pengesahan Laporan Tahunan apabila:

a. Realisasi tingkat kesehatan[1] paling rendah dengan nilai 70; atau
b. Target tingkat kesehatan[1] dalam RKAP tercapai meskipun nilainya di bawah 70. Komposisi besarnya tantiem ditetapkan sebagai berikut:
   - Direktur Utama: 100,0%
   - Anggota Direksi: 90,0% dari Direktur Utama
   - Komisaris Utama: 45,0% dari Direktur Utama
   - Anggota Dewan Komisaris: 40,5% dari Direktur Utama

Whereas the determination of tantiem for the Board of Directors and the Board of Commissioners may be provided based on the determination of the GMS/Minister under the ratification in the Annual Report if:

a. Realization of the lowest health level[1] with the score of 70; or
b. The health level[1] target within RKAP has been achieved despite the score is under the 70%. Composition of the amount of tantiem is determined as follow:
   - President Director: 100.0%
   - Member of the Board of Directors: 90.0% of President Director
   - President Commissioner: 45.0% of President Director
   - Member of the Board of Commissioners: 40,5% of President Commissioner

RAPAT DEWAN KOMISARIS

Sesuai ketentuan Pasal 16 ayat 7 Anggaran Dasar Perseroan, Rapat Dewan Komisaris dilaksanakan secara berkala sesuai dengan peraturan perundang-undangan yang berlaku, dengan ketentuan sebagai berikut:

1. Dewan Komisaris mengadakan rapat paling sedikit setiap bulan sekali;
2. Dalam Rapat tersebut Dewan Komisaris dapat mengundang Direksi;
3. Materi-materi pembahasan yang diagendakan dalam rapat Dewan Komisaris pada umumnya berpusat pada kinerja dan pengembangan Perseroan, baik secara finansial dan operasional; dan
4. Rapat ini juga berfungsi sebagai sebuah forum di mana setiap anggota berhak mengutarakan pendapatnya untuk mencapai sebuah keputusan yang kolektif.

BOARD OF COMMISSIONERS' MEETING

Pursuant to the Article 16 paragraph 7 of the Company's Articles of Association, the Board of Commissioners Meetings should be regularly conducted in accordance with the prevailing regulation, based on the following conditions:

1. The Board of Commissioners should hold a meeting at least once a month;
2. In the meeting, the Board of Commissioners may invite the Board of Directors;
3. The scheduled materials of discussion in the Board of Commissioners Meeting generally focus on the performance and the Company's financial and operational development; and
4. The meeting also serves as a forum where every member has the right to express his/her opinion in order to achieve a collective decision.

Kebijakan Perseroan Tentang Frekuensi Rapat Dewan Komisaris

Sesuai dengan ketentuan dalam Pedoman Tata Tertib Kerja Dewan Komisaris dan Direksi yang sejalan dengan Peraturan Menteri negara Badan Usaha Milik Negara Nomor: PER-09/ MBU/2012 tanggal 6 Juli 2012 tentang Penerapan Tata Kelola Perusahaan Yang Baik (Good Corporate Governance) Pada Badan Usaha Milik Negara Pasal 14 Ayat (1), pelaksanaan Rapat Dewan Komisaris/Dewan Pengawas secara berkala sekurang-kurangnya sekali dalam setiap bulan dan rapat gabungan dengan Direksi minimal satu kali setiap bulan dan dalam rapat tersebut Dewan Komisaris dapat mengundang Direksi.

Company Policy on the Frequency of Board of Commissioners' Meeting

Based on the provisions set forth by the Board of Commissioners and the Board of Directors Charter that is in line with the Minister of SOEs Regulation No: PER-09/MBU/2012 dated July 6, 2012 concerning the Implementation of Good Corporate Governance on State Owned Enterprises Articles 14 Paragraph (1), regular holding of the Board of Commissioners/the Board of Trustees Meetings and joint meetings with the Board of Directors should be held at least once every month and the Board of Commissioners may invite the Board of Directors to the meetings.

1) Penilaian tingkat kesehatan merupakan salah satu penilaian kinerja BUMN untuk tahun terkait dengan memperhatikan aspek keuangan, operasional, dan administrasi.
1) The health level assessment is one of the SOE performance assessment for the current year by considering the aspects of financial, operational, and administrative.

Rapat Dewan Komisaris dapat diadakan kapanpun sebagaimana dimintakan secara tertulis oleh anggota Dewan Komisaris, Direksi atau Pemegang Saham yang mewakili setidaknya 10,0% jumlah saham dengan hak suara, dengan pemberitahuan yang disertai dengan agenda rapat.

Frekuensi dan Tingkat Kehadiran Rapat Dewan Komisaris

Sepanjang tahun 2016, Dewan Komisaris telah melakukan rapat internal sebanyak 6 (enam) kali dan rapat gabungan dengan Direksi sebanyak 14 (empat belas) kali. Selain itu, Dewan Komisaris juga mengadakan rapat dengan Direksi terkait serta Direksi Anak Perusahaan untuk membahas masalah tertentu sebanyak 24 (dua puluh empat) kali.

Adapun frekuensi dan tingkat kehadiran pada Rapat Dewan Komisaris dan Rapat Gabungan dengan Direksi sebagai berikut:

The Board of Commissioners Meeting may be held at any time as stated in writing by the members of the Board of Commissioners, the Board of Directors of the Shareholders who represent at least 10.0% of the total number of voting rights shares, through a notification accompanied by the meeting agenda.

Frequency of Board of Commissioners' Meeting and Attendance Record

Throughout 2016, the Board of Commissioners held 6 (six) internal meetings and 14 (fourteen) joint meetings with the Board of Directors. In addition to, the Board of Commissioners also held meeting with related Board of Directors and Board of Directors of Subsidiaries to to discuss specific issues as many as 24 (twenty four) times.

The frequencies and numbers of attendance during the Board of Commissioners Meeting and Joint Meetings with the Board of Directors are as follows:

Rapat Internal Dewan Komisaris
Board of Commissioners Internal Meeting

Nama Name	Jabatan Position	Jumlah Kehadiran Attendance	% Kehadiran % Attendance
Jusman Sjafii Djamal	Komisaris Utama (Independen) / President Commissioner (Independent)	6	100
Chairal Tanjung	Komisaris / Commissioner	3	50
Dony Oskaria	Komisaris / Commissioner	6	100
Hasan M. Soedjono	Komisaris Independen / Independent Commissioner	6	100
Isa Rachmatarwata	Komisaris / Commissioner	6	100
Muzaffar Ismail	Komisaris / Commissioner	5	83

Rapat Dewan Komisaris dengan Direksi Terkait dan Direksi Anak Perusahaan
Meetings of the Board of Commissioners with related Board of Directors and Subsidiaries' Board of Directors

Nama Name	Jabatan Position	Jumlah Kehadiran Attendance	% Kehadiran % Attendance
Jusman Sjafii Djamal	Komisaris Utama (Independen) / President Commissioner (Independent)	31	82
Chairal Tanjung	Komisaris / Commissioner	30	79
Dony Oskaria	Komisaris / Commissioner	29	76
Hasan M. Soedjono	Komisaris Independen / Independent Commissioner	37	97
Isa Rachmatarwata	Komisaris / Commissioner	24	63
Muzaffar Ismail	Komisaris / Commissioner	28	74

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Risalah Rapat

Keputusan rapat dicatat dan didokumentasikan dengan baik dalam risalah rapat yang ditandatangani oleh ketua rapat dan salah seorang anggota Dewan Komisaris. Risalah tersebut didistribusikan kepada seluruh anggota Dewan Komisaris, baik yang menghadiri rapat maupun yang tidak. Dalam hal terdapat perbedaan pendapat, hal tersebut turut dicantumkan dalam risalah rapat disertai dengan alasan di balik perbedaan pendapat.

Minutes of Meetings

Meeting resolutions are recorded and documented in the minutes of meetings that are signed by the chairman of the meeting and one of the member of the Board of Commissioners. The paper is distributed to all members of the Board of Commissioners, both present and absent. In the event of disagreement, it is also included in the minutes of the meeting along with the reasons behind the differences in opinions.

Mata Acara Rapat Internal Dewan Komisaris
Agenda of the Board of Commissioners' Internal Meeting

No.	Tanggal Rapat Meeting Date	Agenda Rapat	Meeting Agenda
1.	14 Mar	Laporan Akhir Pekerjaan Pembentukan *Holding*	Final Report of Holding Establishment
2.	21 Mar	1. Penunjukan KAP Tahun Buku 2016. 2. Remunerasi, *Plan* dan *Procedure* 3. RJPP dan RKAP	1. Appointment of Public Accounting Firm for Fiscal Year 2016 2. Remuneration, Plan and Procedure 3. Company's Long-Term Plan and Company's Work Plan & Budget
3.	23 Sep	1. Evaluasi Kinerja GA Grup 2. Tindak Lanjut Rekomendasi Komite Audit dan KPUPR	1. GA Group Performance Evaluation 2. Follow-up on the Recommendation of Audit Committee and KPUPR
4.	06 Okt	Pembahasan Materi Laporan ke Menteri BUMN	Discussion of the Content of Report to the SOE Minister
5.	24 Nov	Pembahasan RKAP 2017	Discussion of Company's Long-Term Plan 2017
6.	1 Des	Lanjutan Pembehasan RKAP 2017	Continued Discussion of Company's Long-Term Plan 2017

Mata Acara Rapat Gabungan Dewan Komisaris dengan Direksi
Agenda of Board of Commissioners and Board of Directors Joint Meetings

	Tanggal Rapat Meeting Date	Agenda Rapat	Meeting Agenda
1.	11 Jan	1. Laporan Kinerja Bulan Desember 2015 Garuda Group 2. RJPP & *Fleet Plan*	1. Garuda Group Performance Report of December 2015 2. Company's Long-Term Strategy & Fleet Plan
2.	18 Jan	Rapat Lanjutan Dekom & Direksi tanggal 11 Januari 2016	Continuation of BOC & BOD Meeting dated January 11, 2016
3.	04 Feb	*Performance* December 2015	Performance of December 2015
4.	15 Feb	1. Laporan Kinerja Perusahaan bulan Januari 2016 2. Persiapan RUPST 2016	1. Company's Performance Report of January 2016 2. Preparation of Annual GMS 2016
5.	29 Feb	Remunerasi	Remuneration
6.	07 Mar	Delay dan Solusi	Delay and Solution
7.	14 Mar	1. Laporan Kinerja Perusahaan bulan Februari 2016 2. Persiapan RUPST 2016	1. Company's Performance Report of February 2016 2. Preparation of Annual GMS 2016
8.	18 Apr	Perkenalan dan Induksi	Introduction and Induction
9.	25 Apr	1. Arsitektur *IT Plan* 2. *Optimiser Integrated* 3. Operation Control Systems (IOCS)	1. IT Plan Architecture 2. Optimiser Integrated 3. Operation Control Systems (IOCS)

No.	Tanggal Rapat Meeting Date	Agenda Rapat	Meeting Agenda
10.	09 May	1. Laporan Triwulan I 2. Tantangan & Prospek Perusahaan Tahun 2016	1. Quarter I Report 2. Challenge & Company's Prospect in 2016
11.	23 May	1. Laporan Kinerja Kuartal I 2. Tantangan & Prospek GMFAA Tahun 2016	1. Quarter I Performance Report 2. Challenge & GMFAA Prospect in 2016
12.	23 May	Persiapan Menghadapi Perpindahan Garuda Indonesia ke Terminal 3 Ultimate Bandara Soekarno-Hatta	Preparation for Garuda Indonesia to Terminal 3 Ultimate Soekarno-Hatta Airport
13.	30 May	1. Laporan Kinerja Perusahaan Bulan April 2016 2. Tantangan & Prospek Unit Kargo Tahun 2016	1. Company's Performance Report of April 2016 2. Challenge & Prospect of Cargo Unit in 2016
14.	13 Jun	1. Laporan Kinerja Perusahaan Bulan Mei 2016 2. Laporan Keuangan sampai dengan Bulan Mei 2016 dan *On Time Performance* Citilink	1. Company's Performance Report of May 2016 2. Financial Statements as of May 2016 and On Time Performance of Citilink
15.	20 Jun	1. Evaluasi dan Laporan Kinerja Kuartal I 2. Tantangan dan Prospek Tahun 2016	1. Evaluation and Performance Report of Quarter I 2. Challenge and Prospect in 2016
16.	27 Jun	1. Evaluasi dan Kinerja Kuartal I 2. Tantangan dan Prospek 2016 3. Pengelolaan Aset Tanah di Bawah Aerowisata	1. Evaluation and Performance of Quarter II 2. Challenge and Prospect in 2016 3. Management of Land Asset under Aerowisata
17.	27 Jun	Presentasi Pengelolaan Unit Pengadaan dan Jasa di Garuda Group	Presentation of Procurement and Service Unit Management in Garuda Group
18.	19 Jul	1. Laporan Kinerja Bulan Juni 2016 2. Progres Pembentukan dan Pengelolaan Unit Cargo 3. Progres Penanganan Peningkatan OTP Citilink	1. Performance Report of June 2016 2. Progress of Establishment and Management of Cargo Unit 3. Progress of Citilink's OTP Improvement Handling
19.	25 Jul	1. Evaluasi Kinerja Semester I dan Perkembangan Persiapan Layanan di Terminal 3 Ultimate 2. Standarisasi Pelayanan Pelanggan dari *Pre Journey* sampai dengan *Post Journey*	1. Evaluation Semester I Performance and Development of Service Preparation in Terminal 3 Ultimate 2. Standardization of Customer Service from Pre Journey to Post Journey
20.	25 Jul	1. Evaluasi Strategi Penanganan Pemberitaan Negatif di Media Massa terkait Isu-Isu Strategis 2. Evaluasi Strategi Komunikasi terkait Pemeringkatan Berdasarkan OTP	1. Evaluation of Negative Coverage Handling in Mass Media regarding Strategic Issues 2. Evaluation of Communication Strategy regarding Rating based on OTP
21.	08 Aug	1. Evaluasi Implementasi Strategi CRJ dan ATR Semester I 2016 2. Rencana Pengelolaan/Pengembangan CRJ dan ATR *Route & Deployment*	1. Evaluation of CRJ and ATR Strategy Implementation in Semester I 2016 2. Management/Development Plan of CRJ and ATR Route & Deployment
22.	08 Aug	Strategi Penurunan *Fleet Acquisition Cost* Garuda Indonesia Group (Garuda Indonesia dan Citilink)	Fleet Acquisition Cost Cut Strategy of Garuda Indonesia Group (Garuda Indoensia and Citilink)
23.	15 Aug	Laporan Kinerja Bulan Juli 2016	Performance Report of July 2016
24.	22 Aug	1. Laporan Evaluasi Kinerja Semester I 2. Strategi Optimalisasi Pemanfaatan GITC untuk Garuda Group	1. Semester I Performance Evaluation Report 2. Strategy of GITC Utilization Optimization for Garuda Group
25.	22 Aug	1. Laporan Evaluasi Kinerja Semester I 2. Strategi Penganangan Aspek *Aviation Security* di Terminal 3 Ultimate	1. Semester I Performance Evaluation Report 2. Strategy of Aviation Security Handling in Terminal 3 Ultimate
26.	05 Sep	1. Laporan Evaluasi Kinerja Semester I 2. Strategi Optimalisasi Kinerja Semester II 2016	1. Semester I Performance Evaluation Report 2. Strategy of Performance Optimization of Semester II 2016
27.	15 Sep	1. Laporan Kinerja Perusahaan Bulan Agustus 2016 2. Tindak Lanjut Rekomendasi Komite Audit dan KPUPR	1. Company's Performance Report of August 2016 2. Follow-up of Audit Committee's and KPU-PR Recommendation
28.	03 Oct	1. Laporan Kinerja Semester I 2. Tantangan & Pengelolaan Dana Pensiun Semester II	1. Semester I Performance Report 2. Challenge & Pension Fund Management of Semester II

DEWAN KOMISARIS
Board of Commissioners

No.	Tanggal Rapat Meeting Date	Agenda Rapat	Meeting Agenda
29.	06 Oct	*Mapping Report* Rapat Direksi Pada Bulan Depan	Mapping Report of Next Month's BOD Meeting
30.	10 Oct	*Mapping Report* Rapat Rutin Dekom & Direksi	Mapping Report of BOC & BOD Regular Meeting
31.	13 Oct	*Mapping Report* Rapat Rutin Dekom & Direksi	Mapping Report of BOC & BOD Regular Meeting
32.	17 Oct	Laporan Kinerja Perusahaan Bulan September 2016	Company's Performance Report of September 2016
33.	24 Oct	1. Evaluasi Implementasi SOP *Maintenance* Pesawat 2. Progres Rencana Kerja GMF dengan ITB, Roll Royce dan ATR	1. Evaluation of Aircraft Maintenance SOP Implementation 2. Work Plan Progress GMF and ITB, Roll Royce and ATR
34.	24 Oct	1. Strategi dan Target Peningkatan *Ancilliary Revenue* di Kuartal IV 2. Peningkatan *Cargo Revenue* di Kuartal IV	1. Strategy and Target of Ancilliary Revenue Improvement in Quarter IV 2. Improvement of Cargo Revenue in Quarter IV
35.	31 Oct	1. Laporan Kinerja sampai dengan September 2016 2. Strategi Quick Wins 2016	1. Performance Report as of September 2016 2. Quick Wins Strategy 2016
36.	07 Nov	1. Evaluasi Pelaksanaan Haji 2016 2. Strategi & Persiapan Umrah Kuartal 4 Tahun 2016	1. Evaluation of Hajj in 2016 2. Umrah Strategy & Preparation Quarter IV Year 2016
37.	14 Nov	1. Laporan Kinerja Perusahaan Bulan Oktober 2016 2. Rancangan RKAP Tahun 2017	1. Company's Performance Report of October 2016 2. Draft of Company's Work Plan and Budget 2017
38.	24 Nov	1. Evaluasi Strategi *Fleet Deployment* 2016 2. Rencana & Strategi *Fleet Deployment* 2017	1. Evaluation of Fleet Deployment Strategy 2016 2. Fleet Deployment Plan & Strategy 2017
39.	24 Nov	Progress Rencana Restrukturisasi EBO	Progress EBO Restructuring Plan
40.	05 Dec	1. Laporan & Evaluasi Kinerja PT Aero Systems Indonesia sampai dengan November 2016 2. Rencana & Strategi PT Aero Systems Indonesia Tahun 2017	1. Report & Performance Evaluation of PT Aero Systems Indonesia as of November 2016 2. Plan & Strategy of PT Aero Systems Indonesia in 2017
41.	15 Dec	1. Laporan Kinerja Perseroan Bulan November 2016 2. Persiapan *Peak Season* Natal & Tahun Baru 2016 3. RKAP 2017	1. Company's Performance Report of November 2016 2. Preparation of Christmas & New Year's 2016 Peak Season 3. Company's Work Plan and Budget 2017

SEKRETARIS DEWAN KOMISARIS
The Secretary to the Board of Commissioners

Untuk mendukung pelaksanaan tugas Dewan Komisaris, sesuai ketentuan Pasal 15 ayat 2.a.6 Anggaran Dasar, berdasarkan Surat Keputusan Dewan Komisaris No. JKTDW/SKEP/053/2012 Dewan Komisaris telah menunjuk seorang Sekretaris Dewan Komisaris untuk masa jabatan selama 3 (tiga) tahun.

PROFIL SEKRETARIS DEWAN KOMISARIS

Achmad Jaka Santos Adiwijaya
Warga Negara Indonesia, 47 tahun. Beliau diangkat sebagai Sekretaris Dewan Komisaris pada tanggal 1 Juni 2015 dan disahkan melalui Surat Keputusan Dewan Komisaris Nomor: GARUDA/SKEP-059/2015.

Meraih gelar Sarjana Hukum dari Universitas Padjajaran pada tahun 1993, Master of Laws di Corporate and Commercial Law, Law School dari The University of Technology Sydney, Australia pada tahun 1997, dan Doktor di bidang Hukum, dari Universitas Padjajaran pada tahun 2012.

Sebelum bergabung dengan Garuda Indonesia, beliau pernah menempati sejumlah posisi di berbagai perusahaan dan institusi, antara lain Komisaris Utama PT Tjahaja Elektrik (2013-2014), Dosen Tamu Fakultas Teknik Sipil Magister Infrastruktur, Universitas Indonesia (2012 – Sekarang), dan Dosen Fakultas Hukum Magister Hukum, Universitas Djuanda (2012 – Sekarang).

Pada tahun 2016, beliau mengikuti berbagai program pelatihan dalam rangka peningkatan kompetensi yang mencakup industri penerbangan dan GCG.

In order to facilitate the tasks of the Board of Commissioners, pursuant to Article 15 paragraph 2.a.6 of the Articles of Association, by virtue of the Decision Letter of the Board of Commissioners No. JKTDW/SKEP/053/2012, the Board of Commissioners has appointed a Secretary to the Board of Commissioners for a term of 3 (three) years.

PROFILE OF SECRETARY TO THE BOARD OF COMMISSIONERS

Achmad Jaka Santos Adiwijaya
Indonesian citizen, 47 years old. He was appointed as Secretary of the Board of Commissioners on June 1, 2015 and was ratified by the Decree of the Board of Commissioners no: GARUDA/SKEP-059/2015.

He obtained a Bachelor of Law from the Padjadjaran University in 1993, Master of Laws in Corporate and Commercial Law, Law School of The University of Technology Sydney, Australia in 1997, and a Doctorate in Law from Padjadjaran University in 2012.

Prior to joining Garuda Indonesia, he has occupied a number of roles in various companies and institutions, such as, the President Commissioner of PT Tjahaja Elektrik (2013-2014), Guest Lecturer of the Faculty of Civil Engineering, Master of Infrastructure, University of Indonesia (2012 – present), and Lecturer of the Faculty of Law, Master of Law, University of Juanda (2012 - Present).

In 2016, he participated in various training programs in order to increase the competence which include aviation industry and GCG.

KOMITE–KOMITE DI BAWAH **DEWAN KOMISARIS**

Committees Under the Board of Commissioners

Dalam rangka mendukung penerapan tata kelola perusahaan yang baik dan penerapan tata kelola perusahaan yang baik dan pelaksanaan tugas dan tanggung jawab Dewan Komisaris, Dewan Komisaris dibantu oleh 3 (tiga) Komite yakni Komite Audit, Komite Remunerasi dan Nominasi, dan Komite Pemantau Risiko, yang semuanya bekerja secara independen.

Komite-komite ini dibentuk melalui keputusn Rapat Dewan Komisaris sementara anggota komite-komite tersebut diangkat oleh Direksi sesuai dengan keputusan tersebut.

Setiap Komite wajib melaksanakan tugas dan tanggung jawabnya dengan mengacu pada Piagam Komite yang disusun dan ditinjau secara berkala berdasarkan peraturan yang berlaku di Indonesia.

KOMITE AUDIT

Dasar Pembentukan Komite Audit

Untuk meningkatkan pengurusan dan pengawasan BUMN, Menteri Negara BUMN melalui Peraturan Menteri Negara BUMN No. PER-12/MBU/2012 tentang Organ Pendukung Dewan Komisaris/Dewan Pengawas Badan Usaha Milik Negara, menyebutkan bahwa Dewan Pengawas/Dewan Komisaris hanya boleh memiliki Komite Audit dan dapat memiliki 1 (satu) komite lainnya dengan keanggotaan masing-masing Komite berasal dari luar Dewan Komisaris/Dewan Pengawas.

Menindaklanjuti Peraturan Menteri Negara BUMN tersebut, Dewan Komisaris Perseroan melakukan perampingan jumlah Komite Komisaris dari yang sebelumnya 3 Komite Komisaris menjadi 2 Komite Komisaris, yaitu Komite Audit dan Komite Pengembangan Usaha dan Pemantauan Risiko. Komite Nominasi Remunerasi dan Tata Kelola Perusahaan yang baik yang sebelumnya menjadi salah satu Komite yang membantu tugas Dewan Komisaris, dilebur tugas-tugasnya ke dalam Komite Audit. Perubahan Komite Komisaris tersebut ditetapkan melalui Surat Keputusan Dewan Komisaris No. JKTDW/SKEP/062/2013 tentang Perubahan Kedua Atas Surat Keputusan Dewan Komisaris No. JKTDW/ SKEP/037/2012 Tentang Pembentukan Organ Pendukung Dewan Komisaris PT Garuda Indonesia (Persero) Tbk. Periode jabatan anggota komite yang bukan berasal dari anggota Dewan Komisaris Perseroan paling lama 3 (tiga) tahun dan dapat diangkat

In order to support the implementation pf good corporate governance and the execution of duties and responsibilities of the Board of Commissioners, 2 (two) Committees namely the Audit Committee (concurrently serves as Nomination and Remuneration Committee), and Business Development and Risk Oversight Committee, which all of whom work independently.

These committees were established based the decisions of the Board of Commissioners and its members were appointed and dismissed by the Board of Directors.

Each committee shall perform their duties and responsibilities by adhering to the Committee Charter which was compiled and reviewed periodically based on the prevailing rules in Indonesia.

AUDIT COMMITTEE

Legal Reference for Audit Committee Establishment

To improve the management and supervision of state-owned enterprises, the Minister of State-Owned Enterprises (SOE) through the Minister of SOE Regulation No. PER-12/MBU/2012 on the Auxiliary Organs Supporting of the Board of Commissioners/Supervisory Boards of State-Owned Enterprises, stated that the Supervisory Board/Board of Commissioners may only have an Audit Committee and could have one (1) other committee with membership of each Committee are from outside Board of Commissioners/Supervisory Board.

Following up on the Minister of SOE Regulation, the Board of Commissioners downsizes the number of Commissioners Committee from three Commissioners Committee previously into two Commissioners Committees, namely the Audit Committee and the Business Development and Risk Monitoring Committee. The Nomination and Remuneration and Good Corporate Governance Committee of which had previously been one of the committees who assisted the Board of Commissioners, were merged into the Audit Committee. The change in the Board of Commissioners Committee was determined by the Decision Letter of the Board of Commissioners No. JKTDW/SKEP/062/2013 regarding the Second Amendment to the Decision Letter of the Board of Commissioners No. JKTDW/SKEP/037/2012 concerning the Establishment of Supporting Organ to the Board of Commissioners of PT Garuda Indonesia (Persero)

kembali untuk satu kali masa jabatan selama 2 (dua) tahun, dengan tidak mengurangi hak Dewan Komisaris untuk memberhentikannya sewaktu-waktu.

Tbk. The term of office for the committee members who do not come from the Board of Commissioners is no longer than 3 (three) years and may be reappointed for one more term of 2 (two) years, without prejudice to the rights of the Board of Commissioners to dismiss them at any time.

Komite Audit Perseroan dibentuk untuk mendorong penerapan prinsip-prinsip GCG secara konsisten. Prinsip-prinsip yang membuat Perseroan menjadi kian transparan, akuntabel, patuh pada perundangan-undangan dan peraturan, independen dalam mempertahankan *sustainability* dan secara setara memperlakukan para pemangku kepentingan. Komite Audit melaksanakan tugas dan tanggung jawab secara profesional dan independen sesuai dengan ketentuan-ketentuan yang berlaku dalam rangka membantu Dewan Komisaris menjalankan tugas dan fungsi pengawasan atas akuntansi dan proses pelaporan keuangan, pelaksanaan audit, pengendalian internal, dan terjaminnya penerapan prinsip-prinsip tata kelola perusahaan yang dijalankan oleh Direksi dan seluruh pemangku kepentingan untuk tercapainya keberlanjutan Perseroan.

The Company's Audit Committee is a Committee which consistently oversees implementation of GCG principles. The principles are transparent, accountable, compliance with regulations, independent to prevent conflict of interest and treat all stakeholders equally.The Company's Audit Committee performs their duties and responsibilities professionally and independently in accordance to the prevailing provisions in order to assist the Board of Commissioners in performing the duties and supervisory functions over accounting and financial reporting process, audit, internal control, and ensuring the implementation of the principles of corporate governance as implemented by the Board of Directors and all stakeholders for the achievement of company's sustainability.

Fungsi utama Komite Audit adalah membantu Dewan Komisaris dalam melaksanakan fungsi pengawasan tanggung jawabnya dengan memantau dan mengevaluasi perencanaan dan pelaksanaan audit serta memantau tindak lanjut atas temuan audit guna menilai kecukupan sistem pengendalian internal termasuk kecukupan proses pelaporan keuangan.

The main function of the Audit Committee is to assist the Board in carrying out its oversight function by monitoring and evaluating the planning and execution of audit and monitor the follow-up on audit findings in order to assess the adequacy of the internal control system including the adequacy of the financial reporting process.

Penunjukan Komite Audit

Kriteria Pengangkatan Komite Audit mengacu kepada Peraturan Menteri BUMN No. PER-12/MBU/2012 tentang Organ Pendukung Dewan Komisaris/Dewan Pengawas Badan Usaha Milik Negara adalah sebagai berikut:

1. Ketua dan Anggota Komite Audit diangkat dan diberhentikan oleh Dewan Komisaris;

2. Ketua Komite Audit adalah anggota Dewan Komisaris/Dewan Pengawas yang merupakan anggota Dewan Komisaris/Dewan Pengawas Independen atau anggota Dewan Komisaris/Dewan Pengawas yang dapat bertindak independen;
3. Anggota Komite Audit dapat berasal dari anggota Dewan Komisaris/Dewan Pengawas atau dari luar Perseroan;

Structure and Composition of Audit Committee

The Appointment Criteria of the Company's Audit Committee which refers to the Minister of SOE Regulation No. PER-12/MBU/2012 concerning the Auxiliary Organ of the Board of Commissioners/Supervisory Board of State-Owned Enterprises are as follows:

1. The Chairman and the Member of the Audit Committee are appointed and dismissed by the Board of Commissioners;
2. The Chairman of the Audit Committee is a member of the Board of Commissioners/Supervisory Board who is a member of the Board of Commissioners/Independent Supervisory Board or the Board of Commissioners/ Supervisory Board who acts independently;
3. The Audit Committee members may come from members of the Board of Commissioners/Supervisory Board or from outside of the Company;

KOMITE–KOMITE DI BAWAH **DEWAN KOMISARIS**
Committees Under the Board of Commissioners

4. Memiliki integritas yang baik dan pengetahuan serta pengalaman kerja yang cukup di bidang pengawasan/ pemeriksaan;
5. Tidak memiliki kepentingan/keterkaitan pribadi yang dapat menimbulkan dampak negatif dan benturan kepentingan terhadap Perseroan;
6. Mampu berkomunikasi secara efektif;
7. Dapat menyediakan waktu yang cukup untuk menyelesaikan tugasnya;
8. Persyaratan lain yang ditetapkan dalam Piagam Komite Audit, jika diperlukan; dan
9. Salah seorang dari anggota Komite Audit harus memiliki latar belakang pendidikan atau memiliki keahlian di bidang akuntansi atau keuangan dan salah seorang harus memahami industri/bisnis Perseroan.

Selain itu, sebagai perusahaan publik, Perseroan juga merujuk pada kriteria yang tertuang di dalam Peraturan Badan Pengawas Pasar Modal dan Lembaga Keuangan No. IX.I.5 tentang Pembentukan dan Pedoman Pelaksanaan Kerja Komite Audit sebagai berikut:

1. Anggota Komite Audit diangkat dan diberhentikan oleh Dewan Komisaris;
2. Komite Audit paling kurang terdiri dari 3 (tiga) orang anggota yang berasal dari Komisaris Independen dan pihak dari luar Perseroan;
3. Komite Audit diketuai oleh Komisaris Independen.

Struktur dan Komposisi Komite Audit

Komite Audit Perseroan terdiri dari 3 (tiga) orang anggota dan bertanggung jawab langsung pada Dewan Komisaris. Komposisi keanggotaan Komite Audit Perseroan adalah 1 (satu) orang anggota merupakan Komisaris yang menjabat sebagai Ketua Komite sementara 2 (dua) orang sebagai anggota.

Rangkap jabatan Komite Audit telah memperhatikan kompetensi, kriteria independensi, kerahasiaan, kode etik serta pelaksanaan tugas dan tanggung jawab masing-masing sesuai ketentuan yang berlaku.

Berdasarkan Surat Keputusan Dewan Komisaris No. SKEP/ DEKOM-038/2012, masa jabatan anggota Komite Audit yang

4. Have a good integrity and knowledge with sufficient working experience in the field of supervision/inspection;
5. Do not have personal interests that may induce negative impacts or collision on the Company's interest;
6. Able to communicate effectively;
7. Able to allocate sufficient time to complete their tasks;
8. Other requirements set out in the Audit Committee Charter, if required; and
9. One of the Company's Audit Committee members shall have the educational background or expertise in the field of accounting or finance and must understand the industry/business of the Company.

In addition, as a public company, the Company also refers to the criterias as stipulated in the Capital Market Supervisory Agency and Financial Institution No. IX.I.5 on the Establishment and Implementation Guidelines of the Audit Committee as follows:

1. Members of the Audit Committee shall be appointed and dismissed by the Board of Commissioners;
2. The Company's Audit Committee must consist of at least 3 (three) members from the Independent Commissioner and the parties outside of the Company;
3. The Audit Committee is led by an Independent Commissioner.

Structure and Composition of Audit Committee

The Company's Audit Committee consists of 3 (three) members and is directly responsible to the Board of Commissioners. The Company's Audit Committee is 1 (one) Commissioner member who serves as Chairman of the Committee while 2 (two) people as members.

The concurring role of the Audit Committee has considered the competence, independence criteria, confidentiality, code of conduct and the implementation of the duties and responsibilities of each member in accordance with the prevailing regulations.

Based on the Decree of Board of Commissioners No. SKEP/ DEKOM-038/2012, the term of office of Audit Committee's

bukan berasal dari Dewan Komisaris adalah 3 (tiga) tahun dan dapat diperpanjang satu kali selama 2 (dua) tahun.

Pada tahun 2016, berdasarkan Surat Keputusan Dewan Komisaris Nomor JKTDW/SKEP/038/2012 Tentang Penetapan Komite Audit Sebagai Organ Pendukung Dewan Komisaris Perseroan, susunan keanggotaan Komite Audit adalah sebagai berikut:

member which is not from the Board of Commissioners is 3 (three) years and may be extended for one more time of 2 (two) years.

In 2016, based on the Decree of Board of Commissioners No. JKTDW/SKEP/038/2012 regarding the Establishment of Audit Committee as the Board of Commissioners' supporting organ, the membership structure of the Audit Committee is as follows:

Struktur Komite Audit per 31 Desember 2016
Structure of Audit Committee as of December 31, 2016

Nama Name	Jabatan Position	Dasar Penunjukan Legal Basis of Appointment
Hasan M. Soedjono	Ketua Komite Audit Chairman of Audit Committee	Surat Keputusan No. JKTDW/SKEP/001/2015 Decision Letter No. JKTDW/SKEP/001/2015
Prasetyo Suhardi	Anggota Member	Surat Keputusan Nomor JKTDW/SKEP/002/2016 Decision Letter No. JKTDW/SKEP/002/2016
Regina Jansen Arsjah	Anggota Member	Surat Keputusan Nomor JKTDW/SKEP/051/2014 Decision Letter No. JKTDW/SKEP/051/2014

Profil Komite Audit

Hasan M. Soedjono - Ketua
Profil Hasan M. Soedjono telah disajikan pada bagian profil Dewan Komisaris dalam Laporan Tahunan ini.

Prasetyo Suhardi - Anggota
Warga negara Indonesia, 65 tahun. Beliau diangkat sebagai anggota Komite Audit sejak tanggal 1 Januari 2013 melalui Surat Keputusan Dewan Komisaris Nomor JKTDW/SKEP/089/2012 tanggal 14 Desember 2012 dan diperbaharui melalui Surat Keputusan Dewan Komisaris Nomor: JKTDW/SKEP/002/2016 tanggal 4 Januari 2016.

Meraih gelar sarjana di bidang Teknik Industri, Institut Teknologi Bandung pada tahun 1975 dan mengikuti Business Management Process Program yang diselenggarakan oleh Asian Institute Management pada 1985.

Selama lebih dari 31 tahun, beliau telah berkarier secara profesional di bidang konsultan manajemen bersama SGV Utomo, Andersen Consulting, PwC Consulting, dan TASS Consulting. Pada tahun 2015, beliau dipercaya sebagai Anggota Dewan Audit di Institut Teknologi Bandung.

Audit Committee Profile

Hasan M. Soedjono – Chairman
Hasan M. Soedjono's Profile is disclosed on the Board of Commissioners' Profile Section in this Annual Report.

Prasetyo Suhardi – Member
Indonesian citizen, 65 years old. He was appointed as a member of the Audit Committee since January 1, 2013 through the Board of Commissioners Decree No. JKTDW/SKEP/089/2012 dated December 14, 2012 and updated through the Board of Commissioners Decree No. JKTDW/SKEP/002/2016 dated January 4, 2016..

He obtained a degree in Industrial Engineering, Bandung Institute of Technology in 1975 then joined the Business Process Management program organized by the Asian Institute of Management in 1985.

For more than 31 years, he has been working professionally in the field of management consulting along with SGV Utomo, Andersen Consulting, PwC Consulting and TASS Consulting. In 2015, he was appointed as a member of the Board of Audit of Bandung Institute of Technology.

KOMITE–KOMITE DI BAWAH **DEWAN KOMISARIS**
Committees Under the Board of Commissioners

Regina J. Arsjah - Anggota
Warga Negara Indonesia, 55 tahun. Beliau diangkat sebagai anggota Komite Audit melalui Surat Keputusan Dewan Komisaris Nomor JKTDW/SKEP/051/2014 tanggal 2 September 2014.

Meraih gelar Sarjana Ekonomi di bidang Akuntansi pada tahun 1986, gelar Magister Sains (M. Si) di bidang Akuntansi pada tahun 2002, dan gelar Doktor pada tahun 2005 dalam bidang Management Science dengan kekhususan Akuntansi di Fakultas Ekonomi Universitas Indonesia. Beliau juga memegang gelar *Certified Accountant* Negara.

Beliau memiliki pengalaman lebih dari 20 tahun di berbagai jenis penugasan antara lain, praktisi audit dan akuntan, pimpinan perusahaan, *consultant*, *trainer*, *assessor Corporate Governance*, juga sebagai *certified lecturer* dan penguji untuk program sarjana sampai program doktoral di beberapa Perguruan Tinggi Negeri dan Perguruan Tinggi Swasta.

Independensi Komite Audit
Komite Audit melaksanakan tugas dan tanggung jawabnya secara profesional dan independen. Komite Audit diketuai oleh Komisaris Independen, dengan anggota dua orang profesional yang berasal dari luar Perseroan dan salah satunya memiliki kemampuan di bidang akuntansi dan keuangan. Anggota Komite Audit tidak memiliki usaha atau memiliki saham pada perusahaan yang mempunyai hubungan bisnis dengan Perseroan. Ketua dan Anggota Komite Audit tidak memiliki usaha atau memiliki saham pada perusahaan yang mempunyai hubungan bisnis dengan Perseroan. Ketua dan Anggota Komite Audit tidak mempunyai hubungan yang terafiliasi dengan pihak KAP pelaksana audit atas Laporan Keuangan Perseroan.

Hubungan Afiliasi Komite Audit dengan Dewan Komisaris, Direksi dan Pemegang Saham Utama dan/atau Pengendali
Semua anggota Komite Audit tidak memiliki hubungan afiliasi dengan Dewan Komisaris, Direksi, anggota komite lainnya serta pemegang saham pengendali. Oleh karena itu, dalam melaksanakan tugasnya, anggota Komite Audit tidak memiliki benturan kepentingan yang mungkin terjadi dan dapat menjamin independensi tertinggi dalam melaksanakan tugas dan tanggung jawabnya.

Regina J. Arsjah – Member
Indonesian citizen, 55 years old. She was appointed as a member of the Audit Committee through Decree of of Board of Commissioners No. JKTDW/SKEP/051/2014 dated September 2, 2014.

She obtained a Bachelor's of Economics in Accounting in 1986, a degree of Master of Science (M. Si) in Accounting in 2002, and a PhD in 2005 in the field of Management Science with a specialty in Accounting at the University of Indonesia. She also holds the Certified Public Accountant degree.

She has more than 20 years of experience in various types of assignments including, among others, the practitioner audit and accountant, consultant, trainer, Corporate Governance assessor, as well as a certified senior lecturer for undergraduate programs up to the doctoral program at several State Universities and Private Universities.

Independence of Audit Committee
The Audit Committee carries out their duties and responsibilities professionally and independently. The Audit Committee is chaired by an Independent Commissioner, with members of two professional people who come from outside of the Company and one of them has the ability in the fields of accounting and finance. Audit Committee members should not have business or own shares in a company that has a business relationship with the Company. Chairman and Members of the Audit Committee should not have a relationship that is affiliated with the Public Accounting Firm on the Company's financial statements.

Affiliation of Members of the Audit Committee with the Board of Directors and Major and/or Controlling Shareholders
All members of the Audit Committee should not have any affiliation with the Board of Commissioners, the Board of Directors, other committee members and the controlling shareholders. Thus, in carrying out their duties, members of the Audit Committee do not have a conflict of interest that may occur and can ensure the highest level independence in carrying out their duties and responsibilities.

Hubungan Afiliasi Anggota Komite Audit
Affiliated Relationship of Audit Committee's Members

Nama Name	Hubungan Afiliasi Affiliated Relationship							
	Anggota Komite Lain Other Committee Member		Dewan Komisaris Board of Commissioners		Direksi Board of Directors		Pemegang Saham Pengendali Controlling Shareholders	
	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No
Hasan M. Soedjono	-	√	-	√	-	√	-	√
Prasetyo Suhardi	-	√	-	√	-	√	-	√
Regina Jansen Arsjah	-	√	-	√	-	√	-	√

Piagam Komite Audit

Komite Audit telah menyusun Piagam Komite Audit baru pada tahun 2013 sebagai bentuk kepatuhan pada Peraturan Menteri Negara BUMN Nomor: PER-05/MBU/2006 tentang Komite Audit bagi Badan Usaha Milik Negara dan Keputusan Menteri Negara BUMN Nomor: KEP-103/MBU/2002 tentang pembentukan Komite Audit bagi Badan Usaha Milik Negara dan peraturan perundang-undangan yang berlaku. Dewan Komisaris menandatangani Piagam Komite Audit yang baru dan berlaku mulai tanggal 25 Juni 2013. Dalam rangka menerapkan peraturan Kementerian Negara BUMN, maka ruang lingkup tugas Komite Audit diperluas dengan tugas terkait Nominasi dan Remunerasi per 23 September 2013.

Audit Committee Charter

The Audit Committee has established a new Audit Committee Charter in 2013 as a form of compliance to the Minister of SOE Regulation No: PER-05/MBU/2006 concerning the Audit Committee of State-Owned Enterprises and Minister of SOE Decisions No: KEP-103/MBU/2002 concerning the establishment of Committee Audit on State Owned Enterprises and the prevailing regulations. The Board of Commissioners has signed the new Audit Committee Charter which is valid since June 25, 2013. In order to comply with the policies of the Minister of SOE Regulations, the scope of duties of the Audit Committee was expanded with tasks related to the Nomination and Remuneration per September 23, 2013.

Tugas dan Tanggung Jawab Komite Audit

Tugas dan Tanggung Jawab Komite Audit sebagaimana tercantum dalam Piagam Komite Audit Perseroan adalah Tugas dari Komite Audit Perseroan dalam rangka membantu Dewan Komisaris menjalankan tugas dan fungsi pengawasan, dapat dibagi menjadi 3 (tiga) tugas pokok sebagai berikut:

1. Tugas terkait Audit dan Tata Kelola Perusahaan
   Tugas terkait Audit dan Tata Kelola Perusahaan antara lain meliputi namun tidak terbatas pada membantu Dewan Komisaris untuk memastikan efektivitas serta memberikan rekomendasi untuk penyempurnaan sistem pengendalian internal, sistem pengendalian manajemen dan sistem GCG; menilai pelaksanaan tugas auditor internal dan eksternal; memberikan rekomendasi dalam penunjukkan Kantor Akuntan Publik; memastikan adanya prosedur evaluasi atas informasi yang dikeluarkan Perseroan dan kepatuhan terhadap peraturan perundang-undangan.

Duties and Responsibilities of Audit Committee

The duties and responsibilities of the Audit Committee as set forth by the Company's Audit Committee Charter is to assist the Board of Commissioners in performing their duties and supervisory functions, and are divided into 3 (three) main tasks as follows:

1. Tasks related to Audit and Corporate Governance
   The tasks related to the Company's Audit and Corporate Governance include, but not limited to, to assist the Board of Commissioners in ensuring effectivity as well as to provide recommendations on the improvement of internal control system, management control system, and the GCG system; to evaluate the execution of duties of internal and external auditor; to provide recommendations in the appointment of Certified Public Accountant; to ensure the presence of evaluation procedure on information issued by the Company and compliance with the prevailing regulations.

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2. Tugas terkait Nominasi
   Terkait dengan Nominasi, Komite Audit bertugas untuk melakukan penelaahan dan pemantauan mengenai strategi dan kebijakan nominasi Perseroan, memberikan rekomendasi kepada Dewan Komisaris perihal calon anggota Direksi dan Komisaris Anak Perusahaan dan memastikan bahwa proses seleksi dan nominasinya telah sesuai dengan peraturan dan mekanisme yang berlaku.

3. Tugas terkait Remunerasi
   Tugas Komite Audit terkait Remunerasi antara lain meliputi namun tidak terbatas pada memastikan Perseroan telah memiliki sistem remunerasi yang transparan dan sesuai peraturan perundang-undangan yang berlaku berupa gaji atau honorarium, tunjangan dan fasilitas yang bersifat variabel bagi Dewan Komisaris dan Direksi, membantu Dewan Komisaris dalam merumuskan dan menentukan kebijakan remunerasi, serta memberikan rekomendasi tentang sistem dan tingkat remunerasi Perseroan dengan disesuaikan dengan perusahaan sejenis.

Tanggung Jawab dari Komite Audit PT Garuda Indonesia (Persero) Tbk meliputi bidang pengendalian internal, laporan keuangan, audit internal, audit eksternal, peraturan dan perundangan, kode etik perusahaan, pelaporan, serta bidang lain sesuai penugasan dari Dewan Komisaris.

Rapat Komite Audit
Dalam rangka mendukung pelaksanaan tugas dan tanggung jawabnya, Rapat Komite Audit diselenggarakan sesuai dengan ketentuan yang tercantum dalam Piagam Komite Audit sebagai berikut:
1. Komite Audit wajib mengadakan rapat sekurang-kurangnya sekali dalam sebulan.
2. Rapat Komite Audit sekurang-kurangnya dihadiri oleh ½ dari jumlah anggota.
3. Pengambilan keputusan harus disetujui oleh lebih dari ½ jumlah anggota komite yang hadir.
4. Rapat dipimpin oleh Ketua Komite Audit atau anggita Komite Audit yang paling senior apabila Ketua Komite Audit berhalangan hadir.
5. Dalam beberapa rapat yang dilaksanakan sekurang-kurangnya mencakup mencakup membahasan tentang rencana kerja Komite Audit, pelaksanaan, dan hasil

2. Taks related to Nomination
   With regards to Nomination, the Audit Committee's duty is to study and monitor the Company's strategy and nomination policy, to provide recommendations to the Board of Commissioners regarding the candidate member of the Board of Commissioners of the Company's Subsidiary and to ensure that the selection and the nomination process has been in accordance to the prevailing regulations and mechanisms.
3. Tasks related to Remuneration
   The tasks of the Audit Committee in relation to Remuneration include, among others, ensuring that the Company possesses a remuneration system that is transparent and based on the prevailing regulations in the form of salary or honorarium, allowance and facilities that is variable in nature to the Board of Commissioners and the Board of Directors, assisting the Board of Commissioners in formulating and determining the remuneration poicy, as well as providing recommendations regading the Company's system and remuneration level adjusted to similar companies.

The responsibilities of the Audit Committee of PT Garuda Indonesia (Persero) Tbk cover the areas of internal control, financial statements, internal audit, external audit, rules and regulations, codes of conduct, reporting, and other areas as assigned by the Board of Commissioners.

Meetings of the Audit Committee
In order to support the implementation of tasks and responsibilities as mandated in the Audit Committee Charter, the Audit Committee Meeting is held in accordance to the provisions listed on Audit Committee Charter as follows:
1. The Audit Committee shall hold meetings at least once a month.
2. The Audit Committee Meeting shall be attended by at least ½ of its members.
3. Decision-making must be approved by at least ½ of the number of committee members who are present.
4. The meeting is led by the Chairman of the Audit Committee or the most senior Audit Committee member when the Audit Committee Chairman is unable to attend.
5. The meeting must at least include a discussion on the Committee Audit's working plan, the implementation, and the Committee Audit's work result, preparation of

kerja Komite Audit, penyusunan laporan Komite Audit, serta masalah-masalah yang sekiranya perlu untuk mendapatkan perhatian dan perlu disampaikan kepada Dewan Komisaris.

6. Hasil rapat harus dituangkan dalam risalah rapat Komite Audit, ditandatangani dan tersedia kepada seluruh peserta rapat.
7. Risalah rapat disampaikan secara tertulis oleh Komite Audit kepada Dewan Komisaris.

the Committee Audit report, as well as issues which may require attention and need to be delivered to the Board of Commissioners.

6. The outcome of financial unit meeting shall be recorded in the Audit Committee minutes of meetings, signed and provided to all participants of the meeting.
7. The minutes of meetings should be submitted in writing by the Audit Committee to the Board of Commissioners.

Frekuensi dan Tingkat Kehadiran Rapat Komite Audit

Untuk mendukung pelaksanaan tugas dan tanggung jawabnya seperti diamanatkan dalam Piagam Komite Audit Komite Audit menyelenggarakan rapat internal secara berkala maupun rapat dengan Internal Audit, Accounting, dan KAP. Pada tahun 2016, Komite Audit menyelenggarakan Rapat Komite Audit sebanyak 21 (dua puluh satu) kali.

Frequency of Audit Committee's and Attendance Record

To support the implementation of their duties and responsibilities as mandated by the Audit Committee Charter, the Audit Committee holds internal meetings as well as meetings with the Internal Audit, Accounting, and the Public Accounting Firm. In 2016, the Audit Committee held 21 (twenty one) meetings.

Rapat Komite Audit
Meeting of Audit Committee

Nama Name	Jabatan Position	Tingkat Kehadiran Rapat Attendance Record			Target Frekuensi Rapat Meeting Attendance Target
		Rapat Internal Audit, F Acctg, KAP / Internal Audit, F Acctg, dan KAP Meetings with Audit, F Acctg, KAP / Internal Audit, F Acctg, and KAP Meeting	Rapat Lain Other Meetings	Jumlah Kehadiran Attendance	
Hasan M. Soedjono	Ketua Komite Audit Chairman of Audit Committee	12	8	20	12
Prasetyo Suhardi	Anggota Member	13	8	21	12
Regina Jansen Arsjah	Anggota Member	13	7	20	12

Mata Acara Rapat Komite Audit

Adapun mata acara yang dibahas selama Rapat Komite Audit sepanjang tahun 2016 yaitu sebagai berikut:

1. Pemaparan Struktur Organisasi Induk PT Garuda Indonesia (Persero) Tbk.
2. Pemaparan Talent Management dan Program Budaya Perusahaan.
3. Pemaparan Progress Audit dan Draft Final Audit Laporan Keuangan Konsolidasian Perseroan dan Laporan Program Kemitraan dan Bina Lingkungan Tahun 2015, serta Hasil Audit Anak Perusahaan.
4. Pembahasan Tindak Lanjut Penyelesaian Program Audit.

Agenda of Audit Committee's Meetings

The agenda items to be discussed in the meeting of the Audit Committee throughout 2016 are as follows:

1. Presentation of Parent Organization Structure of PT Garuda Indonesia (Persero) Tbk.
2. Presentation of Talent Management and Corporate Culture Program.
3. Presentation of Audit Progress and Final Draft of Audit on Company's Consolidated Financial Statements and Report of Partnership and Community Development Program in 2015, and Audit Result of Subsidiaries.
4. Discussion of Audit Program Completion Follow-up.

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5. Laporan dan Evaluasi Program Kerja Audit Internal 2015.
6. Pembahasan Rencana Kerja Audit Internal 2016.
7. Pemaparan Progress Program Kerja Audit Internal 2016.
8. Pemaparan Hasil Audit terkait Leasing.
9. Pemaparan Rencana Pengadaan Audit IT Konsultan.
10. Pemaparan Rencana Audit System SMILE & ALMS.
11. Pemaparan Progress dari Project Dedicated Terminal GA .
12. Pemaparan Temuan Signifikan selama tahun 2015 dan 1Q16 serta status Tindak Lanjut oleh Manajemen.
13. Pemaparan Kebijakan dan Implementasi Channel Distribution.
14. Pemaparan Kebijakan dan Implementasi Online Travel Agent.
15. Pemaparan Kebijakan dan Implementasi Pemberian Agent Commission.
16. Laporan Tindak Lanjut Manajemen terhadap Laporan BPK.

Pelaksanaan Tugas Komite Audit

Sepanjang tahun 2016, Komite Audit telah melakukan berbagai aktivitas untuk membantu Dewan Komisaris dalam melaksanakan fungsi pengawasan atas aktivitas dan operasional Perseroan. Dalam menjalankan fungsinya, Komite Audit menyusun program kerja sesuai tugas, pokok dan fungsi yang dicantumkan dalam Piagam Komite Audit. Dalam pelaksanaan tugas tersebut, Komite Audit berkoordinasi dengan internal audit untuk pelaksanaan pengumpulan dan pengujian bukti yang selanjutnya menjadi kajian Komite Audit.

Adapun pelaksanaan program kerja Komite Audit pada tahun 2016 adalah sebagai berikut:

1. Terkait Pelaporan
   Komite Audit melaporkan kegiatan Komite Audit per Triwulan dan kegiatan Tahunan ke Dewan Komisaris.
2. Terkait Pengendalian Internal
   Komite Audit melakukan kajian dan melaporkan kepada Dewan Komisaris terkait dengan pengendalian Internal, di antaranya:
   - Kajian dan penyampaian rekomendasi kepada Dewan Komisaris terkait usulan Perubahan Struktur Organisasi Induk Perseroan.
   - Evaluasi dan pemberian rekomendasi terkait temuan audit internal tahun 2015 yang signifikan.

5. Report and Evaluation of Internal Audit Work Program in 2015.
6. Discussion of Internal Audit Work Program 2016.
7. Discussion of Internal Audit Work Program Progress in 2016.
8. Presentation of Audit Result regarding Leasing.
9. Presentation of Audit Plan on IT Consultant.
10. Presentation of Audit Plan on SMILE & ALMS System.
11. Presentation of the Progress of GA Dedicated Terminal Project.
12. Presentation of Significant Findings during 2015 and 1Q16 and the Follow-up from the Management.
13. Presentation of Policy and Implementation of Channel Distribution.
14. Presentation of Policy and Implementation of Online Travel Agent.
15. Presentation of Policy and Implementation of Agent Commission.
16. Report of Management's Follow-up on BPK Report.

Duties Implementation of Audit Committee

Throughout 2016, the Audit Committee has conducted various activities to assist the Board of Commissioners in carrying out their supervisory functions over Company's operational activities. In carrying out its duties, the Audit Committee prepares work program in accordance to the main duties and functions that are stated in the Audit Committee Charter. In terms duties implementation, the Audit Committee coordinates with Internal Audit to gather and test the evidence which later become the Audit Committee's study.

The implementation of Audit Committee's work program in 2016 is as follows:

1. Reporting Related
   Audit Committee reported its Quarterly and Annual activities to the Board of Commissioners.
2. Internal Control Related
   Audit Committee reviewed and reported to the Board of Commissioners in relation to the internal control, among others, include:
   - Review and provision of recommendation to the Board of Commissioners regarding the Change of Holding Company's Organization Structure.
   - Evaluation and provision of recommendation regarding the significant internal audit findings in 2015.

- Laporan terkait proses renegosiasi kontrak pengadaan barang di anak perusahaan.
- Kajian atas Usulan Perubahan Kebijakan Perseroan.

3. Terkait Laporan Keuangan
   Komite Audit menyampaikan tanggapan dan rekomendasi kepada Dewan Komisaris terhadap:
   - Laporan Keuangan Konsolidasian PT Garuda Indonesia (Persero) Tbk tahun buku 2015 dan 2014, serta rekomendasi audit untuk tahun yang berakhir 31 Desember 2015;
   - Laporan Keuangan Konsolidasian PT Garuda Indonesia (Persero) Tbk, untuk periode tiga bulan yang berakhir 31 Maret 2016 dan 2015;
   - Laporan Keuangan Konsolidasian PT Garuda Indonesia (Persero) Tbk untuk periode enam bulan yang berakhir 30 Juni 2016 dan 2015;
   - Laporan Keuangan Konsolidasian PT Garuda Indonesia (Persero) Tbk untuk periode sembilan bulan yang berakhir 30 September 2016 dan 2015 (Tidak Diaudit).
4. Terkait Pelaksanaan Progam Audit Internal
   Komite Audit melakukan pertemuan minimal 2 bulan sekali dengan SPI untuk memonitor pelaksanaan dan tindak lanjut hasil audit internal sesuai dengan program kerja SPI tahun 2016, di antaranya;
   - Pemeriksaan Pengelolaan SBU Cargo
   - Pemeriksaan Umroh
   - Pemeriksaan Pengelolaan PT Citilink
   - Pemeriksaan Pengelolaan *Corporate Sales*
   - Pemeriksaan *Channel Distribution*
5. Terkait Auditor Eksternal
   Komite Audit:
   - Menelaah ruang lingkup audit
   - Menilai kualitas kinerja auditor
   - Mengusulkan jangka waktu jadwal kerja dan program audit
   - Menyetujui imbalan jasa Profesional Audit Laporan Keuangan (Honorarium) bagi Kantor Akuntan Publik.
   - Mendapatkan penjelasan tentang fokus area audit dan hal-hal yang perlu mendapat perhatian terkait kualitas Laporan Keuangan keseluruhan.
6. Terkait Peraturan dan Perundangan
   Komite Audit telah memonitor tindak lanjut atas rekomendasi Badan Pemeriksaan Keuangan yang

- Report of renegotiation process regarding the goods procurement contract in subsidiary.
- Review on the Proposal of Changes in Company Policy.

3. Financial Statements Related
   Audit Committee provided feedbacks and recommendation to the Board of Commissioners on:
   - Consolidated Financial Statementes of PT Garuda Indonesia (Persero) Tbk for fiscal year 2015 and 2014, and audit recommendation for the year ending in December 31, 2015;
   - Consolidated Financial Statements of PT Garuda Indonesia (Persero) Tbk for a period of three months ending March 31, 2016 and 2015;
   - Consolidated Financial Statements of PT Garuda Indonesia (Persero) Tbk for a period of six months ending June 30, 2016 and 2015;
   - Consolidated Financial Statements of PT Garuda Indonesia (Persero) Tbk for a period of nine months ending in September 30, 2016 and 2015 (Unaudited).
4. Related to the Internal Audit Program
   Audit Committee held monthly meetings at least once in 2 months with Internal Audit Unit to monitor the implementation and follow-up of internal audit result in accordance with the program Internal Audit Unit in 2016, among others;
   - Audit of SBU Cargo Management
   - Audit of Umroh
   - Audit of PT Citilink Management
   - Audit of Corporate Sales Management
   - Audit of Channel Distribution
5. External Auditor Related
   Audit Committee:
   - Reviewed scope of audit
   - Assessed the quality of auditor performance
   - Proposed work schedule and audit program
   - Approved the fee of Financial Statements Audit for the Public Accounting Firm.
   - Obtained explanation on audit focus and matters that requires attention related to the overall quality of Financial Statements.
6. Rules and Regulation Related
   Audit Committee has monitored the follow-up of the recommendation of the Audit Board of the Republic of

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dilakukan oleh Perseroan. Komite Audit juga melakukan kordinasi dengan unit Internal Audit untuk membahas penanganan WBS dan metode kepatuhan terhadap peraturan perundang-undangan.

7. Terkait Pengembangan Pengetahuan
   Komite Audit mengikuti Seminar "Ancillary Revenue Opportunities", Seminar Sky Team, Workshop Pembentukan Holding Company – PWC, One Day Workshop "Introduction of Sabre Travel Network and Discuss Future", Sharing Session "Business Strategy" with Bapak Chairul Tanjung, Seminar GCG – "PWC Board Governance in The Age of Shareholder Empowerment".
8. Terkait Nominasi dan Remunerasi
   a. Nominasi Komisaris dan Direksi Anak Perusahaan
      Telah terkait Nominasi Dewan Komisaris dan Direksi Anak Perusahaan telah dilakukan terhadap:
      - Usulan Direktur Utama PT GMF Aeroasia;
      - Usulan Direktur PT Abacus Distribution System Indonesia;
      - Usulan Dewan Komisaris Anak Perusahaan;
      - Usulan Anggota Direksi pada PT GMF Aeroasia;
      - Usulan Perubahan Pengurus pada PT Gapura Angkasa;
      - Usulan Perubahan Direksi dan Dewan Komisaris PT Aero Systems Indonesia.

   b. Remunerasi
      Telah terkait Remunerasi telah dilakukan terhadap:
      - Usulan Tantiem 2015 dan Gaji/Honorarium 2016 bagi Direksi dan Dewan Komisaris.
      - Usulan Fasilitas untuk Direksi dan Dewan Komisaris.

Dalam kaitannya dengan fungsi pendukung pengawasan jalannya Perseroan, Komite Audit mendorong Manajemen dan perangkatnya untuk selalu menjalankan kepatuhan terhadap peraturan perundang-undangan yang berlaku dan meningkatkan keterbukaan informasi dalam laporan keuangan sesuai Standar Akuntansi Keuangan (SAK) berbasis IFRS (International Financial Reporting Standards) dan kebijakan Akuntansi.

Indonesia which implemented by the Company. Audit Committee also coordinated with Internal Audit Unit to discuss WBS handling and method of compliance with law and regulations.

7. Research and Development Related
   Audit Committee attended Seminar of "Ancillary Revenue Opportunities", Sky Team Seminar, Workshop of Holding Compay Establishment – PWC, One Day Workshop of "Introduction of Sabre Travel Network and Discuss Future", Sharing Session of "Business Strategy" with Mr. Chairul Tanjung, Seminar of GCG – "PWC Board Governance in The Age of Shareholder Empowerment".
8. Nomination and Remuneration Related
   a. Nominasi Komisaris dan Direksi Anak Perusahaan
      Review of the Board of Commissioners and Board of Directors of Subsidiaries was carried out on:
      - Proposal of President Director of PT GMF Aeroasia;
      - Proposal of Director of PT Abacus Distribution System Indonesia;
      - Proposal of Board of Commissioners of Subsidiary;
      - Proposal of Board of Directors Members in PT GMF Aeroasia;
      - Proposal of Management Change at PT Gapura Angkasa;
      - Proposal of Board of Directors and Board of Commissioners Changes at PT Aero Systems Indonesia.

   b. Remunerasi
      Review of Remuneration was carried out on:
      - Proposal of Tantiem 2015 and Salary/Honorarium 2016 for the Board of Directors and Board of Commissioners.
      - Proposal of Facilities for the Board of Directors and Board of Commissioners.

In relation to the support function of monitoring the course of the Company, the Audit Committee encourages Management to always comply with the prevailing legislation and improve information disclosure in the financial statements in accordance the Financial Accounting Standards based on IFRS (International Financial Reporting Standards) and Accounting policy.

Pelatihan Komite Audit

Dalam rangka meningkatkan kompetensi dalam melaksanakan tugas dan tanggung jawabnya, anggota Komite mengikuti dan melaksanakan program seminar, pelatihan/pembelajaran, yang diselenggarakan oleh Perseroan pada tahun 2016 sebagai berikut:

Trainings of Audit Committee

In order to improve the competency in performing its duties and responsibilities, the Committee members attend and implement the seminar programs, education/trainings, held by the Company in 2016 were as follows:

Nama Name	Jabatan Position	Tanggal Date	Program Program	Tempat Place
Hasan M. Soedjono	Ketua Komite Audit Chairman of the Audit Committee	Januari 2016	Seminar "Ancillary Revenue Opportunities" - L.E.K. Boston	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Februari 2016	Seminar SkyTeam	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Maret 2016	Workshop Pembentukan Holding Company	PT Garuda Indonesia (Persero) Tbk, Jakarta
		Mei 2016	Sharing Session "Business Strategy" with Mr. Chairul Tanjung	PT Garuda Indonesia (Persero) Tbk, Jakarta
		September 2016	One Day Workshop "Introduction of Sabre Travel Network and Discuss Future"	PT Garuda Indonesia (Persero) Tbk, Jakarta
Prasetyo Suhardi	Anggota Member	Mei 2016	Sharing Session "Business Strategy" with Mr. Chairul Tanjung	PT Garuda Indonesia (Persero) Tbk, Jakarta
Regina Jansen Arsjah	Anggota Member	Oktober 2016	Seminar GCG – "PWC Board Governance in The Age of Shareholder Empowerment"	PwC Learning Center, Jakarta

KOMITE NOMINASI DAN REMUNERASI

Hingga tahun 2016, Garuda Indonesia belum secara spesifik membentuk Komite Nominasi dan Remunerasi. Adapun tugas dan tanggung jawab yang diemban Komite Nominasi dan Remunerasi pada umumnya, telah dileburkan ke dalam tugas dan tanggung jawab Komite Audit.

NOMINATION AND REMUNERATION COMMITTEE

Until 2016, Garuda Indonesia has not specifically established the Nomination and Remuneration Committee. The duties and responsibilities carried out by the Nomination and Remuneration Committee in general, have been merged into the duties and responsibilities of the Audit Committee.

KOMITE PENGEMBANGAN USAHA DAN PEMANTAUAN RISIKO

Dasar Pembentukan Komite Pengembangan Usaha dan Pemantauan Risiko

Komite Pemantau Risiko dibentuk berdasarkan Surat Keputusan Dewan Komisaris No. JKTDU/SKEP/062/2012 tanggal 4 Agustus 2012 tentang Pembentukan Komite Pengembangan Usaha dan Pemantauan Risiko (KPUPR).

Komite Pengembangan Usaha dan Pemantauan Risiko terutama dibentuk dalam rangka mendukung efektivitas pelaksanaan tugas dan tanggung jawab Dewan Komisaris

BUSINESS DEVELOPMENT AND RISK OVERSIGHT COMMITTEE

Legal Reference for the Establishment of Business Development and Risk Oversight Committee

The Business Development and Risk Oversight Committee was established based on the Board of Commissioners Decree No. JKTDU/SKEP/062/2012 dated August 4, 2012 on Formation of Business Development and Risk Oversight Committee (KPUPR).

The Business Development and Risk Monitoring Committtee was mainly formed in order to support the effective implementation of the tasks and responsibilities of the Board

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untuk menjalankan fungsi pengembangan usaha dan pemantauan risiko yang diperlukan atas pelaksanaan tugas Direksi terkait pengelolaan Perseroan dan penerapan GCG.

Penunjukan Komite Pengembangan Usaha dan Pemantauan Risiko
Dalam kaitannya dengan fungsinya untuk mendukung pelaksanaan tugas dan tanggung jawab Dewan Komisaris terkait penerapan dan pengawasan manajemen risiko pada Perseroan, pengangkatan dan pemberhentian Komite Pengembangan Usaha dan Pemantauan Risiko dilakukan oleh Dewan Komisaris dan dilaporkan kepada RUPS.

Pengangkatan anggota Komite Pengembangan Usaha dan Pemantauan Risiko telah melalui proses penilaian sesuai ketentuan yang berlaku sehingga dapat menjalankan peran dengan sebaik-baiknya dalam struktur organisasi. Pemberhentian anggota Komite Pengembangan Usaha dan Pemantauan Risiko dapat dilakukan apabila masa jabatannya telah berakhir dan diberhentikan berdasarkan keputusan Dewan Komisaris.

Struktur dan Komposisi Komite Pengembangan Usaha dan Pemantauan Risiko
Komite Pengembangan Usaha dan Pemantauan Risiko dari 5 (lima) anggota dan bertanggung jawab langsung kepada Dewan Komisaris. Komite Pengembangan Usaha dan Pemantauan Risiko terdiri dari 1 (satu) Komisaris yang bertindak sebagai Ketua Komite, 2 (dua) Komisaris sebagai Wakil Ketua, dan 2 (dua) anggota. Seluruh anggota Komite Pengembangan Usaha dan Pemantauan Risiko adalah pihak independen yang memiliki profesionalisme yang memadai untuk menelaah, mengukur, dan mengevaluasi risiko dan upaya Perseroan untuk memitigasi risiko.

Rangkap posisi Komite Pengembangan Usaha dan Pemantauan Risiko telah mempertimbangkan kompetensi, independensi, kebijakan, dan kode etik serta pelaksanaan tugas dan tanggung jawab sesuai dengan peraturan yang berlaku.

Anggota Komite Pengembangan Usaha dan Pemantauan Risiko pada 31 Desember 2016 adalah sebagai berikut:

of Commissioners to run the risk monitoring function required for the implementation of the Board of Directors' tasks related to managing the Company and the implementation of GCG.

Appointment of Business Development and Risk Oversight Committee
In relation to their function to support the implementation of the duties and responsibilities of the Board of Commissioners in relation to the implementation and risk management supervision of the Company, the appointment and dismissal of the Business Development and Risk Oversight Committee is conducted by the Board of Commissioners and is reported to the GMS.

The appointment of the members of the Business Development and Risk Oversight Committee has been through an evaluation process based on the prevailing regulations so that they can perform their best roles within the organization structure. The dismissal of the members of the Business Development and Risk Oversight Committee could be done once the term has expired and dismissed based on the decision of the Board of Commissioners.

Structure and Composition of Business Development and Risk Oversight Committee
The Business Development and Risk Oversight Committee consists of 5 (five) members and is directly responsible to the Board of Commissioners. The Business Development and Risk Oversight Committee consists of 1 (one) Commissioner who acts as the Chairman of the Committee, 2 (two) Commissioners who act as Deputy Chairmans, and 2 (two) members. All of the members of the Business Development and Risk Oversight Committee are independent parties who possess adequate professionalism to assess, measure, and evaluate the risks and effforts of the Company to mitigate risks.
The concurring role of the Business Development and Risk Oversight Committee has considered the competency, independency, policies and the code of conduct as well as the duties and responsibilities based on the prevailing regulations.

The members of the Business Development and Risk Oversight Committee as of December 31, 2016 are as follows:

Struktur Komite Pengembangan Usaha dan Pemantauan Risiko per 31 Desember 2016
Structure of Business Development and Risk Oversight Committee as of 31 Desember 2016

Nama Name	Jabatan Position	Dasar Penunjukan Legal Basis of Appointment
Dony Oskaria	Ketua Komite Pengembangan Usaha dan Pemantauan Risiko Chairman of Business Development and Risk Oversight Committee	Surat Keputusan Nomor: JKTDW/SKEP/002/2015 Decision Letter No: JKTDW/SKEP/002/2015
Isa Rachmatarwata	Wakil Ketua Deputy Chairman	
Muzaffar Ismail	Wakil Ketua Deputy Chairman	
Asril Fitri Syamas	Anggota Member	Surat Keputusan Nomor: JKTDW/SKEP/003/2016 Decision Letter No: JKTDW/SKEP/003/2016
Faldo Maldini	Anggota Member	Surat Keputusan Nomor: JKTDW/SKEP/054/2016 Decision Letter No: JKTDW/SKEP/054/2016

Profil Komite Pengembangan Usaha dan Pemantauan Risiko

Dony Oskaria – Ketua
Profil Dony Oskaria telah disajikan pada bagian profil Dewan Komisaris dalam Laporan Tahunan ini.

Isa Rachmatarwata - Wakil Ketua
Profil Isa Rachmatarwata telah disajikan pada bagian profil Dewan Komisaris dalam Laporan Tahunan ini.

Muzaffar Ismail - Wakil Ketua
Profil Muzaffar Ismail telah disajikan pada bagian profil Dewan Komisaris dalam Laporan Tahunan ini.

Asril Fitri Syamas - Anggota
Warga negara Indonesia, 59 tahun. Beliau diangkat sebagai anggota Komite Pengembangan Usaha dan Pemantauan Risiko melalui Surat Keputusan Nomor: JKTDW/SKEP/003/ pada tanggal 4 Januari 2016.

Meraih gelar Sarjana di Fakultas Teknik, Jurusan Teknik Elektro, Universitas Indonesia pada tahun 1982 serta gelar Master of Science di bidang Technological Economics, University of Stirling, Skotlandia, UK.

Karir profesional beliau di sektor industri sudah dimulai sejak tahun 1983. Pada tahun 1994, beliau dipercaya menjadi Direktur Keuangan PT IPTN (Indonesian Aircraft Industry). Kemudian, beliau sempat menempati sejumlah jabatan

Profile of Business Development and Risk Oversight Committee

Dony Oskaria – Chairman
Profile of Dony Oskaria could be seen on the section of Board of Commissioners' Profile in this Annual Report.

Isa Rachmatarwata – Deputy Chairman
Profile of Isa Rachmatarwata could be seen on the section of Board of Commissioners' Profile in this Annual Report.

Muzaffar Ismail – Deputy Chairman
Profile of Muzaffar Ismail could be seen on the section of Board of Commissioners' Profile in this Annual Report.

Asril Fitri Syamas – Member
Indonesian citizen, age 59. He was appointed as the member of Business Development and Risk Oversight Committee through Decision Letter No. JKTDW/SKEP/003/2016 dated January 4, 2016.

He holds a degree in the Faculty of Engineering, Department of Electrical Engineering, University of Indonesia in 1982 and a Master of Science Degree in Technical Economics, University of Stirling, Scotlandia, UK.

His track record in the industrial sector has been started since 1983. In 1994, he was appointed as the Vice President of Finance at PT IPTN (Indonesian Aircraft Industry) Subsequently, he served various positions, among others,

KOMITE–KOMITE DI BAWAH **DEWAN KOMISARIS**
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antara lain Komisaris Utama IPTN Europe Gmbh, Hamburg, Jerman (1994 - 2000), Board of Directors/Chairman of Board of Directors IPTN North America Inc. Seattle, USA (1994), Komisaris Utama PT Nusantara System Internasional (1995 - 2002), Komisaris PT IPTN (1998), Ketua Asosiasi Inkubator Bisnis Indonesia, AIBI (2010 - sekarang).

President Commissioner of IPTN Europe Gmbh, Hamburg, Germany (1994 – 2000), Board of Directors/Chairman of the Board of Directors of IPTN North America Inc. Seattle, USA (1994), President Commissioner of PT Nusantara System International (1995 – 2002), Commissioners of PT IPTN (1998), Chairman of Association of Indonesian Business Incubators, AIBI (2010 – present).

Faldo Maldini - Anggota
Warga Negara Indonesia, 26 tahun. Beliau diangkat sebagai anggota Komite Pengembangan Usaha dan Pemantauan Risiko melalui Surat Keputusan Nomor: JKTDW/SKEP/054/2016 pada tanggal 19 Juli 2016. Meraih gelar Sarjana Sains di Fakultas Matematika dan IPA, Jurusan Fisika, Universitas Indonesia pada tahun 2013. Setelah menyelesaikan pendidikannya, beliau langsung melanjutkan studi pascasarjana di Imperial College London, UK dan memperoleh gelar MRes pada jurusan Plastic Electronics Material.

Faldo Maldini – Member
Indonesian citizen, 26 years old. He was appointed as the member of Business Development and Risk Oversight Committee through the Decision Letter No. JKTDW/SKEP/054/2016 on July 19, 2016. He holds a Bachelor of Science Degree in Mathematics and Science, Department of Physics, University of Indonesia in 2013. After completing his education, he immediately pursued graduate study at the Imperial College London, UK and obtained the MRes Degree in the Department of Plastic Electronics Material.

Beliau memulai karir dengan menjadi peneliti di Inggris pada tahun 2014. Pada tahun 2015, kembali ke Indonesia dan membangun grup perusahaan bernama Langgar. Salah satu unit bisnis yang sedang dikembangkan adalah perusahaan manufaktur bahan material dan beliau dipercaya menjadi Direktur Utama pada PT Langgar Nanotek Indonesia.

He started his career by becoming a researcher in England in 2014. In 2015, he returned to Indonesia and established a group of companies named Langgar. One of the business unit that is being developed is a material manufacturing company and he is trusted as the President Director of PT Langgar Nanotek Indonesia.

Independensi Komite Pengembangan Usaha dan Pemantauan Risiko
Komite Pengembangan Usaha dan Pemantauan Risiko diketuai oleh Komisaris Independen dan wakil ketua oleh salah seorang Komisaris, dengan dua anggota yang profesional yang berasal dari luar Perseroan yang memiliki kemampuan dan pengalaman dalam pengelolaan perusahaan serta pengetahuan tentang manajemen risiko. Masa jabatan komite adalah 3 (tiga) tahun dan hanya dapat diperpanjang satu kali.

Independence of Business Development and Risk Oversight Committee
The Business Development and Risk Oversight Committee is chaired by an Independent Commissioner and vice chairman from one of the Commissioners, and two professional members from outside of the company with expertise and experience in the field of corporate management and possess the knowledge of risk management. The tenure of of the member of the committee is 3 (three) years and may only be extended once.

Hubungan Afiliasi Komite Pengembangan Usaha dan Pemantauan Risiko dengan Dewan Komisaris, Direksi dan Pemegang Saham Utama dan/atau Pengendali
Semua anggota Komite Pengembangan Usaha dan Pemantauan Risiko tidak memiliki hubungan afiliasi dengan Dewan Komisaris, Direksi, anggota komite lainnya serta

Affiliation of Members of the Business Development and Risk Oversight Committee with the Board of Directors and Major and/or Controlling Shareholders
All of the members of the Business Development and Risk Oversight Committee do not have any affiliated relationship with the Board of Commissioners, other Committee

pemegang saham pengendali. Oleh karena itu, dalam melaksanakan tugasnya, anggota Komite Pengembangan Usaha dan Pemantauan Risiko tidak memiliki benturan kepentingan yang mungkin terjadi dan dapat menjamin independensi tertinggi dalam melaksanakan tugas dan tanggung jawabnya.

members as well as the controlling shareholders. Therefore, in performing their duties, the members of the Business Development and Risk Monitoring Committee do not have any conflict of interest that may occur and can ensure the highest level of independence in performing their duties and responsibilities.

Hubungan Afiliasi Anggota Komite Pengembangan Usaha dan Pemantauan Risiko
Affiliated Relationship of Business Development and Risk Oversight Committee's Members

Nama Name	Hubungan Afiliasi Affiliated Relationship							
	Anggota Komite Lain Other Committee Member		Dewan Komisaris Board of Commissioners		Direksi Board of Directors		Pemegang Saham Pengendali Controlling Shareholders	
	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No
Dony Oskaria	-	√	-	√	-	√	-	√
Isa Rachmatarwata	-	√	-	√	-	√	-	√
Muzaffar Ismail	-	√	-	√	-	√	-	√
Asril Fitri Syamas	-	√	-	√	-	√	-	√
Faldo Maldini	-	√	-	√	-	√	-	√

Tugas dan Tanggung Jawab Komite Pengembangan Usaha dan Pemantauan Risiko

Berdasarkan Surat Keputusan Dewan Komisaris No. JKTDU/SKEP/062/2012 tanggal 4 Agustus 2012 tentang Pembentukan Komite Pengembangan Usaha dan Pemantauan Risiko, KPUPR mempunyai tugas dan tanggung jawab untuk:

A. Tugas terkait dengan Pengembangan Usaha:
   1. Membantu Dewan Komisaris dalam melakukan *monitoring* dan evaluasi terhadap realisasi rencana bisnis Perseroan.
   2. Membantu Dewan Komisaris dalam mengevaluasi rencana pengembangan/ekspansi bisnis Perseroan.
   3. Melaksanakan tugas lain yang diberikan oleh Dewan Komisaris berdasarkan ketentuan peraturan perundang-undangan.

B. Tugas terkait dengan Pemantauan Risiko:
   1. Mendapatkan pemahaman atas manajemen risiko Perseroan yang mencakup berbagai risiko yang dihadapi Perseroan, strategi, sistem dan kebijakan manajemen risiko, pengendalian internal, termasuk kebijakan, metodologi dan infrastruktur.
   2. Melakukan evaluasi terhadap berbagai model pengukuran risiko yang digunakan Perseroan dan memberikan rekomendasi penyempurnaan lebih lanjut.

Duties and Responsibilities of Business Development and Risk Oversight Committee

Based on the Board of Commissioners Decree No. JKTDU/SKEP/062/2012 dated August 4, 2012 on Formation of the Business Development and Risk Oversight Committee, KPUPR have the duties and responsibilities to:

A. Duties related to Business Development:
   1. Assist the Board of Commissioners in monitoring and evaluating the realization of the Company's business plan.
   2. Asisst the Board of Commissioners in evaluating the Company's development plan/business expansion.
   3. Perform other duties as mandated by the Board of Commissioners based on the prevailing regulations.

B. Duties related to Risk 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.

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3. Memantau kesesuaian berbagai kebijakan dan pelaksanaan manajemen risiko Perseroan dan memantau berbagai potensi risiko yang dihadapi.
4. Mengevaluasi berbagai kebijakan manajemen risiko Perseroan.
5. Melakukan koordinasi implementasi dan pengawasan keberadaan dan tingkat efektivitas masing-masing komponen dan *Enterprise Risk Management* (ERM) dalam Perseroan.
6. Mengukur efektivitas masing-masing komponen dari ERM yang telah diterapkan.
7. Melaksanakan tugas lainnya yang diberikan oleh Dewan Komisaris berdasarkan ketentuan peraturan perundang-undangan.

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 based on the applicable regulations.

Piagam Komite Pengembangan Usaha dan Pemantauan Risiko
Komite Pengembangan Usaha dan Pemantauan Risiko memiliki Piagam Komite Pengembangan Usaha dan Pemantauan Risiko yang memuat pedoman dan tata tertib kerja sebagai landasan bagi untuk melaksanakan tugas dan tanggung jawabnya. Piagam ini ditinjau secara berkala dan diperbaharui sesuai dengan perkembangan/perubahan peraturan yang berlaku dan kondisi terkini. Piagam ini terutama mengatur hal-hal yang terkait dengan organisasi, kuorum, rapat, tugas, prosedur, laporan dan masa jabatan.

Charter of Business Development and Risk Oversight Committee
Business Development and Risk Oversight Committee has a Charter of Business Development and Risk Oversigh which contains work guidelines and procedures the foundation to carry out its duties and responsibilities. The charter is reviewed periodically and updated in accordance with developments/changes in regulations and the current conditions. The Charter primarily regulates matters related to the organization, quorum, meetings, tasks, procedures, reports and term of office.

Rapat Komite Pengembangan Usaha dan Pemantauan Risiko
Dalam rangka mendukung pelaksanaan tugas dan tanggung jawabnya Rapat Komite Pengembangan Usaha dan Pemantauan Risiko diselenggarakan sesuai dengan ketentuan Peraturan Menteri Negara BUMN Nomor PER-12/MBU/2012 dan Surat Keputusan Dewan Komisaris Nomor JKTDU/SKEP/062/2012.

Meetings of Business Development and Risk Oversight Committee
In order to support the implementation of duties and responsibilities the Business Development and Risk Oversight Committee Meeting is held in accordance to the Minister of SOE Regulation No. PER-12/MBU/2012 and the Board of Commissioners Decree No. JKTDU/SKEP/062/2012.

Frekuensi Rapat dan Tingkat Kehadiran Komite Pengembangan Usaha dan Pemantauan Risiko
Sepanjang tahun 2016, Komite Pemantau Risiko telah menyelenggarakan rapat selama 34 (tiga puluh empat) kali. Tabel berikut menunjukan frekuensi kehadiran setiap anggota Pengembangan Usaha dan Pemantauan Risiko dalam rapat.

Business Development and Risk Oversight Committee Meetings Attendance Record
Throughout 2016, the Business Development and Risk Oversight Committee has held 34 (thirty four) meetings. The following table described the frequency of attendance of each member of the Committee in the meetings.

Tabel Rapat Komite Pengembangan Usaha dan Pemantauan Risiko
Table of Meetings of Business Development and Risk Oversight Committee

Nama Name	Jabatan Position	Tingkat Kehadiran Rapat Attendance Record						% Kehadiran % Attendance
		Rapat dengan Dewan Komisaris BOC Meetings	Rapat Internal Internal Meetings	Rapat Pemantauan dengan Unit Manajemen Monitoring Committee with Management Unit	Rapat Koordinasi antar Komite Coordination Meetings among Committees	Rapat Lain Other Meetings	Jumlah Kehadiran Attendance	
Dony Oskaria	Ketua Chairman	1	-	3	-	-	4	
Isa Rachmatarwata	Wakil Ketua Deputy Chairman	1	-	1	-	-	2	
Muzzafar Ismail	Wakil Ketua Deputy Chairman	1	-	-	1	-	2	
Asril Fitri Syamas	Anggota Member	1	-	26	2	-	29	
Faldo Maldini	Anggota Member	1	-	23	1	-	25	

Mata Acara Rapat Internal Komite Pengembangan Usaha dan Pemantauan Risiko
Agenda of Business Development and Risk Monitoring Committee's Meetings

No.	Tanggal Rapat Meeting Date	Agenda Rapat Meeting Agenda
1.	11 Jan 2016	Laporan Implementasi Fuel Hedging Periode tahun 2015. Fuel Hedging Implementation Report for the Period of 2015.
2.	11 Jan 2016	Laporan Implementasi ERM periode tahun 2015 dan Risk Profile 2016. ERM Implementation Report for the period of 2015 and Risk Profile 2016.
3.	18 Jan 2016	Weekly Report Tim Differential Pricing. Weekly Report of Differential Pricing Team.
4.	19 Jan 2016	Update Materi RKAP 2016. Update of Company's Work Plan and Budget 2016.
5.	21 Jan 2016	Pembahasan Rencana Lease Extension. Discussion of Lease Extension Plan.
6.	25 Feb 2016	Follow Up Rencana Lease Extension. Follow Up of Lease Extension Plan.
7.	29 Feb 2016	Weekly Report Tim Differential Pricing. Weekly Report of Differential Pricing Team.
8.	8 Maret 2016	Tanggal efektif persetujuan Dewan Komisaris atas penjualan pesawat ke TNI AU. The effective date of the approval of the Board of Commissioners on the sale of aircraft to the Indonesian Air Force.
9.	11 Apr 2016	Digital Sales Business Review 2015 & Business Plan 2016. Digital Sales Business Review 2015 & Business Plan 2016.
10.	13 Apr 2016	Klarifikasi Atas Kajian Hukum dari Ginting & Reksodiputro terhadap Tanggal Efektif Persetujuan Dewan Komisaris Atas Penjualan Pesawat ke TNI AU Clarification on Legal Study of Ginting & Reksodiputro towards the Effective Date of the Board of Commissioners Agreement on Aircraft Sales to Indonesian Air Force.
11.	14 Apr 2016	Review Kinerja Umroh Triwulan I 2016. Review of Umroh Performance in Quarter I 2016.

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No.	Tanggal Rapat Meeting Date	Agenda Rapat Meeting Agenda
12.	28 Apr 2016	Pemaparan Progress dari Project Dedicated Terminal GA di Cengkareng Exposure of Progress of GA's Dedicated Terminal Project in Cengkareng.
13.	3 Mei 2016	IT Support & Ancillary Revenue. IT Support & Ancillary Revenue.
14.	3 Mei 2016	Update Cargo Business Review 2016. Update Cargo Business Review 2016.
15.	11 Mei 2016	Review Kinerja GA & Risk Profile Triwulan I 2016. Review of GA Performance & Risk Profile of Quarter I 2016.
16.	16 Jun 2016	Persiapan Materi Rapat untuk Pertemuan dengan Dewan Komisaris Preparation of Meeting Materials for the Meeting with the Board of Commissioners
17.	21 Jul 2016	Koordinasi Produk Umroh Garuda Group. Coordination of Garuda Group's Umroh Product.
18.	21 Jul 2016	Review Kinerja GA & Risk Profile Semester I 2016. Review of GA Performance & Risk Profile of Semester I 2016.
19.	2 Aug 2016	1. Pembahasan prosedur penjualan unused LLP/Parts ex-maintenance. 2. Pembahasan rencana penjualan unused LLP/Parts ex-maintenance. 1. Discussion on selling procedure of unused LLP/Parts ex-maintenance. 2. Discussion on the plan of selling unused LLP/Parts ex-maintenance.
20.	1 Sep 2016	Pemaparan Hasil Pemeriksaan Keterlambatan Proses *Redelivery* Pesawat. Exposure of Examination Result of Aircraft Redelivery Process.
21.	21 Sep 2016	Proyeksi Likuiditas Tahun 2016. Projection of Liquidity in 2016.
22.	27 Sep 2016	Proyeksi *Revenue* 2016. Revenue Projection in 2016.
23.	27 Okt 2016	1. *Review* Kinerja Penjualan Januari-September 2016. 2. Proyeksi Penjualan Oktober-Desember 2016. 1. Review of Sales Performance January – September 2016. 2. Sales Projection of October – December 2016.
24.	14 Nov 2016	Evaluasi Kinerja ACS Januari-September 2016. Evaluation of ACS Performance January – December 2016.
25.	22 Nov 2016	Pembahasan RKAP 2017. Discussion of Company's Work Plan and Budget 2017.
26.	29 Nov 2016	Masuknya HKA sebagai *Potential Shareholder* PAPAS. The entry of HKA as Potential Shareholder of PAPAS.
27.	19 Des 2016	Rencana Pembentukan BO Nabire dan Maumere. BO Establishment Plan in Nabire and Maumere.

Pelaksanaan Tugas Komite Pengembangan Usaha dan Pemantauan Risiko

Sepanjang tahun 2016, Komite Pengembangan Usaha dan Pemantauan Risiko telah melaksanakan sejumlah aktivitas berdasarkan Rencana Kerja yang telah disusun dalam rangka mendukung pelaksanaan tugas Dewan Komisaris terkait pengawasan atas aktivitas dan operasional Perseroan. Pelaksanaan tugas Komite Pengembangan Usaha dan Pemantauan Risiko pada tahun 2016 sebagai berikut:

Implementation of Duties of Business Development and Risk Oversight Committee

Throughout 2016, the Business Development and Risk Oversight Committee has performed several activities based on the Work Plan compiled in supporting the Board of Commissioners in performing their duties in relation to the supervision of activities and operations of the Company. The implementation of tasks of the Business Development and Risk Oversight Committee in 2016 is as follows:

1. Melakukan pembahasan atas Laporan Kegiatan KPUPR dengan Dewan Komisaris.
2. Melaksanakan telaahan atas RKAP 2016, khususnya pada faktor-faktor yang memiliki kontribusi signifikan dalam pencapaian kinerja Perseroan pada tahun 2016, pendanaan dan *corporate risk profile* 2016.
3. Melakukan kunjungan kerja ke Kantor Cabang Amsterdam dan Airbus SAS dalam rangka penyerahan pesawat A330-300.
4. Melakukan telaahan atas permohonan persetujuan perpanjangan masa sewa armada Perseroan.
5. Melakukan koordinasi dengan Unit ERM dalam melaksanakan *review* atas implementasi ERM tahun 2015 dan *Corporate Risk Profile* 2016.
6. Melakukan koordinasi dengan Unit Financial Treasury dalam melaksanakan tinjauan atas implementasi *Fuel Hedging* tahun 2015, rencana *Fuel Hedging* tahun 2016 dan proyeksi likuiditas tahun 2016.
7. Melakukan koordinasi dengan Unit Digital Business dalam melaksanakan *review* atas implementasi *Digital Business* tahun 2015 dan *Business Plan* tahun 2016.
8. Melakukan koordinasi dengan SBU Cargo dalam melaksanakan *review* atas *Cargo business review* tahun 2016.
9. Melakukan pemantauan kinerja Aerofood Indonesia (ACS) sebagai sebagai entitas anak.
10. Melakukan koordinasi dengan Unit ERM, Unit Business Strategy & Development, Unit Revenue Management dan Unit Pemasaran dalam melaksanakan tinjauan atas strategi *pricing*.
11. Melakukan telaahan bersama Komite Audit atas rencana migrasi ke Terminal 3.
12. Melakukan telaahan bersama Komite Audit atas keterlambatan *redelivery* pesawat tahun 2016.
13. Melakukan telaahan atas masuknya HKA sebagai Potential *Shareholder* PAPAS (Pan Asia Pacific Aviation Services Limited) untuk perusahaan penyedia jasa di Hong Kong Internasional Airport.

1. Discussed the Committee's Activity Report with the Board of Commissioners.
2. Reviewed on the Company's Work Plan & Budget 2016, especially factors that have significant contribution in the Company's performance achievement in 2016, financing and corporate risk profile 2016.
3. Visited the Amsterdam BO and Airbus SAS in the event of A 330-300 Aircraft delivery.
4. Conducted research on the request for approval of the lease extension of the Company's fleet.
5. Coordinated with ERM Unit in order to review the implementation of ERM in 2016 and Corporate Risk Profile 2016.
6. Coordinated with the Treasury Financial Unit in carrying out the review of the implementation of Fuel Hedging in 2015, fuel hedging plan in 2016, and liquidity project in 2016.
7. Coordinated with Digital Business Unit in carrying out the review of Digital Business implementation in 2015 and Business Plan in 2016.
8. Coordinated with Cargo SBU in carrying out Cargo business review in 2016.
9. Monitored the ACS performance as subsidiary.
10. Coordinated with ERM Unit, Business Strategy & Development Unit, Revenue Management Unit, and Marketing Unit in reviewing the pricing strategy.
11. Carried out research with Audit Committee on a migration plan to Terminal 3 Ultimate.
12. Carried out research with Audit Committee for the late of aircraft redelivery in 2016.
13. Carried out research on the entry of HKA as Potential Shareholder of PAPAS (Pan Asia Pacific Aviation Services Limited) which is a service provider in Hong Kong International Airport.

DIREKSI
Board of Directors

Direksi merupakan organ perusahaan yang berwenang dan bertanggung jawab penuh atas pengurusan perusahaan untuk kepentingan terbaik Perseroan, sesuai maksud dan tujuannya, serta mewakili perusahaan baik di dalam maupun di luar pengadilan, memastikan agar Perseroan melaksanakan tanggung jawab sosialnya serta memperhatikan kepentingan dari berbagai pemangku kepentingan sesuai dengan peraturan perundang-undangan yang berlaku.

Berdasarkan Anggaran Dasar Perseroan dan *Board Manual*, Direksi berperan sebagai pengambil keputusan, di mana untuk hal-hal tertentu, dalam mengambil keputusan Direksi harus mendapatkan persetujuan dari Dewan Komisaris dan/atau RUPS. Selain melaksanakan kepengurusan Perseroan untuk kepentingan dan tujuannya, Direksi juga bertindak selaku pimpinan serta mengurus dan memelihara kekayaan Perseroan.

Direksi bertanggung jawab atas tugas dan fungsi untuk melakukan pengurusan dan pengelolaan Perseroan. Sesuai dengan Anggaran Dasar Perseroan, dalam hal pembagian tugas dan fungsi Direksi tidak ditentukan oleh RUPS, maka pembagian tugas dan fungsi Direksi ditetapkan berdasarkan keputusan Direksi. Oleh karenanya setiap anggota Direksi bertanggung jawab atas pelaksanaan tugas dan fungsinya tersebut masing-masing. Dalam menjalankan tugasnya yang berkaitan dengan pengurusan Perseroan, maka Direksi juga bertindak mewakili Perseroan baik di dalam maupun di luar pengadilan tentang segala hal dan segala kejadian dengan pembatasan sebagaimana ditentukan dalam Anggaran Dasar Perseroan.

Direksi berwenang untuk menjalankan pengurusan sesuai dengan kebijakan yang dipandang tepat, dalam batas yang ditentukan UUPT dan/atau Anggaran Dasar Perseroan. Dari ketentuan UUPT tersebut terkandung konsep *fiduciary duty*. *Fiduciary duty* adalah suatu doktrin yang menunjukkan jalinan hubungan yang terjadi antara Direksi dan Perseroan terbatas.

KRITERIA DAN PROSEDUR PENGANGKATAN ANGGOTA DIREKSI

Dalam rangka memenuhi ketentuan Peraturan Menteri BUMN No. PER-03/MBU/02/2015 berikut dengan perubahannya, PP No. 45 tahun 2005 serta Peraturan OJK No. 33/POJK.04.2014

The Board of Directors is the Company's organ who is authorized and is responsible to perform the day-to-day management of the Company for the best interest of the Company, in accordance to the Company's purposes and objectives, as well as to represent the Company both inside and outside of the court, ensuring that the Company fulfills 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 the Board Manual, the Board of Directors has the role of a decision-maker, whereas for certain matters, in taking a decision, the Directors shall gain approval from the Board of Commissioners and/or the GMS. Besides executing the management of the Company for the interest and objectives of the Company, the Board of Directors also acts as the leader, as well as managing and maintaining the Company's assets.

The Board of Directors is responsible upon the duties and function of managing the Company. According to the Articles of Association of the Company, in the event that the segregation of duties of the Board of Directors is not determined by the GMS, then such segregation of duties of the Board of Directors shall be determined in the Board of Directors meeting. Each member of the Board of Directors is responsible for exercising 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 liability Company.

CRITERIA AND PROCEDURES FOR THE APPOINTMENT OF MEMBERS OF BOARD OF DIRECTORS

In referring to the policies under the Minister of SOEs Regulation No. PER-03/MBU/02/2015 including its amendment, Presidential Regulation No. 45 of 2005 as

tentang Direksi Dan Dewan Komisaris Emiten Atau Perusahaan Publik, kandidat anggota Direksi Perseroan harus memenuhi sejumlah kriteria pengangkatan formal, materiil, dan lainnya sebagaimana dijabarkan sebagai berikut:

Persyaratan formal
1. Orang perseorangan;
2. Cakap melakukan perbuatan hukum;
3. Tidak pernah dinyatakan pailit dalam waktu 5 (lima) tahun sebelum pengangkatan dan selama menjabat;
4. Tidak pernah menjadi anggota Direksi atau anggota Dewan Komisaris atau Dewan Pengawas yang dinyatakan bersalah menyebabkan suatu Perseroan/Perum dinyatakan pailit dalam waktu 5 (lima) tahun sebelum pengangkatan dan selama menjabat;
5. Tidak pernah dihukum karena melakukan tindak pidana yang merugikan keuangan negara dan/atau yang berkaitan dengan sektor keuangan dalam waktu 5 (lima) tahun sebelum pengangkatan dan selama menjabat.

Persyaratan materiil
1. Keahlian;
2. Integritas;
3. Kepemimpinan;
4. Pengalaman
5. Jujur;
6. Perilaku yang baik; dan
7. Dedikasi yang tinggi untuk memajukan dan mengembangkan Perseroan.

Persyaratan lainnya
1. Bukan pengurus partai politik dan/atau calon anggota legislatif dan/atau anggota legislatif; calon anggota legislatif atau anggota legislatif terdiri dan calon/anggota DPR, DPD, DPRD Tingkat I, dan DPRD Tingkat II;
2. Bukan calon Kepala/Wakil Kepala Daerah dan/atau Kepala/Wakil Kepala Daerah;
3. Tidak menjabat sebagai Direksi pada BUMN yang bersangkutan selama 2 (dua) periode berturut-turut;
4. Memiliki dedikasi dan menyediakan waktu sepenuhnya untuk melakukan tugasnya; dan

well as the Financial Services Authority Regulation No. 33/POJK.04.2014 concerning Public Company's Board of Directors and Board of Commissioners, candidates of the Company's Board of Directors must meet a certain number of formal, material, and other appointment criteria as described below:

Formal requirements
1. An individual;
2. Legally competent;
3. Has never been declared as bankrupt within 5 (five) years prior to the nomination;
4. Has never been a member of the Board of Directors or the Board of Commissioners or the Supervisory Board who were responsible for causing a Company/Perum to be declared bankrupt within 5 (five) years prior to the nomination;
5. Has never been sentenced for a criminal offense that is detrimental to the country's financial and/or related to the financial within 5 (five) years prior to the nomination.

Material requirements
1. Skills;
2. Integrity;
3. Leadership;
4. Experience;
5. Honesty;
6. Good behavior;
7. High level of dedication to develop the Company.

Other requirements
1. Not a political party official and/or prospective member of the legislative and/or member of the legislative; prospective member of the legislative or member of the legislative and candidate/member of the DPR, DPD, DPRD Level I, and DPRP Level II
2. Not a candidate for the Head/Deputy Head and/or Head/Deputy Head;
3. Has not served as a member of the Board of Commissioners/Supervisory Board of the State-Owned Enterprise in question for a period of 2 (two) consecutive terms;
4. Possesses dedication and allocates adequate time to perform its duties; and

DIREKSI
Board of Directors

5. Sehat jasmani dan rohani (tidak sedang menderita suatu penyakit yang dapat menghambat pelaksanaan tugas sebagai anggota Direksi BUMN), yang dibuktikan dengan surat keterangan sehat dari Dokter.

Prosedur Penunjukan

Calon anggota Direksi diangkat jika mereka telah memenuhi persyaratan formal, persyaratan materiil, dan persyaratan lain dengan prosedur antara lain sebagai berikut:

1. Anggota Direksi diangkat oleh RUPS.
2. Anggota Direksi wajib mengikuti uji kelayakan dan kepatutan yang dilakukan oleh Lembaga Profesional yang ditunjuk oleh Menteri untuk melakukan uji kelayakan dan kepatutan terhadap calon Direksi.
3. Anggota Direksi mulai menjabat secara efektif terhitung sejak tanggal yang ditetapkan dalam keputusan RUPS.
4. Anggota Direksi yang jabatannya berakhir dapat diangkat kembali, dengan memperhatikan ketentuan yang berlaku termasuk penilaian atas kemampuan yang bersangkutan melaksanakan tugasnya dengan baik selama masa jabatannya.

Prosedur Pemberhentian

Anggota Direksi diberhentikan sewaktu-waktu oleh RUPS dengan keadaan antara lain sebagai berikut:

1. Tidak dapat menjalankan tugasnya dengan baik;
2. Melanggar ketentuan anggaran dasar dan/atau peraturan perundang-undangan;
3. Terlibat dalam tindakan yang merugikan Perseroan dan/atau Negara;
4. Melakukan tindakan yang melanggar etika dan/atau kepatutan yang seharusnya dihormati sebagai anggota Direksi BUMN;
5. Telah ditetapkan sebagai Tersangka atau Terdakwa dalam tindakan yang merugikan BUMN dan/atau negara;
6. Dinyatakan bersalah dengan keputusan pengadilan yang mempunyai kekuatan hukum yang tetap;
7. Mengundurkan diri.

Selain itu, jabatan anggota Direksi Perseroan dengan sendirinya berakhir, di antaranya apabila:

5. Physically and mentally healthy (not suffering from a disease that can hinder the execution of duties as a member of the Board of Commissioners/Supervisory Board), as evidenced by a health reference from a Doctor.

Appointment Procedures

Candidates of the Board of Directors shall be appointed if they have met the formal, material, and other requirements based on the following procedures:

1. Members of the Board of Directors are appointed through the GMS.
2. Members of the Board of Directors must attend a fit and proper test conducted by a Professional Institute appointed by the Minister to conduct the fit and proper test to the candidates of the Board of Directors.
3. Members of the Board of Directors will effectively serve the Board as of the date of the decision or the date specified in GMS.
4. Members of the Board of Commissioners whose terms expire may be reappointed, with regard to the applicable provisions including an assessment of their capacities to carry out their duties in a well manner during his tenure.

Dismissal Procedures

Members of the Board of Directors may be terminated at any time based on the decision of the GMS with the following conditions:

1. Unable to perform his/her duties in a well manner;
2. Violating the provisions of the Articles of Association and/or the prevailing legislations;
3. Involved in actions that harm the Company and/or the country;
4. Involved in actions that violate the ethics and/or comformities which should be honored as a member of the Board of Directors of SOE;
5. Declared as a Suspect or Defendant in actions that harm the SOE and/or the country;
6. Declared guilty by a court decision which constitutes permanent legal course;
7. Step down from his/her position.

In addition, the position of the member of the Board of Directors may by itself terminates if:

1. Meninggal dunia;
2. Masa jabatannya berakhir;
3. Tidak lagi memenuhi persyaratan sebagai anggota Direksi berdasarkan ketentuan Anggaran Dasar dan peraturan perundang-undangan yang berlaku.

Masa Jabatan Direksi

Masa jabatan keanggotaan Direksi adalah terhitung sejak tanggal yang ditetapkan dalam RUPS pengangkatannya dan berakhir pada penutupan RUPS Tahunan yang ke-5 setelah tanggal pengangkatannya, namun dengan tidak mengurangi hak dari RUPS untuk sewaktu-waktu dapat memberhentikan para anggota Direksi sebelum masa jabatannya berakhir.

JUMLAH, KOMPOSISI, DAN STRUKTUR DIREKSI

Direksi Perseroan diangkat dan diberhentikan melalui mekanisme RUPS dengan masa jabatan sampai dengan penutupan RUPS Tahunan kelima setelah tanggal pengangkatannya dan dapat diangkat kembali untuk 1 (satu) kali masa jabatan. Susunan Direksi Perseroan terdiri dari 8 (delapan) anggota, yaitu: 1 (satu) orang Direktur Utama, dan 7 (tujuh) orang Direktur yang masing-masing membawahi fungsi Niaga, Keuangan & Manajemen Risiko, Teknik & Teknologi Informasi, SDM & Umum, Layanan, Operasi, dan Kargo.

Jumlah anggota Direksi Perseroan juga ditetapkan secara proporsional dengan mempertimbangkan besarnya penyertaan saham ke dalam Perseroan dan bertindak secara profesional sesuai dengan kepentingan Pemegang Saham. Selain itu, komposisi Direksi Perseroan juga mencerminkan keselarasan dengan visi, misi, dan rencana strategis Perseroan untuk memungkinkan pengambilan keputusan yang efektif, tepat dan cepat, serta dapat bertindak secara independen.

Pada tahun 2016, terjadi perubahan komposisi Direksi berdasarkan RUPST tanggal 15 April 2016. Dengan demikian susunan anggota Direksi Perseroan per 31 Desember 2016 adalah sebagai berikut:

1. Deceases;
2. The term of office expires;
3. No longer qualifies as a member of the Board of Directors based on the provisions in the Articles of Association and the prevailing legislations.

Term of Office of the Board of Directors

The term of office of members of the Board of Directors commences since the date that has been determined by the appointing GMS and ceases on the closing of the fifth Annual GMS after the date of his appointment, without prejudice to the GMS right to dismiss the members of the Board of Directors at any time prior to the end of their term of office.

TOTAL, COMPOSITION, AND STRUCTURE OF BOARD OF DIRECTORS

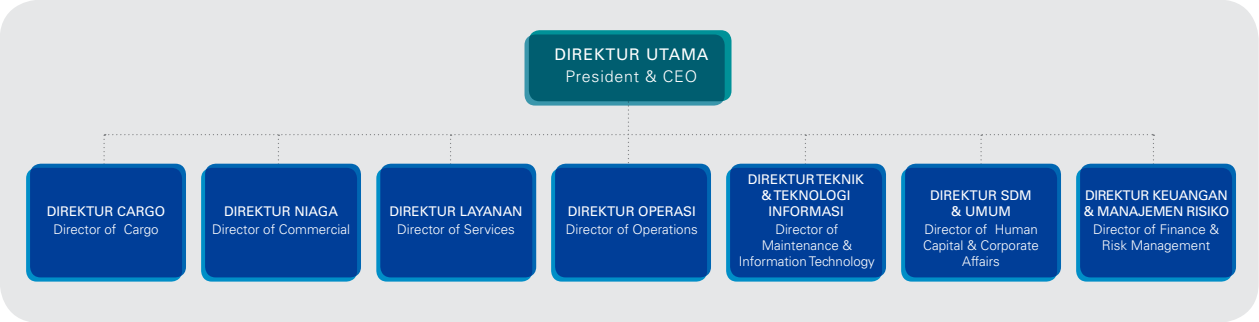
The Company's Board of Directors is appointed and dismissed through the GMS mechanism with a tenure up to fifth Annual GMS closing and may be reappointed for 1 (one) term. The composition of the Board of Directors consists of 8 (eight) members namely 1 (one) President Director and 7 (seven) Directors each of whom oversees the functions of Commercial, Finance and Risk Management, Maintenance & Information Technology, Human Capital & Corporate Affairs, Services, Operations, and Cargo Services.

The number of members of the Board of Directors is also proportionally determined by considering the number of shares within the Company and professionally acts based on the best interest of the Shareholders. Additionally, the composition of the Company's Board of Directors also reflects the alignment with the Company's vision, mission, and strategic planning to enable effective, accurate, and prompt, and indendent decision-making.

In 2016, there has been a change in the composition of the Board of Directors based on the GMS dated April 15, 2016. Therefore, the composition of the Company's Board of Directors as of December 31, 2016 is as follows:

DIREKSI
Board of Directors

Struktur Direksi per 31 Desember 2016
Structure of the Board of Directors as of Desember 31, 2016



Nama Name	Posisi Position	Pengangkatan Pertama First Appointment	Masa Jabatan Terms of Office
M. Arif Wibowo	Direktur Utama President & CEO	RUPSLB, 12 Desember 2014 EGM, December 12, 2014	12 Desember 2014 sampai dengan penutupan RUPS Tahunan kelima setelah pengangkatan December 12, 2014 up until the closing of 5th Annual GMS after the appointment date
Agus Toni Soetirto	Direktur Niaga Director of Commercial	RUPST, 15 April 2016 AGM, April 15, 2016	15 April 2016 sampai dengan penutupan RUPS Tahunan kelima setelah pengangkatan April 15, 2016 up until the closing of 5th Annual GMS after the appointment date
Helmi Imam Satriyono	Direktur Keuangan dan Manajemen Risiko Director of Finance & Risk Management	RUPST, 15 April 2016 AGM, April 15, 2016	15 April 2016 sampai dengan penutupan RUPS Tahunan kelima setelah pengangkatan April 15, 2016 up until the closing of 5th Annual GMS after the appointment date
Iwan Joeniarto	Direktur Teknik & Teknologi Informasi Director of Maintenance & Information Technology	RUPSLB, 12 Desember 2014 EGM, December 12, 2014	12 Desember 2014 sampai dengan penutupan RUPS Tahunan kelima setelah pengangkatan December 12, 2014 up until the closing of 5th Annual GMS after the appointment date
Linggarsari Suharso	Direktur SDM & Umum Director of Human Capital & Corporate Affairs	RUPST, 15 April 2016 AGM, April 15, 2016	15 April 2016 sampai dengan penutupan RUPS Tahunan kelima setelah pengangkatan April 15, 2016 up until the closing of 5th Annual GMS after the appointment date
Nicodemus Panarung Lampe	Direktur Layanan Director of Services	RUPST, 15 Mei 2015 AGM, May 15, 2015	15 Mei 2015 sampai dengan penutupan RUPS Tahunan kelima setelah pengangkatan May 15, 2015 up until the closing of 5th Annual GMS after the appointment date
Novianto Herupratomo	Direktur Operasi Director of Operations	RUPST, 27 April 2012 AGM, April 27, 2012	27 April 2012 sampai dengan penutupan RUPS Tahunan kelima setelah pengangkatan April 27, 2012 up until the closing of 5th Annual GMS after the appointment date
Sigit Muhartono	Direktur Cargo Director of Cargo	RUPST, 15 April 2016 AGM, April 15, 2016	15 April 2016 sampai dengan penutupan RUPS Tahunan kelima setelah pengangkatan April 15, 2016 up until the closing of 5th Annual GMS after the appointment date

Semua anggota Direksi telah lulus Penilaian Kemampuan dan Kepatutan, memenuhi peraturan perundang-undangan yang berlaku, dan memiliki integritas, kompetensi, dan reputasi keuangan yang baik.

All of the members of the Board of Directors have passed the Fit and Proper test, in accordance to the prevailing regulations, and possess integrity, competency, and good financial reputation.

INDEPENDENSI DIREKSI

Direktur Independen

Sesuai dengan Peraturan Bursa Efek Indonesia, Perseroan wajib memiliki sekurang-kurangnya 1 (satu) orang Direktur Independen yang memenuhi kriteria berikut ini:

1. Tidak mempunyai hubungan afiliasi dengan pengendali Perseroan paling kurang selama 6 (enam) bulan sebelum penunjukan sebagai Direktur Independen;
2. Tidak memiliki hubungan afiliasi dengan Komisaris atau Direktur Perseroan;
3. Tidak bekerja rangkap sebagai Direksi pada perusahaan lain;
4. Tidak menjadi Orang Dalam pada lembaga atau Profesi Penunjang Pasar Modal yang jasanya digunakan oleh Perseroan selama 6 (enam) bulan sebelum penunjukan sebagai Direktur.

Masa jabatan Direktur Independen paling banyak 2 (dua) periode berturut-turut. Dalam hal terjadi kekosongan posisi Direktur Independen, maka Perseroan harus mengisi posisi yang lowong tersebut paling lambat dalam RUPS berikutnya atau dalam waktu 6 (enam) bulan sejak kekosongan tersebut terjadi. Pengangkatan Direktur Independen berdasarkan rekomendasi Komite Remunerasi dan Nominasi yang disetujui oleh Dewan Komisaris dan diangkat oleh RUPS.

Berdasarkan Keputusan RUPSLB tanggal 12 Desember 2014, telah dilakukan pengangkatan dan penunjukan IG. N. Askhara Danadiputra sebagai Direktur Independen Perseroan. Namun sehubungan dengan adanya perubahan susunan Direksi berdasarkan keputusan RUPST tanggal 15 April 2016, sampai dengan saat ini RUPS belum menunjuk Direktur Independen Perseroan.

HUBUNGAN AFILIASI ANGGOTA DIREKSI DENGAN DEWAN KOMISARIS DAN PEMEGANG SAHAM UTAMA DAN/ATAU PENGENDALI

Semua anggota Direksi independen dalam arti tidak memiliki hubungan keuangan, kepengurusan, kepemilikan saham, dan keluarga dengan anggota Direksi lainnya, Dewan Komisaris, dan Pemegang Saham Pengendali. Semua anggota Direksi tidak memiliki rangkap jabatan sebagai anggota Dewan Komisaris, Direksi, atau Pejabat Eksekutif di Perseroan atau institusi lainnya sebagaimana diatur dalam peraturan penerapan tata kelola perusahaan bagi Perseroan Umum.

INDEPENDENCE OF THE BOARD OF DIRECTORS

Independent Director

Based on the Indonesian Stock Exchange Regulation, the Company is required to own at least 1 (one) Independent Director who has met the following criteria:

1. Does not have any affiliation to the controlling shareholders of the Company for at least 6 (six) months prior to the appointment as an Independent Director;
2. Does not have any affiliated relationship with the Board of Commissioners or the Board of Directors of the Company;
3. Does not concurrently work as a Director in another company;
4. Is not an insider in an institution or the Capital Market Supporting Profession whose service is utilized by the Company for 6 (six) months prior to the appointment as a Director.

The tenure of the Independent Director is for a maximum of 2 (two) consecutive periods. In the case that there is a vacancy in the Independent Director's position, the Company has to fulfill the vacant position at the latest within the next GMS or within 6 (six) months since the vacancy occurs. The appointment of the Independent Director is based on the recommendations of the Nomination and Remuneration Committee as approved by the Board of Commissioners and as appointed by the GMS.

EGMS that was held on December 12, 2014 approved the appointment of I Gusti Ngurah Askhara Danadiputra as the Company's Independent Director. However, regarding a change of Board of Directors' composition based on Annual GMS decisions on April 15, 2016, to date GMS has not appointed an Independent Director of the Company.

AFFILIATION OF MEMBERS OF THE BOARD OF DIRECTORS WITH THE BOARD OF COMMISSIONERS AND MAJOR AND/OR CONTROLLING SHAREHOLDERS

All of the members of the Board of Directors are independent in a sense that they do not have any financial, management, share ownership, and family relationship with the other member of the Board of Directors, the Board of Commissioners and the Controlling Shareholders. All of the members of the Board of Directors do not have concurrent position as a member of the Board of Commissioners, the Board of Directors, or Executive Officers in the Company or other institutions as stipulated based on the regulation of corporate governance implementation for Publicly Listed Companies.

DIREKSI
Board of Directors

Hubungan keluarga dan hubungan keuangan secara detil dapat dilihat pada tabel berikut:

The family and financial relationships are described in detail in the following table:

Hubungan Afiliasi Anggota Direksi
Affiliated Relationship of Members of Board of Directors

Nama Name	Hubungan Keluarga dengan Family Relationship with						Hubungan Keuangan dengan Financial Relationship with					
	Direksi Board of Directors		Dewan Komisaris Board of Commissioners		Pemegang Saham Pengendali Controlling Shareholders		Direksi Board of Directors		Dewan Komisaris Board of Commissioners		Pemegang Saham Pengendali Controlling Shareholders	
	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No	Ya Yes	Tidak No
M. Arif Wibowo	-	√	-	√	-	√	-	√	-	√	-	√
Agus Toni Soetirto	-	√	-	√	-	√	-	√	-	√	-	√
Helmi Imam Satriyono	-	√	-	√	-	√	-	√	-	√	-	√
Iwan Joeniarto	-	√	-	√	-	√	-	√	-	√	-	√
Linggarsari Suharso	-	√	-	√	-	√	-	√	-	√	-	√
Nicodemus Panarung Lampe	-	√	-	√	-	√	-	√	-	√	-	√
Novianto Herupratomo	-	√	-	√	-	√	-	√	-	√	-	√
Sigit Muhartono	-	√	-	√	-	√	-	√	-	√	-	√

KEPEMILIKAN SAHAM OLEH DIREKSI

Perseroan secara berkala melakukan pemantauan, pencatatan, dan pembaharuan atas kepemilikan saham Direksi dan anggota keluarganya dalam Daftar Khusus Kepemilikan Saham. Berdasarkan laporan bulanan Biro Administrasi Efek Perseroan yang bertugas untuk melaksanakan pencatatan pemilik efek, selama tahun 2016 tidak terdapat adanya perubahan kepemilikan saham Perseroan yang dimiliki Direksi.

SHARE OWNERSHIP BY THE BOARD OF DIRECTORS

The Company periodically monitors, records, and updates the share ownerships of the Board of Directors and their family members in the Special List of Shareholdings. Based on the monthly report of the Share Registrar of the Company who is responsible in registering the shares ownership, during 2016 there was no change in the shareholding composition of the Company that is owned by the Board of Directors.

Kepemilikan Saham Direksi per 31 Desember 2016
Share Ownership by the Board of Directors as of December 31, 2016

Nama Name	Jabatan Position	Jumlah Saham (Lembar Saham) Total Shares (Shares)	Persentase Saham (%) % of Shares
M. Arif Wibowo	Direktur Utama / President & CEO	148.120	0,0005722
Agus Toni Soetirto	Direktur / Director	-	-
Helmi Imam Satriyono	Direktur / Director	-	-
Iwan Joeniarto	Direktur / Director	-	-
Linggarsari Suharso	Direktur / Director	-	-
Nicodemus Panarung Lampe	Direktur / Director	373.893	0,0014444
Novianto Herupratomo	Direktur / Director	123.816	0,0004783
Sigit Muhartono	Direktur / Director	-	-

RANGKAP POSISI DIREKSI

Semua anggota Direksi tidak memiliki rangkap jabatan yang menyalahi ketentuan Peraturan Menteri BUMN No. PER-03/MBU/02/2015 tentang Persyaratan dan Tata Cara Pengangkatan dan Pemberhentian Anggota Direksi Badan Usaha Milik Negara.

Beberapa anggota Direksi menjabat sebagai Komisaris di anak perusahaan Perseroan. Jabatan rangkap Direksi di luar Perseroan dapat dilihat pada tabel berikut:

CONCURRENT POSITION OF BOARD OF DIRECTORS

All of the members of the Board of Directors do not have concurrent position that violates the provisions of the Minister of SOEs Regulation No. PER-03/MBU/02/2015 concerning the Terms and Procedures of the Appointment and Dismissal of Members of the Board of Directors of State Owned Enterprises.

Some of the members of the Board of Directors act as Commissioners in Garuda Indonesia's subsidiaries. Concurrent position of the Board of Directors outside of Garuda Indonesia is described based on the following table:

Rangkap Jabatan Direksi per 31 Desember 2016
Concurrent Positions of Board of Directors as of December 31, 2016

Nama Name	Posisi di Garuda Indonesia Position in Garuda Indonesia	Posisi di Institusi Lain Position in Other Institution	Perusahaan/Badan Usaha Company/Organization	Bidang Usaha Field of Business
M. Arif Wibowo	Direktur Utama President & CEO	Ketua Umum Chairman	INACA	Transportasi Udara Air Transportation
Agus Toni Soetirto	Direktur Director	-	-	-
Helmi Imam Satriyono	Direktur Director	-	-	-
Iwan Joeniarto	Direktur Director	-	-	-
Linggarsari Suharso	Direktur Director	-	-	-
Nicodemus Panarung Lampe	Direktur Director	-	-	-
Novianto Herupratomo	Direktur Director	-	-	-
Sigit Muhartono	Direktur Director	-	-	-

PEDOMAN TATA TERTIB KERJA DIREKSI

Perseroan telah memiliki Kebijakan Tata Kelola Perusahaan (KTKP) yang secara umum memuat kebijakan utama dan kebijakan induk yang berlaku di lingkungan Perseroan serta merupakan dokumen kebijakan Perseroan yang dikaji secara periodik guna disesuaikan dengan perkembangan dan isu-isu internal maupun eksternal Perseroan. KTKP wajib menjadi acuan dalam melaksanakan kegiatan di Perseroan, sekaligus menjadi pedoman GCG bagi Perseroan.

BOARD OF DIRECTORS CHARTER

The Company has a Board Manual in place which generally contains the main and holding policies applicable within the Company and represents the Company's policy documents that is observed periodically in order to adapt to developments and internal as well as external issues within the Company. The Board Manual shall be used as a reference in carrying out the activities within the Company, as well as the Company's GCG guidelines.

DIREKSI
Board of Directors

Mengacu kepada KTKP, Perseroan telah merevisi dan mengesahkan Pedoman Kerja (*Board Manual*) bagi Dewan Komisaris dan Direksi pada tanggal 8 Desember 2014.

Ditujukan sebagai panduan pelaksanaan tugas dan tanggung jawab Dewan Komisaris dan Direksi untuk kepentingan bagi Perseroan, *Board Manual* secara garis besar memuat pedoman dan ketentuan mencakup 3 bidang, yaitu:

1. Organ Perseroan yaitu Direksi, Dewan Komisaris dan Pemegang Saham.
2. Aksi Perseroan (*corporate action*) tertentu.
3. Hubungan antara Perseroan dengan pemegang saham dan lembaga pemerintah.

Dalam melaksanakan tugas dan tanggung jawabnya dalam pengawasan Perseroan secara efisien, efektif, transparan, kompeten, independen, dan dapat dipertanggungjawabkan, sesuai dengan peraturan perundang-undangan yang berlaku, maka Direksi berpegang pada *Board Manual* yang antara lain mengatur:

1. Komposisi, pengangkatan, pemberhentian serta masa jabatan Direksi;
2. Nominasi dan persyaratan keanggotaan Direksi;
3. Program pengenalan anggota Direksi;
4. Tugas, tanggung jawab, wewenang dan pendelegasian wewenang Direksi;
5. Etika Bisnis dan kebijakan Anti Korupsi
6. Mekanisme dan tata tertib rapat Direksi;
7. Hubungan kerja antara direksi dengan organ Perseroan lainnya.

TUGAS DAN TANGGUNG JAWAB DIREKSI

Masing-masing Direksi bertanggung jawab atas tugas dan fungsinya sesuai dengan bidang kerjanya masing-masing. Selama tahun 2016, terdapat beberapa kali perubahan bidang kerja Direksi untuk penyesuaian terhadap perubahan organisasi induk perusahaan dan jumlah Direksi.

Referring to the Board Manual, the Company has revised and ratified the Board Manual of the Board of Commissioners and the Board of Directors on December 8, 2014.

Intended as a guidelines to the execution of duties and responsibilities of the Board of Commissioners and the Board of Directors for the interest of the Company, 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 the Shareholders.
2. Certain types of corporate actions.
3. Relationship between the Company and the Shareholders and other Government Institution.

In carrying out their duties and responsibilities in the supervision of the Company in an efficient, effective, transparent, competent, independent, and accountable, in accordance with the prevailing regulations, the Board of Directors refers to the Board Manual which among other things regulate:

1. Composition, Appointment, Dismissal as well as the term of office of the Board of Directors;
2. Nomination and the Membership Terms of the Board of Directors;
3. Induction program of the Board of Directors;
4. Duties, responsibilities, authority and delegation of authority of the Board of Directors;
5. Business Ethics and Anti Corruption policies;
6. Mechanisms and the code of conduct of the Board of Directors Meetings;
7. Working relationships between the Board of Directors and other organs of the Company.

DUTIES AND RESPONSIBILITIES OF BOARD OF DIRECTORS

Each member of the Board of Directors is responsible to perform their duties and functions in accordance with their respective field of work. Throughout 2016, there were several changes on the field of work of the Board of Directors to adjust to the change in the Company's holding organization and the number of the Board of Directors member.

Lingkup dan Pembagian Tugas Direksi
Scope and Division of Board of Directors' Duties

Direktur Utama President & CEO	Mengendalikan dan menjamin keberlangsungan bisnis Perusahaan yang efektif dan efisien berdasarkan aturan perundangan yang berlaku dan prinsip-prinsip *Good Corporate Governance*. Controlling and ensuring sustainability of the Company's business effectively and efficiently based on the prevailing rules and principles of Good Corporate Governance.
Direktur Keuangan & Manajemen Risiko Director of Finance & Risk Management	Melaksanakan kepengurusan di bidang/Direktorat Keuangan dan Manajemen Risiko, dan pengelolaan Anak Perusahaan, termasuk menyetujui dan memutuskan segala hal yang terkait dengan tanggung jawab dan kewenangan di bidang/Direktorat Keuangan dan manajemen risiko, dan pengelolaan Anak Perusahaan. To manage the field/Directorate of Finance and Risk Management, as well as the management of the Company's subsidiaries, including the approvals and decisions on all matters in relation to the responsibilities and authority in the field/Directorate of Finance and Risk Management, as well as the management of the Company's subsidiaries.
Direktur Teknik & Teknologi Informasi Director of Maintenance & Information Technology	Melaksanakan kepengurusan di bidang/Direktorat Teknik dan Teknologi Informasi, termasuk menyetujui dan memutuskan segala hal yang terkait dengan tanggung jawab dan kewenangan di bidang/Direktorat Teknik dan Teknologi Informasi. To manage the field/Directorate of Maintenance & Information Technology including the approvals and decisions on all matters in relation to the responsibilities and authority in the field/Directorate of Maintenance & Information Technology.
Direktur Operasi Director of Operations	Melaksanakan kepengurusan di bidang/Direktorat Operasi termasuk menyetujui dan memutuskan segala hal yang terkait dengan tanggung jawab dan kewenangan di bidang/Direktorat Operasi. To manage the field/Directorate of Operations including the approvals and decisions on all matters in relation to the responsibilities and authority in the field/Directorate of Operations.
Direktur SDM & Umum Director of Human Capital & Corporate Affairs	Melaksanakan kepengurusan di bidang/Direktorat Sumber Daya Manusia dan Umum, pemantauan GCG Perseroan dan SBU Garuda Sentra Medika, termasuk menyetujui dan memutuskan segala hal yang terkait dengan tanggung jawab dan kewenangan di bidang/Direktorat Sumber Daya Manusia dan Umum, pemantauan GCG Perseroan dan SBU Garuda Sentra Medika. To manage the field/Directorate of Human Resources & Corporate Affairs as well as the management of Garuda Sentra Medika SBU including the approvals and decisions on all matters in relation to the responsibilities and authority in the field/Directorate of Human Resources & Corporate Affairs, monitoring on Company's GCG, as well as Garuda Sentra Medika SBU.
Direktur Layanan Director of Services	Melaksanakan kepengurusan di bidang/Direktorat Layanan, termasuk menyetujui dan memutuskan segala hal yang terkait dengan tanggung jawab dan kewenangan di bidang/Direktorat Layanan. To manage the field/Directorate of Service including the approvals and decisions on all matters in relation to the responsibilities and authority in the field/Directorate of Service.
Direktur Niaga Director of Commercial	Melaksanakan kepengurusan di bidang/Direktorat Niaga, termasuk menyetujui dan memutuskan segala hal yang terkait dengan tanggung jawab dan kewenangan di bidang/Direktorat Niaga To manage the field/Directorate of Commercial, including the approvals and decisions on all matters in relation to the responsibilities and authority in the field/Directorate of Commercial.
Direktur Cargo Director of Cargo	Melaksanakan kepengurusan di bidang/Direktorat Cargo termasuk menyetujui dan memutuskan segala hal terkait dengan tanggung jawab dan kewenangan di bidang/Direktorat Cargo. To manage the field/Directorate of Cargo including including the approvals and decisions on all matters in relation to the responsibilities and authority in the field/Directorate of Cargo.

WEWENANG DIREKSI

Dalam menjalankan tugasnya, selain adanya kewajiban-kewajiban yang harus dijalankan, Direksi juga memiliki kewenangan dalam melaksanakan tanggung jawab kepengurusan Perseroan sebagaimana Pasal 12 ayat 2 huruf a Anggaran Dasar Perseroan, sebagai berikut:

1. Menetapkan kebijakan kepengurusan Perseroan;

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 acoording to Article 12 paragraph 2 letter a of the Company's Articles of Association as follows:

1. To establish the management policies of the Company;

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2. Mengatur penyerahan kekuasaan Direksi untuk mewakili Perseroan di dalam dan di luar pengadilan kepada seseorang atau beberapa orang anggota Direksi yang ditunjuk atau kepada seseorang atau beberapa orang pegawai Perseroan atau kepada orang lain dan mengatur penyerahan kekuasaan Direksi untuk mewakili Perseroan kepada Kepala Cabang atau Kepala Perwakilan di dalam maupun di luar negeri;
3. Mengatur ketentuan tentang kepegawaian Perseroan, termasuk penetapan gaji, pensiun atau jaminan hari tua dan penghasilan lain bagi pegawai Perseroan berdasarkan peraturan perundang-undangan, dengan ketentuan apabila penetapannya melampaui kewajiban yang ditetapkan peraturan perundangan maka harus mendapatkan persetujuan Dewan Komisaris;
4. Mengangkat dan memberhentikan pegawai Perseroan berdasarkan peraturan kepegawaian dan peraturan perundang-undangan;
5. Mengangkat dan memberhentikan Sekretaris Perusahaan;
6. Melakukan segala tindakan dan perbuatan lain mengenai pengurusan maupun pemilikan kekayaan Perseroan, mengikat Perseroan dengan pihak lain dan/atau pihak lain dengan Perseroan, termasuk tetapi tidak terbatas pada optimalisasi pemanfaatan asset Perseroan, dengan pembatasan sebagaimana diatur dalam perundangan-undangan, Anggaran Dasar dan/atau keputusan RUPS.

Batasan Kewenangan Direksi

Sesuai Anggaran Dasar Garuda Indonesia, Pasal 12 ayat 7, terdapat batasan atas perbuatan-perbuatan Direksi yang perlu mendapatkan persetujuan terlebih dahulu dari Dewan Komisaris. Sehubungan dengan hal tersebut, Dewan Komisaris menerbitkan surat keputusan dengan No. JKTDW/SKEP/055/2015 tanggal 15 Mei 2015 mengenai batasan wewenang yang diberikan kepada Direksi untuk melakukan perbuatan-perbuatan tertentu menurut Pasal 12 ayat 7 Anggaran Dasar Perusahaan. Direksi wajib meminta persetujuan Dewan Komisaris sebelum melaksanakan hal-hal sebagai berikut:

1. Memindahtangankan dan menghapuskan aktiva tetap milik Perseroan yang melebihi batas nilai yang telah ditetapkan Dewan Komisaris;
2. Mengadakan kerja sama dengan badan usaha atau pihak lain dalam bentuk kerja sama operasi, kontrak

2. To arrange for the Board of Directors' authority transfer to represent the Company in and out of court to one or several members of the Board of Directors specifically appointed for this purpose, or to one of several employees of the Company; to arrange for the transfer of the Board of Directors' authority to head of branch office or chief or representative within or 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 the applicable rules and regulation, with the provision that if the appointment is beyond the responsibilities as set forth under the prevailing regulations therefore an approval from the Board of Commissioners is required;
4. To appoint and dismiss the employment 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 the Company's 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 and/or the decisions of the GMS.

Limitation of the Board of Directors Authority

Pursuant to Article 12 paragraph 7 of the Articles of Association of Garuda Indonesia, there are limitations 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/055/2015 dated May 15, 2015 regarding the limites of authority granted to the Board of Directors in performing certain actions in accordance with Article 12 paragraph 7 of the Company's Articles of Association. Directors shall request approval from the Board of Commissioners prior to carrying out the following matters:

1. Sign or write-off the Company's fixed asset exceeding the limit of values determined by the Board of Commissioners;
2. Enter into an agreement with other companies or parties, in the form of joint venture, management contract, Build,

manajemen, kerja sama lisensi Bangun Guna Serah (*Build, Operate, Transfer*/BOT), Bangun Guna Milik (*Build, Operate and Own*/BOO) dan bentuk perjanjian lain yang memiliki sifat yang sama yang jangka waktu atau nilainya melebihi dari yang ditetapkan oleh Dewan Komisaris;

3. Menerima atau memberikan pinjaman jangka menengah/panjang dalam nilai yang melebihi batas yang dari waktu ke waktu ditetapkan oleh Dewan Komisaris dengan atau tanpa jaminan, kecuali pinjaman utang atau piutang yang timbul karena transaksi bisnis, dan pinjaman yang diberikan kepada entitas Anak, Perseroan hanya perlu dilaporkan kepada Dewan Komisaris;
4. Menghapuskan dari pembukuan piutang macet dan persediaan barang mati, dalam nilai yang melebihi batas yang dari waktu ke waktu ditetapkan oleh Dewan Komisaris;
5. Menetapkan struktur organisasi sampai dengan satu tingkat di bawah Direksi;
6. Membentuk yayasan, organisasi dan/atau perkumpulan yang berkaitan langsung maupun tidak langsung dengan Perseroan yang dapat berdampak finansial bagi Perseroan;
7. Membebankan biaya Perseroan yang bersifat tetap dan rutin untuk kegiatan yayasan, organisasi dan/atau perkumpulan yang berkaitan langsung maupun tidak langsung dengan Perseroan;
8. Mengusulkan wakil Perseroan untuk menjadi calon anggota Direksi dan Dewan Komisaris pada entitas anak Perseroan yang memberikan kontribusi signifikan kepada Perseroan dan/atau bernilai strategis yang ditetapkan oleh Dewan Komisaris;
9. Tidak lagi menagih piutang macet yang telah dihapusbukukan dalam nilai yang melebihi batas yang dari waktu ke waktu ditetapkan oleh Dewan Komisaris;
10. Menetapkan dan mengubah logo Perseroan;
11. Melakukan penyertaan modal dalam perusahaan lain dalam nilai yang melebihi batas dari waktu ke waktu ditetapkan oleh Dewan Komisaris, sepanjang penyertaan modal tersebut tidak memerlukan persetujuan RUPS sesuai dengan peraturan Pasar Modal;
12. Mendirikan anak perusahaan, sepanjang hal tersebut tidak memerlukan persetujuan RUPS sesuai dengan peraturan Pasar Modal;
13. Melepaskan penyertaan modal pada anak perusahaan, sepanjang hal tersebut tidak memerlukan persetujuan

Operate, Transfer (BOT), Build, Operate and Own (BOO) and such similar agreements on which the period or value exceeds the limitation determined by the Board of Commissioners;

3. Obtain or grant medium/long term loans, which exceed a certain amount that is from time to time determined by the Board of Commissioners, with or without collateral, except payables or receivables incurred from business transaction and loans provided to subsidiaries with the provision that it will only require to be reported to the Board of Commissioners;
4. Write-off of non-performing receivables and dead stocks, exceeding a certain amount that is determined from time to time by the Board of Commissioners;
5. Determine the organization structure up to one level under the Board of Directors;
6. Establish a foundation, organization and/or association directly or indirectly related to the Company which may affect the Company's finance;
7. Routinely charge the Company for the activities of the foundation, organization and/or association directly or indirectly related to the Company;
8. Propose Company's representative as candidate for the Board of Directors or 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;
9. Not to collect non-performing receivables which have been written-off which exceed a certain amount determined from time to time by the Board of Commissioners;
10. Determine and change the Company's logo;
11. Acquire shares in another company in which amount exceeds the limit determined from time to time by the Board of Commissioners, on the condition that such investment does not require the GMS approval and is in accordance with the Capital Market regulations;
12. Establish a subsidiary, on the condition that such action does not require the approval of GMS and is in accordance with the Capital Market regulations;
13. Dispose the shares in subsidiaries, on the condition that such action does not require the approval of GMS and is

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RUPS sesuai dengan peraturan Pasar Modal. Bahwa pelepasan penyertaan modal pada entitas anak termasuk terdilusinya presentase kepemilikan saham Perseroan;
14. Melakukan penggabungan, peleburan, pengambilalihan, pemisahan dan pembubaran entitas anak, sepanjang hal tersebut tidak memerlukan persetujuan RUPS sesuai dengan peraturan Pasar Modal;
15. Menetapkan gaji, pensiun atau jaminan hari tua dan penghasilan lain bagi pegawai Perseroan yang melampaui kewajiban yang ditetapkan peraturan perundang-undangan;
16. Mengikat Perseroan sebagai penjamin (*borg* atau *avalist*) yang mempunyai akibat keuangan yang melebihi jumlah tertentu yang ditetapkan oleh Dewan Komisaris;
17. Memberikan jaminan atas aktiva Perseroan dengan nilai yang melebihi batas yang dari waktu ke waktu ditetapkan oleh Dewan Komisaris.

in accordance with the Capital Market regulations. Such disposal of shares include dilution of the Company's share ownership percentage;
14. Undertake mergers, consolidations, acquisitions, separations and dissolutions of the subsidiaries, on the condition that such action does not require the approval of GMS and is in accordance with the Capital Market regulations;
15. Determine the salary, pension or post-retirement benefit and other income for the employees of the Company which exceed the obligations set by the rules and regulations;
16. Bind the Company as a guarantor (borg or avalist) which has financial consequences exceeding the specified limit set by the Board of Commissioners;
17. Provide guarantee on the Company's assets with a value that exeeds the limit determined from time to time by the Board of Commissioners.

PELAKSANAAN TUGAS DIREKSI

Sepanjang tahun 2016, Direksi telah melaksanakan tugas dan tanggung jawabnya untuk kepentingan Perseroan sesuai dengan sasaran dan tujuannya. Di antaranya, Direksi telah membuat keputusan-keputusan strategis dan mengambil tindakan yang dibutuhkan untuk hal-hal berikut ini:
1. Menetapkan Rencana Kerja dan Anggaran Perusahaan untuk tahun buku 2016
2. Menetapkan Rencana Jangka Panjang Perusahaan untuk tahun 2016 – 2020
3. Menetapkan *Fleet Plan* Perseroan tahun 2016 – 2025
4. Menyusun rencangan Rencana Kerja dan Anggaran Perusahaan untuk tahun buku 2017

IMPLEMENTATION OF THE BOARD OF DIRECTORS' DUTIES

During 2016, the Board of Directors has performed their duties and responsibilities in the best interest of the Company according to its goals and objectives. The Board of Directors has, amongst others, made the strategic decisions and take the actions required for the following matters:
1. Develop the Company's Work Plan and Budget 2016
2. Develop the Company's Long-term Plan for 2016 – 2020
3. Determine the Company's Fleet Plan for 2016 – 2025
4. Develop the Company's Work Plan and Budget for 2017

Program Pengenalan Direksi Baru

Program pengenalan anggota Direksi baru wajib diberikan kepada anggota Direksi yang diangkat untuk pertama kalinya. Program pengenalan dilakukan dengan tujuan agar anggota Direksi tersebut memahami tugas dan tanggung jawabnya sebagai anggota Direksi, proses bisnis Perseroan serta dapat bekerja selaras dengan organ Perseroan lainnya.

Program pengenalan dapat dilakukan berupa presentasi, pertemuan, kunjungan ke Perseroan dan pengkajian dokumen atau program lainnya sesuai kebutuhan Perseroan. Program pengenalan dilaksanakan selambat-lambatnya 3

New Director Introduction Program

New Director introduction program must be given to the members of the Board of Directors who are appointed for the first time. The introduction program is implemented with the aim so that the members of the Board of Directors understand their duties and responsibilities as members of the Board of Directors, the business process of the Company and could work in harmony with the rest of the Company's organs.

The introduction program may be done through presentations, meetings, visits to the Company and assessment of documents or other programs based on the needs of the Company. The introduction program shall be completed

(tiga) bulan setelah pengangkatan Direktur bersangkutan dan pelaksanaannya merupakan tanggung jawab Sekretaris Perusahaan. Kebijakan program pengenalan anggota Direksi yang baru tertuang dalam *Board Manual* Perseroan.

Pada tahun 2016, telah dilakukan penunjukan dan pengangkatan anggota Direksi baru Perseroan berdasarkan hasil RUPS Tahunan tanggal 15 April 2016. Sehubungan dengan adanya pengangkatan anggota Direksi baru tersebut, Sekretaris Perusahaan telah melaksanakan program pengenalan Direksi kepada anggota Direksi baru melalui presentasi pada tanggal 20 April 2016.

PROGRAM PELATIHAN DAN PENGEMBANGAN KOMPETENSI

Kebijakan tentang program pelatihan Direksi tertuang dalam *Board Manual* Perseroan, di mana Perseroan mendorong Direksi untuk mengikuti program pengembangan diri sesuai kebutuhan melalui alokasi anggaran pelatihan yang ditetapkan setiap tahunnya guna meningkatkan keahliannya.

Selain berpartisipasi dalam program pelatihan untuk meningkatkan pengetahuan mereka tentang perkembangan industri Perseroan dan pengetahuan lainnya yang terkait penerapan tugas dan tanggung jawabnya, Direksi juga berpartisipasi di berbagai acara sebagai pembicara narasumber. Rekapitulasi program pelatihan dan kegiatan lain yang diikuti Direksi tahun 2016 termasuk:

within 3 (three) months after the appointment of the relevant Director at the latest and the implementation represents the responsibility of the Corporate Secretary. The new policies of the introduction program of the Board of Directors are set forth in the Company's Board Manual.

In 2016, there have been appointments of new members of Board of Directors of the Company based on Annual GMS results on April 15, 2016. Regarding the appointment of the new members of Board of Directors, Corporate Secretary has conducted Director Introduction program for the new members of Board of Directors through a presentation on April 20, 2016.

TRAINING AND COMPETENCY DEVELOPMENT PROGRAM

The policies with regards to the training program of the Board of Directors are set forth in the Company's Board Manual, where the Company encourages the Directors to participate in the self development program based on their needs through the allocation of training budget that is assigned annually in order to improve their skills.

In addition to participating in the training programs to improve their knowledge with regards to the development of the Company's industry and other knowledge in relation to the duties and responsibilities, the Board of Directors also participates in various events as speakers. Recapitulation of the training programs and other activities that have been undertaken by the Board of Directors in 2016 include:

Nama Name	Jabatan Position	Tanggal Date	Program Program	Tempat Place
M. Arif Wibowo	Direktur Utama President & CEO	19 Desember	Diskusi Terbatas "Tol Laut"	Ruang Rapat Besar Lt. 2, Kantor Wantimpres, Jl. Vetean III no. 2, Jak-Pus
		24 November	Kompas CEO Forum "Memantapkan Iklim Investasi Tahun 2017"	Cendrawasih Room, Jakarta Convention Center, Jl. Jend. Gatot Subroto, Senayan
		18 November	*Doctoral Colloquium and Conference "Towards Sustainable Resources by Empowering Indonesia's Capabilities and Competitiveness"*	Gedung Master dan Doktor Ruang BRI lt. 3, Jl. Sosio Humaniora , Bulaksumur
		10 Oktober	Forum Diskusi Publik Sektor Transportasi "Membangun Konektivias Transportasi untuk memacu pertumbungan Ekonomi Indonesia"	Thamrin Nine Ballroom Ground Floor, UOB Plaza, Jl. Thamrin No. 10 10230

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Nama Name	Jabatan Position	Tanggal Date	Program Program	Tempat Place
		25 April	*Asean Conference & Chief Editor Forum Session I: "Where is the ASEAN Economic Community Heading"*	The Dharmawangsa Hotel
		23 Maret	*1st Anniversary* Majalah PR Indonesia "Orasi Kepemimpinan 7 Tokoh Indonesia dalam Mempiarkan Indonesia"	Swissbell Hotel, Kuta-Bali
		26 Februari	Pelantikan Pengurus IMA Chapter BTH periode 2016-2018 dan Seminar "*Digital Marketing to Boost Tourism*"	Auditorium Univ. International Batam Jl. Gajah Mada Batam
		8 Februari	Hari Pers Nasional 2016 Dialog BUMN: Peran BUMN Dalam Meningkatkan Profesionalitas Perusahaan Pers	Rinjani 3, Hotel Lombok Raya
		22 Januari	Kuliah Umum "Upaya Peningkatan Daya Saing Industri Penerbangan Domestik (PT Garuda Indonesia) Dalam Menghadapi MEA 2016"	Gd. Rudhiro Lantai 3, FEB UNSOED, Jl. Prof. Dr. HR Boenyamin 708 Purwokerto
		20 Januari	*Focus Group Discussion Nation Branding*	R. Rapat Utama, Kantor Staf Presiden, lantai 2 Gd. Bina Graha Komplek Istana Kepresidenan, Jl. Veteran No. 16, Jakarta Pusat
		19 Januari	Pelantikan IMA Chapter Semarang "Mendorong Peningkatan Pariwisata di Jateng"	Aula Borobudur, Graha Merah Putih, Gd. Telkom Lt. 8, Jl. Pahlawan No. 10 Semarang
		16 Januari	Seminar *Prudential Life Insurance "Leadership"*	Hotel The Stone Kuta Bali
		7 Januari	*Corporate Sharing Session : Kick Off 2016 "Leading in The Difficult Era"*	Gd. Bursa Efek Indonesia, Menara 2, Lantai 1, Jl. Jend. Sudirman Kav. 52-53, Jakarta
Agus Toni Soetirto	Direktur Niaga Director of Commercial	8 Desember	*Indonesia Aviation Research Center (IARC) Seminar "Private Participation in Airport Development"*	Hotel Borobudur, Jakarta
		2 Desember	*Focus Group Discussion* (FGD) "Inflasi Angkutan Udara"	Ruang Rapat Departemen Kebijakan Ekonomi dan Moneter, Gedung Sjafruddin Prawira Negara Lt. 18, Bank Indonesia - Jakarta
Helmi Imam Satriyono	Direktur Keuangan dan Manajemen Risiko Director of Finance & Risk Management	25 November	*British Bank Association: "Advanced Liquidity and Funding Risk Management Workshop 2016"*	Pinners Hall, London
Iwan Joeniarto	Direktur Teknik & Teknologi Informasi Director of Maintenance & Information Technology	2-3 November	Asia Pacific Air Finance Conference	Hong Kong Conrad Hotel, Hong Kong
		5-7 April	Aircraft Interiors Expo & Conference	Hamburg, Germany
Linggarsari Suharso	Direktur SDM & Umum Director of Human Capital & Corporate Affairs	26 Oktober	The Organizational Science Summit Convening Leaders To Shape The Future of Human Capital	Suntec Convention Center, Singapore

Nama Name	Jabatan Position	Tanggal Date	Program Program	Tempat Place
Nicodemus Panarung Lampe	Direktur Layanan Director of Services	3 Maret	Menjadi Panelis WOW *Brand* 300 *Showcase*	Raffles Hotel, Ciputra World - Jakarta
		28 Juli	Pembicara *Press Conference The Amazing Race Asia 5*	Fairmont Hotel - Jakarta
		2 Desember	Panelis *Press Conference* Pemilihan Puteri Indonesia	The Sultan Hotel - Jakarta
Novianto Herupratomo	Direktur Operasi Director of Operations	17-18 November	*AAPA 60th Assembly of President*	Shangri-La at The Fort, Manila
		8 November	Sebagai Pembicara pada Workshop PT Kereta Api Indonesia "Sistem Keselamatan"	Garuda Indonesia Training Center - Jakarta
		25-27 Oktober	Workshop IATA "*25th AVSEC WORLD*"	Mandarin Oriental, Kuala Lumpur - Malaysia
		11 Oktober	Workshop Sabre Asia Pacific	Regent Singapore, 1 Cuscaden Rd - Singapore
		25 September – 1 Oktober	*39th Triennial ICAO Assembly*	Montreal, Kanada
		4 Juni	Sebagai Pembicara pada Seminar Nasional "*Leader Vision* 2016"	Ruang Samantha Krida, Universitas Brawijaya
		2 Juni	Sebagai Pembicara pada Workshop US EMBASSY: Enhancing US – *Indonesia Aviation Cooperation*	Mataram Ballroom, Karya Building – Kementerian Perhubungan. Jakarta
		30-31 Mei	*Transportation Ministerial Meeting (TMM) on Civil Aviation in Developing Countries 2016*	Hotel Discovery Kartika Plaza, Bali
		25 Mei	Sebagai Pembicara pada *IATEC - The 3rd Premier Indonesia Aviation Training & Education Conference*	Grand Mercure Maha Cipta Hotel
		24 Mei	New Zealand - *Indonesia Aviation Symposium*	Mandarin Oriental Hotel, Jakarta
		30 April	Sebagai Pembicara pada *Occupational Health & Safety (OHS) Expo K3*	Aula A/G FKM UI, Depok – Jawa Barat
		18-20 April	*IATA Ops Conference 2016*	Tivoli Congress, Copenhagen - Denmark
		22-23 Maret	Sebagai Pembicara pada Indo HSSE 2016 Conference (Ikatan Ahli Teknik Perminyakan / IATMI)	Crowne Plaza Hotel Bandung
		19-21 Februari	Sebagai Pembicara pada Seminar Bulan K3 Nasional Pama INDO 2016	PT Pama Persada Nusantara Distrik INDO
		7 Januari	Sebagai Penguji Tesis Pasca Sarjana Fakultas Kesehatan Masyarakat Universitas Indonesia dengan judul "Analisis Faktor Risiko Kelelahan pada Pilot Pesawat Komersial"	Universitas Indonesia, Depok – Jawa Barat
Sigit Muhartono	Direktur Cargo Director of Cargo	8 Desember	Kuliah Tamu: "Leadership in Big Corporate for Career Building"	Ruang Sidang Jurusan Teknik Sipil FTSP – Institut Teknologi Sepuluh November, Surabaya.

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PENILAIAN KINERJA DIREKSI

Penilaian kinerja anggota Direksi dilakukan dengan cara melaksanakan *self-assessment* dan ditinjau oleh Dewan Komisaris. Secara garis besar, hal-hal yang menjadi dasar penilaian terhadap anggota Direksi adalah pelaksanaan Direksi dalam mengimplementasikan visi dan misi Perseroan dalam program kerja di tahun berjalan serta pelaksanaan implementasi GCG. Lebih jauh lagi, Dewan Komisaris mengawasi Direksi dalam hal pemenuhan target yang telah dicanangkan oleh Perseroan terutama yang mencakup pelaksanaan Rencana Jangka Panjang, Rencana Bisnis dan keputusan RUPS.

Penilaian terhadap anggota Direksi juga dibantu dengan saran dari Komite Nominasi dan Remunerasi terkait dengan kriteria penilaian yang telah disusun yang berkaitan dengan remunerasi anggota Direksi baik secara kolegial ataupun perorangan. Dewan Komisaris mempertanggungjawabkan hasil penilaiannya sebagai bahan pertimbangan dalam Rapat Umum Pemegang Saham yang kemudian akan diputuskan oleh para Pemegang Saham.

KEBIJAKAN SUKSESI DIREKSI

Sebagai upaya mempersiapkan regenerasi kepemimpinan di masa yang akan datang, Perseroan telah memiliki Sistem *Talent Management*. Dalam program ini, kandidat akan mengikuti pelatihan atau aktivitas di bidang manajemen, perencanaan strategis, analisis kinerja keuangan, dan risiko bisnis serta berbagai program lainnya.

Kebijakan suksesi Direksi merupakan kewenangan dari Pemegang Saham. Anggota Direksi diangkat dari calon yang diusulkan oleh para Pemegang Saham. Kualifikasi dan persyaratan Direksi telah diatur dalam *Board Manual* dengan masa jabatan 5 tahun dan dapat diangkat kembali untuk satu kali masa jabatan. Adapun pengangkatan dan pemberhentian Direksi ditetapkan oleh RUPS.

ASSESSMENT ON THE BOARD OF DIRECTORS' PERFORMANCE

Assessment of the Board of Directors' performance is completed by using the self-assessment method and is reviewed by the Board of Commissioners. Broadly speaking, the matters that become the basis of assessment to the Board of Directors would be the Board of Directors' implementation of the Company's vision and mission within the current year's working plan as well as the implementation of the GCG. Furthermore, the Board of Commissioners oversees the Board of Directors in fulfilling the target that has been declared by the Company particularly the implementation of the Long Term Plan, as well as the Business Plan and the decision of the GMS.

Assessment of the Board of Directors was also assisted by advices from the Nomination and Remuneration Committee through evaluation criterias which have been set forth in accordance to the remuneration of the members of the Board of Directors collegially as well as individually. The Board of Commissioners is responsible to the results of the assessment as a form of consideration in the General Meeting of Shareholders which will then be decided by the Shareholders.

POLICY CONCERNING THE SUCCESSION OF THE BOARD OF DIRECTORS

In an effort to prepare the regeneration of the leadership in the future, the Company has a Talent Management System. In this program, candidates will attend trainings or activities in the field of management, strategic planning, financial performance analysis, and business risks as well as various other programs.

The policy concerning the succession of the Board of Directors is under the authority of the shareholders. Members of the Board of Directors are appointed from candidates proposed by the Shareholders. Qualifications and requirements of the Board of Directors have been governed by the Board Manual with a term of 5 years and may be reappointed for one more term. Whereas the appointment and dismissal of the Board of Directors is determined by the GMS.

KEBIJAKAN DAN PROSEDUR PENETAPAN REMUNERASI DIREKSI

Kebijakan dan prosedur penetapan remunerasi bagi Direksi terdiri dari beberapa tahapan yang mencakup proses penyusunan, analisa, pengajuan, dan penetapan. Penyusunan kebijakan dan usulan remunerasi yang dilaksanakan oleh Komite Audit yang juga membidangi fungsi remunerasi menggunakan jasa konsultan independen. Rekomendasi remunerasi tersebut kemudian diteruskan pada Dewan Komisaris untuk dibahas dan dianalisa. Pada tahapan terakhir, rekomendasi remunerasi diajukan dalam RUPS Tahunan.

Penetapan Penghasilan yang berupa Gaji, Tunjangan, dan Fasilitas yang bersifat tetap dilakukan dengan mempertimbangkan faktor skala usaha, faktor kompleksitas usaha, tingkat inflasi, kondisi dan kemampuan keuangan Perseroan dan faktor-faktor lain yang relevan serta tidak boleh bertentangan dengan peraturan perundang-undangan.

Penetapan Penghasilan yang berupa Tantiem/Insentif Kinerja yang bersifat variabel (*merit rating*) dilakukan dengan mempertimbangkan faktor kinerja perusahaan serta faktor-faktor lain yang relevan.

Berdasarkan Peraturan Menteri Badan Usaha Milik Negara No. Per-04/MBU/2014 dan tentang Pedoman Penetapan Penghasilan Direksi, Dewan Komisaris dan Dewan Pengawas Badan Usaha Milik Negara, penghasilan Direksi terdiri dari:

1. Gaji;
2. Tunjangan;
3. Fasilitas;
4. Tantiem.

Dewan Komisaris melakukan penilaian atas kinerja manajemen berdasarkan pencapaian KPI, target serta indikator yang digunakan oleh Dewan Komisaris. Hasil penilaian Dewan Komisaris atas kinerja manajemen selanjutnya digunakan sebagai dasar untuk membuat usulan pemberian remunerasi dan tantiem bagi Direksi dan Dewan Komisaris kepada Kementerian BUMN, selaku Pemegang Saham Seri A Dwiwarna.

Berdasarkan pertimbangan tersebut, maka struktur dan besaran remunerasi Direksi Perseroan pada tahun 2016 ditetapkan berdasarkan Surat Menteri Badan Usaha Milik

POLICY AND PROCEDURE OF BOARD OF DIRECTORS REMUNERATION SYSTEM

Policies and procedures in relation to the determination of the remuneration for the Board of Directors consist of several stages which include the creation, analysis, submission, and determination. The formulation of the remuneration policies and proposals is implemented by the Audit Committee which is also in charge of remuneration function through independent consultant service. The remuneration recommendations are then forwarded to the Board of Commissioners to be discussed and analyzed. On the final stage, the remuneration recommendations are proposed to the GMS.

Determination of salary, honorarium, allowances, and facilities that are fixed in nature is being carried out by considering the business scale factor, complexity factor of the business, inflation level, financial condition and competency of the Company and other factors relevant and not in contrary to the prevailing regulations.

Determination of salary in the form of Tantiem/Insentive that is variable in nature (merit rating) is being carried out by considering the company's performance factor as well as other relevant factors.

Based on the Minister of SOEs Regulation No. Per-04/MBU/2014 concerning the Remuneration Guidelines for the Board of Directors, Commissioners and Supervisory Board of State Owned Enterprises, the salary component of the Board of Commissioners consists of:

1. Salary;
2. Allowances;
3. Facilities;
4. Tantiem.

The Board of Commissioners performs an evaluation of the management's performance based on the KPI, target, as well as indicators used by the Board of Commissioners. The evaluation results of the Board of Commissioners on the management's performance is then used as a basis to provide recommendations on remunerations and tantiem to the Board of Directors and the Board of Commissioners to the Minister of SOEs, as the owner of Series A Dwiwarna share.

Based on the above considerations, the structure and amount of the Board of Directors' remunerations in 2016 was determined based on The Letter of Republic Indonesia

DIREKSI
Board of Directors

Negara Republik Indonesia Nomor S-79/D5.MBU/06/2016 tentang Penetapan Gaji/Honorarium, Tunjangan dan Fasilitas Tahun 2016 serta Tantiem atas Kinerja Tahun 2015 PT Garuda Indonesia (Persero) Tbk pada tanggal 27 Juni 2016. Adapun rincian besarannya adalah sebagai berikut:

State Minister of State-owned Enterprises No. S-79/D5.MBU/06/2016 on Determination of Salary/Honorarium, Allowance and Facilities in 2016 and Tantiem for the 2015 Performance of PT Garuda Indonesia (Persero) Tbk on June 27, 2016. The details of sum are as follows:

Jabatan Position	Jenis Remunerasi* Type of Remuneration*	Jumlah (dalam Rupiah) Amount (in Rupiah)	
		Jumlah Orang Number of People	Juta Rupiah Million Rupiah
Direksi Board of Directors	Gaji Salary	8	14.366
	Tunjangan Allowance	8	8.223
	Tantiem** Tantiem**	8	11.178
Jumlah Total		**8**	**33.768**

*) Data penghasilan adalah net setelah pajak
**) Tantiem atas kinerja 2015 dan dibayarkan pada tahun 2016

*) Data of income is net after tax
**) Tantiem for performance 2015 and paid in 2016

HUBUNGAN ANTARA REMUNERASI DAN KINERJA PERSEROAN

Kebijakan dan prosedur penetapan remunerasi bagi Direksi terdiri dari beberapa tahapan yang mencakup proses penyusunan, analisa, pengajuan, dan penetapan. Penyusunan kebijakan dan usulan remunerasi dilaksanakan oleh Komite Remunerasi Perseroan dengan bantuan kajian remunerasi dari konsultan independen. Rekomendasi remunerasi tersebut kemudian diteruskan pada Dewan Komisaris untuk dibahas dan dianalisis. Pada tahapan terakhir, rekomendasi remunerasi diajukan dalam RUPS Tahunan yang berwenang mengambil keputusan akhir penetapan remunerasi Direksi. Komitmen Direksi dalam mencapai KPI 2016 dituangkan dalam Rencana Kerja dan Anggaran Perusahaan yang disetujui oleh Dewan Komisaris. Hal-hal yang menjadi tolok ukur pencapaian KPI berfungsi sebagai target Perseroan yang diupayakan untuk direalisasikan secara optimal. Oleh karena itu, informasi mengenai pencapaian KPI tersajikan dalam bab Analisis Pembahasan dan Manajemen dalam bab Perbandingan Proyeksi dan Realisasi Tahun 2016 di Laporan Tahunan ini.

CORRELATION BETWEEN REMUNERATION AND COMPANY'S PERFORMANCE

Policies and procedures in relation to the determination of the remuneration for the Board of Directors consist of several stages which include the creation, analysis, submission, and determination. The formulation of the policies and remuneration proposals that are implemented by the Remuneration Committee is through an independent consultant service. The remuneration recommendations are then forwarded to the Board of Commissioners to be discussed and analyzed. On the final stage, the remuneration recommendations are proposed to the Annual GMS who has the authority to make the final decision on the Board of Directors' remuneration. The Board of Directors' commitment in achieving the 2015 KPI is described in the Work Plan and Budget (RKAP) that has been agreed by the Board of Commissioners. The measurements that are used as benchmark in order to achieve the KPI serve as the Company's target sought to be realized optimally. Therefore, the information regarding the achievement of KPI is presented in the Management Discussion and Analysis section in the 2016 Comparison of Projected and Realization chapter of this Annual Report.

Penetapan remunerasi bagi Direksi dan Dewan Komisaris Perseroan mengacu kepada ketentuan sebagaimana termuat dalam Peraturan Menteri Badan Usaha Milik Negara No.

The determination of remuneration for the Company's Board of Directors and the Board of Commissioners refers to the policies in the Minister of SOEs Regulation No. Per-04/

Per-04/MBU/2014 tentang Pedoman Penetapan Penghasilan Direksi, Dewan Komisaris dan Dewan Pengawas Badan Usaha Milik Negara. Berdasarkan Peraturan Menteri tersebut, prinsip penetapan penghasilan bagi Direksi dan Dewan Komisaris ditetapkan oleh Rapat Umum Pemegang Saham (RUPS). RUPS Tahunan yang dilaksanakan pada tanggal 15 April 2016 telah menetapkan besarnya tantiem yang diberikan kepada anggota Direksi dan Dewan Komisaris untuk tahun buku 2015 serta menetapkan besarnya gaji anggota Direksi dan honorarium Dewan Komisaris serta tunjangan dan fasilitas bagi Direksi dan Dewan Komisaris pada 2016. Penghasilan Direksi dan Dewan Komisaris dapat terdiri dari:

a. Gaji;
b. Tunjangan;
c. Fasilitas;
d. Tantiem.

Sedangkan, penetapan tantiem bagi Direksi dan Dewan Komisaris dapat diberikan berdasarkan penetapan RUPS/ Menteri dalam pengesahan Laporan Tahunan apabila:

a. Realisasi tingkat kesehatan[1] paling rendah dengan nilai 70; atau
b. Target tingkat kesehatan[1] dalam RKAP tercapai meskipun nilainya di bawah 70.

Komposisi besarnya tantiem ditetapkan sebagai berikut:

- Direktur Utama: 100,0%
- Anggota Direksi: 90,0% dari Direktur Utama

- Komisaris Utama: 45,0% dari Direktur Utama
- Anggota Dewan Komisaris: 40,5% dari Direktur Utama

MBU/2014 concerning the Remuneration Guidelines for the Board of Directors, Commissioners and Supervisory Board of State Owned Enterprises. Based on the Minister Regulations, the determination principles on the remuneration for Board of Directors and the Board of Commissioners are being determined based on the General Meeting of Shareholders (GMS). Annual GMS that was completed in April 15, 2016 had determined the amount of tantiem of the Board of Directors and the Board of Commissioners for financial year 2015 as well as the amount of salaries to the Board of Commissioners, the honorarium of the Board of Commissioners as well as allowances and facilities of the Board of Directors and the Board of Commissioners in 2016. The salary of the Board of Directors and the Board of Commissioners consists of:

a. Salary;
b. Allowances;
c. Facilities;
d. Tantiem.

Whereas the determination of tantiem for the Board of Directors and the Board of Commissioners may be provided based on the determination of the GMS/Minister under the ratification in the Annual Report if:

a. Realization of the lowest health level[1] with the score of 70; or
b. The health level target[1] within RKAP has been achieved despite the score is under the 70.

The composition of the amount of tantiem is determined as follows:

- President Director: 100.0%
- Member of the Board of Directors: 90.0% of President Director
- President Commissioner: 45.0% of President Director
- Member of the Board of Commissioner: 90.0% of President Director

RAPAT DIREKSI

Rapat Direksi wajib diadakan secara berkala sekurangnya sekali dalam setiap bulan. Selain itu, Rapat Direksi bersama Dewan Komsiaris juga wajib diadakan sekurangnya 1 (satu) kali dalam 4 (empat) bulan. Rapat Direksi juga dapat terselenggara jika dan ketika dianggap perlu, dimintakan secara tertulis oleh satu atau lebih anggota Dewan Komisaris, atau dimintakan secara tertulis oleh satu atau lebih pemegang

MEETINGS OF BOARD OF DIRECTORS

The Board of Directors Meeting must be held periodically at least once a month. In addition, the Board of Directors Meeting with the Board of Commissioners also must be held at least once in 4 (four) months. The Board of Directors Meeting can also be held if and when deemed necessary, requested in a written form by one or more members of the Board of Commissioners, or requested in a writtern form by

1) Penilaian tingkat kesehatan merupakan salah satu penilaian kinerja BUMN untuk tahun terkait dengan memperhatikan aspek keuangan, operasional, dan administrasi.
1) The health level assessment is one of the SOE performance assessment for the current year by considering the aspects of financial, operational, and administrative.

DIREKSI
Board of Directors

saham yang bersama-sama mewakili 1/10 (satu per sepuluh) atau lebih dari jumlah seluruh saham dengan hak suara.

Rapat Direksi dilaksanakan di tempat kedudukan atau tempat kegiatan usaha Perseroan. Jika tidak, maka Rapat Direksi hanya dianggap sah jika dilangsungkan di dalam wilayah Republik Indonesia kecuali dalam hal Rapat Direksi diadakan melalui video konferensi, telekonferensi atau sarana media elektronik lainnya.

Kebijakan Perseroan Tentang Frekuensi Rapat Direksi

Sesuai dengan ketentuan dalam Anggaran Dasar Perseroan yang sejalan dengan Peraturan Menteri Negara Badan Usaha Milik Negara No. PER-01/MBU/2011 tanggal 1 Agustus 2011 tentang Penerapan Tata kelola Perusahaan Yang Baik Pada Badan Usaha Milik Negara berikut perubahannya dan Peraturan Otoritas Jasa Keuangan No. 33/POJK.04/2014 tentang Direksi dan Dewan Komisaris Emiten atau Perusahaan Publik, pelaksanaan Rapat Direksi secara berkala sekurang-kurangnya sekali dalam setiap bulan dan Rapat Direksi bersama Dewan Komisaris dilaksanakan secara berkala sekurangnya sekali dalam 4 (empat) bulan.

Frekuensi dan Kehadiran Rapat Direksi

Sepanjang tahun 2016, Direksi telah melakukan rapat Direksi dan rapat gabungan dengan Dewan Komisaris, dan masing-masing sebanyak 39 (tiga puluh sembilan) kali dan 14 (empat belas) kali dengan frekuensi dan tingkat kehadiran sebagai berikut:

one or more shareholders that represent 1/10 (one tenth) or more than the total shares with voting rights.

The Board of Directors Meetings are held in where the Company is located or where the Company has its business activities. Otherwise, the Board of Directors Meetings can only be considered valid if held in the territory of Indonesia Republic except in case it is held via video conference, teleconference or other electronic media tools.

Company Policy on the Frequency of Board of Directors' Meetings

Based on the provisions set forth by the Company's Articles of Association that is in line with the Minister of SOEs Regulation No. PER-01/MBU/2011 dated August 1, 2011 concerning the Implement ation of Good Corporate Governance on State Owned Enterprises and the Financial Services Authority Regulation No. 33/ POJK.04/2014 concerning the Board of Directors and the Board of Commissioners of Publicly Listed Companies, the periodic execution of the Board of Directors Meetings is at least once every month and the Meetings with the Board of Commissioners are held regularly at least once in 4 (four) months.

Company Policy on the Frequency of Board of Directors' Meetings

Throughout 2016, the Board of Directors had conducted joint meetings with the Board of Commissioners, each for as many as 39 (thirty nine) times and 14 (fourteen) times with the frequencies and numbers of attendance as described below:

Rapat Internal Direksi
Board of Directors Internal Meeting

Nama Name	Jabatan Position	Jumlah Kehadiran Attendance	% Kehadiran % Attendance
M. Arif Wibowo	Direktur Utama President & CEO	36	92
Handayani*	Direktur Niaga Director of Commercial	8	73
Heriyanto Agung Putra*	Direktur SDM & Umum Director of Human Capital & Corporate Affairs	10	91
IG. N. Askhara Danadiputra*	Direktur Keuangan dan Manajemen Risiko Director of Finance & Risk Management	8	73
Agus Toni Soetirto	Direktur Niaga Director of Commercial	25	89

Nama Name	Jabatan Position	Jumlah Kehadiran Attendance	% Kehadiran % Attendance
Helmi Imam Satriyono	Direktur Keuangan dan Manajemen Risiko Director of Finance & Risk Management	26	93
Iwan Joeniarto	Direktur Teknik & Teknologi Informasi Director of Maintenance & Information Technology	37	95
Linggarsari Suharso	Direktur SDM & Umum Director of Human Capital & Corporate Affairs	24	86
Nicodemus Panarung Lampe	Direktur Layanan Director of Services	33	85
Novianto Herupratomo	Direktur Operasi Director of Operations	36	92
Sigit Muhartono	Direktur Cargo Director of Cargo	25	89

*Periode menjabat hingga 15 April 2016
*Serving period until April 15, 2016

Rapat Gabungan Direksi dan Dewan Komisaris

Agenda of Board of Directors and Board of Commissioners Joint Meetings

Nama Name	Jabatan Position	Jumlah Kehadiran Attendance	% Kehadiran % Attendance
M. Arif Wibowo	Direktur Utama President & CEO	13	93
Handayani*	Direktur Niaga Director of Commercial	3	60
Heriyanto Agung Putra*	Direktur SDM & Umum Director of Human Capital & Corporate Affairs	5	100
IG. N. Askhara Danadiputra*	Direktur Keuangan dan Manajemen Risiko Director of Finance & Risk Management	4	80
Agus Toni Soetirto	Direktur Niaga Director of Commercial	8	89
Helmi Imam Satriyono	Direktur Keuangan dan Manajemen Risiko Director of Finance & Risk Management	7	78
Iwan Joeniarto	Direktur Teknik & Teknologi Informasi Director of Maintenance & Information Technology	14	100
Linggarsari Suharso	Direktur SDM & Umum Director of Human Capital & Corporate Affairs	9	100%
Nicodemus Panarung Lampe	Direktur Layanan Director of Services	12	86
Novianto Herupratomo	Direktur Operasi Director of Operations	9	64
Sigit Muhartono	Direktur Cargo Director of Cargo	9	100

*Periode menjabat hingga 15 April 2016
*Serving period until April 15, 2016

DIREKSI
Board of Directors

Risalah Rapat

Keputusan rapat dicatat dan didokumentasikan dengan baik dalam risalah rapat yang ditandatangani oleh ketua rapat dan anggota Direksi yang hadir dalam Rapat. Risalah tersebut didistribusikan kepada seluruh anggota Direksi, baik yang menghadiri rapat maupun yang tidak. Dalam hal terdapat perbedaan pendapat, hal tersebut turut dicantumkan dalam risalah rapat disertai dengan alasan di balik perbedaan pendapat.

Minutes of Meetings

Meeting decisions are recorded and documented in the minutes of meetings that are signed by the chairman of the meeting and one of the member of the Board of Directors. The minute is then distributed to all members of the Board of Commissioners, both present and absent. Disagreement in the meeting is also included in the minutes of the meeting along with the resons behind the differences in opinions.

Agenda Rapat Direksi

Agenda of Board of Directors' Meetings

No.	Tanggal Rapat Meeting Date	Agenda Rapat	Meeting Agenda
1.	6 Jan	1. Audit BPK 2. *Security* 3. *Corporate Safety Committee Meeting* 4. Organisasi 5. Pesawat	1. BPK Audit 2. Security 3. Corporate Safety Committee Meeting 4. Organization 5. Aircraft
2.	13 Jan	1. *Update Event* 2. Pesawat	1. Event Update 2. Aircraft
3.	3 Feb	1. *Update Holding Company* 2. Niaga 3. *Finance* 4. Update Event	1. Update Holding Company 2. Commerce 3. Finance 4. Event Update
4.	10 Feb	1. Layanan 2. Update Terminal 3 3. Lain-lain	1. Service 2. Update Terminal 3 3. Others
5.	24 Feb	1. Pesawat 2. *Update Event*	1. Aircraft 2. Event Update
6.	2 Mar	1. Niaga 2. Layanan	1. Commerce 2. Service
7.	23 Mar	1. RSP Haji Plus 2. *Anciliary Revenue Wifi on Board*	1. Plus Hajj RSP 2. Anciliary Revenue Wifi on Board
8.	16 Mar	1. Niaga	1. Commerce
9.	30 Mar	1. Pesawat 2. IT	1. Aircraft 2. IT
10.	13 Apr	1. *Seat Reconfiguration* Pesawat 2. *Total Care Trent* 7000 (A330-900NEO) 3. Persiapan Migrasi ke Terminal 3 Bandara Soekarno-Hatta	1. Seat Reconfiguration Aircraft 2. Total Care Trent 7000 (A330-900NEO) 3. Preparation of Migration to Terminal 3 of Soekarno-Hatta Airport
11.	15 Apr	1. *Corporate & Unit Performance* 2. *Update Interior Design* Pesawat	1. Corporate & Unit Performance 2. Update of Aircraft Design Interior
12.	28 Apr	1. Pembagian Kewenangan Direksi Perseroan 2. Presentasi OmCap 3. Niaga 4. Lain-lain	1. Pembagian Kewenangan Direksi Perseroan 2. Presentation of OmCap 3. Commerce 4. Others
13.	4 Mei	1. Niaga 2. *Update* Markplus 3. *Human Capital* 4. *Finance* 5. *Fuel Strategy* Review Q1-2016	1. Commerce 2. Update Markplus 3. Human Capital 4. Finance 5. Fuel Strategy Review Q1-2016

No.	Tanggal Rapat Meeting Date	Agenda Rapat	Meeting Agenda
14.	12 Mei	1. Organisasi *Cargo* 2. Legal 3. Pesawat	1. Cargo Organization 2. Legal 3. Aircraft
15.	18 Mei	1. Niaga 2. Pesawat 3. Operasional	1. Commerce 2. Aircraft 3. Operational
16.	25 Mei	1. KPI *Corporate* 2016 2. Niaga	1. KPI Corporate 2016 2. Commerce
17.	8 Jun	1. Keuangan 2. Bea Cukai 3. Niaga 4. Klasifikasi BO Domestik & Internasional dan Perubahan Struktur Organisasi BO Jakarta 5. *Pooling Baggage* HKG-CGK 6. Fasilitas Pindahan 7. Lain-lain	1. Finance 2. Customs 3. Commerce 4. Classification of Domestic and International BO and Changes of Structures of Organization of BO in Jakarta 5. Pooling Baggage HKG-CGK 6. Migrating Facilities 7. Others
18.	15 Jun	1. *Level Approval* Direktorat *Cargo* 2. *Marketing Research Requirement* 3. Laporan Kesiapan Terminal 3 Ultimate	1. Cargo Directorate Level Approval 2. Marketing Research Requirement 3. Ultimate Preparation Report of Terminal 3
19.	22 Jun	1. Rencana Konversi Pinjaman Citilink 2. Rencana Penataan Komisi dan Insentif & *Mitigation Plan* 3. Strategi Penataan *Distibution Channel Model*	1. Citilink Loan Conversion Plan 2. Commission and Incentives Organization Plan and Mitigation Plan 3. Distribution Channel Model Organization Strategies
20.	29 Jun	1. *Progress* Boeing B737-800 MAX	1. Progress of Boeing B737-800 MAX
21.	30 Jun	1. *Event Sponsorship* 2. *Redefined Value*	1. Event Sponsorship 2. Redefined Value
22.	12 Jul	1. *Progress Report* Penyelenggaraan Haji, Umroh dan *Charter* Tahun 2015 dan 2016 serta Rencana 2016-2017. 2. *Progress Report* Kesiapan GA Pemindahan ke Terminal 3 *Ultimate* 3. Persiapan Rapat BOD-BOC perihal Kinerja Perusahaan. 4. Organisasi *Cargo*	1. Progress Report of Hajj, Umra, and Charter of 2015 and 2016 and Plan in 2016-2017 2. Ultimate Progress Report of GA Preparation to Terminal 3 3. Preparation Meeting of BOD and BOC regarding the Company's Perfromance. 4. Cargo Organization
23.	20 Jul	1. *Digital Business Platform* 2. *Progress Extended Leasing* 3. *Seat Reconfiguration* B777 4. Rencana Pembukaan Rute KNO-DTB dan DPS-MOF 5. *Update Holding Company*	1. Digital Business Platform 2. Progress Extended Leasing 3. Seat Reconfiguration B777 4. KNO-DTB and DPS-MOF Route Opening Plan 5. Update Holding Company
24.	27 Jul	1. Perpanjangan Sewa Kantor Penjualan Halim Perdanakusuma	1. Halim Perdanakusuma Sales Office Lease Extension
25.	3 Agu	1. Persiapan Terminal 3 *Ultimate* 2. *Fleet Strategy*	1. Ultimate Preparation of Terminal 3 2. Fleet Strategy
26.	10 Agu	1. Keuangan 2. Niaga	1. Finance 2. Commerce
27.	19 Agu	1. SDM 2. Organisasi 3. Niaga	1. HR 2. Organization 3. Commerce
28.	24 Agu	1. *Holding Company* 2. PPN Sewa Pesawat	1. Holding Company 2. Aircraft Lease Added Value Tax
29.	31 Agu	1. Garuda Indonesia Lounge, Terminal 3 *Ultimate* 2. PDP Boeing 737-800 MAX	1. Garuda Indonesia Lounge, Terminal 3 Ultimate 2. PDP Boeing 737-800 MAX

DIREKSI
Board of Directors

No.	Tanggal Rapat Meeting Date	Agenda Rapat	Meeting Agenda
30.	14 Sep	1. Laporan Kinerja Perusahaan Januari – Agustus 2016 2. Laporan Tindak Lanjut Nasihat Dewan Komisaris 3. *Update* CRJ 4. *MTOW*	1. Performance Report of the Company from January to August 2016 2. Board of Commissioners' Recommendation Follow-up Report 3. CRJ Update 4. MTOW
31.	21 Sep	1. *Flight Attendat Academy* 2. *Update* ROFO September 2016 3. *Route* FS Chengdu	1. Flight Attendat Academy 2. Update of September 2016 ROFO 3. Route of FS Chengdu
32.	5 Okt	1. Niaga 2. Keuangan 3. Pesawat	1. Commerce 2. Finance 3. Aircraft
33.	19 Okt	1. Keuangan 2. ERM	1. Finance 2. ERM
34.	26 Okt	1. Keuangan	1. Finance
35.	02 Nov	1. *Business Landscape* PT Gapura Angkasa 2. EBO 3. Proyek Pembangunan Kantor GA Kebon Sirih	1. Business Landscape of PT Gapura Angkasa 2. EBO 3. Development Project of Kebon Sirih GA Office
36.	23 Nov	1. EBO 2. *Update* Rute Mumbai 3. Pendanaan B737-800 MAX dan A 320 NEO 4. RKAP 2017	1. EBO 2. Mumbai Route Update 3. Funding of B737-800 MAX and A 320 NEO 4. RKAP 2017
37.	1 Des	1. *Update* Peresmian Penerbangan Mumbai 2. *Update* Skytrax Audit 3. Perpanjangan *Leasing* B737-800 MAX 4. Kewenangan VP Direktorat Kargo 5. Agenda ID	1. Update of Inaugural Flight of Mumbai 2. Skytrax Audit Update 3. Extension of B737-800 MAX Leasing 4. VP DG Authority 5. ID Agenda
38.	14 Des	1. Keuangan 2. Layanan 3. Operasional	1. Finance 2. Service 3. Operational
39.	21 Des	1. Operasional 2. Keuangan 3. Keselamatan 4. Kargo	1. Operational 2. Finance 3. Safety 4. Cargo

KEBIJAKAN MENGENAI KEBERAGAMAN KOMPOSISI **DEWAN KOMISARIS DAN DIREKSI**

Policy on Diversity of the Board of Commissioners and Board of Directors' Composition

Penetapan komposisi anggota Dewan Komisaris dan Direksi Perseroan dilakukan dengan mempertimbangkan kebutuhan dan kompleksitas Perseroan serta perundang-undangan yang berlaku. Komposisi tersebut didasarkan pada pengetahuan industri, keahlian, pengalaman profesional, dan latar belakang guna mendukung efektivitas pelaksanaan tugas Dewan Komisaris dan Direksi. Perseroan memberikan kesempatan yang sama kepada semua orang dan oleh karenanya nominasi kandidat anggota Dewan Komisaris dan Direksi dikaji serta dievaluasi dengan cara yang sama, tanpa memperhatikan jenis kelamin, ras, maupun sumber rekomendasi awal.

Perseroan meyakini bahwa komposisi Dewan Komisaris dan Direksi yang ada telah mencerminkan keragaman keahlian, pengalaman, dan latar belakang pendidikan yang sangat diperlukan untuk efektivitas pelaksanaan tugas dan kewajiban masing-masing. Perseroan berupaya untuk memastikan terjaganya bauran dan keseimbangan keahlian dan pengalaman anggota Dewan Komisaris dan Direksi yang mencakup pengetahuan tentang Perseroan, industri terkait, kemampuan, keuangan, hukum, tata kelola, sumber daya manusia, serta pengalaman profesional lain yang mendukung efektivitas pelaksanaan tugas masing-masing.

Penjelasan/pengungkapan yang lebih rinci mengenai latar belakang dan pengalaman setiap anggota Dewan Komisaris dan Direksi dapat ditemukan pada bagian Profil Dewan Komisaris dan Direksi pada Laporan Tahunan ini. Semua anggota Dewan Komisaris dan Direksi telah memenuhi persyaratan pengangkatan formal, materiil, dan lainnya sesuai peraturan perundang-undangan yang berlaku.

Determination of the composition of the Board of Commissioners and Board of Directors is done by considering the needs and complexity of the Company and applicable law. The composition is based on industry knowledge, expertise, professional experience and background in order to support the effective implementation of the duties of the Board of Commissioners and Board of Directors. The Company provides equal opportunities to all the people and therefore the candidates nominated members of the Board of Commissioners and Directors examined and evaluated in the same way, regardless of sex, race, and source of initial recommendations.

The Company believes that the current composition of Board of Commissioners and Board of Directors have reflected diversity of skills, experience, and educational backgrounds required for the effectiveness of each duties and responsibilities implementation. The Company strives to ensure the mix and balance of skills and experiences of the members of Board of Commissioners and Board of Directors which include knowledge about the Company, related industry, capability, finance, legal, governance, human resource, and other professional experiences that support the effectiveness of each duties implementation.

The more detailed explanation/disclosure on backgrounds and experiences of each member of Board of Commissioners and Board of Directors could be found in the Profile of Board of Commissioners and Board of Directors in this Annual Report. All members of Board of Commissioners and Board of Directors have met the requirements of formal, material appointment, and so on in line with the prevailing laws and regulations.

SEKRETARIS PERUSAHAAN
Corporate Secretary

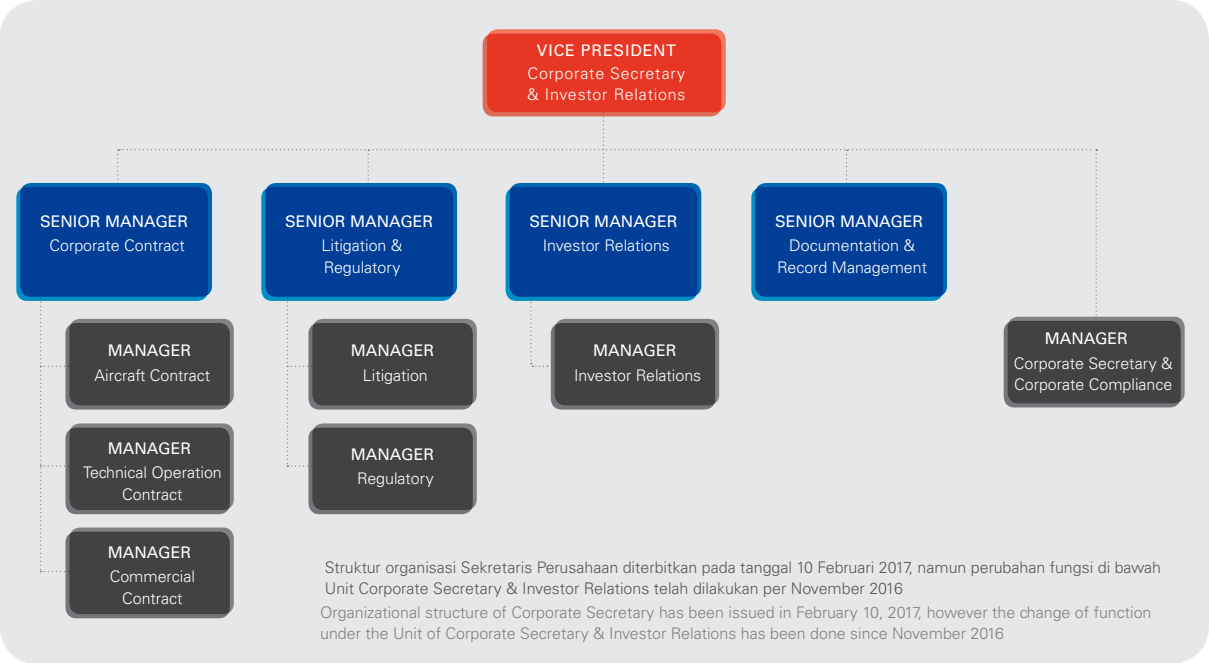
DASAR HUKUM PEMBENTUKAN, STRUKTUR, DAN POSISI SEKRETARIS PERUSAHAAN

Pembentukan Sekretaris Perusahaan merujuk pada Peraturan Otoritas Jasa Keuangan No. 35/POJK.04/2014 tanggal 8 Desember 2014 tentang Sekretaris Perusahaan Emiten atau Perusahaan Publik.

LEGAL BASIS OF THE ESTABLISHMENT, STRUCTURE, POSITION OF CORPORATE SECRETARY

The formation of the Corporate Secretary refers to the Financial Services Authority No. 35/POJK.04/2014 dated December 8, 2014 concerning Corporate Secretary of Publicly Listed Companies.

Struktur Organisasi Sekretaris Perusahaan
Corporate Secretary Organizational Structure



Struktur organisasi Sekretaris Perusahaan diterbitkan pada tanggal 10 Februari 2017, namun perubahan fungsi di bawah Unit Corporate Secretary & Investor Relations telah dilakukan per November 2016

Organizational structure of Corporate Secretary has been issued in February 10, 2017, however the change of function under the Unit of Corporate Secretary & Investor Relations has been done since November 2016

PENGANGKATAN DAN KUALIFIKASI SEKRETARIS PERUSAHAAN

Peraturan Pasar Modal mewajibkan Perseroan sebagai perusahaan terbuka yang terdaftar di Bursa Efek Indonesia (BEI) untuk mengangkat seorang Sekretaris Perusahaan dan menyediakan akses terhadap seluruh informasi material tentang Perseroan terbuka terkait dengan prinsip keterbukaan informasi dan transparansi.

Kewajiban membentuk Sekretaris Perusahaan juga berlaku bagi Perseroan sebagai BUMN sebagaimana diatur dalam Peraturan Menteri BUMN No. PER-01/MBU/2011 tanggal 1

APPOINTMENT AND PROFILE OF CORPORATE SECRETARY

Capital Market Regulations require a Public Company that is listed on the Indonesian Stock Exchange (IDX) to appoint a Corporate Secretary Officer and to provide access to all material information of a publicly listed company in relation to the principle of information disclosure and transparency.

The responsibility to form the Corporate Secretary also applies to the Company as a State Owned Enterprise as set forth in the Minister of SOEs Regulation No.

Agustus 2011 tentang Penerapan Tata Kelola Perusahaan Yang Baik (GCG) pada BUMN berikut perubahannya.

Dalam hal terjadi kekosongan Sekretaris Perusahaan, Perseroan wajib menunjuk penggantinya dalam jangka waktu paling lama 60 (enam puluh) hari sejak terjadinya kekosongan Sekretaris Perusahaan. Selama terjadi kekosongan, Sekretaris Perusahaan dirangkap oleh seorang anggota Direksi atau orang perseorangan yang ditunjuk sebagai Sekretaris Perusahaan sementara, tanpa memperhatikan persyaratan Sekretaris Perusahaan.

Kualifikasi Sekretaris Perusahaan adalah sebagaimana diatur dalam Peraturan Otoritas Jasa Keuangan No. 35/POJK.04/2014 tentang Sekretaris Perusahaan Emiten atau Perusahaan Publik adalah sebagai berikut:

1. Cakap melakukan perbuatan hukum
2. Memiliki pengetahuan dan pemahaman di bidang hukum, keuangan, dan tata kelola perusahaan
3. Memahami kegiatan usaha Perseroan
4. Dapat berkomunikasi dengan baik
5. Berdomisili di indonesia

Sekretaris Perusahaan diangkat dan diberhentikan oleh Direktur Utama berdasarkan mekanisme internal Perusahaan dengan persetujuan Dewan Komisaris (Pasal 29 (3) Permen BUMN No. 01/2011). Organisasi Sekretaris Perusahaan dibentuk melalui Surat Keputusan Direksi. Masa jabatan Sekretaris Perusahaan dibatasi selama-lamanya 5 (lima) tahun dan dapat diperpanjang selama-lamanya 3 (tiga) tahun.

PROFIL SEKRETARIS PERUSAHAAN

Hengki Heriandono

Warga Negara Indonesia, 45 tahun, dilahirkan di Jakarta, 19 Juni 1971, berdomisili di Bekasi, Jawa Barat, Indonesia. Bergabung di Perseroan sebagai VP Corporate Secretary & Investor Relations pada tanggal 1 November 2016 berdasarkan Surat Keputusan Direktur Utama No: JKTDZ/SKEP/50039/16. Menyelesaikan pendidikan Strata satu di Fakultas Hukum Universitas Indonesia pada tahun 1995.

Sebelum bergabung dengan Perseroan, Memulai karirnya di PT BDNI Securities sebagai Corporate Finance Officer pada

PER-01/MBU/2011 dated August 1, 2011 concerning the Implementation of Good Corporate Governance in SOE and the changes.

In the event that there is a vacancy in the Corporate Secretary position, the Company is responsible to appoint a successor within 60 (sixty) days after the occurrence of the vacancy. During the vacancy, the Corporate Secretary position must be concurrently held by one of the members of the Board of Directors or another individual appointed as the temporary Corporate Secretary, without considering the requirements of a Corporate Secretary.

The qualifications of a Corporate Secretary have been set forth in the Financial Services Authority Regulation No. 35/POJK.04/2014 concerning Corporate Secretary of a Publicly Listed Company as described below:

1. Proficient in conducting legal actions
2. Have the sufficient knowledge or understanding in the field of law, finance and corporate governance
3. Understand the Company's business activities
4. Able to communicate well
5. Domiciled in Indonesia

The Corporate Secretary may be appointed and dismissed by the President Director based on the Company's internal mechanism under the approval of the Board of Commissioners (Minister of SOEs Regulation No. 01/2011 Article 29 (3)). The Corporate Secretary's Organization is formed through the Board of Directors Decree. The tenure of the Corporate Secretary is limited to a maximum period of 5 (five) years and may be extended for a maximum period of 3 (three) years.

PROFILE OF CORPORATE SECRETARY

Hengki Heriandono

Indonesian citizen, 45 years old, born in Jakarta, June 19, 1971, domiciled in Bekasi, West Java, Indonesia. Joined the Company as VP Corporate Secretary & Investor Relations on November 1, 2016 based in the President Director Decree No: JKTDZ/SKEP/50039/16. Finished his undergraduate education in the Faculty of Law, Universitas Indonesia in 1995.

Prior to joining the Company, he started his career in PT BDNI Securities as Corporate Finance Officer (1995-1996).

SEKRETARIS PERUSAHAAN
Corporate Secretary

tahun 1995-1996, Beliau pernah menempati beberapa posisi yaitu Assistant Corporate Legal Manager PT Bhuwanatala Indah Permai Tbk pada tahun 1996-1998. Corporate Secretary dan Corporate Legal Manager PT Bhuwanatala Indah Permai Tbk pada tahun 1998-2009, Kepala Divisi Corporate Secretary & Legal Compliance PT Mandiri Tunas Finance pada tahun 2010 - Oktober 2016.

He once served in several positions, i.e. Assistant Corporate Legal Manager of PT Bhuwanatala Indah Permai Tbk (1996-1998), Corporate Secretary and Corporate Legal Manager of PT Bhuwanatala Indah Permai Tbk (1998-2009) as the Chief of Corporate Secretary Division & Legal Compliance of PT Mandiri Tunas Finance in 2010 - October 2016.

TUGAS DAN TANGGUNG JAWAB SEKRETARIS PERUSAHAAN

Sekretaris Perusahaan mengemban fungsi untuk memastikan kepatuhan perusahaan terbuka terhadap seluruh peraturan perundang-undangan yang berlaku dan terkait dengan kegiatan usaha perusahaan. Sekretaris Perusahaan bertugas untuk memberikan pendapat kepada Direksi Perusahaan dalam memastikan kepatuhan terhadap peraturan perundang-undangan di bidang Pasar Modal.

Dalam rangka melakukan tugas tersebut, Sekretaris Perusahaan wajib terus mengikuti setiap perkembangan hukum, khususnya dalam sektor Pasar Modal (Peraturan Otoritas Jasa Keuangan No. 35 /POJK.04/2014 Tentang Sekretaris Perusahaan Emiten atau Perusahaan Publik). Di sisi lain, Sekretaris Perusahaan wajib juga bertindak sebagai penghubung antara Perusahaan Terbuka, OJK dan Masyarakat Pemodal atau Investor. Selain itu, Sekretaris Perusahaan wajib menyediakan seluruh informasi sehubungan dengan status dan kondisi Perseroan yang diperlukan oleh investor. Untuk tujuan ini, Peraturan BEI No. I-A mewajibkan perusahaan terbuka yang terdaftar pada papan bursa BEI untuk mengangkat Sekretaris Perusahaan dan menyediakan akses terhadap seluruh informasi material tentang perusahaan terbuka terkait sesuai dengan prinsip keterbukaan informasi dan transparansi.

Untuk maksud dan tujuan yang sama, kewajiban untuk membentuk fungsi Sekretaris Perusahaan ini juga berlaku bagi perusahaan sebagai BUMN sebagaimana diatur dalam Peraturan Menteri BUMN No. 01/2011. Fungsi tersebut adalah untuk menjamin bahwa penyelenggaraan administrasi dan tindakan korporasi yang dilakukan Perseroan telah mematuhi ketentuan dan perundangan yang berlaku dan sesuai dengan prinsip GCG, melindungi Perseroan dari sisi hukum, membina relasi dengan lembaga pemerintahan terkait serta memastikan pengelolaan dokumen perusahaan. Peranan dan tanggung jawab ini tidak hanya berlaku bagi Perseroan tetapi juga bagi seluruh entitas anaknya.

DUTIES AND RESPONSIBILITIES OF COPORATE SECRETARY

Corporate Secretary functions to ensure the compliance of the Company with all prevailing rules and regulations which are applicable and relevant to the Company's business. The Corporate Secretary is in charge to provide advices to the Company's Board of Directors 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 (Financial Services Authority Regulation No. 35/ POJK.04/2014 concerning Corporate Secretary of Publicly Listed Company). On the other hand, the Corporate Secretary shall act as a liaison between the public company, OJK 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 to 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 SOE, as governed in the Minister of SOEs Regulation No. 01/2011. That function is to ensure that the administration and corporate actions conducted by the Company has compiled with the provisions and regulations in force and in accordance with the principles of GCG, to protect the Company from a legal standpoint, to build relationships with relevant government agencies and ensuring the management of corporate documents. Those roles and responsibilities are applicable not only to the Company but also its subsidiaries.

Tanggung jawab Sekretaris Perusahaan sebagaimana tertuang dalam Peraturan Otoritas Jasa Keuangan (POJK) No. 35/POJK.04/2014 tanggal 8 Desember 2014 tentang Sekretaris Perusahaan Emiten atau Perusahaan Publik serta Peraturan Kementrian BUMN No. 01/2012 adalah:

1. Memastikan Perseroan mematuhi peraturan tentang persyaratan keterbukaan sejalan dengan penerapan prinsip-prinsip GCG.
2. Mengikuti perkembangan Pasar Modal khususnya peraturan-peraturan yang berlaku di Pasar Modal.
3. Memberikan informasi yang dibutuhkan oleh Direksi dan Dewan Komisaris secara berkala dan/atau sewaktu-waktu apabila diminta.
4. Memberikan masukan kepada Direksi dalam rangka mematuhi ketentuan Pasar Modal dan peraturan pelaksanaannya.
5. Menjadi penghubung antara Perseroan dengan Otoritas Jasa Keuangan (OJK) dan Perseroan dengan masyarakat.
6. Menyiapkan Daftar Khusus yang berkaitan dengan Direksi, Komisaris, dan keluarganya dalam Perseroan yang mencakup kepemilikan saham, hubungan bisnis, dan peran lainnya yang dapat menimbulkan benturan kepentingan.
7. Menyimpan daftar pemegang saham Perseroan.
8. Menghadiri rapat Direksi dan membuat risalah rapatnya.
9. Bertanggung jawab dalam penyelenggaraan RUPS Perseroan.
10. Menatausahakan dan menyimpan dokumen Perseroan.
11. Melaksanakan program orientasi terhadap Perseroan bagi Direksi dan/atau Dewan Komisaris.

Fungsi Sekretaris Perusahaan sesuai ketetapan Perseroan adalah menjamin bahwa penyelenggaraan administrasi dan tindakan korporasi yang dilakukan Perseroan telah mematuhi ketentuan dan perundangan yang berlaku dan sesuai dengan prinsip *Good Corporate Governance* (GCG), melindungi Perseroan dari sisi hukum, membina relasi dengan lembaga Pemerintahan terkait serta memastikan pengelolaan dokumen Perseroan.

The responsibilities of the Corporate Secretary as set forth in the Financial Services Authority Regulation (POJK) No. 35/POJK.04/2014 dated December 8, 2014 concerning Corporate Secretary of Publicly Listed Company and State Owned Enterprise and Ministry of SOE Regulation No. 01/2012 which include:

1. To ensure that the Company complies with the regulations concerning the disclosure requirements in line with the implementation of corporate governance principles.
2. To follow the development of capital markets in particular the rules and regulations applicable in the Capital Market.
3. Provide information required by the Board of Directors and Board of Commissioners periodically and/or at any time when requested.
4. To provide feedback to the Board of Directors in order to comply with the provisions of the Capital Market and its implementing regulations.
5. To be a liaison between the Company and the Financial Services Authority (FSA) and the Company with the community.
6. To set up a Special Register relating to the Directors, Commissioners, and their family in the Company which includes shares ownership, business relationship, and other roles that may give rise to a conflict of interest.
7. To keep the list of shareholders of the Company.
8. To attend Board of Directors Meetings and to make the Minutes of the Meeting.
9. To be responsible for the GMS of the Company.
10. To administer and to store Company's documents.
11. To conduct orientation programs to the Company for Board of Directors and/or Board of Commissioners.

The function of the Corporate Secretary in accordance to the Company's provisions is to ensure that the implementation of administration and corporate actions conducted by the Company have been in compliance to the prevailing laws and regulations and is in accordance to the Good Corporate Governance (GCG) principles, to protect the Company from a legal standpoint, to build relationships with relevant Government agencies as well as to ensure the management of Company's documents.

SEKRETARIS PERUSAHAAN
Corporate Secretary

PELAKSANAAN TUGAS SEKRETARIS PERUSAHAAN

Sepanjang tahun 2016, Sekretaris Perusahaan telah melaksanakan tugas dan tanggung jawabnya antara lain mencakup:

1. Memastikan Perseroan mematuhi peraturan tentang persyaratan keterbukaan informasi sejalan dengan penerapan prinsip-prinsip GCG.

2. Mengikuti perkembangan Pasar Modal khususnya peraturan-peraturan yang berlaku di Pasar Modal. Sekretaris Perusahaan menyediakan kajian dan pertimbangan terkini dari aspek hukum kepada Direksi yang berkaitan dengan operasional Perseroan dan pengembangan usaha Perseroan serta memberikan masukan bagi Direksi dalam merumuskan suatu peraturan atau kebijakan Perseroan.

3. Memberikan informasi kepada pemangku kepentingan/ masyarakat yang berkaitan dengan kondisi Perseroan.
   a. Laporan-laporan
      Sekretaris Perusahaan telah membuat dan menyampaikan laporan keterbukaan informasi dan laporan lain sebagaimana diwajibkan berdasarkan ketentuan hukum yang berlaku kepada OJK dan kepada BEI selaku regulator yang bergerak di bidang Pasar Modal serta instansi terkait lainnya.
   b. *Disclosure*
      Sekretaris Perusahaan telah melakukan *disclosure* kepada publik atas informasi material yang dibutuhkan melalui *web* IDX dan media cetak dalam rangka kepatuhan terhadap pasar modal sesuai dengan batas waktu yang dipersyaratkan. *Disclosure* kepada publik atas informasi material yang dibutuhkan melalui *web* IDX telah dibuat oleh Sekretaris Perusahaan baik melalui laporan tertulis maupun melalui media cetak.

4. Memberikan masukan kepada Direksi dalam rangka mematuhi ketentuan Pasar Modal dan peraturan pelaksanaannya.
   a. Surat Keputusan Direksi
      Sekretaris Perusahaan harus memastikan bahwa penerbitan Surat Keputusan Direksi telah dilakukan sesuai dengan mekanisme Perusahaan serta memastikan bahwa materi/isi keputusan sesuai dengan ketentuan dan perundang-undangan yang berlaku. Sebelum ditandatangani oleh Direksi, Sekretaris Perusahaan memeriksa dan melegalisasi Surat Keputusan.

DUTIES IMPLEMENTATION OF CORPORATE SECRETARY

Throughout 2016, the Corporate Secretary has performed his duties and responsibilities including:

1. Ensuring that the Company complies with regulations concerning disclosure requiements in line with the implementation of the GCG principles.

2. Follow the development of Capital Market in particular the rules and regulations in the Capital Market.
   Corporate Secretary provides the latest studies and consideration of the legal aspects related to the Board of Directors of the Company's operations and Company's business development as well as provides input to the Board of Directors in formulating a rule or policy of the Company.

3. Provide information to stakeholders/community regarding the condition of the Company.
   a. Laporan-laporan
      Sekretaris Perusahaan telah membuat dan menyampaikan laporan keterbukaan informasi dan laporan lain sebagaimana diwajibkan berdasarkan ketentuan hukum yang berlaku kepada OJK dan kepada BEI selaku regulator yang bergerak di bidang Pasar Modal serta instansi terkait lainnya.
   b. Disclosure
      Corporate Secretary has made and submits a report about information disclosure to GSA and IDX as the regulator operating in the capital market in accordance with the time limites required. Disclosure to the public of the material information required through the IDX's website has been made by the Corporate Secretary, either through written reports or through printed media.

4. Provide input to the Board of Directors in order to comply with the Capital Market regulations and its implementation rules.
   a. Board of Directors Decree
      Corporate Secretary has to ensure that the issuance of the Board of Directors Decree has been done in accordance with the Company's mechanism as well as ensuring that the material/content of the decision is in accordance with the prevailing rules and regulations. Before being signed by the Board of Directors, Corporate Secretary checks and legalizes the Decree.

b. Surat Kuasa
Sekretaris Perusahaan memastikan bahwa penerbitan Surat Kuasa Direksi kepada yang diberi wewenang telah dilakukan sesuai dengan mekanisme Perusahaan serta memastikan bahwa materi/isi Surat Kuasa telah sesuai dengan ketentuan dan perundang-undangan yang berlaku. Sebelum ditandatangani oleh Direksi, Sekretaris Perusahaan memeriksa dan melegalisasi Surat Kuasa.

5. Menjadi penghubung antara perusahaan dengan OJK dan perusahaan dengan masyarakat.
   a. Membangun relasi dengan para pemangku kepentingan dan regulator Sekretaris Perusahaan berperan menjadi penghubung antara perusahaan dengan Regulator (OJK, Kementerian BUMN, Kementerian Perhubungan, Kementerian Keuangan dll), dengan masyarakat dan pemangku kepentingan lainnya. Sekretaris Perusahaan juga membina hubungan yang baik di antaranya dengan Kementerian BUMN (sebagai Pemegang Saham Seri A Dwiwarna), Kementerian Perhubungan, Kementerian Keuangan, Kementerian Perdagangan, Direktorat Jenderal Bea dan Cukai, Kepala Kecamatan Gambir dan Kepala Kelurahan Gambir.
   b. Mengelola Laporan Gratifikasi dan Laporan Harta Kekayaan Pegawai dan Pejabat Garuda Indonesia Sekretaris Perusahaan berperan menjadi penghubung dengan Komisi Pemberantasan Korupsi (KPK) dalam hal penyampaian dan pengelolaan laporan gratifikasi dan laporan harta kekayaan yang disampaikan oleh Pegawai dan Pejabat Garuda Indonesia.

6. Menyiapkan Daftar Khusus yang berkaitan dengan Direksi dan Dewan Komisaris, dan keluarganya dalam Perseroan yang mencakup kepemilikan saham.
Sekretaris Perusahaan telah menyiapkan daftar khusus kepemilikan saham Direksi dan Dewan Komisaris, serta anggota keluarganya dan daftar khusus dimaksud telah ditandatangani oleh Direksi dan Dewan Komisaris serta Sekretaris Perusahaan menyimpan aslinya. Direksi dan Dewan Komisaris telah menandatangani surat pernyataan tidak ada benturan kepentingan dan tidak rangkap jabatan. Asli surat pernyataan tersebut disimpan di Sekretaris Perusahaan.

b. Power of Attorney
Corporate Secretary ensures that the issuance of Power of Attorney of the Board of Directors given to the authorized party has been carried out in accordance with the Company's mechanism and to ensure that the material/content of the Power of Attorney has been in accordance with the prevailing laws and regulations. Before being signed by the Board of Directors, Corporate Secretary checks and legalizes the Power of Attorney.

5. Being a liaison between the Company and the FSA and the Company with the community.
   a. Build relationships with the stakeholders and the regulators
   Corporate Secretary plays the role of a liaison between the company and the regulators (FSA, Ministry of SOEs, Ministry of Transportation, Ministry of Finance, etc.), with the public and the other stakeholders. Corporate Secretary also maintains good relations with the Ministry of SOEs (as Shareholders of Series A Dwiwarna), Ministry of Transportation, Ministry of Finance, Ministry of Commerce, Directorate General of Customers and Excise, Sub-district Head of Gambir and Gambir Village Chief.
   b. Management of Gratification and Employees Wealth Report and Officials of Garuda Indonesia Corporate Secretary plays the role of being a liaison with the Corruption Eradication Commission (KPK) in terms of delivery and management reports gratification and wealth report submitted by Employees and Officials of Garuda Indonesia.

6. Set up a Special Register related to the Board of Directors and the Board of Commissioners, and its family in the company which includes shares ownership.
Corporate Secretary has prepared a special list of shareholdings of the Board of Directors and the Board of Commissioners, as well as family members and the referred special list has been signed by the Board of Directors and the Board of Commissioners and the Corporate Secretary keeps the original copy. The Board of Directors and the Board of Commissioners have signed a statement of no conflict of interest and no concurrent positions. The original letter of the said statement is kept by the Corporate Secretary.

SEKRETARIS PERUSAHAAN
Corporate Secretary

7. Membuat daftar pemegang saham Perseroan.
   Daftar pemegang saham Perseroan dikelola oleh PT Datindo Entrycom selaku perusahaan yang ditunjuk untuk mengelola daftar pemegang saham perusahaan, PT Datindo Entrycom menyampaikan laporan daftar pemegang saham Perseroan secara rutin setiap bulan kepada Sekretaris Perusahaan dan jika diminta Perseroan.

8. Menghadiri rapat Direksi dan membuat risalah rapat.

   Dalam setiap pelaksanaan rapat Direksi, Sekretaris Perusahaan selalu hadir dan membuat risalah rapat Direksi. Sekretaris Perusahaan juga membuat keputusan Direksi di luar rapat Direksi sesuai kebutuhan.

9. Bertanggung jawab dalam penyelenggaraan RUPS Perseroan.
   a. RUPS Tahunan
      Sekretaris Perusahaan telah mempersiapkan dan mengkoordinasikan pelaksanaan Rapat Umum Pemegang Saham (RUPS) Tahunan Perseroan yang dilaksanakan tanggal 15 April 2016. Pelaksanaan RUPS Tahunan telah dilakukan sesuai dengan peraturan pasar modal dan Anggaran Dasar Perseroan. Jalannya RUPS Tahunan tanggal 15 April 2016 dimuat di dalam Berita Acara RUPS nomor 1 tanggal 15 April 2016 yang dibuat dihadapan Aulia Taufani, S.H., Notaris di Kabupaten Tangerang.

10. Penugasan khusus lainnya
    a. Litigasi
       Atas persetujuan Direksi, Sekretaris Perusahaan mewakili Perseroan dalam rangka menyelesaikan perselisihan hukum dengan pihak lain di dalam maupun di luar pengadilan. Kasus yang ditangani Perseroan ada di Komisi Pengawas Persaingan Usaha, pada pengadilan tingkat pertama, di tingkat banding dan pada tingkat Kasasi/Peninjauan Kembali.
    b. Perjanjian
       Sekretaris Perusahaan bertanggung jawab untuk melakukan *review* seluruh perjanjian Perseroan yang diterima oleh Sekretaris Perusahaan dan melakukan legalisasi atas perjanjian-perjanjian Perseroan.
       Untuk perjanjian-perjanjian tertentu, Sekretaris Perusahaan telah menyediakan *draft template*

7. Create a list of the Company's shareholders.
   The list of the Company's shareholders is managed by PT Datindo Entrycom as the appointed company to manage the list of shareholders of the Company, PT Datindo Entrycom submits the list of Company's shareholders on a regular basis every month to the Corporate Secretary and if requested by the Company.

8. Attend the Board of Directors meetings and create the minutes of meetings.
   In each of the Board of Directors meeting, the Corporate Secretary is always present and makes the minutes of the Board of Directors meeting. The Corporate Secretary also makes the Board of Directors' decisions outside the meeting of the Board of Directors as needed.

9. Responsible for organizing the Company's GMS.
   a. Annual GMS
      Corporate Secretary has prepared and coordinated the implementation of the Extraordinary General Meeting of Shareholders (EGMS) of the Company held on April 15, 2016. The implementation of the EGMS has been conducted in accordance with the Capital Market regulations and the Articles of Association of the Company. The Annual GMS on April 15, 2016 was published in the Minutes of Annual GMS no. 1 dated April 15, 2016 made before Aulia Taufani, S.H., Notary in Tangerang Regency.

10. Other Special Assignments
    a. Litigation
       Upon approval from the Board of Directors, the Corporate Secretary represents the Company in resolving legal disputes with the other parties inside and outside the court. Cases handled by the Company available in the Business Competitions Supervisory Commission, at first instance, on appeal and at the level of Cassation/Reconsideration.
    b. Agreement
       The Corporate Secretary is also responsible to conduct a review of the entire Corporate agreements received by the Corporate Secretary and to perform legalization on the Company's agreements. To certain agreements, the Corporate Secretary has provided draft agreement templates, so that certain business

perjanjian, sehingga unit-unit tertentu, seperti Kantor Cabang dapat menggunakan *draft template* perjanjian tersebut dengan melengkapi bagian-bagian mengenai kesepakatan komersial/operasional dan mengeksekusinya tanpa perlu mendapatkan legalisasi Sekretaris Perusahaan.

c. Pembinaan dan Pengembangan Sumber Daya Manusia (SDM).
   1) Pelatihan, Seminar dan *Workshop*
      Untuk meningkatkan kompetensi SDM di Unit Sekretaris Perusahaan, pada tahun 2016, pegawai unit Sekretaris Perusahaan telah mengikuti berbagai pelatihan/seminar atau *workshop* yang diselenggarakan oleh pihak ketiga. Topik dan materi pelatihan/seminar atau *workshop* adalah pada aspek pemerintahan, hukum, kontrak atau pengelolaan dokumen.
   2) Sosialisasi/*sharing* kepada Unit Kerja
      Sekretaris Perusahaan telah melakukan serangkaian sosialisasi/*sharing* kepada Unit Kerja terkait dan juga tim legal pada anak perusahaan agar memiliki kesadaran pada aspek hukum, tata kelola, kontrak dan pengelolaan dokumen.
d. Koordinasi pengurusan izin-izin usaha perusahaan.

   Sekretaris Perusahaan membuat, mengurus dan memperpanjang izin usaha Perseroan antara lain Tanda Daftar Perusahaan (TDP), Nomor Identitas Kepabeanan (NIK), Angka Pengenal Importir-Produesn (API-P), Surat Keterangan Domisili Perusahaan (SKDP), Hak Cipta/Patent, Sertifikat KADIN, dan perizinan lain yang diwajibkan berdasarkan peraturan perundangan yang berlaku.

e. Mengkoordinir pengelolaan laporan dugaan kecurangan yang masuk melalui media *Whistlebowing System* (WBS)
   Laporan dugaan kecurangan yang dilakukan oleh oknum perusahaan yang dilaporkan melalui media WBS dikelola oleh pihak independen sebagai WBS *Officer*. Apabila diperlukan, dapat dilakukan investigasi lebih lanjut atas laporan dugaan kecurangan yang diterima oleh WBS *Officer* yang selanjutnya dilakukan oleh investigator internal Perseroan. Secara periodik, WBS *Officer* menyampaikan rekapitulasi laporan WBS yang masuk melalui media pelaporan WBS baik

units, such as the branch offices can use the draft templates of the agreements by completing parts on commercial agreements/operations and executes it without getting the legalization from the Corporate Secretary.

c. Human Resources (HR) Training and Development

   1) Training, seminar and workshop
      In order to improve human capital competencies in the Corporate Secretary Unit, in 2016, the Corporate Secretary unit employees have attended various trainings/seminars or workshops held by third parties both domestically and abroad. Topics and training materials/seminar or workshop is on the aspects of governance, legal, contract or document management.
   2) Sozialization/sharing to the Working Units
      The Corporate Secretary has conducted a series of sozializations/sharing to the related Work Units and also the legal team to subsidiaries so they shall have awareness of legal, governance, contract and document management aspect.
d. Coordination of the Company's Business Licenses Application
   The Corporate Secretary creates, manages and extends the Company's business licenses including, among others, Business License on Scheduled and Non-Scheduled Commercial Air Transport, Company Registration Number (TDP), Company Identification Number (NIK), Supplier-Manufacturer Identification Number (API-P), Company's Certificate of Domicile (SKDP), Copyright/Patent, Chamber of Commerce Certificate and other licenses required based on the prevailing regulations.
e. Coordinate the management of fraud allegation reports which comes through the Whistleblowing System (WBS) media.
   The fraud allegation reports by unscrupulous company individual that is reported through the WBS is managed by an independent party who acts as the WBS Officer. If necessary, further investigation may be conducted on the alleged fraud reports received by the WBS Officer who subsequently is being carried out by an independent external investigator who has been appointed by the Company. Periodically, the WBS Officer conveys recapitulation on the

SEKRETARIS PERUSAHAAN
Corporate Secretary

melalui *website* maupun sarana pelaporan lain kepada Perseroan melalui Sekretaris Perusahaan untuk selanjutnya disampaikan kepada Direktur dan Dewan Komisaris.

Laporan yang terkait dengan dugaan kecurangan ditindaklanjuti dengan permintaan data atau informasi tambahan dari pelapor, dan apabila dianggap perlu akan dilanjutkan dengan proses investigasi oleh investigator eksternal independen yang telah ditunjuk.

f. Mengkoordinir pelaksanaan *assessment* dan *review*/evaluasi penerapan GCG.
Assessment penerapan GCG dilakukan setiap 2 (dua) tahun sekali dan review/evaluasi penerapan GCG juga dilakukan setiap 2 (dua) tahun sekali. Hasil dari GCG *assessment* dan *review*/evaluasi penerapan GCG ini merupakan salah satu KPI Perseroan. Sekretaris Perusahaan harus memastikan bahwa hasil *assessment* dan *review*/evaluasi penerapan GCG sudah diperoleh sebelum RUPS Tahunan.

WBS reports that come through the WBS reporting media either through the website or other means of reporting to the Company through the Corporate Secretary to be further submitted to the Director of GCG and the Board of Commissioners.

Reports related to alleged fraud is being followed up with data requests or additional information from the complainant, and if considered necessary, will be subsequently followed with an investigation process by an appointed external independent investigator.

f. Coordinate the implementation of assessment and review the implementation of GCG.
Assessment of GCG implementation is conducted every 2 (two) years and review/evaluation of the implementation of GCG is also conducted every 2 (two) years. Results of the GCG assessment and review/evaluation of the GCG implementation is one of the Company's KPIs. The Corporate Secretary shall ensure that the assessment and review/evaluation of the GCG implementation has been obtained prior to the Annual GMS.

PENGEMBANGAN KOMPETENSI SEKRETARIS PERUSAHAAN

Agar dapat senantiasa mengikuti perkembangan terkini dan mendukung pelaksanaan fungsi dan peran Sekretaris Perusahaan yang efektif, Perseroan telah memfasilitasi karyawan di lingkungan Sekretaris Perusahaan untuk mengikuti berbagai pelatihan. Selama tahun 2016, Sekretaris Perusahaan telah mengikuti pelatihan sebagai berikut:

DEVELOPMENT OF CORPORATE SECRETARY'S COMPETENCE

In order to always keep abreast of the current development and to support the implementation of the functions and the effective role of the Corporate Secretary, the Company has facilitated the employees within the Corporate Secretary environment to attend various trainings. Throughout 2016, the Corporate Secretary has attended:

Pelatihan Sekretaris Perusahaan Tahun 2016
Corporate Secretary Training in 2016

	Tanggal Date	Pelatihan/Seminar Training/Seminar	Penyelenggara Organizer
1.	15 Mar	Sosialisasi Peraturan Otoritas Jasa Keuangan 2016 / The Socialization of Financial Service Authority in 2016	Asosiasi Emiten Indonesia
2.	28 – 29 Jul	Workshop on AML/CTF Risk Based Supervision	OJK
3.	11 Agt	Workshop Alternative Dispute Resolution in Financial Services Sector	OJK
4.	11 Okt	Sosialisasi Peraturan Edukasi dan Perlindungan Konsumen / The Socialization of Educational Regulations and Consumers Protection	OJK
5.	29 Nov	Risk & Government Summit 2016	OJK

AUDIT **INTERNAL**
Internal Audit

Audit Internal dibentuk berdasarkan pasal 67 Undang-Undang No. 19 tanggal 19 Juni 2003 tentang Badan Usaha Milik Negara (BUMN) dan Peraturan Otoritas Jasa Keuangan (POJK) Nomor: 56/POJK.04/2015 tentang Kerangka Unit Audit Internal. Yang dimaksud dengan Audit Internal adalah suatu kegiatan pemberian keyakinan (*assurance*) dan konsultasi yang bersifat independen dan objektif, dengan tujuan untuk meningkatkan nilai dan memperbaiki operasional perusahaan, melalui pendekatan yang sistematis, dengan cara mengevaluasi dan meningkatkan efektivitas manajemen risiko, pengendalian internal, dan proses tata kelola perusahaan.

Selain itu, sesuai ketentuan Peraturan Menteri BUMN Nomor: PER-01/MBU/2011 tentang Penerapan Tata Kelola Perusahaan Yang Baik (*Good Corporate Governance*) Pada Badan Usaha Milik Negara Pasal 28, bahwa Direksi BUMN wajib menyelenggarakan pengawasan intern yang dilakukan dengan:

a. Membentuk Satuan Pengawasan Intern;
b. Membuat Piagam Pengawasan Intern.

Fungsi pengawasan intern sebagaimana dimaksud butir (a) di atas, antara lain meliputi:

a. Evaluasi atas efektivitas pelaksanaan pengendalian intern, manajemen risiko, dan proses tata kelola perusahaan, sesuai dengan peraturan perundang-undangan dan kebijakan Perseroan.
b. Pemeriksaan dan penilaian atas efisiensi dan efektivitas di bidang keuangan, operasional, sumber daya manusia, pengamanan aset perusahaan, teknologi informasi, dan kegiatan lainnya.

STRUKTUR, KEDUDUKAN, DAN INDEPENDENSI INTERNAL AUDIT

Dalam rangka untuk memenuhi ketentuan di atas, Perseroan telah membentuk Satuan Pengawasan Intern dengan nama Unit Internal Audit yang dipimpin oleh seorang Kepala Unit Internal Audit (Vice President Internal Audit) yang diangkat dan diberhentikan oleh Direktur Utama atas persetujuan Dewan Komisaris, dan bertanggung jawab kepada Direktur Utama. Setiap pengangkatan, penggantian, atau pemberhentian VP Internal Audit harus segera diberitahukan kepada OJK (d/h Bapepam-LK).

The Internal Audit was established pursuant to Article 67 of Law No. 19 dated June 19, 2003 concerning the State Owned Enterprises and Regulation of Financial Services Authority (POJK) No. 56/POJK.04/2015 on Internal Audit Framework. Whereas Internal Audit is an independent and objective assurance and consultation activity, designed to add value and improve the operations of the Company, through a systematic methodology by evaluating and improving the effectiveness of risk management, internal control, and corporate governance process.

Aside from that, pursuant to the SOEs Ministry Regulation Number: PER-01/MBU/2011 regarding the Implementation of Good Corporate Governance in State Owned Enterprises Article 28, that the Company's Board of Directors shall perform internal control activities by:

a. Forming an Internal Control Unit;
b. Preparing an 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 the prevailing legislations and the Company policy.
b. Examination and assessment on the efficiency and effectiveness in finance, operation, human resources, information technology, and other activities.

INTERNAL AUDIT STRUCTURE, POSITION, AND INDEPENDENCE

Under the provisions set forth by the SOEs Regulation and the Bapepam-LK Regulation, the Internal Audit Unit is led by a Head of Internal Audit who is appointed and dismissed by the President Director through the approval of the Board of Commissioners, and is responsible to the President Director. Each of the appointment, replacement, or dismissal of the VP Internal Audit must be immediately notified to the OJK (previously the Bapepam-LK).

AUDIT INTERNAL
Internal Audit

Jumlah pegawai Unit Internal Audit per Desember 2016 adalah 34 pegawai yang terdiri dari 1 pejabat Vice President, 5 pejabat Senior Manager dan 26 auditor, serta 2 pegawai sekretariat.

The number of Internal Audit Unit employee as of December 2016 is 34 people consisting of 1 Vice President, 5 Senior Managers and 26 auditors, as well as 2 secretary employees.

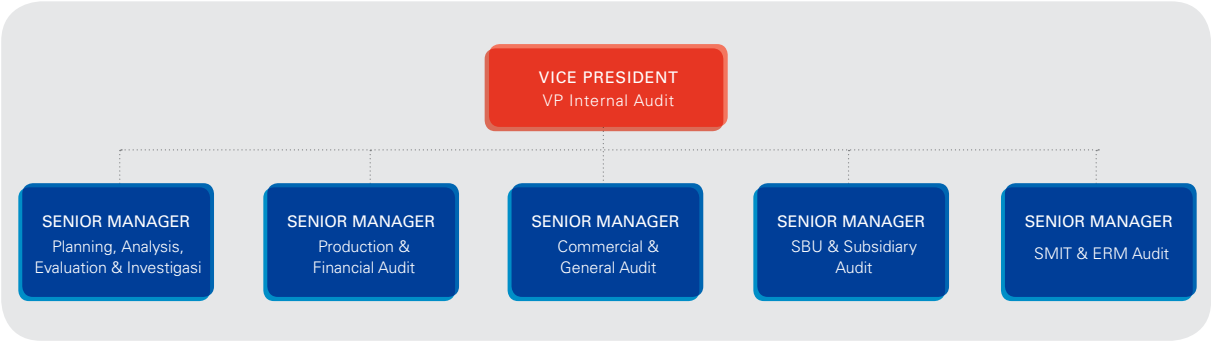
Anggota Audit Internal merupakan profesional berpengalaman yang memenuhi kriteria independensi dan kompetensi lainnya, yang tersusun pada peraturan yang berlaku. Unit Internal Audit bertanggung jawab langsung terhadap Direktur Utama dengan beberapa fungsi yakni Perencanaan, Analisa, Evaluasi & Investigasi; Produksi & Audit Keuangan; *Commercial & General Audit*; SBU & Subsidiary Audit; dan SM IT & ERM Audit.

Internal Audit members are experienced professionals meeting independence and other competencies criteria, consisting of the prevailing regulations. Internal Audit Unit is responsible directly to the President Director and is divided into several functions namely: Planning, Analysis, Evaluation & Investigation; Production & Financial Audit; Commercial & General Audit; SBU & Subsidiary Audit; and SM IT & ERM Audit.

Dalam menjalankan tugasnya, Unit Internal Audit juga berkoordinasi dengan berbagai pihak terutama dengan Komite Audit dan auditor eksternal. Dengan demikian struktur dan komposisi Unit Internal Audit pada akhir tahun 2016 adalah sebagai berikut:

In performing their duities, the Internal Audit Unit also coordinates with several parties particularly with the Audit Committee and the external auditor. Therefore the structure and composition of the Internal Audit Unit at the end of 2016 is as follows:

Struktur Organisasi Internal Audit per 31 Desember 2016
Structure of the Internal Audit Unit per December 31, 2016



PENUNJUKAN DAN PROFIL KEPALA UNIT INTERNAL AUDIT

Pengangkatan dan pemberhentian Kepala Unit Internal Audit diatur dalam Piagam Internal Audit dengan ketentuan sebagai berikut:

1. Kepala Unit Internal Audit diangkat dan diberhentikan oleh Direktur Utama atas persetujuan Dewan Komisaris.

APPOINTMENT AND PROFILE OF INTERNAL AUDIT HEAD

The appointment and dismissal of Internal Audit Head is regulated in the Charter of Internal Audit with the following regulations:

1. The Head of Internal Audit is appointed and dismissed by the President Director upon approval from the Board of Commissioners.

2. Direktur Utama dapat memberhentikan kepala Unit Internal Audit, setelah mendapat persetujuan Dewan Komisaris, jika kepala Unit Internal Audit tidak memenuhi persyaratan sebagai auditor Unit Internal Audit sebagaimana diatur dalam peraturan ini dan atau gagal atau tidak cakap menjalankan tugas.
3. Setiap pengangkatan, penggantian, atau pemberhentian kepala Unit Internal Audit diberitahukan kepada OJK.

Profil Kepala Unit Internal Audit
Sri Mulyati ditunjuk sebagai VP Internal Audit berdasarkan Perjanjian Kerja Waktu Tertentu antara PT Garuda Indonesia (Persero) Tbk dengan Sri Mulyati dengan nomor perjanjian Garuda/JKTID/91020/DA/PKWT/15 tanggal 18 Mei 2015.

Warga Negara Indonesia, 60 tahun. Beliau menjabat sebagai VP Internal Audit sejak Mei 2000. Mendapatkan gelar Sarjana dalam bidang Ekonomi Akuntansi dari Universitas Airlangga Surabaya pada tahun 1982. Sebelum bergabung dengan Perseroan, beliau menjabat sebagai Kepala Seksi Pengawasan Kontraktor Minyak Asing Badan Pengawasan Keuangan dan Pembangunan (BPKP) (1984 – 2000).

Selain mengikuti berbagai kursus dan pelatihan di bidang akuntansi dan audit dari berbagai institusi di dalam dan luar negeri, pada tahun 2016 beliau mengikuti beberapa program pengembangan kompetensi, antara lain *workshop* & FGD Anti Pungli, *Workshop* & FGD Standar Pemeriksaan Keuangan Negara.

KUALIFIKASI DAN SERTIFIKASI UNIT INTERNAL AUDIT

Dalam rangka meningkatkan keahlian profesi auditor internal agar selaras dengan lingkungan perusahaan sebagai *global player*, saat ini seluruh auditor internal Perseroan telah memiliki sertifikasi profesi audit bertaraf nasional yaitu Qualified Internal Auditor (QIA) dan beberapa sertifikasi profesi audit bertaraf Internasional seperti Certified Fraud Examiners (CFE), Certified Information Systems Auditor (CISA), Certified Internal Auditor (CIA).

Secara bertahap, auditor internal yang ada diwajibkan mengikuti pelatihan profesi audit bertaraf internasional dan seminar-seminar yang menunjang profesi auditor dalam lingkup internal maupun eksternal. Pada tahun 2016, rekapitulasi kualifikasi dan sertifikasi Unit Internal Audit adalah sebagai berikut:

2. The President Director may at any time dismiss the Head of Internal Audit, upon approval from the Board of Commissioners, in the event that the Head of Internal Audit fails to fulfill the requirements as an auditor of the Internal Audit Unit as stipulated in this provision and or failed or uncapable in performing his duties.
3. Every appointment, replacement, or dismissal of the Head of Internal Audit must be informed to the OJK.

Profile of Head of Internal Audit Unit
The appointment of Sri Mulyati as the Head of Internal Audit was based on the Certain Time Employment Agreement between PT Garuda Indonesia (Persero) Tbk with Sri Mulyati under the agreement No. Garuda/JKTID/91020/DA/PKWT/15 dated May 18, 2015.

Indonesian citizen, 60 years old. She serves as VP of Internal Audit since May 2000. She obtained a Bachelor Degree in Economic Accounting, from the University of Airlangga, Surabaya, in 1982. Before joining the Company, she was the Head of Foreign Oil Contractor Supervisory Section from State Financial and Development Supervisory Agency (BPKP) (1984-2000).

In addition to taking various courses and trainings on accounting and audit from various domestic and overseas institutions, in 2016 she participated in several competence development program, such as Anti Extortion workshop & FGD, State Finance Auditing Standard workshop & FGD.

INTERNAL AUDIT QUALIFICATION AND CERTIFICATION

In order to enhance the professional skills of internal auditor in order to align with the Company's environment as a global player, all internal auditors of the Company have currently possess national-standard audit profession certificate, namely the Qualified Internal Auditor (QIA) and several international-standard audit profession certificates such as the Certified Fraud Examiners (CFE), Certified Information Systems Auditor (CISA), Certified Internal Auditor (CIA).

Gradually, the existing internal auditor is required to attend international-standard audit profession trainings and seminars that support the auditor's internal as well as external profession. In 2016, the recapitulation of the qualifications and certifications of the Internal Audit Unit is as follows:

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Nama Jabatan Position	Jumlah Pegawai Employee Number	Sertifikasi Certification
Senior Manager	5	4 pegawai memiliki sertifikasi Qualified Internal Auditor (QIA) 2 pegawai memiliki sertifikasi CISA dan CFE 4 employeees having certification of Qualified Internal Auditor (QIA) 2 employees having certification of CISA and CFE
Auditor	26	20 pegawai memiliki sertifikasi QIA 1 pegawai memiliki sertifikasi CFE 6 pegawai baru belum memiliki sertifikasi 20 employees having certification of QIA 1 employee having CFE certification 6 new employees not having certification

PIAGAM PENGAWASAN INTERN

Perseroan telah memiliki Piagam Pengawasan Intern (*Internal Audit Charter*) yang di dalamnya memuat mengenai:

1. Struktur dan kedudukan Unit Internal Audit.
2. Tugas, lingkup, wewenang, dan tanggung jawab Unit Internal Audit.
3. Ketentuan kerja Unit Internal Audit.
4. Persyaratan auditor yang duduk dalam Unit Internal Audit.
5. Pertanggungjawaban Unit Internal Audit.
6. Pengendalian mutu.
7. Kode etik Unit Internal Audit.

Piagam Pengawasan Intern tersebut juga mencakup hubungan kelembagaan antara Internal Audit dengan Komite Audit dan Auditor Eksternal sebagaimana ditetapkan dan ditandatangani oleh Direktur Utama dan Komisaris Utama.

Adapun penyusunan Piagam Pengawasan Intern telah mengacu pada *International Standard for the Professional Practice of Internal Auditing* dan definisi Unit Internal Audit menurut Kode Etik dan Standar.

INTERNAL AUDIT CHARTER

The Company has had Internal Audit Charter in which contains:

1. Structure and position of Internal Audit Unit.
2. Duties, scope, authorities, and responsibilities of Internal Audit Unit.
3. Work rules of Internal Audit Unit.
4. Requirements of auditors to be qualified in Internal Audit Unit.
5. Accountability of Internal Audit Unit.
6. Quality control.
7. Internal Audit Unit code of conduct.

The Internal Audit Charter also includes the institutional relations between Internal Audit with Audit Committee and External Audit as stipulated and signed by the President Director and President Commissioner.

The establishment of Internal Audit Charter has complied with International Standard for the Professional Practice of Internal Auditing and definition of Internal Audit Unit according to Code of Conduct and Standards.

TUGAS DAN TANGGUNG JAWAB UNIT INTERNAL AUDIT

Tugas dan Tanggung Jawab Satuan Pengawasan Intern yang menjalankan fungsi Internal Audit sebagaimana tercantum dalam Pedoman Satuan Pengawas Internal yang ditetapkan dalam Piagam Internal Audit adalah sebagai berikut:

1. Melakukan pemeriksaan untuk memastikan bahwa pengendalian internal, manajemen risiko, dan proses tata kelola perusahaan telah berjalan dan sesuai dengan aturan yang berlaku;

DUTIES AND RESPONSIBILITIES OF INTERNAL AUDIT UNIT

The duties and responsibilities of the Internal Audit Unit who performs the Internal Audit functions as stated in the Guidelines of Internal Audit Unit as set forth by the Internal Audit Charter are as follows:

1. Perform examination to ensure that the internal control, risk management, and corporate governance process have been implemented & are in accordance with the prevailing legislations;

2. Melakukan pemeriksaan dan penilaian atas efisiensi dan efektivitas di bidang keuangan, akuntansi, operasional, sumber daya manusia, pemasaran, pengamanan aset, teknologi informasi dan kegiatan lainnya;
3. Berfungsi sebagai konsultan, fasilitator dan katalisator untuk membantu Manajemen dan *Auditee* dalam mencapai tujuan Perseroan sekaligus menjadi mitra kerja bagi Eksternal Auditor (BPK, BPKP, KAP) dan Komite Audit dalam menjalankan fungsi pengawasan;
4. Memberikan saran perbaikan yang objektif tentang kegiatan yang diperiksa, membuat laporan hasil pemeriksaan dan menyampaikan laporan tersebut kepada Direktur Utama dan Dewan Komisaris/Komite Audit.

PELAKSANAAN KEGIATAN UNIT INTERNAL AUDIT

Setiap tahun VP Internal Audit menetapkan Program Kerja Pengawasan Tahunan (PKPT) berbasis risiko dengan mengakomodasi isu-isu penting yang diperoleh dari program perusahaan tahun berjalan, profil risiko perusahaan terbaru, permintaan khusus Komite Audit dan Direksi, selain itu VP Internal Audit juga menetapkan Anggaran Pemeriksaan Tahunan. Dalam melaksanakan tugasnya, VP Internal Audit memiliki akses untuk memeriksa dokumen, pencatatan, personal, dan fisik kekayaan Perseroan di seluruh unit kerja guna mendapatkan data dan informasi yang berkaitan dengan pelaksanaan tugas audit. Di samping itu VP Internal Audit juga berkewajiban menerapkan nilai-nilai budaya perusahaan dalam setiap aktivitas di lingkungan kerjanya dan konsisten melakukan pembinaan serta pengawasan terhadap implementasinya pada seluruh SDM di unit kerjanya.

Selama tahun 2016 Internal Audit Perseroan telah merealisasikan Program Kerja Pengawasan tahunan (PKPT) sebanyak 26 program pemeriksaan dan 7 pemeriksaan non program dalam rangka menindaklanjuti laporan pengaduan yang berasal dari *Whistleblowing System* (WBS) dan media laporan lainnya yang merupakan sarana yang disediakan perusahaan untuk menerima laporan dan pengaduan baik yang berasal dari karyawan maupun masyarakat.

1. Aplikasi IT
   - Evaluasi Aplikasi GarudaMiles
   - Evaluasi Aplikasi *Web*
   - Evaluasi *IT Master Plan*
   - Evaluasi Aplikasi *Mobile*
   - Evaluasi *IT Security Implementation*

2. Perform examination and assessment on the efficiency and effectiveness in finance, accounting, operationals, human resources, marketing, asset security, information technology, and other activities;
3. 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 Auditors (BPK, BPKP, KAP) and the Audit Committee in performing the oversight function;
4. 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.

INTERNAL AUDIT UNIT ACTIVITIES

Every year, the VP of Internal Audit stipulates the Annual Audit Work Program (PKPT) of the Company based on risks by accommodating crucial issues obtained from the ongoing year company program, latest company risk profiles, special requests of Audit Committee and Board of Directors. In addition, the VP of Internal Audit also set Annual Audit Budget. In performing his duties, the Head of Internal Audit has the access to inspect Company's documents, records, personal, and physical properties in all units in order to obtain data and information related to the implementation of the audit duty. In addition, the Head 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 resouces in his working unit.

During 2016, the Company's Internal Audit has realized the Annual Audit Work Program (PKPT) by conducting 37 audit programs and 6 non-program audits in order to follow up on complaints from the Whistleblowing System (WBS) and other reporting medias which constitute the facilities provided by the Company to receive reports and complaints from both the employees and the community.

1. IT Application
   - Evaluation on GarudaMiles application
   - Evaluation on Web Application
   - Evaluation of IT Master Plan
   - Evaluation of Mobile Application
   - Evaluation of IT Security Implementation

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2. Operasi
   - Pemeriksaan Utilisasi Pesawat dan *On Time Performance* (OTP)
   - Evaluasi Implementasi Insentif C*rew*
   - Pemeriksaan *Ground Services*
3. Teknik
   - Pemeriksaan *Maintenance Reserved* (MR) *Claim*
   - Pemeriksaan *Maintenance & Repair Aircraft*
4. Komersial
   - Pemeriksaan Penerbangan *Charter* & Umroh
   - Pemeriksaan Pengelolaan *Branch Office* (BO) Jakarta
   - Pemeriksaan Pengadaan Barang dan Jasa
   - Pemeriksaan *Channel Distribution*
   - Evaluasi Pengelolaan *Pricing*
   - Pemeriksaan Pengelolaan Umroh
5. Keuangan
   - Pemeriksaan Utang
   - Pemeriksaan Biaya IT
   - Pemeriksaan *Aircraft Leasing*
6. SBU & Entitas Anak
   - Pemeriksaan ISTS & *Strategic Sourcing* PT Aerofood Indonesia
   - Pemeriksaan PT Aerotrans Service Indonesia
   - Evaluasi Kinerja PT Gapura Angkasa
   - Evaluasi Kontrak Kerja Sama dengan Amadeus
   - Pemeriksaan Lini Bisnis *Travel & Leisure* PT Aero Wisata
   - Pemeriksaan Garuda Indonesia *Training Centre*
   - Pemeriksaan Pengelolaan SBU CARGO
7. Pemeriksan dengan tujuan tertentu (pemeriksaan Khusus) sebanyak 7 (tujuh) pemeriksaan
   - Evaluasi IT *Malfunction*
   - Evaluasi *postponed* penerbangan rute Cengkareng - Jeddah
   - Evaluasi *Return to Base flight* Jakarta-Beijing
   - Investigasi atas tiket di Denpasar
   - Pemeriksaan khusus Pengelolaan Asyst
   - Pemeriksaan khusus terkait penyalahgunaan tiket di Kantor Cabang Pekanbaru (PKU)
   - Pemeriksaan khusus atas kontrak kerja sama program *great deal* pada penerbangan umroh

Selain menjalankan program kerja pemeriksaan tersebut, Unit Internal Audit juga melaksanakan program kerja lainnya, meliputi kegiatan sebagai berikut:

1. Melaksanakan *sharing session* atas pengalaman yang

2. Operations
   - Audit on the Utilization of Aircraft and On Time Performance (OTP)
   - Evaluation of Crew Incentive Implementation
   - Audit on Ground Services
3. Technical
   - Audit on Maintenance Reserved (MR) Claim
   - Audit on Maintenance & Repair of Aircraft
4. Commercial
   - Audit on Charter & Umrah Flights
   - Audit on Jakarta Branch Office (BO) Management
   - Audit on Goods and Service Procurement
   - Audit on Channel Distribution
   - Evaluation of Pricing Management
   - Audit on Umrah Management
5. Financial
   - Audit on Liabilities
   - Audit on IT costs
   - Audit on Aircraft Leasing
6. SBU & Subsidiaries
   - Audit on ISTS & Strategic Sourcing PT Aerofood Indonesia
   - Audit on PT Aerotrans Service Indonesia
   - Evaluation on the Performance of PT Gapura Angkasa
   - Evaluation of Partnership Contract with Amadeus
   - Audit in Travel & Leisure Business Line of PT Aero Wisata
   - Audit on Garuda Indonesia Training Centre
   - Audit on the Management of SBU CARGO
7. Audit with certain objectives (special audits) as many as 7 (seven) audits
   - Evaluation on IT Malfunction
   - Evaluation on postponed flights in the route of Cengkareng – Jeddah
   - Evaluation on Return to Base of flight Jakarta-Beijing
   - Investigation of ticketing in Denpasar
   - Special audit on Asyst Management
   - Special audit regarding ticket misuse at Pekanbaru Branch Office
   - Special audit on partnership contract of great deal program on umrah flights

Aside of conducting such audit work programs, the Internal Audit Unit also prepares other work programs, which include the following:

1. Conducting sharing sessions on the experience during

didapat selama proses pelaksanaan audit maupun pengetahuan yang didapat selama mengikuti pendidikan/ pelatihan, selama tahun 2016 telah dilakukan sebanyak 12 (dua belas) *sharing session* meliputi:

a. 10 (sepuluh) *sharing session* dilaksanakan terkait hasil audit yang dilakukan unit Internal Audit

b. 2 (dua) *sharing session* terkait Pengelolaan internal audit dengan 2 lembaga pendidikan

2. Melakukan penelaaahan terhadap SOP Internal Audit sesuai standar dokumen Perseroan.
3. Berkoordinasi secara rutin dengan Komite Audit dalam rangka menyelaraskan program kerja, mengevaluasi pelaksanaannya termasuk membahas masalah yang berkembang di Perseroan saat ini serta membahas laporan kinerja Perseroan.
4. Merealisasikan program pendidikan berkelanjutan (PPL) dan program sertifikasi auditor baik lingkup Nasional (QIA) maupun Internasional (CISA, CFE) serta beberapa *workshop* & diklat lainnya.
5. Sebagai mitra auditor eksternal yaitu KAP, BPK dan BPKP dalam rangka membantu kelancaran pemeriksaan yang dilakukan.
6. Melakukan koordinasi secara rutin dengan unit kerja di perusahaan dalam rangka menindaklanjuti rekomendasi atas hasil audit eksternal auditor dan audit internal.

TEMUAN AUDIT

Hasil pemeriksaan yang dilakukan Unit Internal Audit tahun 2016 menghasilkan sebanyak 74 rekomendasi dan yang telah selesai ditindaklanjuti sebanyak 54 rekomendasi sehingga status tindak lanjut dalam proses per 31 Desember 2016 sebanyak 20 (27%) rekomendasi. Sedangkan hasil pemeriksaan yang dilakukan oleh Eksternal Auditor (BPKRI) dari 39 rekomendasi BPKRI dan rekomendasi yang telah selesai ditindaklanjuti sebanyak 34 (87%).

the audit process and on the knowledge gained from trainings/workshops. In 2016, 12 (twelve) sharing sessions were conducted which cover:

a. 10 (ten) sharing sessions were implemented in relation to the audit results performed by the Internal Audit Unit
b. 2 (two) sharing sessions in relation to internal audit Management with 2 educational institutions

2. Reviewing the Internal Audit SOP based in accordance with the corporate document standards.
3. Coordinating with the Audit Committee on a regular basis in aligning the work program, evaluating its execution including discussing current issues in the company and discussing the Company's performance.
4. Implementation of the continuous education program (PPL) and auditor certification program at national level (QIA) as well as international level (CISA, CFE) and a number of workshops and other trainings.
5. As a partner of the external auditor, namely the KAP, BPK and BPKP in order to expedite the audit process.
6. Coordinating on a regular basis with the working units to follow up on external audit and internal audit (SPI) reports.

AUDIT FINDINGS

The audit that has been performed by the Internal Audit Unit in 2016 resulted in as many as 74 recommendations and 54 recommendations have been followed up so that as of December 31, 2016 there are as many as 20 (27%) open recommendations. Meanwhile, the audit results by External Auditor (BKPRI) of 39 recommendations of BKPRI and recommendations that had been followed up are 34 (87%).

AUDIT **EKSTERNAL**
External Audit

Perseroan diawasi oleh Otoritas Jasa Keuangan dalam melakukan bisnis dan operasionalnya. Selain itu, laporan keuangan Perseroan diaudit oleh Kantor Akuntan Publik.

The Company is being supervised by the Financial Services Authority in conducting its businesses and operations. In addition, the Company's financial statements are audited by the Public Accounting Firm.

PENUNJUKAN AUDITOR EKSTERNAL

Berdasarkan kewenangan yang diberikan oleh RUPS dan memperhatikan rekomendasi Komite Audit serta peraturan perundangan yang berlaku, Dewan Komisaris telah menunjuk Kantor Akuntan Publik (KAP) Satrio Bing Eny & Rekan (*Member of* Deloitte Touche Tohmatsu Limited), sebagai auditor eksternal untuk melakukan pemeriksaan independen atas laporan keuangan Perseroan untuk periode yang berakhir pada 31 Desember 2016. Proses audit yang dilakukan Akuntan Publik yang ditunjuk juga telah mengacu standar profesional akuntan sesuai dengan kontrak kerja dalam ruang lingkup audit yang akan diselesaikan dalam rentang waktu tertentu. Pelaksanaan pemeriksaan juga telah memenuhi kriteria objektivitas mengenai kewajaran dan kesesuaian dengan Standar Akuntansi Keuangan Indonesia.

APPOINTMENT OF EXTERNAL AUDITOR

Pursuant to the authorities granted by the GMS and considering the recommendations of the Audit Committee as well as the applicable laws and regulations, The Board of Commissioners has appointed Public Accounting Firm Satrio Bing Eny & Associates (Member of Deloitte Touche Tohmatsu Limited), as the external auditor to perform an independent audit of the financial statements of the Company for the period ending in December 31, 2016. The audit process conducted by the appointed Public Accountant refers to the professional standards of accounting based on the working contract within the scope of audit to be completed within a certain time frame. The audit implementation has also fulfilled the objectivity criterias in relation to the fairness and compliance of the Indonesian Financial Accounting Standards.

Individu yang ditugaskan untuk melakukan audit bernama Henri Arifian, menjabat sebagai auditor dengan nomor registrasi AP0561. Beliau telah bekerja untuk KAP Satrio Bing Eny & Rekan sejak 1996 dan tidak memiliki hubungan afiliasi dengan pemegang saham, Dewan Komisaris, dan Direksi Garuda Indonesia.

The individual assigned to conduct the audit was Henri Arifian, who serves as an auditor with registration number AP0561. He has worked for the Public Accounting Firm Satrio Bing Eny & Associates since 1996 and has no affiliation with the shareholders, the Board of Commissioners, and the Board of Directors of Garuda Indonesia.

JUMLAH PERIODE AUDIT LAPORAN KEUANGAN TAHUNAN OLEH AKUNTAN

Tahun 2016 merupakan tahun pertama bagi KAP Satrio Bing Eny & Rekan (*Member of* Deloitte Touche Tohmatsu Limited) melakukan audit atas Laporan Keuangan Perseroan untuk tahun buku 2016.

TOTAL PERIOD OF AUDIT OF ANNUAL FINANCIAL STATEMENTS BY THE ACCOUNTANT

Year 2016 was the first year for Public Accounting Firm of Satrio Bing Eny & Associates (Member of Deloitte Touche Tohmatsu Limited) to perform audit on the Company's Financial Statements for financial year 2016.

Tahun Buku Financial Year	Kantor Akuntan Publik Public Accountant Firm	Nama Akuntan Accountant's Name
2016	Satrio Bing Eny & Rekan (Member of Deloitte Touche Tohmatsu Limited) formerly Osman Bing Satrio & Eny (Member of Deloitte Touche Tohmatsu Limited)	Henri Arifian
2015	Osman Bing Satrio & Eny (Member of Deloitte Touche Tohmatsu Limited)	Muhammad Irfan
2014	Osman Bing Satrio & Eny (Member of Deloitte Touche Tohmatsu Limited)	Muhammad Irfan
2013	Osman Bing Satrio & Eny (Member of Deloitte Touche Tohmatsu Limited)	Muhammad Irfan
2012	Osman Bing Satrio & Eny (Member of Deloitte Touche Tohmatsu Limited) formerly Osman Bing Satrio & Rekan (Member of Deloitte Touche Tohmatsu Limited)	Drs. Osman Sitorus
2011	Osman Bing Satrio & Rekan (Member of Deloitte Touche Tohmatsu Limited)	Muhammad Irfan

Tahun Buku Financial Year	Kantor Akuntan Publik Public Accountant Firm	Nama Akuntan Accountant's Name
2010	Osman Bing Satrio & Rekan (Member of Deloitte Touche Tohmatsu Limited)	Muhammad Irfan
2009	Osman Bing Satrio & Rekan (Member of Deloitte Touche Tohmatsu Limited)	Muhammad Irfan

BIAYA AUDIT

Total biaya audit atas Laporan Keuangan Konsolidasian Perseroan untuk tahun buku 2016 adalah sebesar Rp5.250.000.000.

HASIL AUDIT DAN JASA LAINNYA

Hasil audit tahun buku 2016 atas Laporan Keuangan Konsolidasian Perseroan menyatakan bahwa laporan keuangan Perseroan telah disajikan secara wajar tanpa pengecualian dan bebas dari salah saji material berdasarkan prinsip akuntansi yang berlaku umum di Indonesia. Selain jasa audit keuangan, KAP Satrio Bing Eny & Rekan (*Member of* Deloitte Touche Tohmatsu Limited) tidak memberikan jasa lain kepada Perseroan.

AUDIT FEE

The total audit fee for the Company's Consolidated Financial Statements for Financial Year 2016 was amounted to Rp5,250,000,000.

AUDIT RESULT AND OTHER SERVICES

The audit result for the Company's Consolidated Financial Statements for Financial Year 2016 states that the Company's financial statements obtained unqualified opinion and free of any material misstatements based on the generally accepted accounting principles in Indonesia. In addition to the financial audit services, Public Accounting Firm of Satrio Bing Eny & Associates (Member of Deloitte Touche Tohmatsu Limited) does not provide any other services to the Company.

MANAJEMEN **RISIKO**
Risk Management

Industri penerbangan rentan terhadap ketidakpastian yang berasal dari eksternal maupun internal Perseroan, di antaranya seperti pertumbuhan GDP, persaingan usaha, fluktuasi harga bahan bakar, nilai tukar mata uang asing, perubahan regulasi, keterbatasan infrastruktur, kondisi alam pada saat penerbangan, kesiapan pesawat, kesiapan SDM (udara dan darat), kondisi keuangan, dan lain sebagainya.

Ketidakpastian tersebut dapat berdampak pada finansial, operasional, reputasi, legal, keamanan dan keselamatan penerbangan. Ketidakpastian atau risiko harus dikelola sesuai dengan *risk appetite* Perseroan dan pertimbangan antara *cost vs benefit.* Pengelolaan risiko dilakukan untuk meminimalkan peluang terjadinya dan/atau dampak yang ditimbulkannya dengan tujuan untuk mengoptimalkan pencapaian tujuan Perseroan.

The vulnerable airline industry against uncertainty from the external and internal side of the Company, among other things are GDP growth, business competition, fuel price fluctuation, foreign currency exchange rates, regulation change, infrastructure limitation, natural conditions during flights, aircraft preparedness, HR preparedness (air and land), financial situation, and so forth.

The uncertainty also impacts on the flights in terms of finance, operations, reputation, law, security, and safety. The uncertainty or risks must be managed based on risk appetite of the Company and consideration between cost vs benefit. The risk management conducted to minimize the possibility of occurring and/ or impacts in order to optimize the realization of Company's goals.

MANAJEMEN RISIKO
Risk Management

KONSEP MANAJEMEN RISIKO

Implementasi sistem manajemen risiko Perseroan dilakukan berdasarkan mekanisme ERM proses. Proses tersebut menggunakan pendekatan yang sistematis dan berkelanjutan untuk mengelola risiko Perseroan. Proses tersebut meliputi:

1. Identifikasi risiko-risiko yang berpotensi dari seluruh unit kerja Perseroan (*bottom up*) dan program/inisiatif strategis Perseroan (*top down*).
2. Asesmen risiko-risiko teridentifikasi berdasarkan *likelihood* dan *impact* untuk dapat membuat prioritas penanganan risikonya.
3. Eksekusi rencana mitigasi yang telah dibuat berdasarkan prioritas penanganan risikonya.
4. Monitor risiko-risiko secara periodik terutama risiko signifikan dan membuat pelaporan.

RISK MANAGEMENT CONCEPT

The implementation of the Company's risk management system is being carried out based on ERM process. The process uses a systematic and sustainable approach to manage the Company's risks. The process comprises:

1. Identification of potential risks from all the Company's work units (bottom up) and the Company's strategic program/initiatives.
2. Assessment of identified risks based on likelihood and impacts to make priorities of risks management.
3. Execution of mitigation plan that has already been made based on priority of risk management.
4. Monitor risks periodically especially significant risks and make reports.

Profil risiko dari seluruh unit kerja dan fungsi bisnis dikonsolidasikan dan dilaporkan kepada manajemen. Risiko dipantau secara rutin untuk melihat efektivitas mitigasinya dalam meminimalkan eksposur risiko dan memaksimalkan peluang dalam pencapaian tujuan strategis Perseroan.

Mekanisme pengelolaan risiko menggunakan ERM proses dilakukan secara rutin untuk mengidentifikasi risiko-risiko yang dapat menghambat pencapaian target Perseroan. ERM proses dimulai dengan identifikasi risiko, pengukuran risiko, mitigasi dan pemantauan dari jalannya mitigasi tersebut.

Risk profiles of all work units and business functions are consolidated and reported to management. Risks are monitored regularly to see mitigation effectiveness to minimize risk exposure and maximize opportunities in achieving strategic goals of the Company.

The mechanism of risk management uses ERM process done routinely to identify risks that may hider the realization of the Company's targets. ERM process starts by identifying risks, measuring risks, mitigation and monitoring of the execution of mitigation.

Perseroan secara rutin melakukan pemantauan terhadap Corporate Risk Profile (CRP). Selain itu, ERM proses juga terintegrasi dengan *corporate strategy* yang dimiliki oleh Perseroan, sehingga setiap pengambilan keputusan dilakukan dengan mempertimbangkan dan menanggapi ketidakpastian dalam bisnis.

The Company regularly conducts monitoring on Corporate Risk Profile (CRP). Aside from that, ERM process is also integrated with corporate strategy of the Company so every decision making is done by considering and responding the business uncertainty.

Setiap tahun, Perseroan melakukan pengukuran efektivitas penerapan manajemen risiko melalui Enterprise Risk Management (ERM) *Maturity Assessment*. Penilaian terhadap tingkat kematangan ERM dilakukan terhadap enam pilar utama, yaitu:

Every year, the Company conducts measurement of effectiveness of risk management application with Enterprise Risk Management (ERM) Maturity Assessment. The assessment of the ERM maturity level is done on six main pillars, which is as follows:

Hasil dari penilaian tingkat maturitas tersebut akan dijadikan salah satu acuan dalam menyusun program kerja implementasi manajemen risiko di Perseroan. Hal tersebut dimaksudkan agar terdapat perbaikan dalam efektivitas manajemen risiko.

The results of the maturity level assessment shall serve as one of the guidances in devising a risk management implementation work program in the Company. This is intended so there is improvement in the risk management effectiveness.

JENIS RISIKO DAN PENGELOLAAN RISIKO

Perseroan memiliki lima besaran kategori risiko yaitu risiko yang berhubungan dengan strategik, operasional, keamanan dan keselamatan penerbangan, *finansial*, dan risiko kepatuhan. Kelima besaran risiko ini memiliki kriteria tersendiri untuk dilakukan pengelolaan. Pengelolaan tersebut tentunya didasarkan pada tingkat prioritas risiko yang dinilai berdasarkan besarnya eksposur risiko. Berikut adalah gambaran risiko-risiko utama Perseroan yang telah diidentifikasi di tahun 2016:

1. Tantangan dalam mencapai target pendapatan
   Industri penerbangan memiliki karakteristik sebagai industri padat modal. Hal ini tercermin dalam besarnya biaya operasional dan tingginya investasi alat produksi yang digunakan. Hal tersebut memberikan tekanan yang besar dalam bisnis penerbangan dikarenakan tipisnya margin yang ingin dicapai.

TYPE OF RISKS AND MITIGATION MEASURES

The Company has five risk classification categories of the risks associated with the strategic, operational, flight safety and security, financial, and compliance. These five risks have its own criterias in terms of its management. The management is be based on the risk priority level that is assessed based on the amount of risk exposures. The overview of the Company's key risks that have been identified in 2016 is described below:

1. Challenges in Achieving the Revenue Target
   The airline industry is a capital-intensive industry. This is reflected in the amount of operational costs and the high investment of production tools used. This brings great pressure on the aviation business as there is very little margin to achieve.

MANAJEMEN RISIKO
Risk Management

Untuk meminimalisir eksposur dari risiko tersebut, Perseroan mengambil langkah-langkah strategis dengan melakukan mitigasi risiko di antaranya:

a. Penguatan rute-rute dengan potensi pendapatan tinggi
b. Pengembangan program *Ancillary Revenue*
c. Optimalisasi pendapatan melalui aliansi
d. Meningkatkan kerja sama dengan korporasi
e. Optimalisasi penjualan melalui *channel distribution* yang lebih efisien (*E-Commerce*)
f. Meningkatkan promosi pemasaran
g. Memperbaiki proses bisnis yang terkait dengan penjualan
h. Evaluasi kebijakan *corporate sales*
i. Meningkatkan kompetensi personel yang ditempatkan di kantor-kantor cabang dalam hal penguasaan *product knowledge* dan pelayanan kepada pelanggan

2. Tantangan dalam melakukan ekspansi rute
Perluasan jaringan merupakan salah satu strategi penting untuk menjaga kontinuitas bisnis dan menjaga posisi kompetitif Perseroan. Infrastruktur penerbangan komersial Indonesia telah mengalami kemajuan yang cukup signifikan dalam beberapa tahun terakhir ini, sumber daya dari beberapa segmen pada industri penerbangan termasuk fasilitas bandara dan sistem pemandu lalu lintas udara, penggunaannya telah melampaui kapasitas maksimum sebagai akibat dari peningkatan yang signifikan pada pertumbuhan penumpang dan penambahan jumlah armada.

Hal tersebut telah memberikan tekanan pada kemampuan Perseroan dalam melakukan peningkatan *On Time Perfomance* (OTP), penghematan bahan bakar, memberikan kenyamanan penumpang, dan pengembangan jaringan. Perseroan telah melakukan inisiatif-inisiatif untuk mengatasi keterbatasan tersebut melalui hal-hal sebagai berikut:

a. Penggunaan *wide body* untuk rute-rute yang padat
b. Program *seat reconfiguration* untuk memenuhi kebutuhan pasar dan menurunkan CASK (*route/ frequency adjustment*)
c. *Re-engineering network model*
d. Pembukaan rute-rute baru maupun perubahan frekuensi penerbangan

To minimize the risk exposure, the Company takes strategic measures by conducting risk mitigation, which is as follows:

a. Strengthening of routes with high revenue potential
b. Development of Ancillary Revenue program
c. Optimation of revenue by alliance
d. Improving cooperation with corporations
e. Optimation of sales through more efficient channel distributions (E-Commerce)
f. Improving marketing promotion
g. Improving business process related to sales
h. Evaluation on corporate sales policy
i. Improving personnel competence placed in branch offices in terms of product knowledge and customer service

2. Challenges in route expansion
The network expansion is one of key strategies to maintain business continuity and maintain competitive edge of the Company. The Indonesia's commercial flight infrastructure has improved significantly in the recent years, resources of several segments in aviation industry including airport facilities and air traffic controller system, the use has exceeded the maximum capacity as a result of the significant rise of passenger number and fleet number addition.

This puts pressure on the ability of the Company to improve OTP, save fuel, offer convenience for passengers, and develop networks. The Company has conducted initiatives to solve these limitations by these steps:

a. The wide body use for heavy routes
b. Seat reconfiguration Program to meet market demands and decrease CASK (route/frequency adjustment)
c. Re-engineering of network model
d. Opening of new routes and flight frequency change

e. Evaluasi kebijakan *corporate sales*
f. Kerjasama Periklanan dengan Kementerian Pariwisata (500 slots from Kemenpar) untuk mengenalkan produk Perseroan kepada masyarakat luas (domestik & internasional)

3. Tekanan likuiditas dapat mempengaruhi kemampuan Perseroan
Rentannya industri penerbangan terhadap kondisi ekonomi global menyebabkan Perseroan menghadapi risiko likuiditas yang cukup besar. Adanya resesi atau penurunan daya beli masyarakat dapat menyebabkan penumpang beralih pada pilihan transportasi yang lebih murah bahkan memilih untuk tidak berpergian. Di sisi lain, pesawat harus tetap terbang walaupun dengan kursi yang tidak terisi. Naiknya beban operasional yang tidak diimbangi dengan kenaikan pendapatan dapat menyebabkan Perseroan merugi dan tidak mampu memenuhi kewajibannya. Ketidakmampuan Perseroan dalam memenuhi kewajiban keuangannya akan menyebabkan dampak yang besar bagi Perseroan.

Adapun mitigasi yang telah dilakukan Perseroan dalam menghadapi risiko tersebut meliputi:
a. Mendorong program efisiensi biaya
b. Mencari alternatif pendanaan eksternal

4. Keberlangsungan rute-rute yang tidak menguntungkan
Dalam mendukung strategi pertumbuhan, Perseroan melakukan penambahan jumlah armada, frekuensi dan pembukaan rute baru. Dalam melakukan ekspansi tersebut dibutuhkan waktu untuk memperoleh keuntungan sehingga dalam proses pembukaan rute baru Perseroan akan menghadapi kondisi yang tidak menguntungkan.

Hal ini terkait dengan investasi awal yang harus dikeluarkan oleh Perseroan. Kondisi ini juga memiliki ketergantungan dengan ketidakpastian ekonomi, bencana alam, kompetisi dan lainnya. Adapun Perseroan melakukan inisiatif-inisiatif untuk mengatasi keterbatasan tersebut melalui pemantauan dan evaluasi hingga didapatkan pemetaan permasalahan yang menjadi sebab performa negatif.

e. Evaluation on corporate sales policy
f. Joint advertising with Tourism Ministry (500 slots from Kemenpar) to introduce the Company's products to the public (domestic & international).

3. Liquidity Pressure may affect the Company's ability

The vulnerability of aviation industry on the global economic condition causes the Company to deal with a quite high liquidity risk. There is recession or buying power of people may cause passengers to shift to cheaper means of transportation and even choose not to travel. On the other hand, aircrafts must keep flying even with empty seats. The increasing operation cost which is not balanced with the increasing revenue may cause losses and the Company may not be able to fulfill its obligations. The inability of the Company in fulfilling the financial liabilities shall cause huge impacts on the Company.

The mitigation conducted by the Company in dealing with risks includes:
a. Improving cost efficiency program
b. Seeking external funding alternatives

4. The continuing unprofitable routes
To support of the growth strategy, the Company increases its fleet capacity, frequency, and opens new routes. Such expansion takes time to generate profit, thus in the process of opening new route the Company will face unfavorable conditions.

This is related to onset investment spent by the Company. The condition also has dependence on economic uncertainty, natural disasters, competition and others. The Company conducts initiatives to solve the drawbacks by monitoring and evaluating to draw issue maps which trigger a negative performance.

MANAJEMEN RISIKO
Risk Management

5. Kerugian akibat fluktuasi mata uang
Sebagian besar dari pengeluaran Perseroan dibayarkan dalam mata uang Dolar Amerika Serikat, seperti kewajiban utang, kewajiban pembayaran sewa, beban pemeliharaan dan perbaikan, serta beban bahan bakar. Di sisi lain, sebagian besar pendapatan Perseroan diperoleh dalam mata uang Rupiah Indonesia dan sisanya diterima dalam mata uang asing lainnya. *Volatiltas currency* dan tidak seimbangnya antara pendapatan dan biaya antar mata uang asing (seperti antara Rupiah dan Dolar AS) dapat berdampak negatif terhadap kinerja Perseroan. Kondisi makro perekonomian dan stabilitas politik negara memiliki kontribusi fluktuasi *foreign exchange rate* tersebut.

5. Losses due to currency fluctuation
Most of the Company's spending is paid in US Dollar, such as liabilities, leasing payment, repairment and maintenance costs, and fuel costs. On the other hand, most of the Company's revenue is generated in Indonesia Rupiah and the rest is accepted in other foreign currencies. The currency volatility and imbalance among revenue and cost between currencies (such as between Rupiah and US Dollar) may negatively affect the Company's performance. The macroeconomic condition and political stability contribute to the fluctuation of foreign exchange rates.

EVALUASI ATAS EFEKTIVITAS MANAJEMEN RISIKO

Untuk meningkatkan efektivitas manajemen risiko, Perseroan melakukan perbaikan secara berkelanjutan. Setiap tahun, Perseroan melakukan pengukuran efektivitas penerapan manajemen risiko melalui Enterprise Risk Management (ERM) *Maturity Assessment* dan penilaian implementasi *road map*. Penilaian terhadap ERM *Maturity* dilakukan terhadap enam pilar utama, yaitu pemerintah dan organisasi, strategi manajemen risiko, aktivitas manajemen risiko, laporan dan komunikasi, *tools* dan teknologi, serta budaya dan kemampuan.

Implementasi ERM terintegrasi dengan strategi perusahaan yang dimiliki oleh Perseroan. Sehingga setiap pengambilan keputusan Perseroan telah mempertimbangkan risiko dalam bisnis. Implementasi tersebut dilakukan dengan tujuan memberikan gambaran mengenai risiko-risiko yang mungkin terjadi sehingga tindakan mitigasi terhadap risiko tersebut dapat dilaksanakan dengan baik sebagai upaya untuk menjaga pencapaian sasaran yang diharapkan oleh Perseroan.

Hasil dari penilaian tingkat maturitas tersebut akan dijadikan salah satu acuan dalam menyusun program kerja implementasi manajemen risiko di Perseroan. Hal tersebut dimaksudkan agar terdapat perbaikan dalam efektivitas manajemen risiko.

EVALUATION ON RISK MANAGEMENT EFFECTIVENESS

To increase the risk management effectiveness, the Company conducts improvement sustainably. Every year, the Company conducts effectivity measurement of risk management application through Enterprise Risk Management (ERM) Maturity Assessment and road map implementation assessment. The assessment on the ERM Maturity is done on the six main pillars, i.e. governance and organization, risk management strategy, risk management activity, reporting and communication, tools and technology, as well as culture and capabilities.

The ERM implementation is integrated with corporate strategy of the Company. So every decision of the Company has considered risk in business. The implementation is done to give description on potential risks so mitigation measures that may occur on risks can be conducted well as efforts to maintain target achievement expected by the Company.

The results of maturity level assessment shall become one of the references in making risk management implementation work program in the Company. This is intended so there is improvement of risk management effectiveness.

SISTEM **PENGENDALIAN INTERNAL**
Internal Control System

Sesuai dengan pasal 26 Peraturan Menteri Negara Badan Usaha Milik Negara Nomor PER-09/MBU/2012 tanggal 24 Agustus 2012 perihal Penerapan Praktik *Good Corporate Governance* pada BUMN, Sistem Pengendalian Internal dirancang untuk menunjang organ Komite Audit, Internal Audit dan Audit Eksternal dalam pelaksanaan fungsi pengawasan aktivitas dan pengelolaan Perseroan.

Pembentukan Sistem Pengendalian Internal juga dimaksudkan untuk mewujudkan komitmen Perseroan sebagai warga Perseroan yang baik, tunduk dan patuh terhadap prinsip penerapan Tata Kelola Perusahaan yang Baik. Upaya pengendalian internal ini secara khusus diterapkan dalam aspek-aspek penting seperti aspek operasional, keuangan, SDM, dan juga kepatuhan terhadap perundang-undangan. Selain itu, sistem pengendalian internal juga dimaksudkan untuk menekan potensi risiko usaha mau pun praktik penyimpangan etika bisnis yang berdampak negatif pada kinerja Perseroan.

PELAKSANAAN SISTEM PENGENDALIAN INTERNAL
Dalam pelaksanaannya, fungsi pengendalian internal harus selalu memperhatikan kepentingan-kepentingan Perseroan, Pemegang Saham, dan Pemangku Kepentingan sesuai dengan kerangka yang digariskan dalam visi, misi dan tujuan Perseroan.

Pengawasan dan pengendalian internal pada tingkat Dewan Komisaris dibantu oleh Komite Audit. Fungsi pengawasan dan pengendalian juga mencakup fungsi yang melekat pada setiap unit bisnis termasuk unit-unit pendukung (*embedded internal control*), Unit Internal Audit, dan Manajemen Risiko.

Pengendalian internal adalah suatu proses yang melibatkan seluruh personil yang ada dalam organisasi mulai dari Dewan Komisaris, Direksi, manajemen, sampai dengan karyawan tingkat bawah. Pengendalian internal dirancang untuk memberikan keyakinan yang memadai (*reasonable assurance*) dalam rangka mencapai tujuan Perseroan, yaitu mencakup:
- Efektivitas dan efisiensi operasi,
- Keandalan pelaporan keuangan, dan
- Kepatuhan terhadap hukum, peraturan perundangan dan ketentuan yang berlaku.

As set forth in Article 26 of the Regulation of the State Minister for State Owned Enterprises No PER09/MBU/2012 dated August 24, 2012 concerning the Implementation of Good Corporate Governance Practice on SOE, the Internal Control System is designed to support the Audit Committee organ, the Internal Audit and the External Audit in doing their supervisory functions and the Company's management.

The establishment of the Internal Control System is also intended to realize the Company's commitment as a good corporate citizen that is submissive and obedient to the application principles of Good Corporate Governance. This internal control efforts specifically apply in important aspects such as the operational, finance, and human resources aspects and also compliance with the regulations. In addition, the internal control system is also intended to minimize the potential business risks as well as any deviations in the business ethic practices that may have adverse impacts to the Company's performance.

INTERNAL CONTROL SYSTEM IMPLEMENTATION
In the implementation, internal control system must always pay attention to interests of the Company, Shareholders, and Stakeholders based in the framework set in the vision, mission and goals of the Company.

The internal monitoring and control at the Board of Commissioners level is assisted by Audit Committee. Other monitoring and control functions also include functions related to each business unit including supporting units (embedded internal control), Internal Audit Uni, and Risk Management.

The internal control is a process that involves all personnels in the organization from the Board of Commissioners, Board of Directors, management, to the lowest level of employees. The internal control is designed to provide reasonable assurance in order to achieve the Company's goals, which are as follows:

- Effectiveness and efficiency of operations,
- Financial repoting reliability, and
- Legal compliance with the prevailing laws and regulations.

SISTEM PENGENDALIAN INTERNAL
Internal Control System

Secara umum, sistem pengendalian internal bukanlah suatu aktivitas yang ditambahkan dalam proses manajemen, akan tetapi merupakan bagian yang tak terpisahkan dalam proses tersebut. Lima komponen yang menunjang efektivitas pengendalian internal sesuai dengan kerangka COSO yaitu:

1. Lingkungan pengendalian internal
   Keseluruhan tindakan, kebijakan, dan prosedur yang merefleksikan seluruh sikap Manajemen Eksekutiif, Dewan Komisaris, dan Pemilik Entitas.
2. Penilaian risiko
   Identifikasi dan analisis organisasi terhadap risiko umum dan risiko bawaan yang relevan dalam pencapaian tujuannya.
3. Aktivitas pengendalian
   Kebijakan dan prosedur yang membantu manajemen dalam menjamin bahwa arahannya dilaksanakan untuk menghadapi risiko.
4. Informasi dan komunikasi
   Informasi meliputi pemilihan sistem informasi yang relevan dan kualitas informasi yang dihasilkan. Sedangkan komunikasi mencakup pemahaman peran dan tanggung jawab invidual berkenaan dengan pengendalian internal.

5. Pemantauan
   Proses yang menentukan kualitas kinerja pengendalian internal sepanjang waktu. Aktivitas pemantauan dilakukan terus menerus dan terdapat kegiatan evaluasi secara terpisah.

EVALUASI ATAS EFEKTIVITAS SISTEM PENGENDALIAN INTERNAL

Pada tahun 2016, Perseroan telah melakukan evaluasi terhadap pelaksanaan efektivitas pengendalian internal pada tingkat perusahaan dan operasional dengan penjelasan sebagai berikut:

1. Perseroan telah melaksanakan penegakan integritas (pakta integritas), penerapan nilai-nilai budaya perusahaan dan Etika Bisnis & Etika Kerja.

2. Pembentukan struktur organisasi beserta penjabarannya disesuaikan dengan kebutuhan Perseroan.

3. Adanya pembagian tugas dan wewenang pada tingkat Direksi, Unsur Pelaksana, Unsur Pendukung dan Strategi Bisnis Unit termasuk implementasi *standard operating procedure* (SOP) pada setiap proses bisnis Perseroan.

In general, the internal control system is not an activity added to the management process, but is an inseparable part of the process. Five components that support internal control effectiveness based in the COSO framework are:

1. Internal control environment
   Thee overall actions, policies and procedures that reflect all of the attitudes of the Executive Management, the Board of Commissioners and the Business Entities.
2. Risk Assessment
   Organization identification and analysis of the general risks and inherent risks relevant in the achievement of its objectives.
3. Control Activities
   Policies and procedures that help to ensure that the management's directives are implemented to face potential risks.
4. Information and Communication Information refers to the selection of relevant information system and the quality of information that is produced, whereas Communication refers to the understanding of the roles and responsibilities of individuals in respect to internal control.
5. Monitoring
   The process that determines the quality of the internal control performance over time. Activity monitoring is conducted continuously and there is a separate evaluation activity.

EVALUATION ON INTERNAL CONTROL SYSTEM EFFECTIVENESS

In 2016, the Company has evaluated the effectiveness of the company's internal control and its operations with the following explanations:

1. The Company has carried out the integrity enforcement (integrity pact), the implementation of the values of corporate culture (FLYHI) and Business Ethics and Work Ethics.
2. The establishment of the Company's organizational structure and its formulation is adapted according to the needs of the Company.
3. The divisions of roles and responsibilities at the level of the Board of Directors, executive elements, supporting elements and Business Unit Strategy, including the implementation of the standard operating procedures (SOP) in every business process of the Company.

4. Perseroan telah menetapkan sistem Manajemen Kinerja dengan menetapkan KPI perusahaan, KPI unit kerja, dan KPI individu.
5. Perseroan telah mengimplementasikan ERM.
6. Penggunaan sistem Teknologi Informasi untuk menunjang kegiatan operasional Perseroan. Perseroan juga telah memiliki kebijakan terkait IT di antaranya IT *Governance* dll.
7. Perseroan telah menjalankan sistem keterbukaan informasi kepada pelanggan maupun karyawan di antaranya melalui Sistem Pelaporan Pelanggaran (*Whistleblowing System* (WBS)) dan pelaporan Gratifikasi.
8. Pelaksanakan Perjanjian Kerja Bersama (PKB).
9. Rekrutmen karyawan dilakukan secara *online* dan melibatkan konsultan independen.
10. Komunikasi terhadap kebijakan Perseroan disampaikan melalui *web intranet*, secara tertulis, secara langsung melalui pimpinan dan juga melalui pedoman tata tertib kerja. Sedangkan komunikasi bagi pihak eksternal seperti pengaduan dan lainnya melalui *web* yang disediakan Perseroan.
11. Pemantauan dan evaluasi terhadap efektivitas pelaksanaan pengendalian intern dilakukan baik pada tingkat Komisaris, Direksi, Pimpinan dan unit pelaksanaan.

Berdasarkan hasil pemeriksaan atas kegiatan operasional Perseroan sepanjang tahun 2016, diperoleh kesimpulan bahwa sistem pengendalian internal Perseroan telah dilakukan secara memadai dan konsisten. Perseroan memandang bahwa sistem pengendalian internal secara umum sudah berjalan dengan baik, efektif dan efisien namun masih memerlukan perbaikan dan penyempurnaan dalam aspek sistem maupun kebijakan seperti yang telah dijabarkan dalam laporan hasil audit dan rekomendasi yang dibuat oleh Unit Internal Audit selama tahun 2016.

Pada Program Kerja Audit tahun 2016, Unit Internal Audit telah melaksanakan 26 program pemeriksaan dan 7 pemeriksaan non program (pemeriksaan khusus) Dalam upaya mengevaluasi atas efektivitas pengendalian internal di tingkat operasional dan bisnis. Pada setiap tujuan pemeriksaan mencantumkan aktivitas di antaranya sebagai berikut:

- Memastikan bahwa penilaian risiko telah dilakukan secara memadai oleh unit bisnis untuk meminimalisir risiko.
- Memastikan unit bisnis telah mengembangkan kegiatan pengendalian umum atas teknologi informasi yang

4. The Company has established a Performance Management System by stipulating the Corporate KPI, the working unit KPI and the individual KPI.
5. The Company has implemented the ERM.
6. Usage of Information Technology System to support the Company's operational activities and the Company has also possesses IT Policy including IT Governance etc.
7. The Company has performed the information disclosure system to customers and employees through the Whistleblowing System (WBS) and Gratification reporting.
8. The implementation of a Collective Labour Agreement (PKB).
9. Recruitment of employees is being carried out online and involving an independent consultant.
10. Communication of the Company's policy is delivered through an intranet web, in writing, directly through the leader and through the working code of conduct. While communication for the external parties such as complaints and others are done through company provided website.
11. Monitoring and evaluation of the effectiveness of internal control implementation that is done both at the level of the Board of Commissioners, the Board of Directors, Chairman and the execution unit..

Based on the results of the Company's operational activities throughout 2016, it can be concluded that the Company's internal control system has been carried out adequately and consistently. The Company views that the internal control system in general has been running well, effectively and efficiently although improvements on the aspects of the system as well as the policies are still needed, as have been described in the audit report and the recommendations made by the SPI in 2016.

In the Audit Work Program in 2016, Internal Audit Unit has conducted 26 audit programs and 7 non program audits (special audits). In the evaluation of internal control effectiveness at the operational and business process level, in each goal of audit mentions activities among other things are:

- Ensuring that risk assessment has been done sufficiently by business units to minimize risks.
- Ensuring business units have developed general control activities on information technology to be used to support

digunakan untuk mendukung tercapainya tujuan.
- Memastikan bahwa unit bisnis menerapkan aktivitas pengendalian pada setiap kebijakan dan prosedur yang dibuat.

the achievement of goals.
- Ensuring that business units apply the control activity in each decision and procedure made.

PERKARA PENTING DAN **SANKSI ADMINISTRATIF**

Legal Disputes and Administrative Sanctions

Selama periode tahun 2016 tidak ada anggota Direksi dan Dewan Komisaris Garuda Indonesia yang sedang menjabat memiliki permasalahan hukum, baik perdata maupun pidana. Namun Garuda Indonesia selaku entitas bisnis sedang menghadapi 4 (empat) permasalahan hukum yang material termasuk yang dihadapi oleh anak perusahaan Garuda Indonesia (Asyst dan Aerowisata) di mana untuk kasus terkait Asyst, perkara tersebut telah diselesaikan di tahun 2016.

In 2016, there is no incumbent member of Board of Directors and the Board of Commissioners of Garuda Indonesia who has any legal or criminal issues. However, Garuda Indonesia as a business entity is currently faced with 4 (four) material legal issues including the one faced by one of Garuda Indonesia's subsidiaries (Asyst and Aerowisata), in which the Asyst case is settled in 2016.

Sepanjang tahun 2016, Perseroan, Direksi dan Dewan Komisaris, tidak menghadapi gugatan atau kasus hukum di pengadilan dan/atau lembaga arbitrase atau kasus signifikan, baik dalam pidana, perdata, perpajakan, arbitrase, hubungan industrial, lembaga administrasi negara yang menghadapi kebangkrutan di pengadilan Indonesia, yang berdampak material pada kelangsungan bisnis Perseroan bersama dengan asetnya. Di bawah ini adalah kasus hukum yang dihadapi oleh Perseroan di luar aspek operasional pada tahun 2016:

In 2016, the Company, the Board of Directors and the Board of Commissioners did not face any lawsuits or legal cases in court and/or any arbitration institutions or any significant cases, whether in criminal, civil, taxation, arbitration, labor relations, the country's administrative institution facing the Indonesian Bankruptcy court, which have material impacts to the Company's continuity along with its assets. The following table describes the legal cases that are faced by the Company in 2016:

Perkara Hukum Legal Disputes	Perdata Civil	Pidana Criminal
Selesai (Telah memiliki kekuatan hukum) Completed (Has Legal Standing)	4	-
Dalam proses penyelesaian In the Process of Settlement/Ongoing	7	-
Jumlah Total	11	-

PERKARA PENTING YANG SEDANG DIHADAPI DIREKSI DAN DEWAN KOMISARIS YANG SEDANG MENJABAT

Selama tahun 2016, tidak terdapat anggota Direksi dan Dewan Komisaris Perseroan yang sedang menjabat memiliki permasalahan hukum, baik perdata maupun pidana.

MATERIAL CASES INVOLVING SERVING DIRECTORS AND COMMISSIONERS

Throughout 2016, there is no incumbent member of the Board of Directors or the Board of Commissioners who is faced with any civil or criminal legal issues.

PERMASALAHAN HUKUM

Permasalahan hukum yang dihadapi Perseroan terkait dengan operasional untuk periode tahun 2016 dapat dilihat dalam tabel sebagai berikut:

LEGAL DISPUTES

The legal disputes that were faced by the Company in relation to its operations for the period of 2016 are laid out in the following table:

Perkara Hukum Legal Disputes	Perdata Civil	Pidana Criminal
Selesai (Telah memiliki kekuatan hukum) Completed (Has Legal Standing)	2	-
Dalam proses penyelesaian In the Process of Settlement/Ongoing	7	-
Jumlah Total	9	-

Pada tahun 2016, Perseroan memiliki jumlah permasalahan hukum perdata sebanyak 20 perkara dengan 6 perkara telah mempunyai kekuatan hukum tetap dan 14 perkara dalam proses penyelesaian di Pengadilan. Sebanyak 9 kasus merupakan kasus yang terkait operasional penerbangan (misalnya keluhan pelanggan) dan 11 kasus merupakan kasus di luar aspek operasional penerbangan. Sepanjang 2016, Perseroan tidak memiliki permasalahan hukum pidana.

In 2016, the Company had as many as 20 cases of civil legal cases with 6 of these cases had already have permanent legal standings and 14 of these cases were still in the settlement process in court. There are 9 cases related to operations of flight (such as customer complaints) and 11 cases are ones outside flight operational related cases. In 2016, the Company has no criminal cases.

SANKSI ADMINISTRATIF

Pada tahun 2016, Perseroan mendapatkan 2 (dua) sanksi administratif berupa denda atas keterlambatan pembayaran Jasa Pelaksanaan Pembayaran Bunga ke 11 Seri Obligasi Berkelanjutan I Garuda Indonesia Tahap I Tahun 2013 dari PT Kustodian Sentral Efek Indonesia dan denda keterlambatan pembayaran Biaya Tahunan Tahap IV tahun 2015 dari Otoritas Jasa Keuangan. Selain itu, tidak terdapat sanksi administratif yang dijatuhkan terhadap Direksi atau Dewan Komisaris Perseroan.

ADMINISTRATIVE SANCTIONS

In 2016, the Company has 2 (two) administrative sanctions in the form of fines over late payment of 11th Interest Payment Service of Serial Bonds I of Garuda Indonesia Phase I Year 2013 of PT Kustodian Sentral Efek Indonesia and late payment fine over Fourth Stage Annual Cost of 2015 from FSA. Aside from that, there was no administrative sanction imposed against the Board of Directors or the Board of Commissioners of the Company.

DAMPAK TERHADAP PERSEROAN

Permasalahan hukum perdata dan pidana selama tahun laporan dan telah diajukan melalui proses hukum, pengaruhnya terhadap Perseroan tidak signifikan karena telah melalui proses mitigasi. Selain itu tidak ada sanksi administratif yang dijatuhkan terhadap Emiten, Anggota Direksi dan Anggota Dewan Komisaris sejauh dengan penanganan perkara.

IMPACT ON THE COMPANY

Civil and criminal legal issues that occurred during the reporting year have been filed through the legal process, have no significant impact on the Company as they have been through the mitigation process. Moreover there was no administrative sanction imposed to the Company, the members of the Board of Directors and the members of the Board of Commissioners as far as the handling of the cases.

KODE ETIK DAN **BUDAYA PERUSAHAAN**

Code of Conducts and Corporate Culture

Dalam rangka pengembangan dan penyempurnaan praktik GCG, Perseroan telah merumuskan kebijakan terkait kode etik berupa Pedoman Etika Bisnis dan Etika Kerja yang berperan sebagai pedoman standar sikap dan perilaku dalam pelaksanaan segenap aktivitas bisnis sekaligus pencapaian visi dan misi Perseroan.

Sebagai pedoman sikap dan perilaku, Pedoman Etika Bisnis dan Etika Kerja mengacu pada praktik industri terbaik dengan memperhatikan kesesuaian terhadap peraturan perundang-undangan yang berlaku di Indonesia. Melalui penerapan Pedoman Etika Bisnis dan Etika Kerja yang menyeluruh untuk seluruh insan Perseroan tanpa terkecuali, Perseroan juga berharap mampu meningkatkan kesadaran dan mengarahkan pola pikir, sikap, dan perilaku segenap karyawan pada pengelolaan usaha yang baik sesuai prinsip-prinsip GCG dan hubungan yang selaras dengan pemangku kepentingan dalam jangka waktu panjang.

UNIVERSALITAS KODE ETIK

Etika Bisnis dan Etika Kerja berlaku secara universal yang berarti bahwa semua nilai dalam Etika Bisnis dan Etika Kerja berlaku bagi setiap level organisasi di Perseroan mulai dari Dewan Komisaris, Direksi, Pejabat Struktural dan Seluruh Staf Non Struktural. Etika Bisnis dan Etika Kerja disosialisasikan kepada seluruh level organisasi melalui acara tatap muka secara langsung, tulisan-tulisan pada media intra pegawai dan situs resmi Perseroan.

POKOK-POKOK KODE ETIK

Pedoman Etika Bisnis dan Etika Kerja PT Garuda Indonesia (Persero) Tbk, diresmikan pertama kali pada 10 Februari 2011 ditandai dengan penandatanganan Komitmen oleh Direksi, Dewan Komisaris, Pejabat Vice President, dan GM Kantor Cabang. Pedoman Etika Bisnis dan Etika Kerja Perseroan telah disahkan dengan Surat Keputusan Direktur Utama Perseroan pada 11 Maret 2011 dan diperbaharui dengan Surat Keputusan Direktur Utama Perseroan tanggal 7 Oktober 2015.

In relation to the development and improvement of the GCG practices, the Company has formulated a code of ethics-related policies in the form of Code of Business Ethics and Work Ethics that serves as the standard guidelines towards the attitudes and behaviors in the execution of all business activities and at the same time in achieving the vision and mission of the Company.

As a guideline towards the attitudes and behaviors, the Code of Business Ethics and Work Ethics refer to the best industry practices by paying attention to the comformity of the prevailing laws and regulations in Indonesia. Through the full implementation of the Code of Business Ethics and Work Ethics on all individuals within the Company, without exception, the Company also expects to increase the level of awareness and to direct the mindsets, attitudes, and behaviors of all employees towards good business management that is in accordance to the GCG principles and harmonious relationships with the stakeholders in the long term.

UNIVERSALITY OF CODE OF CONDUCT

The Business Ethics and Work Ethics are applicable universally, in a sense that all values within the Businss Ethics and Work Ethics apply to every level of the organization in the Company from the Board of Commissioners, the Board of Directors, structural officers and the entire non-structural staffs. The Business Ethics and Work Ethics are socialized to all levels of the organization through direct face-to-face events, writings on personnel's intra media and the official website of the Company.

CODE OF CONDUCTS CORE VALUES

The Company's Code of Ethics are set forth within the Business Ethics and Work Ethics of PT Garuda Indonesia (Persero) Tbk, which were inaugurated on February 10, 2011 and were marked by the signing of commitment by the Board of Directors, the Board of Commissioners, Vice President Officials, and GM of the Branch Offices. The Book of Business Ethics and Work Ethics of the Company was ratified by the President Director Decree on March 11, 2011 and was amended by the President Director Decree dated October 7, 2015.

Pedoman Etika Bisnis dan Etika Kerja memuat di antaranya sebagai berikut:

- Jati Diri Perusahaan, yang berisi mengenai Visi dan Misi Perseroan, Tata Nilai Perseroan serta Perilaku Utama yang harus ditampilkan oleh pegawai Perseroan.
- Perilaku Terpuji yang menjelaskan mengenai hubungan dengan Perseroan, hubungan dengan pelanggan, hubungan dengan mitra kerja, hubungan dengan pemegang saham, hubungan dengan kreditur, dan hubungan dengan pesaing.
- Kepatuhan dalam bekerja yang menjelaskan mengenai bagaimana transparansi komunikasi dan informasi keuangan, penanganan benturan kepentingan, pengendalian gratifikasi, perlindungan terhadap aset Perseroan dan perlindungan terhadap rahasia Perseroan.
- Tanggung jawab insan Perseroan yang menjelaskan mengenai tanggung jawab kepada masyarakat, tanggung jawab kepada pemerintah dan tanggung jawab kepada lingkungan.
- Penegakan Etika Bisnis dan Etika Kerja yang menjelaskan mengenai pelaporan pelanggaran *Whistleblowing System* (WBS), sanksi atas pelanggaran, sosialisasi Etika Bisnis dan Etika Kerja, penandatanganan Pakta Integritas oleh seluruh insan Perseroan.

SOSIALISASI DAN PENEGAKAN KODE ETIK TAHUN 2016

Nilai-nilai budaya Perseroan SINCERITY menjadi akar dari penerapan dan penegakan etika bisnis dan etika kerja di Perseroan. Perseroan melakukan upaya sosialisasi, internalisasi, dan pemantauan secara konsisten agar Pedoman Etika Bisnis dan Etika Kerja benar-benar mendasari sikap dan perilaku kerja pegawai sehari-hari.

People Manager berperan sebagai teladan dalam penegakan dan penerapan kode etik. Sebagai wujud komitmen Insan Garuda Indonesia terhadap penerapan dan penegakan Etika Bisnis dan Etika Kerja, maka setiap tahunnya seluruh Insan Garuda Indonesia diwajibkan untuk menandatangani Pakta Integritas yang termuat di dalam Etika Bisnis dan Etika Kerja. Penandatanganan Pakta Intergitas yang dilakukan oleh seluruh Insan Garuda Indonesia merupakan bagian dari indikator/parameter bagi penilaian penerapan tata kelola perusahaan yang baik.

Di sisi lain, sistem pelaporan dalam penegakan etika bisnis dan etika kerja juga dibangun agar Insan Garuda Indonesia selalu

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 the employees.
- Commendable Behaviour, describing relationships with the Company, customers, business partners, shareholders creditors and competitors.
- Adherence in the works that describe the transparency in communication and financial information, the handling of conflict of interests, the control of gratuities, the protection of Company's assets and the protection of the Company's confidential matters.
- The responsibilities of the Company's personnels that explain their responsibilities to society, to the government and to the environment.
- Enforcement of the Business Ethics and Work Ethics describes violations in the Whistleblowing System (WBS), sanctions for violations, socialization of the Business Ethics and Work Ethics, signing of the Integrity Pact by all of the Company's personnel.

CODE OF CONDUCTS SOCIALIZATION AND ENFORCEMENT IN 2016

The Company's SINCERITY cultural values is at the root of the application and enforcement of the business ethics and work ethics of the Company. The Company has been engaged in consistent sozialization, internalization and monitoring efforts so that the Code of Business Ethics and Work Ethics really underlie the daily working attitudes and behaviors of the employees.

People Manager acts as a role model in the enforcement and implementation of the code of conduct. As a form of commitment of Garuda Indonesia's personnels towards the implementation and the enforcement of the Business Ethics and the Work Ethics, accordingly every Garuda Indonesia's personnel is required to sign an Integrity Pact contained in the Business Ethics and Work Ethics. The signing of the Integrity Pact by all of Garuda Indonesia's personnels represents part of the indicators/parameters towards the assessment of good corporate governance implementation.

On the other hand, the reporting system in enforcing the business ethics and work ethics is also established so that all of

KODE ETIK DAN BUDAYA PERUSAHAAN
Code of Conducts and Corporate Culture

menghindarkan diri dari hal-hal yang terkait gratifikasi dan pelanggaran etika melalui penerapan *Whistleblowing System*.

Untuk mendukung penerapan Pedoman Etika Bisnis dan Etika Kerja secara penuh, Perseroan aktif melaksanakan sosialisasi dan publikasi etika tersebut serta tata cara penerapan, pelaporan, pemantauan, dan evaluasinya.

Di antara upaya sosialisasi dan penegakan penerapan Pedoman Etika Bisnis dan Etika Kerja tersebut adalah penyusunan dan penandatanganan pernyataan komitmen terhadap Etika Bisnis dan Etika Kerja (*Code of Conduct*) oleh Dewan Komisaris dan Direksi serta seluruh Insan Garuda Indonesia. Sejak tahun 2014, komitmen Kepatuhan terhadap Pakta Integritas dilakukan oleh seluruh Insan Garuda Indonesia melalui persetujuan dalam media portal internal Perseroan. Dengan adanya sistem tersebut, maka pegawai tidak lagi menandatangani pernyataan Kepatuhan secara fisik.

Selain itu, Perseroan juga bekerja sama dengan pihak eksternal untuk memupuk integritas dan kepatuhan seluruh insan Perseroan pada peraturan perundang-undangan. Antara lain melalui sosialisasi identifikasi dan pencegahan praktik kecurangan bisnis termasuk suap, korupsi, dan gratifikasi oleh KPK.

BUDAYA PERUSAHAAN

Secara umum, Budaya Perusahaan dibentuk dari nilai-nilai utama Perseroan yang menjadi landasan pelaksanaan kegiatan manajemen dan seluruh jajaran unit kerjanya. Namun pada penerapannya, Budaya Perusahaan juga diharapkan menjadi panduan bagi seluruh insan Perseroan dalam melaksanakan tugas dan tanggung jawabnya dalam usaha mencapai tujuan strategis yang telah ditetapkan.

Pokok-pokok nilai utama Perseroan yang diharapkan akan menjadi budaya Perusahaan tersebut disebut sebagai 'SINCERITY' yang terdiri dari:

- **Synergy**
  Berkomitmen menyokong pertumbuhan perusahaan dengan keterkaitan antar entitas perusahaan dan dengan mitra potensial.
- **INtegrity**
  Menjunjung tinggi etika bisnis, akuntabilitas, dan tanggung jawab sosial dalam menciptakan budaya terpercaya.

Garuda Indonesia's personnel stays away from all matters related to gratifications and ethic violations at any time through the implementation of the Whistleblowing System.

To support the full implementation of the Code of Business Ethics and Work Ethics, the Company actively implements ethics socializations and publications and the procedures of the implementation, reporting, monitoring and the evaluations.

Among the socializations and the enforcements of the Code of Business Ethics and Work Ethics effort implementation is the preparation and signing of a commitment to the Business Ethics and Work Ethics (Code of Conduct) by the Board of Commissioners and the Board of Directors and all of Garuda Indonesia's personnels. Since 2014, the commitment of Compliance to Integrity Pact has been made by personnel of Garuda Indonesia through approval of the Company's internal portal media. With the system, the employee is no longer physically sign a Compliance statement.

Additionally, the Company also works with external parties to foster integrity and compliance of all of Garuda Indonesia's personnels to the prevailing regulations. Including, among others, through the identification socialization by the KPK and prevention of fraudulent business practices which include briberies, corruptions, and gratifications.

CORPORATE CULTURE

Generally, the Company's culture is formed based on the Company's core values that underlie the implementation of management activities and the whole range of its business units. But in practice, the Corporate Culture is also expected to be a guideline for all of the Company's personnels in carrying out their duties and responsibilities in achieving the strategic objectives that have been set.

The Company's core values that are expected to become the Corporate Culture of "SINCERITY" which consists of:

- **Synergy**
  We are determined to increase company growth by generating a joint effort among its entities and with other potential.
- **INtegrity**
  We highly value strong business ethics, accountability, and social responsibility to create a trustworthy culture.

- **CustomER focus**
  Mendorong terciptanya pengalaman pelanggan yang lebih baik untuk menghasilkan kesuksesan usaha berjangka panjang.
- **agllity**
  Membangun perilaku strategis melalui kemampuan beradaptasi dan tindakan kreatif untuk memperkuat daya tahan perusahaan.
- **safeTY**
  Menyediakan produk dan layanan berkualitas dengan mengutamakan keamanan dan keselamatan.

- **CustomER focus**
  We continue enhancing customer experience to drive long-term commercial success.
- **agllity**
  We build strategic behavior through adaptive and creative actions for strengthening action resilience.
- **safeTY**
  We provide high quality products by prioritizing safety and security.

PROGRAM **PENGENDALIAN GRATIFIKASI**
Gratification Control Program

KEBIJAKAN PENGENDALIAN GRATIFIKASI

Sebagai tindak lanjut dari ditandatanganinya Nota Kesepahaman antara Perseroan dengan Komisi Pemberantas Korupsi ("KPK") pada tanggal 10 Februari 2011, Perseroan mencanangkan dan mulai melaksanakan Program Pengendalian Gratifikasi ("PPG").

Program pengendalian gratifikasi merupakan inisiatif program dalam rangka mengimplementasikan tata nilai perusahaan SINCERITY, terutama nilai-nilai kejujuran *(honesty)* dan integritas *(integrity)* serta implementasi dari prinsip-prinsip *Good Corporate Governance* terutama prinsip transparansi, responsibilitas dan independen.

Kebijakan pengendalian gratifikasi Perseroan adalah bahwa setiap karyawan Garuda Indonesia tidak diperbolehkan menerima gratifikasi dan harus membuat laporan (*disclose*) kepada Perseroan dalam hal penerimaan gratifikasi tidak dapat dihindarkan karena dihadapkan pada kondisi yang sulit untuk melakukan penolakan.

Perusahaan telah menerbitkan ketentuan mengenai pengendalian gratifikasi sebagaimana diatur dalam Surat

GRATIFICATION CONTROL POLICY

As a follow-up of the signage of Memorandum of Understanding between the Company and Corruption Eradication Commission ("KPK") on February 10, 2011, the Company set and started Gratification Control Program ("PPG").

The gratification control program is a program initiative in implementing the corporate culture of SINCERITY, especially honesty and integrity and implementation of Good Corporate Governance principles especially transparency, responsibility and independene principle.

Gratification control policy of the Company states that every employee of Garuda Indonesia is not allowed to accept gratification and must make a disclosure report to the Company on gratification acceptance is inevitable as there is a difficulty to refuse.

The Company has issued regulations on gratification control as stipulated in the President Director Decree No: JKTDZ/

PROGRAM PENGENDALIAN GRATIFIKASI
Gratification Control Program

Keputusan Direktur Utama Nomor: JKTDZ/SKEP/50001/13 tanggal 09 Januari 2013 tentang Pengendalian Gratifikasi di Lingkungan PT Garuda Indonesia (Persero) Tbk.

SKEP/50001/13 dated January 9, 2013 on Gratification Control in the PT Garuda Indonesia (Persero) Tbk.

Perseroan menjalin kerja sama dengan Komisi Pemberantasan Korupsi (KPK) dalam membangun program pengendalian gratifikasi di Perseroan. KPK memberikan bantuan teknis dalam bentuk assessment atas kesiapan Perseroan untuk menjalankan program pengendalian gratifikasi dan pelatihan bagi Tim Program Pengendalian Gratifikasi (PPG) yang dibentuk Perseroan, serta melakukan monitoring dan evaluasi atas pelaksanaan program pengendalian gratifikasi.

Garuda Indonesia collaborates with Corruption Eradication Commission (KPK) in building gratification control program in Garuda Indonesia. KPK provides technical assistance in assessment of Garuda Indonesia prearation to conduct gratification control program and traininbg for Gratification Program team formed by the Company and monitor and evaluate the implementation of the gratification control program.

SOSIALISASI PROGRAM PENGENDALIAN GRATIFIKASI

Perseroan melakukan sosialisasi program pengendalian gratifikasi secara intensif dan konsisten kepada seluruh pegawai Perseroan melalui media komunikasi Perseroan secara elektronik, seperti email.

Sosialisasi kepada pemangku kepentingan lainnya dilakukan dengan memuat etika bisnis dan etika kerja Perseroan pada *website* agar dapat diakses oleh para pemangku kepentingan. Selain itu juga dilakukan dengan turut serta dalam program atau acara Pekan Hari Anti Korupsi yang diselenggarakan oleh Komisi Pemberantasan Korupsi setiap tahunnya.

Program sosialisasi yang intensif atas prinsip dan kebijakan pengendalian gratifikasi Perseroan bertujuan untuk menumbuhkan kesadaran dan pemahaman bagi pegawai maupun para pemangku kepentingan bahwa pengendalian gratifikasi merupakan salah satu aspek penting yang diupayakan oleh Perseroan dalam membangun dan menumbuhkembangkan lingkungan kerja yang bersih dan berintegritas.

GRATIFICATION CONTROL PROGRAM SOCIALIZATION

The Company conducts gratification control program socialization intensively and consistently to all employees of Garuda Indonesia through communication media of the Company electronically such as email.

The socialization to other stakeholders is conducted by publishing business ethics and work ethics of the Company on the website so as to be accessible to all stakeholders. In addition, it is also cinducted by taking part in Anti Corruption Day Week held by KPK every year.

The intensive socialization program of gratification control policy of the Company aims to grow awareness and understanding of employees and stakeholders that the gratification control is one of important aspects in building and grow a clean and integrity workplace.

LAPORAN PENERIMAAN/PENOLAKAN GRATIFIKASI TAHUN 2016

Unit Corporate Secretary sebagai unit pengendali gratifikasi (UPG) menerima laporan penerimaan/penolakan gratifikasi yang disampaikan oleh Insan Garuda Indonesia. UPG merekapitulasi laporan penerimaan/penolakan gratifikasi dan menyampaikan kepada KPK secara berkala. KPK akan menetapkan status kepemilikan atas laporan penerimaan gratifikasi dan menyampaikannya kepada Perseroan melalui UPG untuk ditindaklanjuti.

GRATIFICATION REFUSAL/RECEPTION REPORT IN 2016

Corporate Secretary Unit as a gratification control unit (UPG) receives gratification refusal/ reception reports submitted by employees of Garuda Indonesia. UPG recapitulates the reports and submits to KPK periodically. KPK shall decide ownership status of gratification reception reports and submits to the Company through UPG to be followed up.

Sampai dengan tanggal 31 Desember 2016 jumlah laporan penerimaan gratifikasi yang disampaikan oleh pelapor kepada Perseroan melalui Unit Sekretaris Perusahaan berikut status penetapan kepemilikannya adalah sebagai berikut.

As of December 31, 2016, the number of reports of gratification reception submitted to the Company through Corporate Secretary unit and the ownership decision is as follows.

No.	Status Kepemilikan Barang	Jumlah Total	Goods Ownership Status
1.	Milik Negara	8	State-owned
2.	Dikelola Perusahaan	4	Managed by the Company
3.	Kembalikan ke Pemilik	0	Returned to the Owner
4.	Disalurkan ke panti sosial/panti asuhan/*cleaning service*	5	Delivered to social institution/orphanage/cleaning service
	Total laporan	17	Total reports

PENETAPAN STATUS KEPEMILIKAN GRATIFIKASI

Pada awal tahun 2014, Perseroan telah sepakat dengan KPK mengenai penetapan status kepemilikan Gratifikasi dalam bentuk uang akan ditetapkan menjadi milik Negara. Dengan demikian seluruh Gratifikasi dalam bentuk uang yang laporannya disampaikan kepada Unit Corporate Secretary selama tahun 2016 ditetapkan menjadi milik Negara.

Sebagai bagian dari warga industri yang baik (*good corporate citizen*), Perseroan memiliki tanggung jawab sosial kepada masyarakat. Hal ini diwujudkan salah satunya dengan menyalurkan gratifikasi yang telah ditetapkan kepemilikannya untuk dikelola oleh Perseroan, khususnya dalam bentuk makanan, kepada Panti Sosial.

EVALUASI

Perseroan bersama KPK melakukan evaluasi atas kebijakan dan implementasi program pengendalian gratifikasi. Hasil evaluasi bersama tersebut menghasilkan beberapa rekomendasi yang perlu dilakukan untuk perbaikan dan penyempurnaan sistem pengendalian gratifikasi di Perseroan. Rekomendasi hasil evaluasi di antaranya adalah mengenai perlunya penyempurnaan ketentuan pengendalian Gratifikasi.

GRATIFICATION OWNERSHIP STATUS DETERMINATION

In the beginning of 2014, the Company agreed with KPK on Gratification ownership status in the form of money shall be stipulated as the State's. Hence, all Gratification in the form of money whose reports are submitted to Corporate Secretary Unit in 2016 shall be stipulated as the State's.

As a part of god corporate citizen, the Company has social responsibility to the society. This is realized among other things by giving gratification whose ownership has been decided to be managed by the Company, especially in the form of foods, to social institutions.

EVALUATION

Garuda Indonesia with KPK conducts evaluation on policies and implementation of gratification control program. The joint evaluation results yielded some necessary recommendations for the improvement of the gratification control system in the Company. The evaluation result recommendation is on the importance of improving the regulations of Gratification control.

PROGRAM PELAPORAN **HARTA KEKAYAAN**

Assets Reporting Program

Sebagai salah satu upaya untuk mewujudkan kinerja yang bersih dari praktik-praktik Korupsi, Kolusi, dan Nepotisme, Perseroan menyelenggarakan program pelaporan harta kekayaan dengan ketentuan sebagaimana diatur dalam Surat Keputusan Direktur Utama No. JKTDZ/SKEP/50015/13 tanggal 26 April 2013 tentang Penyampaian Laporan Harta Kekayaan di Lingkungan PT Garuda Indonesia (Persero) Tbk.

As one of the efforts to actualize a clean performance free from Corruption, Colusion and Nepotism, Garuda Indonesia holds aset reporting program with regulations as stipulated in the President Director Decree No. JKTDZ/SKEP/50015/13 dated April 26, 2013 on Submission of Aset Report in PT Garuda Indonesia (Persero) Tbk.

Berdasarkan ketentuan perundangan yang berlaku serta Surat Keputusan tersebut, maka telah ditetapkan yang menjadi wajib lapor harta kekayaan di lingkungan Perseroan meliputi Direksi, Dewan Komisaris, Pegawai Pimpinan setingkat Vice President dan General Manager Kantor Cabang, pegawai pada Unit Pengadaan, serta Direksi pada anak perusahaan. Penyelenggaraan pelaporan harta kekayaan merupakan amanat dari peraturan perundang-undangan yang terkait dengan pemberantasan tindak pindana korupsi. Perseroan dalam menjalankan program pelaporan harta kekayaan bekerjasama dengan KPK meliputi *sharing* dan *monitoring* data dan informasi mengenai wajib lapor harta kekayaan yang ada di Perseroan serta bimbingan dan evaluasi teknis atas penerapan program pelaporan ini.

Based in the prevailing regulations and the Decree, those who must report their assets in the Company are Board of Directors, Board of Commissioners, Key Officials at Vice President Level and Branch Office General Manager, employees in Procurement Unit, and Board of Directors of subsidiaries. The aset reporting is an obligation of laws related to corruption eradication. In conducting aset reporting program with KPK, Garuda Indonesia covers sharing and monitoring data and information on those who have report their assets in Garuda Indonesia and technical guidance and evaluation of the program implementation.

Jumlah wajib lapor harta kekayaan di Garuda Indonesia bergerak seiring dengan perubahan jabatan pimpinan dan/atau pegawai yang termasuk dalam wajib lapor harta kekayaan. Jumlah wajib lapor harta kekayaan pada akhir tahun 2016 adalah 148 wajib lapor dan tingkat kepatuhan pelaporan sebanyak kurang lebih 70%.

The number of those who must report the assets in Garuda Indonesia changes along with changes of positions and/ or employees included in the category. The number of those who must report their assets by the end of 2016 is 148 people and the compliance level is around 70%.

SISTEM **WHISTLEBLOWING**
Whistleblowing System

Perseroan telah membangun sistem pelaporan pelanggaran berbasis *web* yang dikenal dengan nama WBS (*Whistleblowing System*) sejak tahun 2010. Penerapan WBS Perseroan kemudian disahkan berdasarkan Surat Keputusan Direktur Utama Perseroan tanggal 13 Agustus 2012 yang terakhir kali diubah dengan Surat Keputusan Direktur Utama pada tanggal 10 November 2015.

WBS (*Whistleblowing System*) merupakan penyempurnaan dari sistem penanganan laporan dugaan Korupsi, Kolusi dan Nepotisme (KKN) yang dijalankan sejak 2006 dan disesuaikan dengan Pedoman WBS yang diterbitkan oleh Komite Nasional Kebijakan Governance (KNKG). Pengembangan WBS merupakan salah satu upaya Perseroan untuk menegakkan etika bisnis, etika kerja, serta upaya pemberantasan KKN. Sistem WBS memungkinkan seluruh insan Perseroan dan para pemangku kepentingan lainnya untuk menyampaikan laporan dugaan tindakan pelanggaran dan kecurangan (*fraud*) dan bentuk pelanggaran etika lainnya yang terjadi di Perseroan.

Pelapor dapat melaporkan secara *online* melalui sistem berbasis *web* dengan alamat www.ga-whistleblower.com atau melalui *e-mail* garuda.wbs@rsm.id. Dalam penerapan WBS, Perseroan memiliki kebijakan yang menjamin perlindungan atas identitas dari pelapor dan akan menggunakan berbagai cara untuk menjaga kerahasiaan identitas pelapor. Hal ini dimaksudkan untuk mendorong pelaporan pelanggaran yang terjadi di Perseroan dan menjamin keamanan pelapor maupun keluarganya.

TUJUAN DAN KEBIJAKAN PELAPORAN PELANGGARAN

Ruang Lingkup Sistem Pelaporan Pelanggaran

Sistem ini berlaku secara universal dan setara untuk seluruh individu Perseroan, pada seluruh jenjang kepegawaian termasuk Direksi, Dewan Komisaris dan anggota-anggota Komite di bawah Dewan Komisaris, pelaksana sistem pelaporan pelanggaran itu sendiri serta pihak eksternal yang dapat memberikan informasi terkait tindakan pelanggaran yang terjadi.

Ketentuan Umum Sistem Pelaporan Pelanggaran

1. Yang diklasifikasikan sebagai Pelapor adalah pihak internal dan eksternal. Pihak internal adalah Insan Perseroan yang meliputi karyawan (tetap, masa percobaan, kontrak dan *outsource*), Manajemen (termasuk Direksi) dan Dewan Komisaris. Pihak eksternal adalah seluruh

The Company has built a web-based whistleblowing system known as the WBS since 2010. The implementation of the Company's WBS was ratified based on the Decree of the President Director dated August 13, 2012 which was last amended through the Decree of the President Director dated November 10, 2015.

WBS (Whistleblowing System) is an improvement of the handling system of the report on the alleged corruption, collution, and nepotism (KKN) implemented since 2006 and adjusted with the WBS Guidelines issued by the National Committee on Governance Policy (KNKG). The development of WBS is one of Garuda Indonesia's efforts to uphold business ethics, working ethics, and efforts of KKN eradication. The WBS system enables all of Garuda Indonesia individuals and other stakeholders to submit report on the alleged violations and frauds and any other violations to ethics that occur within the Company.

Whistleblower could report the case online through web-based system through the address www.ga-whistleblower.com. In the implementation of WBS, the Company has the policy to ensure the protection of the reporter's identity and will use various ways to maintain the confidentiality of the reporter's identity. This aims to encourage the reporting culture on any violations occur within the Company and to ensure the security of the reporter and his family.

WHISTLEBLOWING OBJECTIVES AND POLICY

Scope of the Whistleblowing System

This system applies universally and equally to all individuals within the Company, at all levels of employment, including the Board of Directors, the Board of Commissioners and members of the Committee under the Board of Commissioners, the manager of the reporting system himself as well as external parties who may provide related information of any violations that occur.

General Guidelines of the Whistleblowing System

1. What classify as reporters are internal and external parties. Internal parties are Garuda Indonesia's individuals which include employees (permanent, in probation, contract and outsourced), management (including the Directors) and the Board of Commissioners. External

SISTEM WHISTLEBLOWING
Whistleblowing System

pihak di luar pihak internal yang memiliki informasi dan bukti atas adanya perilaku pelanggaran yang dilakukan oleh Insan Perseroan. Pihak internal maupun eksternal dapat melaporkan kejadian pelanggaran dengan menyertakan bukti yang benar dan valid (dalam bentuk rekaman, gambar, dan lain-lain) sebagai petunjuk adanya pelanggaran yang dilakukan oleh Terlapor.

2. Yang diklasifikasikan sebagai Terlapor adalah insan Perseroan yang diduga atau patut diduga melakukan tindakan pelanggaran atau perbuatan melawan hukum, perbuatan tidak etis atau tidak bermoral atau perbuatan lain yang dapat merugikan Perseroan secara finansial dan non-finansial.
3. Kecurangan atau tindakan pelanggaran adalah tindakan yang dilakukan secara sengaja dan sadar dengan maksud mengambil keuntungan pribadi dan pihak berkepentingan lain. Tindakan kecurangan melanggar peraturan, nilai dan budaya internal dan eksternal sehingga mengakibatkan kerugian bagi Perseroan secara finansial dan non-finansial.

parties are all of the parties outside of the internal parties who possess information and evidence on any violation behaviors committed by a Garuda Indonesia's individual. Internal as well as external parties may report the incidents of violations by submitting a correct and valid evidence (in the form of recordings, pictures, and others) as an indication of violations committed by the Reported.

2. What classifies as the Reported is any Garuda Indonesia's individual who is suspected or reasonably suspected of committing offenses or unlawful, unethical, or immoral or any other actions that may adversely impact the Company financially and non-financially.
3. Fraud or infringement is an act done willfully and knowingly with the intent to take advantage of personal and other interested parties. The action of a fraud is in violation of the applicable rules, values and internal as well as external cultures which causes damages to the Company financially or nonfinancially.

MEKANISME PELAPORAN PELANGGARAN

Dalam proses pelaporan, pelapor harus menjaga kebenaran dan akurasi informasi yang disampaikan serta memberikan informasi yang cukup untuk kelanjutan investigasi, antara lain identitas pelaku, kronologi pelaporan dan tindakan pelanggaran yang dilakukan, serta bukti lainnya.

Laporan pelanggaran dapat disampaikan melalui:
1. www.ga-whistleblower.com
2. garuda.wbs@rsm.id

Alur pelaporan melalui WBS adalah sebagai berikut:

WHISTLEBLOWING MECHANISM

In the reporting process, the whistleblower shall maintain the truth and accuracy of the information submitted and provide adequate information for further investigations, including the identity of the perpetrator, the chronology of the reporting and the act of the violations that was committed, as well as other evidence.

Violation reports may be submitted via:
1. www.ga-whistleblower.com
2. garuda.wbs@rsm.id

The reporting processes through the WBS system are as follows:

PERLINDUNGAN PELAPOR

Dalam penerapan *Whistleblowing System*, Perseroan memiliki kebijakan yang menjamin perlindungan atas identitas dari pelapor dan akan menggunakan berbagai cara untuk menjaga kerahasiaan identitas pelapor. Perlindungan kerahasiaan ini tertuang secara resmi dalam Surat Keputusan Direktur Utama tentang *Whistleblowing System*. Hal ini dimaksudkan untuk mendorong pelaporan pelanggaran yang terjadi di Perseroan dan menjamin keamanan pelapor maupun keluarganya.

PENANGANAN PENGADUAN DAN PELAPORAN PELANGGARAN

Pengelolaan sistem WBS di Perseroan dilakukan sesuai tata cara dan prosedur pelaporan yang telah ditetapkan. Pengelolaan WBS meliputi kegiatan penanganan laporan, investigasi laporan, hingga penindakan terhadap terlapor apabila terbukti terjadi pelanggaran etika bisnis dan etika kerja. Sejak tahun 2013, pihak yang mengelola WBS dilakukan oleh pihak independen. Laporan-laporan yang masuk ke *website* WBS ditangani oleh WBS *Officer* yang akan melakukan analisis mengenai ada atau tidaknya indikasi pelanggaran etika bisnis maupun etika kerja. Bila laporan tersebut memiliki indikasi terjadi pelanggaran, maka selanjutnya akan dilakukan investigasi atas laporan tersebut. Namun apabila tidak ada, maka WBS *Officer* akan menyampaikan laporan tersebut kepada unit yang bertanggung jawab terhadap penanganan keluhan pelanggan.

JUMLAH PELAPORAN PELANGGARAN

Pada tahun 2016, sejak bulan Januari sampai dengan bulan Desember 2016, jumlah total laporan yang diterima di *website* dan *e-mail* yang dikelola oleh WBS *Officer* adalah berjumlah 76 laporan, yang terdiri dari laporan yang diterima di *website* WBS berjumlah 49 laporan dan *e-mail* WBS berjumlah 27 laporan. Dari total laporan yang masuk tersebut sebanyak 14 laporan atau sebesar 18,42% di antaranya: laporan mengenai pelanggaran standar operasional prosedur (SOP) Perseroan sebanyak 6 laporan; laporan terkait dugaan korupsi, kolusi, nepotisme sebanyak 3 laporan; laporan terkait perbuatan melanggar hukum sebanyak 2 laporan; laporan terkait pelanggaran etika perusahaan atau pelanggaran norma-norma kesopanan pada umumnya sebanyak 2 laporan; dan laporan mengenai gratifikasi sebanyak 1 laporan. Sedangkan sisanya sebanyak 62 laporan atau sebesar 81,58% berupa laporan kosong (*testing*) atau tidak terkait dugaan pelanggaran.

WHISTLEBLOWER PROTECTION

In the implementation of the Whistleblowing System, the Company has a policy that guarantees the protection of the identity of the Reporter and will use various means to maintain the confidentiality of the identity of the Reporter. The protection of confidentiality is formally stated in the Decree of the President Director of the Whistleblowing System. It is intended to encourage reporting of violations that occurr in the Company and to ensure the safety of the Reporter and his family.

COMPLAIN HANDLING AND WHISTLEBLOWING REPORTING

The WBS management system in Garuda Indonesia is being carried out in accordance with the procedures and the reporting procedures that have been determined. The WBS management activities include handling of the report, investigation of the report, up to the prosecution of the Reported if it is proven that a violation in the business ethics and work ethics has occurred. Since 2013, the party who performs the management of WBS is an independent party. Reports that come through the WBS website are handled by the WBS Officer who will conduct an analysis of whether there is an indication of violations of business ethics or work ethic. If the report contains an indication of violations, then an investigation into the report will then be performed. However, if there is no indication of violations, then the WBS Officer will submit the report to the units responsible in handling the customer complaints.

TOTAL WHISTLEBLOWING REPORTS

Throughout 2016, from January to December 2016, the total number of reports accepted on the website and via e-mail managed by WBS Officers were 76 reports, consisting of 49 reports received via website and 27 via WBS e-mail. Of all reports received, there were 14 reports or 18.42%, among others: 6 reports of violation of Company's standard operating procedures (SOP); 3 reports related to alleged corruption, collusion, nepotism; 2 reports related to unlawful acts; 2 reports related to corporate ethics violations or violations of the norms of decency in general; and 1 report regarding the gratification. While the remaining 62 reports, or by 81.58% in the form of blank reports (testing) or not related to alleged violations.

SISTEM WHISTLEBLOWING
Whistleblowing System

Tindakan yang telah dilakukan Perseroan terhadap laporan baik pelanggaran dan non-pelanggaran di antaranya adalah dengan memberikan evaluasi atau pembinaan kepada pegawai yang bersangkutan sampai dengan memberikan sanksi sesuai dengan ketentuan Perjanjian Kerja Bersama (PKB) yang berlaku seperti teguran lisan. Laporan terkait dugaan pelanggaran yang dapat ditindaklanjuti sebanyak 10 laporan, sedangkan 4 laporan lainnya tidak ditindaklanjuti dikarenakan laporan tidak dilengkapi bukti. Terhadap laporan yang terindikasi pelanggaran, sebanyak 71,43% laporan tersebut disertai dengan bukti pendukung.

Measures taken by the Company against both violations and non-violation reports, among others, by providing an evaluation or guidance to the employee, up to impose sanctions in accordance with the provisions of the Collective Labour Agreement (CLA), which serves as a verbal warning. The reports related to violation allegations which could be followed up were 10 reports; whereas, 4 other reports could not be followed up as they were not completed with evidence. Of all reports related to violation indications, there were 71.43% of them were accompanied with supporting evidence.

Rekapitulasi Laporan Pelanggaran 2016
Recapitulation of Violation Report 2016

No.	Jenis Laporan Type of Report	2016	2015
1.	Laporan Kosong *(testing)*/tidak terkait WBS Blank Report (Testing)/not related to WBS	62	118
2.	Laporan Terkait WBS WBS Related Reports	14	11
	a. Laporan terkait WBS yang terbukti Proven WBS Report	10	6
	b. Laporan terkait WBS yang tidak terbukti Unproven WBS Report	4	5
	Total Laporan Masuk Total Received Reports	76	129

EVALUASI PENGELOLAAN SISTEM PELAPORAN PELANGGARAN

Perseroan terus berupaya untuk membenahi dan memperbaiki sistem WBS agar dapat berjalan dengan efektif dan efisien. Berbagai metode sosialisasi terus digaungkan guna meningkatkan pemahaman dan kesadaran setiap individu. Upaya ini dilakukan dengan menyempurnakan peraturan, bekerja sama dengan pihak independen serta memastikan sistem informasi teknologi yang digunakan untuk WBS berjalan dengan lancar.

Keberadaan sistem WBS di Perseroan yang semakin baik turut mendorong peningkatan kesadaran baik dari pihak internal maupun eksternal Perseroan. Hal tersebut seiring dengan dilakukannya upaya-upaya yang konsisten dan berkesinambungan sosialisasi terhadap WBS tersebut melalui berbagai media di antaranya dengan pemasangan *banner* di tempat-tempat umum dan sosialisasi dalam acara Hari Anti Korupsi KPK. Selain itu peningkatan laporan tersebut juga dapat berarti bahwa pihak eksternal dan internal Perseroan semakin mempercayai kredibilitas dan independensi pengelolaan sistem WBS Perseroan.

EVALUATION ON WHISTLEBLOWING SYSTEM

The Company continues to strive to improve the WBS system in order for the system to be able to work effectively and efficiently. Various methods of socialization continues to be echoed in order to increase the understanding and awareness of each individual. The efforts are made by enhancing the provisions, through cooperation with independent parties as well as ensuring that the information technology used for the WBS runs smoothly.

The increasingly better WBS system of the Company also encourages the improvement of awareness both in the internal and external side of the Company. This is in line with the consistent and continuous efforts to socialize the WBS through various media including the installment of banners in several public places and socialization through KPK's Anti Corruption Day event. In addition, the increase in the number of reports can also mean that the Company's external and internal parties are increasingly trusting the credibility and independence of the Company's WBS management system.

KEPATUHAN **PAJAK**
Tax Compliance

Selama tahun 2016, Perseroan telah mematuhi semua peraturan dan memenuhi kewajiban pajak sesuai dengan hukum dan peraturan yang berlaku. Perseroan akan selalu mematuhi semua peraturan dan Perseroan tidak menerima peringatan apapun atau sanksi signifikan terkait dengan perpajakan sampai dengan 31 Desember 2016.

In 2016, the Company has complied with all regulations and met its tax liabilities according to laws and regulations in effect. The Company shall always comply with all regulations and the Company never accepts notifications/alerts whatsoever or sanctions regarding taxation until December 31, 2016.

KETERBUKAAN **INFORMASI**
Information Disclosure

Sebagai perusahaan terbuka yang telah mencatatkan sahamnya di Bursa Efek Indonesia (BEI), Perseroan wajib untuk menyampaikan Keterbukaan Informasi kepada Publik sebagaimana diatur dalam Peraturan Otoritas Jasa Keuangan No. 31/POJK.04/2015 tentang Keterbukaan atas Informasi atau Fakta Material oleh Emiten atau Perusahaan Publik dan Keputusan Direksi PT Bursa Efek Jakarta No. Kep-306/BEJ/07-2004 tentang Peraturan No. I-E tentang Kewajiban Penyampaian Informasi. Sampai dengan akhir Desember 2016, Direksi telah menyampaikan 63 (enam puluh tiga) Laporan Keterbukaan Informasi kepada BEI.

As a Public Company that has listed its shares on the Indonesian Stock Exchange (IDX), Garuda Indonesia is obliged to submit Disclosure of Information to the Public, as stipulated in Financial Service Athority Regulation No. 31/POJK.04/2015 regarding the Disclosure of Information or Material Facts by Emitents or Public Companies and the Board of Directors of Jakarta Stock Exchange Decree No. Kep-306/BEJ/07-2004 on Regulation No. I-E regarding the Obligation to Submit Information. As of the end of December 2016, the Board of Directors has submitted 63 (sixty three) information disclosures to the IDX.

No.	No. Surat Letter Number	Tanggal Date	Perihal Subject
1.	GARUDA/IDX/JKTWI/20001//2016	11/01/2016	Laporan Bulanan Registrasi Pemegang Efek Monthly Report of Securities Holders Registration
2.	GARUDA/IDX/JKTWI/20002/2016	13/01/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Perseroan dan PT Bank Mandiri telah menandatangani Perjanjian *Treasury Line* dengan limit sebesar US$35.000.000 Information Disclosure regarding the Company and PT Bank Mandiri have signed Treasury Line Agreement with the limit of US$35,000,000
3.	GARUDA/IDX/JKTWI/20003/2016	18/01/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Penyampaian Laporan Realisasi Penggunaan Dana Hasil Penawaran Umum Oktober – Desember 2015 Information Disclosure regarding the Report of Proceed Utilization of Public Offering October – December 2015
4.	GARUDA/IDX/JKTWI/20004/2016	18/01/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Penyampaian Laporan Realisasi Penggunaan Dana Hasil Penawaran Umum periode Juli – September 2015 Information Disclosure regarding the Report of Proceed Utilization of Public Offering July – September 2015

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No.	No. Surat Letter Number	Tanggal Date	Perihal Subject
5.	GARUDA/IDX/JKTWI/20005/2016	26/01/2016	Perubahan Komite Audit Change of Audit Committee
6.	GARUDA/IDX/JKTWI/20006/2016	29/01/2016	Pemberitahuan Rencana Rapat Umum Pemegang Saham Tahunan Notification of Annual General Meeting of Shareholders Plan
7.	GARUDA/IDX/JKTWI/20007/2016	05/02/2016	Penyampaian Bukti Iklan Pemberitahuan RUPS GMS Notice Advertisement
8.	GARUDA/IDX/JKTWI/20008/2016	12/02/2016	Penjelasan atas Volatilitas Explanation for Volatility
9.	GARUDA/IDX/JKTWI/20009/2016	15/02/2016	Penyampaian Laporan Keuangan Tahunan Annual Financial Statements
10.	GARUDA/IDX/JKTWI/20010/2016	17/02/2016	Penyampaian Bukti Iklan Pemberitahuan RUPS GMS Notice Advertisement
11.	GARUDA/IDX/JKTWI/20011/2016	17/02/2016	Penyampaian Rencana Rapat Umum Pemegang Saham Tahunan Notification of Annual General Meeting of Shareholders Plan
12.	GARUDA/IDX/JKTWI/20012/2016	24/02/2016	Penjelasan atas Pemberitaan Media Massa Mass Media Reporting
13.	GARUDA/IDX/JKTWI/20013/2016	24/02/2016	Penyampaian Laporan Tahunan Submission of Annual Report
14.	GARUDA/IDX/JKTWI/20014/2016	25/02/2016	Panggilan Rapat Umum Pemegang Saham Invitation of General Meeting of Shareholders
15.	GARUDA/IDX/JKTWI/20015/2016	25/02/2016	Penyampaian Bukti Iklan Panggilan RUPS GMS Invitation Advertisement
16.	GARUDA/IDX/JKTWI/20016/2016	26/02/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Perolehan atau Kehilangan Kontrak Penting Information Disclosure of Important Contracts Acquisition or Loss
17.	GARUDA/IDX/JKTWI/20017/2016	26/02/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Perolehan atau Kehilangan Kontrak Penting Information Disclosure of Important Contracts Acquisition or Loss
18.	GARUDA/IDX/JKTWI/20018/2016	26/02/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Perolehan atau Kehilangan Kontrak Penting Information Disclosure of Important Contracts Acquisition or Loss
19.	GARUDA/IDX/JKTWI/20019/2016	01/03/2016	Rencana Penyelenggaraan Public Expose Tahunan Plan of Annual Public Expose
20.	GARUDA/IDX/JKTWI/20020/2016	11/03/2016	Penyampaian Materi Public Expose Tahunan Material of Annual Public Expose
21.	GARUDA/IDX/JKTWI/20021/2016	11/03/2016	Laporan Bulanan Registrasi Pemegang Efek Monthly Report of Securities Holders Registration
22.	GARUDA/IDX/JKTWI/20022/2016	11/03/2016	Laporan Bulanan Registrasi Pemegang Efek Monthly Report of Securities Holders Registration
23.	GARUDA/IDX/JKTWI/20023/2016	11/03/2016	Laporan Bulanan Registrasi Pemegang Efek Monthly Report of Securities Holders Registration
24.	GARUDA/IDX/JKTWI/20024/2016	11/03/2016	Laporan Bulanan Registrasi Pemegang Efek Monthly Report of Securities Holders Registration
25.	GARUDA/IDX/JKTWI/20025/2016	15/03/2016	Panggilan Rapat Umum Pemegang Saham Tahunan Invitation of Annual General Meeting of Shareholders
26.	GARUDA/IDX/JKTWI/20026/2016	15/03/2016	Penyampaian Bukti Iklan Panggilan RUPS GMS Invitation Advertisement
27.	GARUDA/IDX/JKTWI/20027/2016	15/03/2016	Rencana Penyelenggaraan Public Expose Tahunan Plan of Annual Public Expose

No.	No. Surat Letter Number	Tanggal Date	Perihal Subject
28.	GARUDA/IDX/JKTWI/20028/2016	22/03/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Perolehan atau Kehilangan Kontrak Penting Information Disclosure of Important Contracts Acquisition or Loss
29.	GARUDA/IDX/JKTWI/20029/2016	23/03/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Putusan Pengadlan *Full Court* pada Federal Court of New South Wales, Australia Information Disclosure regarding Full Court Verdict at Federal Court of New South Wales, Australia
30.	GARUDA/IDX/JKTWI/20030/2016	24/03/2016	Penyampaian Bukti Iklan Panggilan RUPS GMS Invitation Advertisement
31.	GARUDA/IDX/JKTWI/20031/2016	24/03/2016	Panggilan Rapat Umum Pemegang Saham Tahunan Invitation of Annual General Meeting of Shareholders
32.	GARUDA/IDX/JKTWI/20032/2016	07/04/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Penyampaian Laporan Realisasi Penggunaan Dana Hasil Penawaran Umum Periode Januari –Maret 2016 Information Disclosure regarding the Report of Proceed Utilization of Public Offering January – March 2016
33.	GARUDA/IDX/JKTWI/20033/2016	11/04/2016	Laporan Bulanan Registrasi Pemegang Efek Monthly Report of Securities Holders Registration
34.	GARUDA/IDX/JKTWI/20034/2016	14/04/2016	Rencana Penyelenggaraan Public Expose Public Expose Implementation Plan
35.	GARUDA/IDX/JKTWI/20035/2016	15/04/2016	Penyampaian Materi Public Expose Tahunan Content of Annual Public Expose
36.	GARUDA/IDX/JKTWI/20036/2016	15/04/2016	Penyampaian Materi Public Expose Tahunan Content of Annual Public Expose
37.	GARUDA/IDX/JKTWI/20037/2016	19/04/2016	Penyampaian Bukti Iklan Hasil RUPS Advertisement of GMS Resolution
38.	GARUDA/IDX/JKTWI/20038/2016	19/04/2016	Hasil Rapat Umum Pemegang Saham Tahunan Resolution of Annual General Meeting of Shareholders
39.	GARUDA/IDX/JKTWI/20039/2016	20/04/2016	Hasil Rapat Umum Pemegang Saham Tahunan Resolution of Annual General Meeting of Shareholders
40.	GARUDA/IDX/JKTWI/20040/2016	20/04/2016	Laporan Hasl Public Expose Tahunan Annual Public Expose Report
41.	GARUDA/IDX/JKTWI/20041/2016	22/04/2016	Penyampaian Laporan Keuangan Interim Interim Financial Statements
42.	GARUDA/IDX/JKTWI/20042/2016	12/05/2016	Laporan Bulanan Registrasi Efek Monthly Report of Securities Holders Registration
43.	GARUDA/IDX/JKTWI/20043/2016	13/05/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Penyampaian Risalah Rapat Uum Pemegang Saham Tahunan PT Garuda Indonesia (Persero) Tbk Information Disclosure regarding Minutes of Meeting of PT Garuda Indonesia (Persero) Tbk's Annual General Meeting of Shareholders
44.	GARUDA/IDX/JKTWI/20044/2016	26/05/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Perolehan atau Kehilangan Kontrak Penting Information Disclosure of Important Contracts Acquisition or Loss
45.	GARUDA/IDX/JKTWI/20045/2016	14/07/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Penyampaian Laporan Realisasi Penggunaan Dana Hasil Penawaran Umum Information Disclosure regarding the Report of Proceed Utilization from Public Offering
46.	GARUDA/IDX/JKTWI/20046/2016	14/07/2016	Laporan Bulanan Registrasi Pemegang Efek Monthly Report of Securities Holders Registration
47.	GARUDA/IDX/JKTWI/20047/2016	19/07/2016	Laporan Bulanan Registrasi Pemegang Efek Monthly Report of Securities Holders Registration

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No.	No. Surat Letter Number	Tanggal Date	Perihal Subject
48.	GARUDA/IDX/JKTWI/20048/2016	19/07/2016	Pemberitahuan Rencana RUPO PT Garuda Indonesia (Persero) Tbk Notice of GMB of PT Garuda Indonesia (Persero) Tbk
49.	GARUDA/IDX/JKTWI/20049/2016	01/08/2016	Penyampaian Laporan Keuangan Interim Interim Financial Statements
50.	GARUDA/IDX/JKTWI/20050/2016	01/08/2016	Pemberitahuan Panggilan RUPO PT Garuda Indonesia (Persero) Tbk Invitation of GMB of PT Garuda Indonesia (Persero) Tbk
51.	GARUDA/IDX/JKTWI/20051/2016	03/08/2016	Penyampaian Bukti Iklan Informasi Laporan Keuangan Interim Advertisement of Interim Financial Statements Information
52.	GARUDA/IDX/JKTWI/20052/2016	11/08/2016	Laporan Bulanan Registrasi Pemegang Efek Monthly Report of Security Holders Registration
53.	GARUDA/IDX/JKTWI/20053/2016	16/08/2016	Pemberitahuan Hasil RUPO PT Garuda Indonesia (Persero) Tbk Announcement of PT Garuda Indonesia (Persero) Tbk's GMB Result
54.	GARUDA/IDX/JKTWI/20054/2016	25/08/2016	Perubahan *Corporate Secretary* Change of Corporate Secretary
55.	GARUDA/IDX/JKTWI/20055/2016	20/09/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Penyampaian Keterbukaan Informasi atas Transaksi Afiliasi Information Disclosure regarding Affiliated Transaction
56.	GARUDA/IDX/JKTWI/20056/2016	29/09/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Perolehan atau Kehilangan Kontrak Penting Information Disclosure of Important Contracts Acquisition or Loss
57.	GARUDA/IDX/JKTWI/20057/2016	31/10/2016	Penyampaian Laporan Keuangan Interim Interim Financial Statements
58.	GARUDA/IDX/JKTWI/20058/2016	04/11/2016	Perubahan *Corporate Secretary* Change of Corporate Secretary
59.	GARUDA/IDX/JKTWI/20059/2016	28/11/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Information Disclosure requires by the Public
60.	GARUDA/IDX/JKTWI/20060/2016	02/12/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Pengumuman & Pemberitahuan Pelaksanaan Penambahan Modal Hasil PMNTHMETD PT Garuda Indonesia (Persero) Tbk Information Disclosure regarding the Announcement & Notice of Implementation of Increase of Capital Stock resulted from State Capital Participation without Right Issue of PT Garuda Indonesia (Persero) Tbk
61.	GARUDA/IDX/JKTWI/20061/2016	14/12/2016	Penambahan Modal Tanpa HMETD Penempatan Terbatas Capital Increase Without Pre-emptive Right Limited Participation
62.	GARUDA/IDX/JKTWI/20062/2016	21/12/2016	Keterbukaan Informasi yang Perlu Diketahui Publik Surat Penambahan Sajam Baru dari Biro Administrasi Efek PT Datindo Entrycom Information Disclosure regarding the Letter of New Share Capital Increase from Share Registrar PT Datindo Entrycom
63.	GARUDA/IDX/JKTWI/20063/2016	30/12/2016	Keterbukaan Informasi yang Perlu Diketahui Publik atas Transaksi Afiliasi Information Disclosure on Affiliated Transasction

Dalam rangka memudahkan komunikasi dan akses para pemangku kepentingan termasuk atas untuk informasi terbaru terbaru mengenai laporan kondisi keuangan, non keuangan, dan data perusahaan lainnya yang terkait dengan pertanggungjawaban transparansi serta akuntabilitas perusahaan, Perseroan senantiasa melakukan pembaharuan sarana dan prasarana penunjang penyampaian informasi. Selain itu, Perseroan juga terus berupaya memperkuat *platform* teknologi informasi untuk menjaga dan meningkatkan keandalan dalam penyediaan informasi secara terintegrasi, tepat waktu dan tepat sasaran melalui *(e-mail)*, penyebaran buku, buletin, poster, rilis pers, laman *(website),* maupun media lain.

In order to facilitate ease of communications and stakeholders' access for the latest information related to the financial condition, non-financial, and other company data in accordance to the transparency accountability and the accountability of the Company, the Company continuously renew (update) the supporting facilities and infrastructure for the delivery of information. Additionally, the Company also continues to strengthen the information technology platform to maintain and improve the reliability in providing the information in an integrated, timely and accurate manner via e-mails, dissemination of books, bulletins, posters, press releases, websites, as well as other medias.

HUBUNGAN INVESTOR

Dalam upaya membangun kredibilitas setelah IPO melalui keterbukaan informasi yang berimbang, konsisten dan tepat waktu, Perseroan membentuk Unit Hubungan Investor pada Maret 2011. Aktivitas utama Unit Hubungan Investor adalah menjadi jembatan antara manajemen Perseroan dengan investor dan analis.

Secara proaktif, Unit Hubungan Investor melakukan komunikasi dengan para analis dan investor yang ingin memperoleh informasi yang komprehensif tentang Perseroan. Penyampaian dan keterbukaan informasi dilakukan dengan seimbang, konsisten dan tepat waktu, melalui berbagai sarana komunikasi, seperti *e-mail*, situs Perseroan, serta *conference call*. Selain itu, Unit Hubungan Investor juga menghadiri berbagai pertemuan langsung dengan analis dan investor melalui sarana paparan publik (*Public Expose*), temu analis reguler secara triwulanan, kunjungan analis, kunjungan lapangan, serta partisipasi dalam berbagai konferensi di dalam dan luar negeri serta melakukan *non-deal roadshow.*

Berikut adalah ikhtisar pengungkapan informasi yang dilaksanakan oleh Perseroan pada tahun 2016.

INVESTOR RELATIONS

In an effort to establish post-IPO credibility through a balanced, consistent and timely information disclosure, the Company has established an Investor Relations Units in March 2011. The main activity of the IR is as a bridging facility between Garuda Indonesia's management and investors and analysts.

Proactively, the IR engages in building communication with the analysts and investors who wish to acquire comprehensive information of Garuda Indonesia. Information submissions and disclosures are performed in a balanced, consistent and timely manner, through various communication facilities, such as e-mails, Company's website, as well as conference calls. Additionally the IR attends meetings with the analysts and investors through Public Exposes, quarterly meetings with the analysts, site visits, and participations in various domestic and international conferences as well as performing non-deal roadshows.

The following is an overview of the disclosure of information performed by the Company in 2016.

Pengungkapan Informasi Perseroan
Company's Information Disclosure

Keterangan Description	Jumlah Total
Non-Deal Roadshow dan *Conference* Non-Deal Roadshow and Conference	8
Rapat bersama Analis Meeting with Analyst	62

KETERBUKAAN INFORMASI
Information Disclosure

Keterangan Description	Jumlah Total
Conference Call Conference Call	55
Site Visit Site Visit	5
RUPS GMS	1
Paparan Publik Public Expose	4
Siaran Pers Press Release	106
Laporan Tahunan Annual Report	1
Laporan Berkelanjutan Sustainability Report	1

Paparan Publik 2016

Merujuk pada Peraturan Bursa Efek Indonesia No. I-E tanggal 19 Juli 2004 tentang Kewajiban Penyampaian Indonesia, Perseroan telah mengadakan kegiatan paparan publik tahunan pada tanggal 15 April 2016 di Auditorium Gedung Manajemen Garuda Indonesia, Bandara Internasional Soekarno-Hatta, Cengkareng. Dalam paparan publik tersebut, Perseroan menyampaikan profil usaha dan informasi penting lainnya termasuk jejak langkah, struktur pemegang saham, visi dan misi, jaringan kantor, produk dan layanan, penghargaan, aksi korporasi, peristiwa penting, komposisi Dewan Komisaris dan Direksi terkini serta kinerja Perseroan pada tahun 2015 dan triwulan I 2016.

Public Expose 2016

Referring to the Indonesian Stock Exchange Regulation No. I-E dated July 19, 2004 concerning the Indonesian Obligation to Submit, the Company has held the Annual Public Expose on April 15, 2016 in the Auditorium of Garuda Indonesia's Management Building, Garuda City, Soekarno-Hatta International Airport, Cengkareng. In the Public Expose, the Company delivered its business profile and other important information including the footsteps, shareholding structure, vision and mission, office networks, products and services, awards, corporate, actions, important events, latest composition of the Board of Commissioners and the Board of Directors as well as the Company's performance in 2015 and for the first quarter of 2016.

Siaran Pers 2016

Dampak Siaran Pers

Dalam rangka menyempurnakan implementasi prinsip transparansi mengenai informasi perusahaan, Perseroan mengeluarkan sebanyak 106 siaran pers selama tahun 2016. Siaran-siaran tersebut dimuat di dalam media cetak dan elektronik serta disiarkan secara nasional.

Berdasarkan kegiatan media *monitoring* yang dilakukan secara rutin dan intensif, Perseroan memandang bahwa tidak ada siaran pers yang berpotensi membawa dampak negatif baik dari segi finansial dan non-finansial selama tahun 2016. Seluruh pemberitaan tersebut diterima dan direspon dengan baik, serta dimitigasi dan diklarifikasi dengan data dan fakta yang valid bila diperlukan.

Press Release 2016

Impact of Press Releases

In order to enhance the implementation of the principles of transparency regarding the company's information, Garuda Indonesia issued 106 press releases throughout 2016. The press releases were published in prints and electronic medias and were broadcasted nationwide.

Based on the media monitoring activities that are performed regularly and intensively, Garuda Indonesia considers that there are no press release that could potentially adversely impact the Company in terms of both financial and non-financial throughout 2016. All press releases were received and responded well, as well as mitigated and clarified with valid data and facts when needed.

Media-media yang melakukan pemberitaan menyiarkan perkembangan terbaru mengenai aktivitas Perseroan dengan izin dan sepengetahuan Perseroan. Ada pun siaran-siaran pers tersebut memberikan respon serta masukan yang positif dan membangun kepada Perseroan sehingga Perseroan dapat meningkatkan kinerjanya dengan lebih baik.

Medias broadcast the news informing the latest development in relation to the Company's activities with the permission and acknowledgement of Garuda Indonesia. The press releases provided positive response and input and constructive so that Garuda Indonesia is able to continue to build its performance to be much better in the future.

Daftar Siaran Pers yang Diterbitkan Tahun 2016
List of Press Release Issued in 2016

No.	Bulan Month	Tanggal Date	Judul Release Release Title
1.	January January	07	Garuda Indonesia Serahkan Pesawat Boeing 737-500 kepada TNI AU Garuda Indonesia Delivers Boeing 737-500 to Indonesian Air Force
		16	M. Arif Wibowo: Bali Perlu Perluas Nation Branding Indonesia di Kancah Global M. Arif Wibowo: Bali Needs to Expand the Nation Branding of Indonesia in Global Stage
		19	Perkuat Sinergi, Garuda Indonesia dan POLRI Kerja Sama Charter dan Cargo Strengthen Synergy, Garuda Indonesia and Indonesian National Police Establish Charter and Cargo Cooperation
		22	Sinergi Industri Penerbangan, Perguruan Tinggi dan Pemerintah Kunci Hadapi ASEAN Open Sky Synergy of Aviation Industry, University and Government are the Key to Face ASEAN Open Sky
		26	• Explore Indonesia with Garuda Indonesia's *Two Day Anniversary Sale* • Garuda Indonesia Peringati 50 Tahun Penerbangan ke Singapura • Explore Indonesia with Garuda Indonesia's • Two Day Anniversary Sale • Garuda Indonesia Commemorates 50 Year of Flight to Singapore
2.	Februari February	02	Membawa Pelayanan ke Tingkat yang Lebih Tinggi, Garuda Indonesia Memperkenalkan Business Class dengan "*Super Diamond Seat*" Bringing Service to a Higher Level, Garuda Indonesia Introduces Business Class with "Super Diamond Seat"
		09	Gapura Bertransformasi Menjadi Perusahaan *Ground Handling* Kelas Dunia Gapura Transforms to a World-Class Ground Handling Company
		15	Garuda Indonesia Group Hadir dalam Singapore Airshow 2016 Garuda Indonesia Group Attends Singapore Airshow 2016
		17	• Garuda Indonesia Group dan *Airbus* Sepakat Perluas Kerjasama Strategis • Garuda Indonesia Group and Airbus to Expand Longstanding Relationship • Garuda Indonesia Pertahankan Gelar "Maskapai Bintang 5" Selama Dua Tahun • Garuda Indonesia Group and Airbus Agreed to Expand Strategic Cooperation • Garuda Indonesia Group and Airbus to Expand Longstanding Relationship • Garuda Indonesia Preserves the Title of "5-star Airline" for Two Years
		19	Garuda Indonesia Gandeng Jaguar Land Rover Hadirkan Kemewahan Limousine Bagi Penumpang First Class Garuda Indonesia Cooperates with Jaguar Land Rover to Provide Luxury Limousine to First Class Passengers
		22	Garuda Indonesia Group Raih Berbagai Kerjasama Strategis dan Potensi Bisnis Selama Singapore Air Show 2016 Garuda Indonesia Group Achieves Various Strategic Partnership and Business Potential During the Singapore Air Show 2016
		25	Perkuat Sinergi BUMN, Garuda Indonesia, Bank Negara Indonesia dan Bank Mandiri Luncurkan Co-Brand Debit Card Strengthen the SOE Synergy, Garuda Indonesia, Bank Negara Indonesia, and Bank Mandiri Launch Co-Brand Debit Card
		27	Gapura Gandeng Mitra Global Tingkatkan Kualitas Layanan di Seluruh Bandara Indonesia Gapura Cooperates with Global Partners to Improve the Quality of Service Across Indonesia Airports

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No.	Bulan Month	Tanggal Date	Judul Release Release Title
3.	Maret March	01	Garuda Indonesia Resmikan Garuda Sales Office Bintaro di Exchange Mall Garuda Indonesia Officially Opens Garuda Sales Office Bintaro in Exchange Mall
		16	Garuda Indonesia Tunjuk Juliandra Pimpin GMF Aeroasia Penuhi Visi Global Player Garuda Indonesia Appoints Juliandra in charge of GMF Aeroasia to Fulfill the Global Player Vision
		19	Garuda Indonesia Raih Penghargaan "Indonesia Green Company" untuk yang Ketiga Kali Garuda Indonesia Achieves "Indonesia Green Company" for the third time
		20	Garuda Indonesia Group Gelar "Earth Hour" Hemat Energi hingga 12 Juta Watt-Hours Garuda Indonesia Group Holds "Earth Hour", Saved Energy up to 12 Million Watt-Hours
		21	Perkuat Sinergi BUMN, BRI dan Garuda Indonesia Luncurkan Co-Brand Debit Card Strengthen the SOE Synergy, BRI and Garuda Indonesia Launch Co-Brand Debit Card
		22	Kembangkan Konektivitas dan Pariwisata Danau Toba, Garuda Indonesia Resmikan Rute Penerbangan Baru Jakarta – Silangit pp Develop Connectivity and Tourism of Lake Toba, Garuda Indonesia Opens New Route of Jakarta - Silangit vv
		31	Garuda Indonesia Terbang ke London Heathrow Perkuat Nation Branding di Eropa Garuda Indonesia Flies to London Heathrow to Strengthen the Nation Branding in Europe
4.	April April	01	Wakil Presiden Swiss Terkesan dengan Pertumbuhan Garuda Indonesia dan Berharap Bisa Terbang ke Jenewa Vice President of Swiss Impressed with Garuda Indonesia's Growth and Expects to Fly to Geneva
		15	Rapat Umum Pemegang Saham (RUPS) Tahunan 2016 Garuda Indonesia : RUPST Setujui M. Arif Wibowo Didampingi Sejumlah Direksi Baru Pimpin Garuda Annual General Meeting of Shareholders (GMS) 2016 of Garuda Indonesia: AGM approves M. Arif Wibowo assisted by New Directors to Lead Garuda
		19	• Garuda dan BNI Gelar GATF 2016 Bertarget Transaksi Rp250 Miliar • Garuda Laksanakan Restrukturisasi A330-300 dan Inisiasi Kerja Sama Perawatan Pesawat dengan Rolls-Royce • Garuda and BNI Hold GATF 2016 and Target Rp250 Billion Transaction • Garuda Implements the Restructuring of A330-300 and Initiates the Maintenance Cooperation with Rolls-Royce
5.	Mei May	17	GA Raih "Asia's Most Powerful Brand Awards" GA Wins "Asia's Most Powerful Brand Awards"
6.	Juli July	02	Garuda Indonesia Laksanakan Mudik Bareng dengan Bank Mandiri dan Bank BRI Garuda Indonesia Holds Annual Homecoming with Bank Mandiri and Bank BRI
		04	Jelang Lebaran, Tingkat Ketepatan Penerbangan GA Mencapai 88,29 Persen Upon Eid, GA's On Time Performance Achieves 88.29 Percent
		08	Dua Hari Lebaran Tingkat Ketepatan Waktu GA 91,45 Persen Two Days of Eid, GA's On Time Performance is 91.45 Percent
		11	• OTP Garuda Indonesia Periode Jelang dan Puncak Arus Balik Lebaran 2016 • Dampak Erupsi Gunung Tengger Garuda Indonesia Tunda Penerbangan dari dan menuju Malang • GA Minta Rolls-Royce Percepat Program Kolaborasi Bagi GMF • OTP of Garuda Indonesia during the Peak of Contra Flow of Eid 2016 • Impact of Mount Tengger Eruption, Garuda Indonesia Delays Flights to and from Malang • GA Requests Rolls-Royce to Accelerate the Collaboration Program for GMF
		12	GA Dinobatkan sebagai World's Best Cabin Crew Untuk yang Ketiga Kalinya GA is Awarded as World's Best Cabin Crew For the Third Time
		15	GA Sambut Kedatangan Penghargaan World's Best Cabin Crew 2016 GA Welcomes the Arrival of World's Best Cabin Crew Award 2016
		18	GA Selesaikan Peak Season Lebaran 2016 dengan OTP Capai 90 Persen GA Concludes the Peak Season of Eid 2016, with OTP Reaches 90 Percent

No.	Bulan Month	Tanggal Date	Judul Release Release Title
7.	Agustus August	01	Garuda Perkuat Strategy Sky Beyond Hadapi Tantangan 2016-2020 Garuda Strengthen Sky Beyond Strategy to Face the Challenges of 2016-2020
		02	GA dan AP II Layani Penumpang Domestik di T3 per 9 Agustus 2016 GA and AP II Serve Domestic Passengers at T3 per August 9, 2016
		04	GA Group Siap Layani Penerbangan Haji 2016 GA Group Ready to Serve Hajj Flights 2016
		07	Rakernas IMA Dorong Perluasan Akses Pasar,Permodalan dan Pembinaan National Work Meeting of IMA Encourages Expansion of Access to Market, Capital and Development
		09	Garuda Indonesia Dinobatkan sebagai Maskapai Paling Dicintai di Dunia Versi Skytrax Garuda Indonesia is Awarded as the World's Most Loved Airline Skytrax Version
		10	Hari Kedua di Terminal 3, Garuda Indonesia Tingkatkan Koordinasi Upayakan Operasional Penerbangan Segera Normal Second Day in Terminal 3, Garuda Indonesia Strives to Improve Operational Flight Coordination to Normal
		11	Penerbangan Domestik GA Kembali Normal Raih OTP 90 Persen GA Domestic Flight Back to Normal Achieves 90 Percent OTP
		12	Garuda Indonesia Terus Tingkatkan OTP Penerbangan di Terminal 3 Garuda Indonesia Continues to Improve Flight OTP at Terminal 3
		13	Hari Kelima, Pengoperasian Tujuh Boarding Gate Terminal 3 Perlancar Penerbangan Garuda Indonesia Fifth Day, Operation of Seven Boarding Gate at Terminal 3 Accelerates Garuda Indonesia Flight
		14	Garuda Indonesia Targetkan Minggu Depan OTP Kembali ke Standar Normal di Atas 90 Persen Garuda Indonesia Targets Next Week OTP to Return to Normal Standard Above 90 Percent
		15	Wapres Jusuf Kalla Kunjungi Fasilitas Garuda Indonesia di Terminal 3 Soekarno –Hatta Vice President Jusuf Kalla Visit Garuda Indonesia amenities at Terminal 3 Soekarno-Hatta
		19	Penanganan Bagasi dan Tingkat OTP di Hari Kesepuluh Semakin Optimal Baggage Handling and OTP Level in the Tenth Day More Optimal
		20	Garuda Indonesia Tingkatkan Koordinasi dengan Gapura dan Angkasa Pura 2 Tangani Bagasi di Terminal 3 Garuda Indonesia Increases Coordination with Gapura and Angkasa Pura 2 to Handle Baggage in Terminal 3
		27	Garuda Indonesia Raih Penghargaan "Special Mention" Social Business Innovation Award 2016 Garuda Indonesia Achieves "Special Mention" Social Business Innovation Award 2016
		29	GA Dukung Kemenhub Dorong Regulated Agent Penuhi Standar Keamanan Kargo Udara GA Supports the Ministry of Transportation to Encourage the Regulated Agent to Meet the Air Cargo Security Standard
8.	September September	02	GA Siap Antisipasi Penyebaran Virus Zika GA is Ready to Anticipate Zika Virus Spreading
		04	Partisipasi dalam Hari Pelanggan Nasional, Garuda Indonesia Perkuat Komitmen Layanan Bintang Lima Participating in National Customer Day, Garuda Indonesia Strengthens Commitment of Five Star Service
		06	Garuda Indonesia Selesaikan Keberangkatan Haji dengan OTP 98,05 Persen Garuda Indonesia Concludes Hajj Departure with 98.05 Percent OTP
		10	Garuda Indonesia Akan Terbangi Langit Amerika Via Jepang Garuda Indonesia Will Fly to America Via Japan
		11	Garuda Indonesia Imbau Penumpang Terkait Perangkat Samsung Galaxy Note 7 Garuda Indonesia Informs the Passenger Regarding the Samsung Galaxy Note 7 Device
		20	Aerotrans GA Dukung Transportasi PON XIX Jabar Aerotrans GA Supports Transportation of PON XIX West Java
		22	GA Resmikan Penerbangan Denpasar - Maumere dan Penerbangan Langsung Jakarta – Kupang GA Inaugurates Denpasar - Maumere Flights and Direct Flights of Jakarta - Kupang

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		23	• Sukses Terbangkan 50.000 Penumpang, Garuda Indonesia Perpanjang Kerjasama Tourism Australia • Garuda Indonesia Group Serahkan Bantuan bagi Korban Banjir Garut • Successful Fly 50,000 passengers, Garuda Indonesia Extends Cooperation of Australia Tourism • Garuda Indonesia Group Donates Relief to Flood Victims in Garut
		26	Tanam 50 Ribu Bibit Mangrove, Garuda Indonesia Dukung Ekowisata Berbasis Konservasi Mangrove di Belitung Planting 50 Thousand Mangrove Seedlings, Garuda Indonesia Supports Mangrove Conservation Based Ecotourism in Belitung
		27	• 44 Siswa Berprestasi Dapat Bantuan Dana Pendidikan Garuda Indonesia • Garuda Indonesia Dorong Petani Lada, Nenas, dan Pelaku UKM di Belitung Tingkatkan Kualitas Produksi • 44 Outstanding Students Receive Education Fund Donation from Garuda Indonesia • Garuda Indonesia Encourages Farmers of Pepper, Pineapple, and SMEs Businessmen in Belitung to Improve the Production Quality
		30	Garuda Indonesia dan Airbus Tandatangani Kerjasama Tingkatkan Perlindugan Lingkungan Garuda Indonesia and Airbus Signed Cooperation to Improve Environment Preservation
9.	Oktober October	04	Perkuat Jaringan Distribusi, Garuda Indonesia Tambah Kantor Layanan Cargo di Tangerang Strengthen Distribution Network, Garuda Indonesia Adds Cargo Service Office in Tangerang
		07	Garuda Indonesia Travel Fair (GATF) 2016 Targetkan Total Transaksi Rp386 Miliar di 18 Kota Garuda Indonesia Travel Fair (GATF) 2016 Targets Total Transactions of Rp386 Billion in 18 Cities
		08	Hari Pertama Garuda Indonesia Travel Fair 2016 (GATF) Fase Ke-2 Raih Transaksi Penjualan Rp173 Miliar First Day of Garuda Indonesia Travel Fair (GATF) 2016 Phase 2 Achieves Rp173 Billion Sales Transaction
		09	Hari Kedua Garuda Indonesia Travel Fair (GATF) 2016 Raih Transaksi Penjualan Rp304 Miliar Second Day of Garuda Indonesia Travel Fair (GATF) 2016 Achieves Rp304 Billion Sales Transaction
		10	Lampaui Target, Garuda Indonesia Travel Fair (GATF) 2016 Raih Total Transaksi Rp447 Miliar Exceed Target, Garuda Indonesia Travel Fair (GATF) 2016 Receives Rp447 Billion Total Transactions
		12	• Garuda Indonesia Perkenalkan Wawasan Industri Penerbangan Kepada Generasi Muda di Luwuk • Bertemu di Bali, Garuda Indonesia dan 20 Airlines Anggota SkyTeam Perkuat Jaringan Aliansi Global • Garuda Indonesia Introduce Aviation Industry Insight to Youths in Luwuk • Gather in Bali, Garuda Indonesia and 20 Airlines of SkyTeam Members Strengthens Global Alliance Network
		13	Garuda Indonesia dan AP II Tandatangani Kerjasama Pemanfaatan Lahan Komersial Kargo di Areal Bandara Soekarno-Hatta Garuda Indonesia and AP II Signs Commercial Cargo Land Use Cooperation in the Area of Soekarno-Hatta Airport
		14	Perluas Jaringan ke Amerika Selatan, GA Gandeng Aeromexico Kerja Sama Codeshare Expands Network to South America, GA Cooperates with Aeromexico for Codeshare Cooperation
		16	Mendaratnya Pesawat GA 8208 di Lombok Tandai Usainya Seluruh Gelombang Penerbangan Jemaah Haji Indonesia di Tahun 2016/1437H The Landing of GA 8208 in Lombok Marks the Conclusion of Indonesia Hajj Flights 2016/1437H
		29	Garuda Indonesia Sumbang Empat Mesin Perahu Tempel Tingkatkan Taraf Hidup Nelayan Labuan Bajo Garuda Indonesia Donates Four Boat Engines to Improve Living Standards of Labuan Bajo Fishermen
		31	Garuda Indonesia Bukukan Laba Bersih 19,6 Juta USD di Quarter 3 Tahun 2016 Garuda Indonesia Recorded Net Profit of US$19.6 Million in Quarter 3 2016

No.	Bulan Month	Tanggal Date	Judul Release Release Title
10.	November November	02	Garuda Indonesia Bukukan Laba Bersih 19,6 Juta USD di Quarter ke-3 Tahun 2016 Garuda Indonesia Recorded Net Profit of US$19.6 Million in Q3 2016
		04	Presiden Jokowi Kunjungi Hangar GMF President Jokowi Visited GMF Hangar
		05	Garuda Indonesia Gelar "Batu Bike Tour 2016" Dukung Pengembangan Pariwisata Jawa Timur Garuda Indonesia Holds "Batu Bike Tour 2016" to Support East Java Tourism Development
		06	Sukses Gelar *Online Travel Fair* Garuda Indonesia Jadikan Kegiatan Tahunan Successful Hold Online Travel Fair Garuda Indonesia Makes It an Annual Event
		09	Garuda Indonesia Fasilitasi 700 Peserta Program Kesehatan Penanganan Kanker Serviks dan HIV AIDS di Tanjung Pinang Garuda Indonesia Facilitates 700 Participants of Cervical Cancer and HIV AIDS Treatment Program in Tanjung Pinang
		10	Kedutaan Besar Inggris Jakarta dan Garuda Indonesia Resmikan Kerjasama dalam BIdang Pariwisata dan Edukasi British Embassy at Jakarta and Garuda Indonesia Inaugurates Cooperation in the Field of Tourism and Education
		12	Pimpin APOT.ASIA (*ASIA PACIFIC ONBOARD TRAVEL*), President & CEO PT Aerofood Indonesia (Garuda Indonesia Group) Komitmen Promosi Destinasi Indonesia Lead the APOT.ASIA (ASIA PACIFIC ONBOARD TRAVEL), President & CEO of PT Aerofood Indonesia (Garuda Indonesia Group) is Committed to Promote Indonesia Destinations
		16	Garuda Indonesia Bantu Pesantren Tangerang Tingkatkan Fasilitas Ibadah dan Pendidikan Garuda Indonesia Helps Tangerang Islamic Boarding School to Increase Worship and Education Facilities
		23	CEO Garuda Indonesia Raih Penghargaan Indonesia's *Business Leader Awards* 2016 Garuda Indonesia CEO Wins Indonesia's Business Leader Award 2016
		29	• Garuda Indonesia Buka Penerbangan Surabaya - Madinah, Optimalkan Pasar Timur Tengah • Garuda Indonesia Raih Dua Penghargaan Terbaik, "*The Best BUMN Branding*" dan "The Best Chief Marketing BUMN" • Garuda Indonesia Opens Surabaya – Madinah Flight, Optimize the Middle East Market • Garuda Indonesia Achieves "The Best BUMN Branding" and "The Best Chief Marketing BUMN"
11.	Desember December	03	Garuda Indonesia Raih Penghargaan "*Best Investor Relations Company in Indonesia*" dari Investor Relations Magazine Awards South East Asia 2016 Garuda Indonesia Achieves "Best Investor Relations Company in Indonesia" from the Investor Relations Magazine Awards South East Asia 2016
		06	Perkuat Jaringan Penerbangan Regional Asia, Mulai Pekan Depan Garuda Indonesia Layani Rute Jakarta – Mumbai vv Strengthen Asian Regional Flight Network, Starting Next Week Garuda Indonesia Opens Route of Jakarta - Mumbai vv
		07	Perkuat Pasar Asia, Garuda Indonesia Memulai Pelayanan Baru ke Mumbai pada 12 Desember Strengthen Asia Market, Garuda Indonesia Starts a New Service to Mumbai on December 12
		08	Garuda Indonesia Terima Penghargaan "*The World's Most Loved Airlne*" dari Skytrax Garuda Indonesia Receives "The World's Most Loved Airline" Award from Skytrax
		09	GA Raih Indonesia Most Admired CEO & GCG Awards GA Wins Indonesia Most Admired CEO & GCG Awards
		10	Garuda Indonesia Raih Penghargaan "*World's Best Airline for Halal Travellers*" Garuda Indonesia Achieves "World's Best Airline for Halal Travellers'
		13	• Garuda Indonesia Resmi Layani Penerbangan Jakarta – Mumbai vv • Garuda Indonesia Proyeksikan Pasar Potensial India Dorong Pencapaian Isian Penumpang 80 Persen • Garuda Indonesia Officially Serves Jakarta – Mumbai vv Flight • Garuda Indonesia Expects India Potential Market Drive the Seat Load Factor to 80 Percent
		14	Garuda Indonesia Siapkan 13.054 Kursi Tambahan Hadapi Natal dan Tahun Baru 2017 Garuda Indonesia Prepares 13,054 Additional Seats for the Christmas and New Year 2017

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		15	Dukung Olahraga Nasional, Garuda Indonesia Terbangkan Timnas ke Final AFF 2016 di Bangkok Support the National Sports Garuda Indonesia Takes the National Team to the Final AFF 2016 in Bangkok
		17	Garuda Indonesia Siapkan Tiket Gratis Kelas Bisnis Setahun untuk Kemenangan Timnas PSSI di Piala AFF Garuda Indonesia Prepares Free Business Class Tickets for a year if Indonesian National Team Wins the AFF Cup
		18	Garuda Indonesia Sambut Kepulangan Timnas Indonesia Garuda Indonesia Welcomes the Return of Indonesia National Team
		19	Garuda Indonesia Proyeksikan Pasar Potensial India Akan Meningkatkan Slot Kursi Penumpang Mencapai Lebih Dari 80 Persen Garuda Indonesia Expects India Potential Market Will Improve Seat Load Factor to Reach More Than 80 Percent
		20	• Garuda Indonesia Raih Predikat Sebagai "The Most Trusted Company 2016" • Isteri Pimpinan BUMN Sumbang Kebutuhan Pokok Korban Gempa Aceh • Garuda Indonesia Achieves "The Most Trusted Company in 2016" • Wives of SOE Leaders Donate to Aceh Earthquake Victims
		21	Sinergi Garuda Indonesia dan Pos Indonesia Synergy between Garuda Indonesia and Pos Indonesia

KOMUNIKASI INTERNAL DAN EKSTERNAL

Komunikasi Perseroan kepada karyawan diselenggarakan melalui penerapan strategi komunikasi internal yang efektif guna mendukung peningkatan produktivitas karyawan dan reputasi Perseroan di internal sesuai prinsip GCG. Tanggung jawab komunikasi internal adalah memastikan pesan Manajemen tersampaikan kepada karyawan dan optimalisasi media internal untuk kepentingan Perseroan, sehingga pemahaman karyawan dan produktivitas karyawan diharapkan akan meningkat.

Media komunikasi internal tersedia dalam berbagai format:

1. Internal Portal "*Tell Us About Us*"
   Portal internal bersifat komunikasi dua arah yang mengandung unsur partisipatif dan *involvement* karyawan.
2. *E-mail Blast* "*Corporate Information*"
   Broadcast message melalui *e-mail* kepada seluruh karyawan Perseroan berisi informasi terkait pesan Manajemen, pengumuman penting termasuk pada situasi krisis, peristiwa, program dan pencapaian Perseroan.
3. *Internal Magazine "View"*
   Majalah khusus internal yang terbit secara periodik memuat artikel bersifat *indepth*, mengangkat 'suara' karyawan, destinasi hingga artikel lepas yang menambah wawasan karyawan.
4. Poster
   Pesan visual yang ditempatkan di area kerja karyawan dan dimuat di media komunikasi internal

INTERNAL AND EXTERNAL COMMUNICATIONS

Corporate communication to the employees are conducted through the effective internal communication implementation strategy in order to improve employee productivity, image and reputation of Garuda Indonesia according to the GCG principles. The employee communication responsibility is to ensure that the internal media functions effectively and efficiently for the benefit of the Company. Thus, understanding of employees and employee productivity is expected to increase.

Access to internal information and Garuda Indonesia data is held in the following format:

1. "Tell Us About Us"
   Internal Portal Information portal as a media of communications and sharings between the employees.
2. "Corporate Information" E-mail Blast
   E-mail consisting the information submitted to all employees in relation to the events and the operational achievements of Garuda Indonesia.
3. "View" Internal Magazine
   Special internal magazine that covers information in relation to the organization from general strategy, competency development, company culture, to operational update.
4. Posters
   Visual messages placed in the work areas of employees and published in internal communication media

Selain media internal, Perseroan juga memastikan bahwa komunikasi eksternal berjalan dengan efektif dan tepat sasaran guna meningkatkan reputasi dan kepercayaan publik terhadap Garuda Indonesia. Akses informasi dan data mengenai Perseroan dapat diakses publik melalui medium sebagai berikut:

1. *Deployment Press Release*
   Informasi tertulis yang disampaikan kepada media berkaitan dengan perkembangan terbaru atas kinerja, aksi dan rencana Perseroan.
2. *Landing Page "Press Release"* di Perseroan
   Halaman khusus di situs Garuda Indonesia yang memuat dengan perkembangan terbaru atas kinerja, aksi dan rencana bisnis Perseroan.
3. Akun Media Sosial
   - Twitter (www.twitter.com/IndonesiaGaruda)
   - Facebook (www.facebook.com/ PT.GarudaIndonesia)
   - YouTube
4. *Inflight Magazine* "Colours"
   Majalah khusus yang didistribusikan di seluruh penerbangan Garuda Indonesia, baik domestik maupun internasional.

Aside from the internal media, the Company also ensures that external communications are operating effectively and accurately in order to enhance the reputation and public confidence in Garuda Indonesia. Access to information and data about the Company are publicly accessible via the medium as follows:

1. Deployment Press Release
   Written information presented to the media in relation to the latest development of the Company's performance, actions and plans.
2. "Press Release" Landing Page in Garuda Indonesia
   A special page on the website of Garuda Indonesia, which contains the latest developments on the Company's performance, action and business plan.
3. Social Media Accounts
   - Twitter (www.twitter.com/IndonesiaGaruda)
   - Facebook (www.facebook.com/ PT.GarudaIndonesia)
   - YouTube
4. "Colour" Internal Magazine
   A special internal magazine distributed in all flights of Garuda Indonesia, both domestic and international ones.

07

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TANGGUNG JAWAB **SOSIAL PERUSAHAAN**

Corporate Social Responsibility

LANDASAN PENERAPAN CSR DAN PKBL

Legal Reference for CSR and PKBL

Perseroan juga merumuskan dan menjalankan aktivitas CSR-nya dengan mengacu pada standar ISO 26000

The Company also formulates and implement its CSR programs by referring to ISO 26000 standard

Garuda Indonesia selaku maskapai penerbangan terdepan di Indonesia senantiasa memastikan bahwa kegiatan usahanya senantiasa berpegang teguh kepada prinsip-prinsip bisnis berkelanjutan. Berangkat dari pemahaman tersebut, Perseroan memandang tanggung jawab sosial (*Corporate Social Responsibility*/CSR) sebagai wujud kepedulian terhadap lingkungan hidup, penghormatan terhadap hak asasi manusia, kewajiban untuk menyediakan tempat yang nyaman dan hubungan kerja yang baik dengan karyawan, mengutamakan terjaganya kesehatan dan keselamatan kerja, dan ikut serta mengembangkan ekonomi dan komunitas lokal.

As the leading national airline in Indonesia, Garuda Indonesia always ensures that its business adhere to sustainable business principles. Based on that understanding, Garuda Indonesia defines Corporate Social Responsibility (CSR) as a form of awareness towards the environment, respect for human rights, the obligation to provide a comfortable workplace and good working relationship with the employees, prioritizing the preservation of health and safety at work while also took part in developing the economy and local communities.

Di sisi lain, dalam kaitannya dengan perannya sebagai Badan Usaha Milik Negara (BUMN), Perseroan juga melaksanakan Program Kemitraan Bina Lingkungan (PKBL) sebagaimana diatur dalam Peraturan Menteri (Permen) BUMN No. PER-09/MBU/07/2015 dan PER-03/MBU/12/2016 tentang Program Kemitraan dan Program Bina Lingkungan BUMN. PKBL adalah bentuk tanggung jawab BUMN kepada masyarakat melalui partisipasi aktif memberikan bimbingan dan bantuan kepada pengusaha golongan ekonomi lemah, koperasi dan masyarakat. PKBL terdiri atas Program Kemitraan Usaha Kecil dan Pembinaan Lingkungan oleh BUMN melalui pemanfaatan dana dari bagian laba BUMN. Program Kemitraan BUMN dengan Usaha Kecil, yang selanjutnya disebut Program Kemitraan, merupakan program untuk meningkatkan kemampuan usaha kecil melalui pemanfaatan dana dari bagian laba BUMN. Tujuan Program Kemitraan adalah untuk meningkatkan kemampuan para pengusaha kecil agar menjadi mandiri sekaligus pemberdayaan kondisi sosial masyarakat.

Landasan Penerapan CSR dan PKBL

Dalam pelaksanaan CSR dan PKBL, Garuda Indonesia senantiasa berpedoman pada ketentuan dalam berbagai peraturan dan perundangan yang berlaku berikut ini:

1. Undang-Undang No. 40 Tahun 2007 mengenai Garuda Indonesia Terbatas
2. Undang-Undang No. 8 Tahun 1999 mengenai Perlindungan Konsumen
3. Undang-Undang No. 13 Tahun 2003 mengenai Ketenagakerjaan
4. Permen BUMN No. PER-03/MBU/12/2016 19 Desember 2016
5. Permen BUMN No. PER-09/MBU/07/2015 tanggal 3 Juli 2015
6. Peraturan Menteri Perhubungan No. PM 77 Tahun 2011 tentang Tanggung Jawab Pengangkut Angkutan Udara

Selain itu landasan regulasi di atas, Perseroan juga merumuskan dan menjalankan aktivitas CSR-nya dengan mengacu pada standar ISO 26000 yang berisi tentang panduan praktik-praktik tanggung jawab sosial dalam aspek akuntabilitas, transparansi, perilaku etis, penghormatan kepada kepentingan *stakeholder*, kepatuhan pada hukum, penghormatan pada norma perilaku internasional, dan penegakan hak asasi manusia.

On the other hand, in relation to its role as a state-owned enterprises (SOEs), the Company also implements the Partnership and Community Development Program (PKBL) as regulated in the Regulation of the Minister of SOEs No. PER-09/MBU/07/2015 and PER-03/MBU/12/2016 regarding SOEs' Partnership Program with Small Businesses and Community Development Program. PKBL is a form of SOE's responsibility to the community through active participation in providing guidance and assistance to enterpreneurs in weak economic group, cooperatives and the community. SOEs' Partnership Program with Small Businesses, hereinafter referred to as Partnership Program, is a program aimed to improve the ability of small businesses through the use of funds from SOEs' profits. The objective of Partnership Program is to enhance the capability of small business owners to be resilient and self-sufficient as well as empowering the social condition of the community.

Legal Reference for CSR and PKBL

In implementing the CSR and PKBL, the Company continues to adhere to provisions in the various prevailing laws and regulations as described below:

1. Law No. 40 of 2007 regarding Limited Liability Companies
2. Law No. 8 of 1999 regarding Consumer Protection
3. Labor Law No. 13 of 2003 on Employment
4. Minister of SOEs Regulation No. PER-03/MBU/12/2016 dated December 19, 2016
5. Minister of SOEs Regulation No. PER-09/MBU/07/2016 dated July 3, 2015
6. Minister of Transportation Regulation No. PM 77 of 2011 regarding the Responsibilities of Airline Companies

In addition to the aforementioned regulations, the Company also formulates and implement its CSR programs by referring to ISO 26000 standard which provides guidance on social responsibility practices in terms of accountability, transparency, ethical conduct, respect to stakeholders' interests, adherence to the prevailing laws, respect for international norms, and the enforcement of human rights.

VISI DAN **MISI CSR**
CSR Vision and Mission

Untuk terus mewujudkan tumbuh kembang yang berkualitas dan memenuhi harapan seluruh pemangku kepentingan, Perseroan melandaskan implementasi tanggung jawab sosialnya dalam visi dan misi berikut ini.

In order to continuously realize quality growth and to meet the expectations of all stakeholders, the Company's corporate social responsibility implementation refers to the following vision and mission statement:

VISI

Menjadi pengelola Corporate Social Responsibility yang efektif dan tepat guna sehingga memberikan dampak positif terhadap masyarakat, lingkungan, dan perusahaan.

Managing an effective and appropriate Corporate Social Responsibility program so as to provide positive impact on the society, environment and the Company.

MISI

Berkomitmen dalam pemberdayaan ekonomi, sosial, dan lingkungan masyarakat di Indonesia melalui program berkelanjutan yang inovatif.

Committed to economic, social, and environmental community empowerment in Indonesia through innovative sustainable programs.

Melalui pencanangan visi dan misi untuk pelaksanaan CSR & PKBL tersebut, Perseroan yakin dapat meraih keberhasilan kinerja yang diimbangi dengan keberhasilan menjaga lingkungan hidup dan keberhasilan memajukan kehidupan masyarakat di daerah sekitar operasional.

Through the pursuit of the vision and mission for the implementation of CSR & PKBL, the Company is confident to deliver good performance that is offset by successfully preserving the environment and improving the lives of general public in the vicinity of its operations.

LINGKUP **KEGIATAN CSR**
CSR Scope of Activities

Pelaksanaan CSR Perseroan pada dasarnya melibatkan interaksi antara pemangku kepentingan dengan setiap aspek operasional Perseroan. Uraian lengkap yang menggambarkan interaksi tersebut disajikan dalam Laporan Keberlanjutan Garuda Indonesia. Laporan tersebut berisi penjelasan mengenai peran Perseroan dalam berpartisipasi pada upaya menjaga keberlanjutan bumi beserta seluruh isinya melalui pelaksanaan berbagai program dengan tujuan menjaga keseimbangan kinerja di bidang ekonomi, sosial, kemasyarakatan, termasuk menghormati hak pekerja dan juga penerapan tata kelola terbaik dalam mencapai tujuan tersebut.

Sesuai butir-butir ketentuan Bapepam-LK Nomor: KEP-431/BL/2012 tertanggal 1 Agustus 2012 Tentang Penyampaian Laporan Tahunan Emiten atau Perusahaan Publik, pada uraian berikut Perseroan menyampaikan laporan tanggung jawab perusahaan berupa pelaksanaan kegiatan yang mencakup empat topik laporan, yakni tanggung jawab perusahaan terhadap:

1. Lingkungan Hidup;
2. Praktik Ketenagakerjaan;
3. Pengembangan Sosial dan Kemasyarakatan; dan
4. Tanggung Jawab Produk dan Konsumen (dalam kaitannya dengan Garuda Indonesia menjadi Tanggung Jawab terhadap Layanan dan Penumpang).

The Company's CSR implementation basically involves stakeholders' interactions with all of its operational aspect. A complete description of the interactions is presented in Garuda Indonesia's Sustainability Report. The report contains description of the Company's role in maintaining the Earth's sustainability and all of its contents through the implementation of various programs aiming at maintaining the balance in economic performance, social and community, including the respect for employees' rights and the implementation of good corporate governance in achieving the goal.

In accordance to the provisions in Bapepam-LK No: KEP-431/BL/2012 dated August 1, 2012 regarding the Submission of Issuer or Public Companies Annual Report, the following excerpts describe the Company's corporate responsibility report in the form of activities implementation that covers the following four topics, which is the responsibility towards:

1. Environment;
2. Labor Practices;
3. Social and Community Development; and
4. Product and Consumer Responsibility (in the case of Garuda Indonesia, it becomes Responsibility towards Services and Passengers).

PENGELOLAAN DANA CSR DAN PKBL
CSR and PKBL Fund Management

ALOKASI DAN REALISASI BIAYA PROGRAM CSR DAN PKBL TAHUN 2016

CSR dan PKBL merupakan bagian yang tidak terpisahkan dari kesinambungan usaha Perseroan. Oleh karena itu, Perseroan selalu berupaya untuk memastikan kelancaran realisasi semua program CSR & PKBL serta pencapaian targetnya, yakni dengan mengatur alokasi dana atau anggaran khusus untuk kegiatan CSR dan PKBL.

Pada tahun 2016, Perseroan mengalokasikan dana PKBL yang berasal dari penyisihan keuntungan tahun 2015 yaitu sebesar 4% dari keuntungan bersih atau sebesar Rp21,1 miliar. Realisasi penyaluran dana PKBL kepada masyarakat pada tahun 2016 mencapai Rp740 juta untuk Program Kemitraan dan Rp17,3 miliar untuk Program Bina Lingkungan. Untuk alokasi dana CSR, Garuda Indonesia menganggarkan sebesar Rp1,8 miliar dan hingga akhir Desember 2016 penggunaan dana CSR mencapai Rp922,1 juta. Total realisasi penyaluran dana CSR dan PKBL pada tahun 2016 adalah sebesar Rp18,9 miliar.

ALLOCATION AND REALIZATION OF CSR AND PKBL FUND IN 2016

CSR and PKBL are integral to the Company's business continuity. Therefore, the Company always seeks to ensure smooth implementation of the CSR & PKBL programs and achieving its goals, namely by regulating the allocation of dedicated fund or budget for CSR and PKBL.

In 2016, the Company allocated PKBL fund from its 2015 net profit's allowance of 4% or approximately Rp21.1 billion. The actual PKBL fund disbursement to the community in 2016 stood at Rp740 million for Partnership Program and Rp17.3 billion for Environmental Development Program. For CSR fund allocation, the Company has budgeted Rp1.8 billion. As of the end of December 2016, the use of CSR fund reached Rp922.1 million. Total actual PKBL and CSR fund disbursement in 2016 stood at Rp18.9 billion.

Tabel Realisasi Program CSR dan PKBL 2016
Table of Actual CSR and PKBL Program Implementation in 2016

(dalam Rupiah)
(In Rp)

No.	Kegiatan "Garuda Indonesia Peduli" "Garuda Indonesia Peduli" Activities	Jumlah Total					Akumulasi s.d. 2016 Accumulation up to 2016
		2016	2015	2014	2013	2012	
1.	CSR	922,056,884	922,056,884	9,374,683,380	13,557,790,112	4,395,601,242	39,355,241,151
2.	Pinjaman Kemitraan Partnership Loan	740,000,000	740,000,000	6,730,000,000	955,000,000	21,344,883,543	58,496,788,543
3.	Pembinaan Kemitraan Partnership Fostering	- *	-	808,852,350	264,447,595	2,710,659,869	14,241,963,465
4.	Bina Lingkungan BUMN Pembina SOEs Foster Community Development	16,484,004,323	16,484,004,323	2,037,438,957	3,698,209,479	13,512,593,176	48,488,361,986
5.	Bina Lingkungan BUMN Peduli BUMN Peduli Community Development	-	-	-	-	3,915,474,437	4,458,289,860
Jumlah / Total		**18,146,061,207**	**18,146,061,207**	**18,950,974,687**	**18,475,447,186**	**45,879,212,267**	**165,040,645,005**

*) Per tahun 2016, Pembinaan Kemitraan menjadi salah satu sektor dalam Program Bina Lingkungan BUMN Pembina.
*) As of 2016, Partnership Fostering has become one of the sectors in SOEs Foster Community Development Program.

SUMBER DANA PROGRAM CSR DAN PKBL TAHUN 2016

Penetapan dan penggunaan dana PKBL Perseroan sesuai dengan ketentuan dengan Permen BUMN No. PER-03/MBU/12/2016 sebagai berikut:

CSR AND PKBL FUND IN 2016

The establishments and usage of the Company's PKBL funds has been in conformity with Minister of SOEs Regulation No. PER-03/MBU/12/2016 as follow:

Total realisasi penyaluran dana CSR dan PKBL oleh Perseroan pada tahun 2016 adalah sebesar Rp18,3 miliar.

Total actual PKBL and CSR fund disbursement in 2016 stood at Rp18.3 billion.

1. Dana Program Kemitraan dan Program BL bersumber dari:
   a. Penyisihan sebagian laba bersih BUMN; dan/atau
   b. Anggaran yang diperhitungkan sebagai biaya pada BUMN.
2. Penyisihan laba bersih setelah pajak yang ditetapkan dalam RUPS/Menteri pengesahan Laporan Tahunan BUMN Pembina maksimum sebesar 4% (empat persen) dari laba bersih tahun sebelumnya;
3. Jasa administrasi pinjaman/marjin/bagi hasil dari Program Kemitraan;
4. Hasil bunga deposito dan/atau jasa giro dari dana Program Kemitraan dan Program BL yang ditempatkan; dan
5. Saldo dana Program Kemitraan dan Program BL tahun sebelumnya.

Sumber dana PKBL Perseroan pada tahun 2016 berasal dari penyisihan laba bersih, dana pengembalian pinjaman, pendapatan bunga, serta pendapatan jasa giro (rincian pada tabel di bawah ini). Sementara itu, sumber dana program CSR tahun 2016 dianggarkan dalam RKAP senilai Rp1.875.996.000.

1. Fund for Partnership and Community Development Program is derived from:
   a. Partial allowance of SOEs net earnings; and/or
   b. Fund which is calculated as fee in SOEs.
2. Allocation of net earnings after tax as set by General Meeting of Shareholders/ratification of Minister of SOEs Annual Report Trustees at a maximum of 4% (four percent) of profit after tax from the previous year;
3. Loan administration service/margin/ profit sharing from Partnership Program;
4. Issued interest income and/or current account of Partnership Program and Community Development Program;
5. Remaining funds from the Partnership Program and Community Development Program from the previous financial year.

Source of fund for PKBL are derived from the Company's profit allowance, loan repayment fund, and interest income as well as income from current accounts (details are provided in the following table). Meanwhile, the total fund allocated for CSR program in 2016 as budgeted in RKAP (Work Plan and Budget) was amounted to Rp1,875,996,000.

PENGELOLAAN DANA CSR DAN PKBL
CSR And PKBL Fund Management

Tabel Dana Tersedia Program Kemitraan dan Bina Lingkungan 2016
Available Funds for Partnership Community Development Program in 2016

(dalam Rupiah)
(In Rp)

No.	Dana Tersedia Program Kemitraan dan Bina Lingkungan 2016 Available Funds for Partnership Community Development Program in 2016	Program Kemitraan Partnership Program	Program Bina Lingkungan Community Development Program
1.	Penyisihan laba bersih setelah pajak yang ditetapkan dalam RUPS/Menteri Allocation of net earnings after tax as set by the General Meeting of Shareholders/Minister	-	21.100.900.975
2.	Jasa administrasi pinjaman Program Kemitraan Partnership Program loan administration service	193.908.161	-
3.	Hasil Bunga Deposito dan/atau jasa giro dana PKBL yang ditempatkan Issued interest income and/or current account of PKBL funds	65.165.347	199.307.617
4.	Sumber lain: Other sources:		
	a. Saldo Awal 1 Januari 2016 Opening Balance of January 1, 2016	2.028.584.048	185.241.983
	b. Pengembalian Pokok Pinjaman Loan Principal Repayment	3.437.079.264	-
	c. Pendapatan lain-lain Other Income	126.790.457	332.895.943
Jumlah / Total		**5.851.527.277**	**21.818.346.518**

METODE PENGELOLAAN DANA CSR

Merujuk pada Surat Keputusan PT Garuda Indonesia (Persero) No. JKTDI/SKEP/50011/16 tanggal 16 Maret 2016, pengelolaan dana PKBL dilaksanakan oleh unit CSR PKBL di bawah naungan Corporate Secretary, Legal & Investor Relations. Dana PKBL yang tersedia dikelola sesuai dengan Peraturan Menteri BUMN No: PER-09/MBU/07/2015 dan PER-03/MBU/12/2016 Tentang Program Kemitraan dan Bina Lingkungan. Dana Program Kemitraan disalurkan kepada mitra binaan Perseroan dalam bentuk pinjaman modal dan program-program pembinaan. Dana Bina Lingkungan disalurkan dalam bentuk program-program sosial lingkungan sesuai dengan sektor yang telah ditetapkan dalam Peraturan Menteri BUMN.

MANAGEMENT OF CSR FUND

Based on PT Garuda Indonesia (Persero) Tbk Decree No. JKTDZ/SKEP/50011/16 dated March 16, 2016, PKBL fund management sould be implemented by CSR PKBL unit under the supervision of Corporate Secretary, Legal & Investor Relations. The available PKBL funds should be managed based on Minister of SOEs Regulation No: PER-09/MBU/07/2015 regarding the Partnership Community Development Program. Partnership Program's funds should be disbursed to Garuda Indonesia's partners in the form of capital loan and training programs. Community Development Program's funds should be disbursed in the form of social environment programs based on the sectors that have been appointed by the Minister of SOEs Regulation.

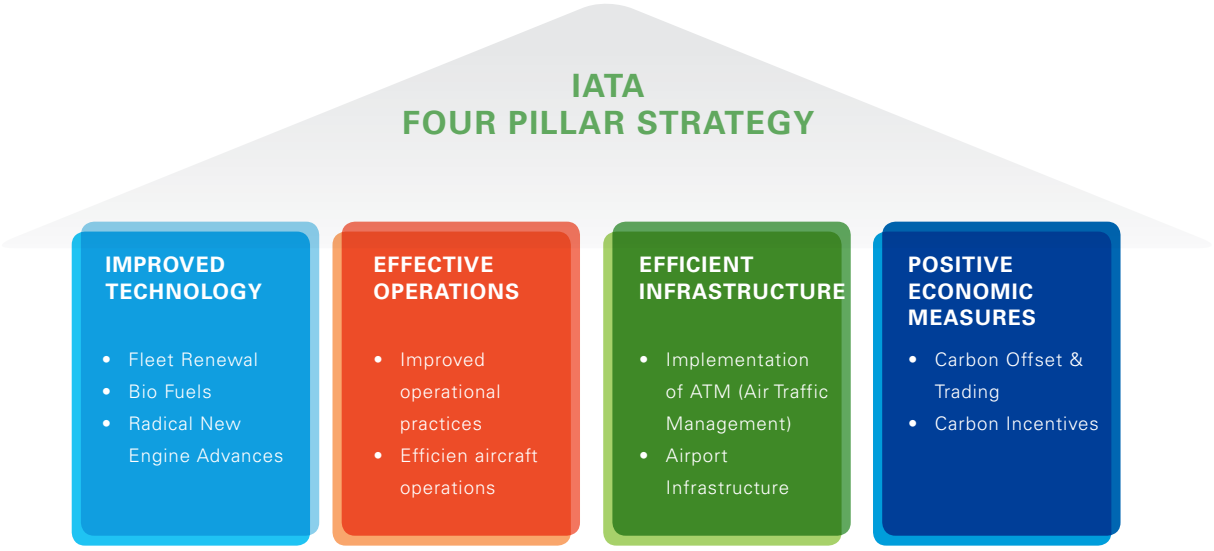
TANGGUNG JAWAB DALAM BIDANG LINGKUNGAN
Environmental Responsibility

KEBIJAKAN PENGELOLAAN DAN PEMELIHARAAN LINGKUNGAN

Industri penerbangan membutuhkan sebuah strategi yang efektif untuk dapat mengurangi dampak aktivitas penerbangan terhadap lingkungan. Sebagai pemangku kepentingan di industri penerbangan, Perseroan telah berpartisipasi secara aktif menjalankan program-program untuk melestarikan lingkungan. Program-program yang dilakukan sejalan dengan IATA *Four Pillar Strategy* (*Improved Technology*, *Effective Operations*, *Efficient infrastructure, Positive Economic Measures*), di mana strategi yang dirumuskan pada tahun 2007 ini bertujuan untuk mengurangi dampak terhadap lingkungan yang dihasilkan oleh industri penerbangan.

POLICIES ON ENVIRONMENTAL MANAGEMENT AND PRESERVATION

Aviation industry requires an effective strategy in order to mitigate the impact of aviation activities towards the environment. As a stakeholder in aviation industry, the Company actively participates in a series of programs that are aimed at environmental preservation.The implemented programs are also in accordance with IATA's Four Pillar Strategy (Improved Technology, Effective Operations, Efficient Infrastructure, Positive Economic Measures). Among the main objectives of this strategy, which is formulated in 2007, is to tone down the impacts of aviation industry on the environment.



Sejalan dengan konsep *Green Economy*, yang menjadikan aspek *People*, *Planet*, dan *Profit* sebagai tiga fokus utama, maka hal ini juga menjadi perhatian Perseroan dalam menyusun *Green Strategy* yang terdiri dari *Green Campaign* (*People*), *Green Action* (*Planet*), dan *Green Responsibility* (*Profit*). Upaya tersebut dilakukan oleh Perseroan untuk mencapai target perusahaan melalui pengoperasian pesawat yang berwawasan lingkungan yang bertujuan untuk menurunkan tingkat emisi dan limbah serta menghemat penggunaan energi serta sumber daya alam lainnya.

In line with the Green Economy concept, which upholds People, Planet, and Profit as the three main focuses, the Company also formulates Green Strategy which consists of Green Campaign (People), Green Action (Planet), and Green Responsibility (Profit). These efforts are made through operation of environmentally friendly aircrafts designed to reduce emission and hazardous waste as well as to conserve energy and other natural resources.

TANGGUNG JAWAB **CSR** DALAM BIDANG LINGKUNGAN
Environmental Responsibility

Kegiatan operasional Perseroan melibatkan proses pembuangan bahan bakar dan proses lainnya terkait pemeliharaan pesawat yang memberi dampak langsung terhadap lingkungan sekitar. Oleh karena itu, Perseroan memiliki komitmen tinggi untuk terus menjalankan kewajiban lingkungannya mencegah atau meminimalkan dampak yang ditimbulkan kegiatan bisnisnya terhadap lingkungan sesuai ketentuan yang telah digariskan dalam dokumen AMDAL. Komitmen tersebut terutama diwujudkan melalui upaya aktif membantu gerakan penghijauan, pemberian sponsor bagi penyelenggaraan acara yang berkaitan dengan lingkungan hidup, pemberian bantuan langsung dalam skema Bina Lingkungan untuk kegiatan yang terkait lingkungan hidup, serta membangun Garuda Indonesia sebagai *Green Airline*.

The Company's operational activities involves fuel disposal process and other processes involving fleet maintenance that have direct impacts on the surrounding environment. Therefore, the Company is highly committed to continue to meet its environmental obligations to prevent or mitigate the impact of its business activities on the environment based on the provisions outlined in AMDAL. Those commitments are mainly manifested through active efforts in supporting the green movement, sponsorship for environmental event organizations, direct Community Development assistance in environmental activities as well as to establish Garuda Indonesia as a Green Airline.

KEGIATAN DALAM PENGELOLAAN DAN PEMELIHARAAN LINGKUNGAN

Fokus Perseroan terkait tanggung jawab terhadap pengelolaan lingkungan di tahun 2016 terletak pada upaya untuk meminimalkan dampak aktivitas bisnis terhadap kelestarian lingkungan hidup termasuk mendukung mitigasi dampak perubahan iklim dan mengimplementasikan praktik-praktik terbaik untuk mewujudkan kelestarian. Perseroan aktif berpartisipasi dalam setiap langkah IATA mengembangkan *Aviation Environment* di dunia penerbangan serta berkomitmen untuk menjadi pelopor/inisiator *Green Aviation* di Indonesia. Komitmen tersebut diwujudkan melalui berbagai program peduli lingkungan berikut ini.

Biopori

Perseroan telah membuat lubang resapan biopori semenjak tahun 2012. Lubang biopori ini menurut riset berguna untuk mengurangi bencana banjir, meningkatkan cadangan air tanah, serta mempercepat terjadinya penyerapan air hujan. Secara alami lubang biopori merupakan lubang-lubang di dalam tanah yang terbentuk akibat adanya aktivitas organisme di dalamnya, seperti cacing, pengakaran tanaman, semut, rayap, dan organisme tanah lainnya. Lubang-lubang yang terbentuk akan terisi udara dan menjadi tempat berlalunya air di dalam tanah. Apabila lubang-lubang seperti ini dibuat dalam jumlah banyak maka kemampuan sebidang batang untuk meresap air akan meningkat yang akan memperkecil peluang terjadinya aliran air di permukaan tanah. Hal ini akan mengurangi bahaya banjir yang mungkin terjadi. Namun di daerah perkotaan, keberadaan pepohonan semakin tergusur oleh bangunan-bangunan sehingga lubang biopori menjadi semakin langka, sehingga dibutuhkan lubang biopori buatan yang digunakan untuk

ACTIVITIES ON ENVIRONMENTAL MANAGEMENT AND PRESERVATION

The Company's focus related to its responsibility towards environmental management in 2016 was the initiatives to moderate the impact of its business activities on environmental preservation including to support the mitigation of climate change impacts and to demonstrate best practices towards achieving sustainability. The Company actively participates in every IATA step in developing the Aviation Environment in the aviation industry as well as aspires to be the pioneer of Green Aviation in Indonesia. The commitment are realized through the following environmental care programs.

Biopores

The Company has created biopore infiltration holes since 2012. According to research, these biopore holes serves to mitigate flood, improve groundwater reserves, and accelerate the absorption of rainwater. Naturally, the biopores are holes inside the soil formed as a result of organism activities inside such as worms, rooting plant, ants, termites, and other soil organisms. These formed holes will be filled with air and channel the water inside the soil. If these holes are produced in massive number, it would enhance the ability of a piece of stem to absorb water and in return, reduce the water flow on the surface soil. It will prevent the possibility of flood. However in the city area, trees have became sparse, replaced by the buildings, and thus biopores are becoming more and more short in supply. As such, the man-made biopores are required to substitute for the existence and function of those natural bipores. Biopore holes could be filled with organic waste derived from leaves, cut grass from the backyard,

Tahun 2016, Perseroan berhasil melakukan penghematan pemakaian bahan bakar yang setara 104,21 juta ton CO_2.
In 2016, the Company managed to save fuel which is equivalent to 104.21 tons of CO_2.

menggantikan keberadaan dan fungsi lubang biopori alami tersebut. Lubang biopori dapat diisi dengan sampah organik yang berasal dari dedaunan pangkasan rumput dari halaman, atau pun sampah dapur yang berfungsi sebagai kompos. Dengan pembuatan lubang biopori di area perkantoran, hal ini diharapkan akan turut mendorong para karyawan Perseroan untuk dapat turut membuat lubang biopori di rumahnya masing-masing sebagai salah satu langkah sederhana dalam perlindungan lingkungan.

or kitchen trash which serves as compost. By producing biopores around the office area, it is expected to encourage the Company's employees to create biopore holes in their homes as a simple step to help preserving the environment.

Sampai dengan tahun 2016, Perseroan telah membuat sebanyak 1.989 titik biopori di Area Garuda City Cengkareng, Garuda Indonesia Training Centre (GITC) Duri Kosambi, Garuda Sentra Medika Kemayoran dan beberapa aset lainnya yang terletak di Jakarta.

By 2016, the Company has generated 1,989 biopore spots in the Area of Garuda City Cengkareng Garuda Indonesia Training Centre (GITC) Duri Kosambi, Garuda Sentra Medika Kemayoran, and several other properties in Jakarta.

Konservasi Air
Upaya penghematan air yang dilakukan melalui aspek pengelolaan sumber daya air di seluruh area kerja Perseroan. Upaya ini dilakukan dengan mengurangi tingkat debit air dan penggunaan *hand wash detector*. Dari upaya penghematan energi air yang dilakukan, yaitu dengan mengatur debit air dan menggunakan *hand wash detector* di toilet di gedung kantor pusat Garuda City Centre maka didapatkan jumlah penghematan air meningkat.

Water Conservation
Water conservation initiatives are implemented through water resources management across all of the Company's working area. These initiatives are aimed to reduce water discharge and utilization of hand wash detector. From the water energy saving initiatives such as regulating water discharge and installing hand wash detector in the toilets of head office in Garuda City Centre, it is recorded that the water saving has improved.

Pipa-pipa air bersih di seluruh perkantoran Perseroan juga secara rutin dipelihara. Setiap tahunnya pihak pengelola aset gedung perkantoran melakukan peremajaan pipa-pipa air

Clean water installation across the Company's office buildings have also received regular maintenance. Every year, the office building management periodically rejuvenates the clear water

TANGGUNG JAWAB **CSR** DALAM BIDANG LINGKUNGAN
Environmental Responsibility

bersih, sehingga kebocoran-kebocoran air di pipa tersebut dapat diminimalisir. Hal ini juga menjadi wujud kepedulian dari Perseroan dalam melestarikan air sebagai sumber daya yang harus digunakan seefisien mungkin.

Adapun jumlah pemakaian air di area perkantoran Garuda City dari tahun 2012 sampai dengan tahun 2016 adalah sebagai berikut:

installation so as to reduce plumbing leakage. Such initiative also represents the Company's concern to preserve water as a resource which needs to be used as efficient as possible.

The detailed information on water utilization in the office buildings of Garuda City from 2012 to 2016 could be be found as follow:

Pemakaian Air 2012 – 2016
Water Utilization 2012 – 2016

Tahun Year	Pemakaian Air (m3) Water Utilization
2012	315.217
2013	226.250
2014	99.745
2015	88.078
2016	64.761

Konservasi Energi Listrik Perkantoran

Dalam rangka mencapai penghematan listrik telah dilakukan berbagai upaya terutama pengaturan penggunaan peralatan:

- Mengurangi penggunaan cahaya lampu dengan pemasangan dinding kaca.
- Penataan lampu sesuai dengan letak untuk mendapatkan pencahayaan yang optimal.
- Mematikan pendingin ruangan, lampu, komputer dan peralatan listrik lainya bila sudah tidak digunakan.
- Penandatanganan komitmen penggantian lampu LED untuk perkantoran secara bertahap.

Office Building Power Saving

In order to save power, several measures have been taken in regard to regulating equipment usage:

- Reduce the use of light bulbs through installation of glass wall.
- Arrange lamp position in order to achieve optimal lighting.
- Turn off air conditioning, lighting, computers, and other electrical appliances when not in use.
- Signing of commitment to gradually replace LED lights for office buildings.

Adapun jumlah penggunaan listrik di area perkantoran Garuda City dari tahun 2012 sampai dengan tahun 2016 adalah sebagai berikut:

The detailed information on power usage in the office buildings of Garuda City from 2012 to 2016 could be found as follow:

Penggunaan Listrik 2012 – 2016
Power Usage 2012 – 2016

Tahun Year	Penggunaan Listrik (watt) Power Usage (watt)
2012	13.649.617
2013	13.305.024
2014	12.863.941
2015	12.873.716
2016	10.023.936

Fuel Conservation Program

Emisi gas buang memiliki korelasi dengan penggunaan bahan bakar (*fuel*), sehingga penghematan bahan bakar atau yang biasa disebut dengan *fuel conservation* dapat mengurangi jumlah emisi gas buang. *Fuel conservation* merupakan program penghematan pemakaian bahan bakar (*fuel*) yang telah dan akan terus dijalankan oleh Perseroan. Melalui program *fuel conservation* ini beberapa langkah strategis terus dijalankan dan ditingkatkan pencapaiannya dengan melakukan:

1. *Portable Water Management*
   Portable water management adalah salah satu cara mengurangi beban pesawat dengan melakukan pengelolaan volume air yang diangkut dalam pesawat yang disesuaikan dengan jumlah *souls on board* dan waktu tempuh dari setiap penerbangan. Semakin banyak volume air yang diangkut, maka semakin besar konsumsi bahan bakar pesawat. Oleh karenanya diperlukan perhitungan yang cermat dan teliti untuk menentukan berapa volume air yang harus diangkut untuk suatu penerbangan.
2. *Optimum Centre of Gravity*
   Optimum Centre of Gravity adalah pengaturan posisi beban pesawat yang optimum sehingga diperoleh konsumsi bahan bakar yang paling efisien.
3. *Nearest Alternate*
   Penggunaan *Nearest Alternat*e merupakan kebijakan dalam pemilihan *airport alternate* pada setiap penerbangan adalah yang terdekat jaraknya dari *airport* destinasi. Dengan pemilihan jarak yang lebih dekat maka berakibat pada bahan bakar yang dibawa akan lebih sedikit.
4. *Cost Index*
   Cost Index adalah pengaturan kecepatan pesawat untuk memperoleh efisiensi bahan bakar, dengan menerapkan suatu "nilai speed" tertentu pada masing-masing *aircraft type* untuk setiap *station* keberangkatan.
5. ATC *Coordination* (*Direct Routes & Optimum Flight Level*)
   Dengan melakukan koordinasi yang baik dengan pihak *Air Traffic Controller* (ATC), diharapkan pada setiap penerbangan Garuda mendapatkan *Direct Routing* dan *Optimum Flight Level*, yang tentunya berdampak pada konsumsi bahan bakar yang lebih efisien.
6. *Pilot Flight Technique*
   Demikian pula dengan *Flight Technique* yang senantiasa dilakukan modifikasi dari waktu ke waktu sesuai dengan

Fuel Conservation Program

Exhaust emissions is closely related to the fuel usage. As such, fuel conservation is central to cutting down emissions. Fuel Conservation is a fuel saving program that has been implemented and will always be continuously implemented by the Company. Through the fuel conservation program, several strategic measures has been implemented and improved. Among others by implementing:

1. Portable Water Management
   One of the best ways to reduce the aircraft load is by managing the volume of water transported in the aircraft which is set accordingly to the number of souls on board and travel time of each flight. The higher volume of water transported, the greater the fuel consumption of the aircraft. Therefore, a careful and thorough calculation is required to determine the volume of water that must be transported in a flight.
2. Optimum Centre of Gravity
   Optimum Centre of Gravity is the optimal configuration on position of the aircraft load so as to achieve efficient fuel consumption.
3. Nearest Alternate
   Nearest Alternate is a policy in choosing the alternate airports on each flight is based on the closest distance from the airport destinations. By choosing the closer alternate destination, the fuel consumption will be lesser.
4. Cost Index
   Cost Index is the configuration of aircraft speed to obtain the fuel efficiency, by applying a "speed value" which is specific to each aircraft type for each departure station.
5. ATC Coordination (Direct Routes & Optimum Flight Level)
   Good coordination with the Air Traffic Controller (ATC) is expected on each flight of Garuda Indonesia to get Direct Routing and Optimum Flight Level, which certainly lead to more efficient fuel consumption.
6. Pilot Flight Technique
   Similarly, the flight technique is always modified from time to time in accordance with the development of the

TANGGUNG JAWAB **CSR** DALAM BIDANG LINGKUNGAN
Environmental Responsibility

perkembangan teknologi yang ada, untuk menghasilkan penerbangan yang efisien namun tetap aman dan nyaman.

7. *Aircraft Performance Monitoring*
   Regular maintenance program dilakukan oleh jajaran Teknik dalam menunjang *fuel conservation program*. Hal ini terus dilakukan untuk mengendalikan tingkat keborosan mesin pesawat (*engine high consume*).
8. *Optimum* GPU *Usage*
   Optimalisasi penggunaan GPU merupakan upaya mengoptimalkan penggunaan GPU sebagai pengganti *Auxiliary Power Unit* (APU) di bandara domestik dan internasional untuk pesawat RON (*Remain Over Night*; Pesawat yang menginap di bandara hingga melewati hari), pesawat penerbangan pertama setelah RON dan untuk pesawat yang transit lebih dari 2 jam.

Melalui program *fuel conservation*, pada tahun 2016 Perseroan berhasil melakukan penghematan pemakaian bahan bakar sebanyak 41,78 juta liter yang setara dengan 104,21 juta ton CO_2. Hasil program *fuel conservation* dapat dilihat pada tabel di bawah ini.

existing technology to create an efficient flight which is equally safe and comfortable.

7. Aircraft Performance Monitoring
   Regular maintenance program is carried out by the Engineering unit to support fuel conservation program. It is constantly implemented to control the level of engine high consume.
8. Optimum GPU Usage
   Optimizing the use of the GPU is an attempt to optimize the use of the GPU as the substitute for the Auxiliary Power Unit (APU) in the domestic and international airports for RON aircraft (Remain Over Night; Aircraft which stays at the airport over night), aircraft which has the first flight after the RON and for aircraft that transit for more than 2 hours.

Through the fuel conservation program, in 2016, the Company managed to save fuel as much as 41.78 million liters, which is equivalent to 104.21 tons of CO_2. The results of the fuel conservation program could be found in the following table.

Program Fuel Conservation 2012 – 2016
Fuel Conservation Program 2012 – 2016

Tahun Year	Bahan Bakar (liter) Fuel (liter)	CO_2 (ton)
2012	24.225.389	60,48
2013	18.510.807	46,21
2014	18.310.080	45,80
2015	26.113.412	65,25
2016	41.780.000	104,21

Catatan: Konversi liter ke CO_2 menggunakan standar IATA
Note: Conversion of liter to CO_2 uses IATA standard

Fleet Rejuvenation

Perseroan menjalankan program pengembangan armada melalui penyederhanaan dan peremajaan pesawat (*fleet revitalization*) secara signifikan dengan armada-armada baru seperti Airbus A330, Boeing 737-800NG, dan Boeing 777-300 ER. Hal ini bertujuan untuk meningkatkan kualitas pelayanan, efisiensi biaya operasi, menurunkan tingkat emisi, serta mengurangi tingkat kebisingan (*noise reduction*) yang ditimbulkan dari penerbangan. Dengan jajaran armada baru yang didukung teknologi mutakhir dan hemat bahan bakar,

Fleet Rejuvenation

The Company has significantly implemented fleet development programs through fleet revitalization on new aircrafts namely Airbus A330s, Boeing 737-800NG, and Boeing 777-300 ER. The measure has been taken in order to improve service quality, drive higher operational cost efficiency, lower emissions, as well as to achieve flights' noise reduction. Armed with a range of new fleet supported by cutting-edge technology and fuel efficiency, the Company will be able to improve efficiency significantly. The Company is

Perseroan akan mampu meningkatkan efisiensi secara signifikan. Perseroan menargetkan rata-rata usia pesawat pada tahun 2016, di bawah 6 tahun.

targeting an average fleet age of under 6 years old by the end of 2016.

Pengembangan Armada 2012 – 2016
Fleet Development 2012 – 2016

Tahun Year	Jumlah Pesawat Number of Fleet	Rata-rata Usia Pesawat (tahun) Average Fleet Age (years)
2012	85	5,8
2013	110	5,1
2014	133	4,5
2015	143	4,3
2016	144	4,6

Earth Hour

Sejak pertama kali berpartisipasi pada program "Earth Hour" di tahun 2009, setiap tahunnya Perseroan bersama entitas anak (GA Group) berhasil meningkatkan jumlah penghematan pemakaian daya listrik di lingkungan perusahaan maupun kediaman karyawan. Pada tahun 2016 ini, untuk ke delapan kalinya, Perseroan dan seluruh anak perusahaan kembali ikut ambil bagian dalam kampanye mewujudkan lingkungan sehat dengan melakukan *switch off* "Earth Hour 2016" pada hari Sabtu, 19 Maret 2016 di Hangar 4 GMF, Cengkareng.

Earth Hour

Since first participated in "Earth Hour" program in 2009, the Company and its subsidiaries (GA Group) have managed to improve its energy saving in both the workplace and its employees' residences every year. In 2016, for the eighth times, the Company and all of its subsidiaries took part again in the campaign to maintain a healthy environment by switching off "Earth Hour 2016" on Saturday, March 19, 2016 in Hangar 4 GMF, Cengkareng.

Pada tahun 2016 ini, Perseroan dan seluruh anak perusahaan kembali ikut ambil bagian dalam kampanye mewujudkan lingkungan sehat dengan melakukan *switch off* "Earth Hour 2016"

In 2016, the Company and all of its subsidiaries took part again in the campaign to maintain a healthy environment by switching off "Earth Hour 2016"

TANGGUNG JAWAB **CSR** DALAM BIDANG LINGKUNGAN
Environmental Responsibility

Adapun pencapaian Garuda Indonesia Group selama berpartisipasi untuk turut serta dalam program "Earth Hour" dari tahun 2012 sampai dengan tahun 2016 adalah sebagai berikut:

The achievement of the Garuda Indonesia Group during its participation in the "Earth Hour" program from 2012 to 2016 is as follows:

Program Earth Hour 2012 – 2016
Earth Hour Program 2012 – 2016

Tahun Year	Penghematan Listrik (watt) Power Saving (watt)	CO2 (ton)
2012	4.464.836	2,43
2013	3.117.328	3,75
2014	12.883.370	10,06
2015	12.873.716	10,05
2016	14.627.750	11,42

PENCAPAIAN

Apresiasi dari berbagai pihak juga ditujukan kepada Perseroan atas upaya yang sudah dilakukan dalam meminimalkan dampak negatif terhadap lingkungan, antara lain:

1. Indonesia Green Company 2016
2. Indonesia Green Award 2016 untuk tiga kategori yaitu:
   - Penyelamatan sumber daya air
   - Mengembangkan keanekaragaman hayati
   - Mengembangkan pengelolaan sampah terpadu

ACHIEVEMENT

The Company also receives accolades from a number of external parties for its initiatives to mitigate negative impacts on the environment, among others:

1. Indonesia Green Company 2016
2. Indonesia Green Award 2016 for three categories:
   - Water resources conservation
   - Biodiversity development
   - Development of integrated waste management

SERTIFIKASI

Dalam menjalankan kegiatan operasionalnya, Perseroan tunduk pada regulasi Indonesia sehingga tingkat kebisingan suara pesawat telah disertifikasi oleh Direktorat Jenderal Perhubungan Udara. Perseroan juga tunduk pada peraturan lingkungan dan kebisingan di setiap negara tujuan penerbangan. Sehingga secara keseluruhan Perseroan telah mematuhi peraturan lingkungan dan kebisingan yang relevan baik di dalam negeri maupun secara internasional.

Selain itu, dalam mendirikan bangunan baik kantor ataupun hangar, Perseroan diwajibkan mematuhi sertifikat AMDAL sebagai landasan untuk membangun bangunan tersebut. Sedangkan terkait kegiatan operasional anak perusahaan, GMF AeroAsia telah memiliki sertifikat OHSAS 18001:2007 terkait manajemen keselamatan dan kesehatan kerja yang sekaligus melengkapi sertifikat ISO 14001 terkait Sistem Manajemen Lingkungan.

CERTIFICATION

In carrying out its operational activities, the Company is subject to Indonesian regulations, thus the noice level of aircraft noice has been certified by the Directorate General of Civil Aviation (DGCA). The Company is also subject to environmental and noise regulations in each country destinations. Overall, the Company has complied with environmental and noise regulations which is relevant both domestically and internationally.

Moreover, in building the office and hangar, the Company is required to comply with Environmental Impact Assessment (EIA) certificate as a foundation to establish such buildings. Meanwhile, regarding the operational activities of subsidiaries, GMF AeroAsia has been certified with OHSAS 18001:2007 on occupational health and safety management that complements the ISO 14001 certification on Environmental Management System.

TANGGUNG JAWAB TERHADAP KETENAGAKERJAAN, KESELAMATAN, DAN KESEHATAN KERJA

Responsibility towards Employment, Safety, and Occupational Health

KEBIJAKAN MENGENAI KETENAGAKERJAAN, KESELAMATAN, DAN KESEHATAN KERJA

Perseroan sangat memperhatikan kualitas sumber daya manusianya dan senantiasa mendorong tingkat produktivitas dan efisiensi yang optimal. Untuk mencapai hal tersebut, penciptaan iklim kerja yang kondusif menjadi aspek vital untuk membuat karyawan merasa nyaman di tempat kerja dan mampu mencurahkan kemampuan terbaiknya. Salah satu cara yang ditempuh Perseroan adalah dengan membangun suatu sistem pengelolaan kinerja SDM yang berorientasi pada pencapaian produktivitas, yang diterapkan bagi individu, unit, dan karyawan.

KESETARAAN DALAM AKTIVITAS YANG BERHUBUNGAN DENGAN KETENAGAKERJAAN, KESELAMATAN, DAN KESEHATAN KERJA

Perseroan memberikan kesempatan pengembangan kompetensi dan pengembangan karir yang sama bagi seluruh karyawannya tanpa membedakan gender, ras, warna kulit, agama, kondisi fisik, atau asal negara mereka. Proses seleksi karyawan untuk pengembangan kompetensi dan pengembangan karir dilakukan melalui *talent review* pada setiap jenjang dengan mempertimbangkan kemampuan, pengetahuan, perilaku, kinerja, serta potensi dari setiap karyawan.

IMPLEMENTASI TANGGUNG JAWAB TERHADAP ASPEK KETENAGAKERJAAN, KESELAMATAN, DAN KESEHATAN KERJA

Hubungan Industrial

Perseroan menyadari bahwa manajemen sumber daya manusia yang baik berawal dari hubungan baik antara karyawan dengan atasan. Oleh karena itu, Perseroan terus berupaya memperkuat kebersamaan di luar tempat kerja dengan memberikan kesempatan pada seluruh karyawannya untuk mengembangkan kompetensi dan mengaktualisasikan bakat dan minat di luar pekerjaannya. Untuk mendukung hal tersebut, Perseroan telah membangun *sport* dan *art center* bagi peminat olah raga dan kesenian, mendukung perkumpulan atau komunitas di lingkungan kantor, seperti komunitas fotografi, karawitan, kolintang, dan lain sebagainya.

Dalam hal komunikasi antar karyawan Perseroan menyediakan saluran komunikasi berupa *employee services* (saluran telepon) layanan konseling untuk karyawan yang ingin

POLICIES ON EMPLOYMENT, SAFETY, AND OCCUPATIONAL HEALTH

The Company pays a serious attention to the quality of its human resources. At the same time, the Company also strives to lift up productivity level and achieve optimum efficiency. As such, creating a conducive workplace where employees feel comfortable in the workplace and are able to devote their best ability, becomes essential. Among the Company's strategies is to design a Human Resource (HR) performance system management oriented towards the achievement of productivity, which is applied to every individual, unit and employee.

EQUALITY IN ACTIVITIES RELATED TO EMPLOYMENT, SAFETY, AND OCCUPATIONAL HEALTH

The Company provides all of its employees with equal opportunities for competence and career development opportunities regardless of gender, race, skin color, religion, physical condition, or their country of origin. The recruitment process for competence and career development take place through talent review at every career level, taking into account the skills, knowledge, behavior, performance, and the potential of every employee.

IMPLEMENTATION OF RESPONSIBILITY TOWARD EMPLOYMENT, SAFETY, AND OCCUPATIONAL HEALTH

Industrial Relations

The Company realizes that a good human resources management always begins from the good relationships between the employees and their superiors. Therefore, the Company continuously strives to strengthen togetherness outside the workplace by providing opportunities for all of its employees to develop competences and to realize their talents and interests outside the workplace. To support that, the Company has built a sport and art center for sports and arts enthusiasts, to support associations or communities in the workplace such as the photography community, musicians, kolintang, and so forth.

In terms of communication between employees, the Company provides a channel of communication in the form of employee counseling service (telephone line) for those

TANGGUNG JAWAB TERHADAP KETENAGAKERJAAN, KESELAMATAN, DAN KESEHATAN KERJA
Responsibility towards Employment, Safety, and Occupational Health

menyampaikan keluhan atau keresahan seputar pekerjaan dan situasi pekerjaan. Masih terkait aspek ketenagakerjaan, Perseroan berusaha untuk mematuhi semua peraturan dan ketetapan yang berhubungan dengan tenaga kerja untuk meminimalisir pelanggaran hak asasi manusia dan hubungan kerja.

- Kebebasan Berasosiasi
  Sesuai amanat yang tertuang pada Undang-Undang No. 13 Tahun 2003 tentang Ketenagakerjaan, serta Keputusan Menteri Tenaga Kerja dan Transmigrasi No. Kep 255/Men/2003 tentang Tatacara Pembentukan dan Susunan Keanggotaan LKS Bipartit, Perseroan telah memiliki Perjanjian Kerja Bersama (PKB) yang disusun bersama dengan serikat pekerja dan ditinjau secara berkala setiap dua tahun. PKB ditandatangani pada tahun 2012 dan hal-hal yang tercantum dalam PKB tersebut dilaksanakan pada tahun 2013 seiring dengan upaya untuk terus meningkatkan hubungan komunikasi di antara Serikat Pekerja dan Manajemen melalui Lembaga Kerja sama Bipartit (LKS Bipartit).

  LKS Bipartit dilandasi dengan pemahaman akan peran, tugas serta tanggung jawab masing-masing, yang merupakan harapan setiap perusahaan dan karyawan. LKS Bipartit terdiri dari unsur manajemen dan unsur perwakilan serikat pekerja yang terdiri dari Serikat Karyawan Garuda Indonesia (Sekarga), Ikatan Awak Kabin Garuda Indonesia (IKAGI), dan Asosiasi Pilot Garuda Indonesia (APG).
- Jam Kerja
  Untuk menghindari eksploitasi tenaga kerja secara berlebihan, Perseroan telah menetapkan batasan waktu kerja bagi karyawan. Waktu kerja disesuaikan dengan daerah kerja serta sifat pekerjaan. Dalam hal karyawan menjalankan pekerjaan melebihi waktu kerja yang ditentukan, maka kepada karyawan diberikan kompensasi berupa upah lembur sesuai ketentuan perundang-undangan.
- Hari Libur dan Cuti
  Sebagai tambahan dari ketetapan mengenai waktu istirahat selama hari kerja, dan cuti tahunan, Perseroan juga memberikan cuti berbayar untuk kegiatan ibadah haji serta cuti haid dan hamil untuk karyawan wanita.

employees who wish to submit complaints or concerns in relation to their jobs or the workplace. In regard to employment aspect, the Company also strives to comply with all the rules and regulations in relation to the labor force to minimize violations to human rights and the working relationship.

- Freedom of Association
  According to the mandate contained in the Labor Law No. 13 of 2003, and the Decision Letter from Minister of Manpower and Transmigration No. Kep 255/Men/2003 regarding the Procedures for the Establishment and Member Composition of LKS Bipartit, Garuda Indonesia has had a Collective Labor Agreement (CLA) prepared together with Garuda Indonesia Joint Trade Unions that is 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 communication improvement 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).
- Working Hour
  To avoid excessive labor exploitation, the Company has set a working time frame for every employee. Working time is being adapted based on working area and the nature of the work. Overtime payment is given to employees who work beyond the specified working hour in accordance with the law.

- Holidays and Leaves
  In addition to the provisions regarding resting period during the working days and annual leave, the Company also provides paid leaves for Hajj activities, as well as menstruation and maternity leaves for female employees.

- Remunerasi
  Perseroan juga menyediakan program kompensasi dan manfaat yang kompetitif mencakup fasilitas kesehatan yang komprehensif, baik preventif maupun kuratif, antara lain fasilitas rawat inap, rawat jalan, persalinan, kacamata, perawatan gigi, pemeriksaan laboratorium hingga *medical check up* dan lain sebagainya, dengan menggunakan pihak ketiga. Khusus pengawasan kesehatan kru pesawat (baik Penerbang maupun Awak Kabin), Perseroan menyediakan dokter khusus penerbangan agar kesehatan kru pesawat dapat dikelola dengan baik. Di samping itu, Perseroan juga menyelenggarakan program iuran pasti untuk seluruh karyawan tetapnya. Program pensiun tersebut dikelola oleh Dana Pensiun Garuda Indonesia (DPGA).

Keselamatan dan Kesehatan Kerja

Sebagai salah satu bentuk komitmen atas kepedulian terhadap kesejahteraan karyawannya, Perseroan menerapkan beberapa program terkait dengan perlindungan dan kesehatan karyawan antara lain:

1. Program pemeriksaan kesehatan (*Medical Check Up*) untuk seluruh karyawan yang dilakukan setahun sekali.
2. Program kepesertaan asuransi kesehatan yang memberikan jaminan kesehatan kepada karyawan dan keluarga yang mencakup layanan rawat jalan, rawat inap, penggantian biaya kacamata dan alat bantu dengar, *infertility* primer, bantuan *Special Need Children* (SNC), protesa anggota gerak, protesa gigi, implan, alat kesehatan dan ambulan.
3. Program Jaminan Sosial dengan mendaftarkan seluruh karyawan yang memenuhi persyaratan sebagai peserta BPJS Kesehatan dan BPJS Ketenagakerjaan untuk Jaminan Hari Tua (JHT), Jaminan Kecelakaan (JKK), Jaminan Kematian (JKM), dan Jaminan Pensiun (JP).
4. Program Keselamatan, Kesehatan Kerja dan Lingkungan, dengan menyediakan fasilitas dan alat proteksi/pelindung diri, pembentukan Panitia Pembinaan Keselamatan dan Kesehatan Kerja, dan penyediaan perlengkapan kerja.
5. Program Asuransi *Personnel Accident* (PA) bagi Penerbang dan Awak Kabin.

Beberapa kegiatan yang telah dilakukan Perseroan untuk mendukung program di atas antara lain:

- Remuneration
  The Company also provides compensation programs and competitive benefits, which include comprehensive health facilities, both preventive and curative, including inpatient facilities, outpatient facilities, confinement, eyeglasses, dental care, laboratory and medical check up and so forth, by partnering with a third party. Particularly for health monitoring of airline crews (Pilots as well as cabin crews), the Company provides dedicated doctor during flights in order to better manage the health of the crew. Additionally, the Company also establishes a defined contribution pension plan for all of their permanent employees. The pension program is managed by Dana Pensiun Garuda Indonesia (DPGA).

Safety and Occupational Health

As part of its commitment to the welfare of its employees, the Company has implemented a number of programs in relation to the safety and occupational health of its employees, including among others:

1. Medical Check Up for every employees held every year.
2. Health insurance participation program that provides health insurance to employees and their families covering outpatient facilities, inpatient facilities, reimbursement for glasses and hearing aids, infertility primer, Special Need Children (SNC) assistance, prosthetic limbs, dentures, implants, health instruments and ambulance.
3. Social Security Program by enrolling every employee who is qualified to participate as a member of BPJS Kesehatan and BPJS Ketengakerjaan for Old Age Security (OAS), Work-Related Accident Benefit (JKK), Death Benefit (JKM) and Pension Plan (JP).
4. Safety, Occupational Health, and Environment program, by providing facilities and protection equipment/self-protection, establishment of the Occupational Safety and Health Development Committee, and provision of work equipment.
5. Personnel Accident (PA) Insurance Program for Pilots and Cabin Crews.

Several activities that have been carried out by the Company to support the aforementioned programs, among others include:

TANGGUNG JAWAB TERHADAP KETENAGAKERJAAN, KESELAMATAN, DAN KESEHATAN KERJA
Responsibility towards Employment, Safety, and Occupational Health

1. Sosialisasi dan Seminar Kesehatan yang diadakan secara berkala sebagai program preventif dan mendorong karyawan untuk memiliki kualitas hidup yang baik.
2. Sosialisasi program jaminan melalui situs internal agar karyawan mengetahui dengan jelas hak atas perlindungan kerja dirinya.
3. Pengurusan hak karyawan yang mengalami kecelakaan kerja.

Dalam rangka mengupayakan tempat kerja dan komunitas yang sehat, aman, dan berwawasan lingkungan secara berkesinambungan, sejak tahun 2012 Perseroan telah memberlakukan *Occupational Safety, Health, and Environment Management System* (OSH&EMS). OSH&EMS Manual memuat satu set ekspektasi dan persyaratan yang harus dipatuhi atau dijadikan persyaratan minimum oleh semua insan Perseroan, para rekan bisnis, para kontraktor, para pemasok, dan semua pihak lain yang terlibat dalam proses bisnis Perseroan.

Selain itu, Perseroan juga mengadakan pelatihan dasar tanggap darurat untuk petugas evakuasi darurat atau *Emergency Response Team* (ERT), yang terdiri dari petugas *Floor Warden*, *Fire Warden*, dan *First Aider*. Pelatihan ini mulai diselenggarakan sejak tahun 2013 dan bertujuan untuk membekali ERT dengan pengetahuan dan keterampilan terkait prosedur tanggap darurat di perkantoran Garuda Indonesia. Pelatihan ini kemudian dilanjutkan dengan *Emergency Evacuation Drill* yang bertujuan agar seluruh karyawan gedung, para tamu, dan ERT memahami prosedur dan tanggung jawabnya masing-masing sehingga apabila terjadi satu kondisi darurat, evakuasi darurat dapat dijalankan dengan sebagaimana mestinya.

DAMPAK KEUANGAN KETENAGAKERJAAN, KESELAMATAN, DAN KESEHATAN KERJA
Total dana yang dialokasikan untuk kegiatan terkait pelaksanaan tanggung ketenagakerjaan, keselamatan, dan kesehatan kerja oleh Perseroan mencapai Rp231,49 miliar, meningkat dari tahun sebelumnya sebesar Rp177,06 miliar.

1. Dissemination and Health Seminars that are held regularly as a preventive measures and to encourage employees to have a good quality of life.
2. Dissemination of assurance program through internal websites so that employees clearly understands their rights to work protection.
3. Management of employees rights who are injured at work.

In order to create a healthy, safe and environmentally sustainable workplace and community, the Company has also imposed Occupational Safety, Health, and Environment Management System (OSH & EMS) since 2012. OSH&EMS Manual contains a set of expectations and requirements that must be adhered or used as a minimum requirement for all of the Company's personnel, business partner, contractor, supplier and all other parties who are involved in the Company's business process.

Furthermore, the Company also began to conduct a basic emergency response training session for emergency evacuation officer or Emergency Response Team (ERT), consisting of Floor Warden, Fire Warden, and First Aider. The training has been held since 2013 and is aimed to equip ERT with the knowledge and skills related to emergency response procedures at Garuda Indonesia's offices. The training was followed by the Emergency Evacuation Drill intended for all employees of the building, guests, and ERT to understand the procedures and respective responsibilities so that in case of emergency, the emergency evacuation can be performed properly.

FINANCIAL IMPACTS FROM EMPLOYMENT, SAFETY, AND OCCUPATIONAL HEALTH
The total funds allocated for activities related to the implementation of the employment responsibilities, safety and occupational health by the Company was Rp231.49 billion, rose from the previous year at Rp177.06 billion.

TANGGUNG JAWAB TERHADAP **PENGEMBANGAN SOSIAL DAN KEMASYARAKATAN**

Responsibility Towards Social and Community Development

KEBIJAKAN MENGENAI PENGEMBANGAN SOSIAL DAN KEMASYARAKATAN

Dalam menegakkan tanggung jawab di bidang sosial, pendekatan yang dilakukan Perseroan difokuskan pada pemberdayaan sosial kemasyarakatan melalui program kemitraan dan bina lingkungan untuk masyarakat secara umum dan komunitas di daerah operasionalnya secara khusus. Adapun pelaksanaan tanggung jawab Perseroan terkait pemberdayaan sosial kemasyarakatan dilakukan dengan merujuk pada ketentuan berikut:

- Menyalurkan dana kemitraan dan bina lingkungan sesuai dengan Peraturan Menteri BUMN No. PER/09/MBU/07/2015 dan PER-03/MBU/12/2016 serta Manual PKBL Garuda Indonesia;
- Menjalin kerja sama dengan Pemerintah Pusat, Pemda Tingkat I, Tingkat II, Koordinator BUMN Pembina, BUMN lain, Institusi, dan Lembaga Sosial Masyarakat dalam pelaksanaan Program Kemitraan dan Bina Lingkungan;
- Kegiatan *Monitoring* dan Penagihan kepada mitra binaan yang dikategorikan macet lebih ditingkatkan dan *monitoring* bantuan bina lingkungan;
- Program-program PKBL dan CSR fokus pada wilayah yang berada di daerah operasional sebagai bentuk tanggung jawab Garuda Indonesia terhadap dampak dari bisnis yang dijalankannya;
- Meningkatkan peran Kantor Cabang Perseroan dalam pelaksanaan program PKBL dan CSR karena memiliki kearifan lokal tentang wilayah masing-masing.

KEGIATAN DALAM PENGEMBANGAN SOSIAL DAN KEMASYARAKATAN

Inisiatif pengembangan sosial dan kemasyarakatan yang dilaksanakan Perseroan pada tahun 2016 memiliki cakupan yang luas mulai dari pengembangan kearifan lokal, peningkatan kualitas pendidikan, pemberian bantuan kesehatan, dan peningkatan sarana umum. Program-program yang dijalankan dinaungi dalam sebuah konsep utama yakni Program Garuda Indonesia Peduli yang meliputi Lingkungan, Perekonomian Masyarakat, dan Pembinaan Masyarakat dan Lingkungan.

POLICIES ON SOCIAL AND COMMUNITY DEVELOPMENT

In enforcing its social sector's responsibilities, the Company's approach focuses on the empowerment of social community through partnership and community development programs for society in general as well as communities in its operational area in particular. The Company's implementation of responsibilities in relation to social empowerment is carried out with reference to the following provisions:

- Disburse partnership and community development funds in accordance with the Regulation of the State Minister of SOE No. PER/09/MBU/07/2015 and PER-03/MBU/12/2016 as well as SOP PKBL Garuda Indonesia;
- Collaborate with the Central Government, Local Government Level I, Level II, SOE Coordinator of Trustees, other state-owned enterprises, institutions and Social Institutions in the implementation of the Partnership and Community Development Program;
- Enhance Activity Monitoring and Billing to partners who are categorized as default and monitoring on environmental development assistance;
- PKBL and CSR program focus on territories around the operational area as a form of Garuda Indonesia's responsibility to the impact of the business that it is running;
- Improve Company's Branch Office's role in the implementation of PKBL and CSR programs, as they have the local knowledge regarding respective areas.

ACTIVITIES ON SOCIAL AND COMMUNITY DEVELOPMENT

The Company's social and community development initiatives in 2016 ranged from the development of local knowledge, improvement of education quality, provision of health assistance, and improvement of public facilities. These programs are carried out through one main concept, namely Garuda Indonesia Peduli Program which engages in Environment, Community Economy, and the Community and Environment Development.

TANGGUNG JAWAB TERHADAP PENGEMBANGAN SOSIAL DAN KEMASYARAKATAN
Responsibility Towards Social and Community Development

Garuda Indonesia Peduli

Melalui konsep "Garuda Indonesia Peduli", Perseroan mewujudkan komitmen untuk melaksanakan tanggung jawab sosial yang dapat mendukung perkembangan masyarakat dan pembangunan. Program-program yang dijalankan disinergikan dengan program Pemerintah dan institusi lainnya.

1. Program Garuda Peduli Perekonomian Masyarakat
   Perseroan sejak tahun 1992 mulai melaksanakan Program Kemitraan, yakni program untuk meningkatkan kemampuan usaha kecil agar menjadi tangguh dan mandiri. Sektor-sektor Program Kemitraan antara lain Pertanian, Industri, Jasa, Perkebunan, Perdagangan, Peternakan, Perikanan.

   Hingga tahun 2016, Perseroan telah memiliki 5.174 mitra binaan, dengan rincian sebagai berikut:

Garuda Indonesia Peduli

Through "Garuda Indonesia Peduli" concept, the Company is committed to meet its social responsibilities to support the community's growth and development. The programs are synergized with the government's and other institutions' programs.

1. Garuda Indonesia and Community Economy Program
   Since 1992, Garuda Indonesia has implemented Partnership Program, which is a program designed to enhance the capability of small businesses in order to be resilient and independent. Among the sectors covered in the Partnership Program include Agriculture, Industry, Services, Plantation, Trade, Farming, and Fisheries.

   As of 2016, the Company has 5,174 fostered partners, with the following details:

Tabel Mitra Binaan sampai dengan Tahun 2016
Table of Fostered Partners as of 2016

Provinsi Province	Mitra Binaan Fostered Partner
Bali	159
Bangka Belitung	6
Banten	153
DI Yogyakarta	129
DKI Jakarta	15
Gorontalo	2542
Jawa Barat	245
Jawa Tengah	164
Jawa Timur	476
Kalimantan Barat	372
Kalimantan Selatan	5
NAD	30
NTB	424
NTT	23
Sulawesi Barat	25
Sulawesi Selatan	3
Sulawesi Utara	153
Sumatera Barat	247
Timor Timur*	3
Jumlah Total	5.174

*) Sudah tidak aktif sejak tahun 1999
*) No longer active since 1999

Program Kemitraan dilaksanakan melalui dua kegiatan utama, yaitu Penyaluran Dana Pinjaman Kemitraan kepada mitra binaan dan Pembinaan mitra binaan. Pada tahun 2016, Perseroan menyalurkan dana pinjaman sebesar Rp760 juta kepada 19 mitra binaan, yang terdiri atas 3 (tiga) mitra binaan perajin tenun (Bali), 1 (satu) mitra binaan perajin rajutan (Bali), 1 (satu) industri telur asin (NTB), 1 (satu) mitra binaan perajin gerabah dan cuklik (NTB), 2 (dua) mitra binaan sektor perdagangan (Banten), 5 (lima) mitra binaan sektor industri (Banten), 3 (tiga) mitra binaan petani lada (Bangka Belitung) dan 2 (dua) mitra binaan industri makanan (Bangka Belitung).

Kegiatan pembinaan melalui pelatihan diselenggarakan dalam rangka meningkatkan kapasitas mitra binaan, dalam bidang manajemen dan produksi. Selain itu pembinaan juga dilaksanakan melalui kegiatan pameran, yang bertujuan untuk meningkatkan *exposure* produk mitra binaan kepada target pasar yang potensial. Kegiatan pembinaan yang telah dilaksanakan pada tahun 2016 di antaranya:

- Pameran Bazaar Ramadhan di Garuda City Center, Cengkareng yang menampilkan produk-produk kerajinan batik dan *vinyl* serta makanan kemasan seperti abon dan rendang, tahu tempe, dan budidaya ikan. Mitra Binaan yang mengikuti pameran ini berasal dari DKI Jakarta, Jawa Barat, Jawa Tengah, dan Yogyakarta.
- Pameran GATF Fase I dan II tahun 2016 di Jakarta Convention Center yang menampilkan produk-produk mitra binaan kerajinan perak (Bali), kerajinan dan busana batik (Bali, Yogyakarta dan Jawa Tengah), tenun dan songket (Sumatera Barat), kerajinan tas (Yogyakarta), serta rendang kemasan (DKI Jakarta).
- Pameran FIESTA di Peninsula Island, Bali yang menampilkan kerajinan kaca, busana rajutan, kerajinan tenun dan songket, serta kerajinan perak yang semuanya merupakan produk mitra binaan dari wilayah Bali.
- Pameran HUT IIP BUMN di Gedung BRI I, Sudirman yang menampilkan produk-produk mitra binaan tenun songket Bali.

The Partnership Program was implemented through two main activities, namely the Partnership Loan Distribution to the fostered partners and Fostering of the partners. In 2016, the Company disbursed loan of Rp760 million to 19 (nineteen) fostered partners, consisting of 3 (three) weaving artisans fostered partners (Bali), 1 (one) knitting artisan fostered partner (Bali), 1 (one) potter and cuklik fostered partner (NTB), 2 (two) trade sector fostered partners (Banten), 5 (five) industrial sector fostered partners (Banten), 3 (three pepper farmer fostered partners (Bangka Belitung), and 2 (two) food industry fostered partners (Bangka Belitung).

Development activities through trainings were organized in order to increase the management and production skills of the fostered partners. Additionally, the training was also carried out through exhibitions, aimed to increase fostered partners' product exposure to potential target market. Among the development activities that have been implemented in 2016 include:

- Ramadhan Bazaar Exhibition in Garuda City Center, Cengkareng which featured batik and vinyl handicrafts as well as convenience goods such as meat floss and rendang, tofu and tempe, as well as fish farm. Among the fostered partners that joined the exhibition came from DKI Jakarta, West Java, Central Java, and Yogyakarta.
- GATF Exhibition Phase I dan II Year 2016 in Jakarta Convention Center which featured products by fostered partners in silverware (Bali), batik handicrafts and fashion (Bali, Yogyakarta, and Central Java), weaving and songket (West Sumatera), bags (Yogyakarta), as well as packaged rendang (DKI Jakarta).
- FIESTA Exhibition in Peninsula Island, Bali featuring glass handicrafts, woven clothing, weaving and songket weaving handicrafts, as well as silverware, all of which, were the products by the fostered partners from Bali.
- Anniversary of IIP BUMN Exhibition in Gedung BRI I, Sudirman, which featured products from Balinese songket weaving fostered partners.

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Pada tahun 2016 Perseroan memberikan penyaluran pinjaman kemitraan melalui Sinergi BUMN/lembaga penyalur lainnya. Hal ini merujuk pada Peraturan Menteri BUMN PER-09/MBU/07/2015.

2. Program Garuda Indonesia Peduli Pembinaan Masyarakat dan Lingkungan
   Garuda Indonesia menyadari betul pentingnya membina hubungan dengan masyarakat sekitar dalam menjaga keberlangsungan aktivitas operasionalnya. Sebagai wujud kepedulian dan komitmen terhadap masyarakat, Perseroan melaksanakan beberapa program dan kegiatan pemberdaaan masyarakat melaui program Bina Lingkungan maupun program CSR, antara lain sebagai berikut:
   A. BUMN Hadir Untuk Negeri di Sulawesi Barat
      Dalam rangka memperingati 71 Tahun Kemerdekaan Indonesia, Perseroan dan seluruh BUMN melaksanakan serangkaian program "BUMN Hadir Untuk Negeri" atau "BUMN Hadir" secara serentak di 34 provinsi. Pada tahun 2016, Perseroan dipercaya untuk menjadi PIC program "BUMN Hadir" di Sulawesi Barat, didampingi oleh IndonesiaRe dan LKBN Antara sebagai Co-PIC.

      Tujuan dari program "BUMN Hadir" adalah meningkatkan kualitas kehidupan masyarakat dan lingkungan di Sulawesi Barat melalui program-program yang menyentuh hampir seluruh aspek kehidupan masyarakat, yakni bidang pendidikan, kesehatan, prasarana dan sarana umum, serta sarana ibadah. Sasaran dari program ini adalah masyarakat dan lingkungan di wilayah Sulawesi Barat secara umum, khususnya masyarakat veteran, masyarakat mantan atlet dan narapidana, siswa/i sekolah dan institusi pendidikan, serta masyarakat yang kurang mampu.

      Kegiatan dan program yang dilaksanakan selama periode pelaksanaan "BUMN Hadir" di Sulawesi Barat adalah sebagai berikut:
      a) Rangkaian kegiatan Peringatan HUT RI 17 Agustus 2016
         Peringatan HUT RI di Sulawesi Barat meliputi rangkaian kegiatan yang melibatkan seluruh

In 2016, the Company channeled partnership loan through SOEs Synergy/other channeling institutions. This refers to the Minister of SOEs Regulation PER-09/MBU/07/2015.

2. Garuda Indonesia Community and Environment Development Program
   Garuda Indonesia is well aware of the importance of building relationships with the local community in maintaining the sustainability of its operational activities. To demonstrate its concern and commitment to the community, the Company has carried out several community development activities and programs through the Community Development and CSR scheme, which among others included:
   A. SOEs Present for the Country In West Sulawesi
      In commemoration of Indonesia's 71th Independence Day, the Company and all of other SOEs simultaneously organized a series of "SOEs Present for the Country" or "SOEs Present" programs in 34 provinces. In 2016, the Company was appointed as PIC for "SOEs Present" programs in West Sulawesi, together with IndonesiaRe dan Antara National News Agency as Co-PIC.

      The objective of "SOEs Present" program was to improve the quality of community life and environment in West Sulawesi through numerous programs which engaged in almost all of community life's aspects such as education, health, public infrastructure and facilities, as well as places of worship. This program was aimed at the community and environment in West Sulawesi in general, particularly veteran community, community of former athletes and convicts, students and educational institutions, as well as the underpriviledged.

      Among the activities and programs conducted during the event of "SOEs Present" in West Sulawesi were:

      a) Series of RI's Commemoration of Independence Day on August 17, 2016
         RI's Commemoration of Independence Day in West Sulawesi consisted of a number of

BUMN yang berada di Mamuju, Sulawesi Barat dan kalangan masyarakat. Kegiatan yang dilaksanakan antara lain upacara peringatan, kegiatan lomba untuk anak-anak dan dewasa, dan pemutaran film untuk masyarakat.

b) Program Pendidikan dan/atau Pelatihan:
   1. Program Pertukaran Pelajar "Siswa Mengenal Nusantara" ("SMN")
      Program "SMN" merupakan bentuk upaya menumbuhkan dan memupuk rasa kebanggaan berbangsa dan bertanah air Indonesia kepada generasi muda sebagai generasi penerus bangsa melalui pertukaran pelajar dari satu provinsi ke provinsi lainnya. Siswa dapat mengenal lebih jauh keragaman budaya, sosial ekonomi dan pendidikan di daerah lain serta mengetahui peran-peran BUMN dalam membangun daerah.

      Pada tahun 2016, Perseroan melakukan pertukaran antara siswa SMU yang berasal dari Sulawesi Barat dan Sumatera Utara. Terdapat 19 siswa Sulawesi Barat dan 20 siswa Sumatera Utara siswa yang dikirim

programs involving all SOEs in Mamuju, West Sulawesi, and the general public. Among the programs that took place were the commemoration ceremony, contests for children and adults, and movie screening for the general public.

b) Education and/or Training Programs:
   1. Student Exchange Program "Students Know the Archipelago" ("SMN")
      "SMN" Program is an initiative aimed at growing and nurturing a sense of pride as Indonesian within the young generation as the nation's future hope through student exchange from one province to another. Students could learn more about the diverse cultural, socio-economic, and educational aspects in other regions, while understanding the role of SOEs in developing the regions.

      In 2016, the Company facilitated student exchange between high school students from West Sulawesi and North Sumatera. There were 19 students of West Sulawesi and 20 students of North Sumatera who were sent

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dan diterima dalam program ini beserta pendamping siswa yang terdiri dari guru teladan dan Dinas Pendidikan setempat. Dalam pelaksanaan program ini, Perseroan dan Co-PIC bekerja sama dengan PIC "BUMN Hadir" di Sumatera Utara yaitu PT Inalum.

2. BUMN Mengajar
   Program yang telah dilaksanakan sejak tahun 2013 ini bertujuan untuk menginspirasi siswa SMU/SMK di seluruh Indonesia untuk dapat meraih cita-citanya melalui acara mengajar yang disampaikan oleh Direksi Garuda Indonesia dan Direksi Co-PIC.
3. Pembinaan dan pelatihan mantan atlet dan mantan narapidana
   Program Pembinaan dan Pelatihan Mantan Atlet dan Mantan Narapidana dilaksanakan sebagai upaya memberikan keterampilan dan meningkatkan taraf hidup bagi eks-narapidana ketika mereka kembali ke tengah-tengah masyarakat dan meningkatkan keterampilan yang dimiliki mantan atlet sebagai bentuk kepedulian kepada atlet yang telah berprestasi di tingkat nasional.
4. Pembinaan desa terpencil, perbatasan, dan rawan konflik
   Masyarakat di dua desa terpencil di Sulawesi Barat, yaitu Desa Pamulukkang di wilayah Kecamatan Kalukku, Kabupaten Mamuju dan Desa Renggeang di wilayah Kecamatan Limboro, Kabupaten Polewali Mandar memperoleh pelatihan yang bertujuan untuk mengembangkan industri di daerah dan unit pengolahan hasil yang maju yang didukung sumber daya manusia yang profesional dalam rangka meningkatkan nilai tambah, kualitas dan daya saing, pemasaran serta ekspor.

   Daerah Pamulukkang merupakan penghasil kakao dan durian yang masih sangat memerlukan pengembangan kualitas SDM dan penerapan teknologi untuk menciptakan nilai tambah pada produk. Sementara itu, Daerah Renggeang memiliki perajin tenun dengan proses yang lengkap (proses

and accepted in this program, together with the student accompanions consisting of local model teachers and Education Office. In implementing this program, the Company and Co-PIC collaborated with PIC of "SOEs Present" in North Sumatera, which was PT Inalum.

2. SOEs Teach
   The Program that has taken place since 2013 aims to inspire high school/vocational school students across Indonesia to achieve their goals through teaching program presented by Garuda Indonesia's Board of Directors and Co-PIC's Board of Directors.
3. Coaching and training for former athletes and convicts
   Coaching and Training Programs for Former Athletes and Convicts were conducted to equip the ex-convicts with skills and improve their life standards upon returning to the community, while enhancing aptitude of former athletes to reflect concern for the nationally accomplished athletes.
4. Fostering of villages on the remote areas, the border, and prone to conflicts
   Community in two remote villages in West Sulawesi, which were Pamulukkang Village in Kalukku District, Mamuju Regency, and Renggeang Village in Limboro District, Polewali Mandar Regency, received trainings aimed at developing local industry and advanced processing unit which was supported by professional human resources in order to boost added value, quality and competitiveness, marketing, as well as export.

   Pamulukkang region is a cacao and durian producer which desperately requires HR quality development and technology implementation to create added values for their products. Meanwhile, Renggeang has weaving artisans with complete process (silkworm rearing process, silk yarn spinning

pemeliharaan ulat sutera, proses pemintalan benang sutera, proses menenun sampai dengan proses berbentuk kerajinan) namun belum optimal sebagai sebagai pusat industri dan pelatihan.

c) Program Pembangunan Pra Sarana dan/atau Sarana Umum dan untuk Masyarakat:
   1. Program Bedah Rumah Veteran ("BRV")
      Dalam rangka mewujudkan kepedulian terhadap veteran-veteran RI di Sulawesi Barat yang telah membela negara dalam berbagai medan peperangan, Perseroan melaksanakan program "BRV" terhadap rumah-rumah veteran RI di Sulawesi Barat sebanyak 40 rumah dengan detail pembangunan meliputi di antaranya perbaikan atap dengan standar yang layak, perbaikan lantai, perbaikan sarana MCK, pengecatan dinding, perbaikan ventilasi serta renovasi ruangan dapur, kamar tidur dan ruang tamu/keluarga. Dalam pelaksanaannya, Perseroan dan Co-PIC bekerja sama dengan Komando Distrik Militer 1418 wilayah Mamuju, Sulawesi Barat.
   2. Pembangunan sarana air bersih
      Sulitnya akses untuk air bersih di Kabupaten Mamuju, Kabupaten Majene dan Kabupaten Polewali Mandar terutama bagi rumah tangga miskin pada saat musim kemarau menjadi dasar pelaksanaan program pembangunan sarana air bersih di tiga Kabupaten tersebut.

      Perseroan dan Co-PIC membangun sumur dan peralatan sumur bor dengan kedalaman yang menyesuaikan dengan lokasi sumber air di masing-masing titik serta pemasangan pipa untuk mengalirkan air dari sumur ke lokasi MCK yang dibangun di sekitarnya.

   3. Pembangunan MCK (Mandi Cuci Kakus)
      Sulawesi Barat sebagai provinsi yang masih terbilang muda, masih terdapat beberapa daerah yang belum memiliki sarana sanitasi yang baik. Oleh sebab itu, Perseroan memberikan bantuan sebanyak 48 buah MCK yang tersebar di seluruh provinsi.

process, weaving process, to handicraft making process). Nevertheless, it is not yet optimal as industrial and training center.

c) Development Program of Public Infrastructure and/or Facilities for the Community:
   1. Veteran Home Make Over Program ("BRV")
      In order to demonstrate its concern to RI's veterans in West Sulawesi who have defended the country in various battlefields, the Company organized "BRV" programs for 40 houses of RI's veteran in West Sulawesi. The development, among others, entailed the roof repair with proper standard, tile restoration, renewal of public bath and toilet facilities, wall painting, ventilation revamp, and renovation of kitchen, bedrooms, and living room. In its implementation, the Company and Co-PIC teamed up with 1418 Military District Commander for Mamuju region, West Sulawesi.

   2. Construction of clean water installation
      The limited access to clean water in Mamuju Regency, Majene Regency, and Polewali Mandar Regency, particularly for underpriviledged households in dry season has triggered the construction of clean water installation in those three Regencies.

      The Company and Co-PIC built wells and artesian well equipments with depth which suit the location of water sources in respective points as well as installation of plumbing system to drain water from well to public bath and toilet spots constructed in its vicinity.
   3. Construction of Public Bath and Toilet Facilities (Mandi Cuci Kakus)
      West Sulawesi is among the younger provinces, in which there are still some areas that lacks decent sanitation facilities. As such, the Company gave assistance of 48 units of public bath and toilet facilities across the province.

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4. Elektrifikasi rumah tangga kategori miskin
   Selain bantuan pembangunan MCK, Perseroan juga memberikan bantuan elektrifikasi sebanyak 180 rumah yang belum teraliri listrik di empat kabupaten yaitu Mamuju, Polewali Mandar, Majene dan Mamasa. Di Sulawesi Barat masih terdapat dua kabupaten yang tidak dapat diberikan bantuan karena masih kurang daya yang disediakan oleh PLN di wilayah tersebut.
5. Pembangunan Tempat Penitipan Anak (TPA) di pasar
   Pembangunan TPA di Pasar Baru, Mamuju, Sulawesi Barat dilaksanakan sebagai upaya memudahkan para pedagang yang memiliki anak usia belia ketika mereka berjualan di pasar setiap harinya untuk dapat menitipkan anaknya. TPA ini dilengkapi dengan fasilitas permainan anak, pojok menyusui, kamar mandi dan toilet, dan pendingin ruangan.

d) Program Kesehatan dan Peningkatan Gizi Masyarakat
   1. Jalan sehat 5 KM
      Jalan sehat 5 KM dilaksanakan di Anjungan Manakara di Mamuju, Sulawesi Barat yang diikuti oleh 5.000 orang peserta yang berasal dari kalangan masyarakat umum, pemerintahan daerah serta karyawan BUMN. Peserta juga diberikan juga diberikan konsumsi dan diberikan kesempatan mengikuti undian *door prize*.
   2. Pasar murah
      Perseroan melaksanakan kegiatan Pasar Murah di Desa Sinyonyoi Selatan, Mamuju, melalui penjualan 1.000 paket sembako dengan harga murah kepada masyarakat yang tidak mampu. Hasil penjualan paket sembako disumbangkan kepada rumah ibadah di sekitar desa. Selain itu, kegiatan Pasar Murah juga diadakan serentak di sembilan provinsi lainnya (Sumatra Utara, Sumatera Barat, Kep. Riau, DKI Jakarta, Kalimantan Timur, Sulawesi Selatan, NTB, Papua, dan Banten) pada bulan Ramadan.

4. Electrification of poor households
   In addition to constructing public bath and toilet facilities, the Company also provided electrification assistance to 180 households with no access to electricity in four regencies which were Mamuju, Polewali Mandar, Majene, and Mamasa. In West Sulawesi, there are still two regencies which could not be electrified due to the inadequate power supplied by PLN in those areas.
5. Construction of Day Care Facilities (TPA) in market
   TPA in New Market, Mamuju, West Sulawesi was built in order to make it easier for the market vendors with young children to leave their children in others' care while they sold things in the market every day. This TPA is well equipped with children games, breastfeeding room, bathroom and toilets, and air conditioning.

d) Community Health and Nutrition Improvement Program
   1. 5 KM Health Walk
      Held in Manakara Pavilion in Mamuju, West Sulawesi, the 5 KM Health Walk attracted 5,000 participants which consisted of general public, local government staffs, as well as SOEs' employees. The participants were also provided with snacks and had the chances to join the door prize drawing.

   2. Bazaar
      The Company held Bazaar in South Sinyonyoi Village, Mamuju, through the sales 1,000 staple food packages at cheap prices to the poor people. Proceeds from sales of staple food packages was donated to places of worship around the village. In addition, the Bazaar also held simultaneously in other nine provinces (North Sumatera, West Sumatera, Riau Islands, DKI Jakarta, East Kalimantan, South Sulawesi, NTB, and Banten) in the month of Ramadan

Secara keseluruhan, program "BUMN Hadir" di Sulawesi Barat periode tahun 2016 menyerap dana sebesar Rp7,5 miliar.

B. Program Penanaman Mangrove di Bangka Belitung

Dalam rangka kepedulian Perseroan terhadap lingkungan hidup khususnya terhadap abrasi pantai yang diakibatkan rusaknya hutan mangrove khususnya di wilayah Bangka-Belitung, Garuda Indonesia melaksanakan Program Penanaman Mangrove melalui pembangunan *nursery* dan penanaman di Desa Petaling, Selat Nasik. Program ini merupakan bagian dari upaya pemanfaatan dan pelestarian mangrove dan sekaligus menjadikan Selat Nasik sebagai destinasi wisata edukasi. Program ini sekaligus mendukung produksi kepiting bakau yang memang berkembang di wilayah Selat Nasik. Kegiatan yang diselenggarakan Perseroan antara lain sebagai berikut:

a. Penanaman mangrove sebanyak 50.000 bibit
b. Penyulaman mangrove sebanyak 10.000 bibit
c. Pembibitan mangrove sebanyak 10.000 bibit

Program ini juga memberikan edukasi bagi siswa-siswi SMP dan SMK serta masyarakat dan wisatawan dalam usaha konservasi flora dan fauna, pengentasan kemiskinan. Melalui program ini potensi Desa Petaling menjadi desa wisata dapat meningkat, terutama dari aspek potensi alam yang indah dan produksi kepiting bakau yang dapat memikat calon wisatawan.

C. Program Penanggulangan Kanker Serviks dan HIV/AIDS

Dalam rangka mewujudkan kepedulian Perseroan terhadap terhadap tingginya angka kejadian Kanker Serviks & HIV-AIDS di Indonesia, maka Perseroan bersinergi dengan Yayasan Kanker Indonesia (YKI) dalam Program Garuda Indonesia Peduli Kanker Serviks dan HIV-AIDS melaksanakan Program Penanggulangan Kanker Serviks, HIV & AIDS di Tanjung Pinang, Kepulauan Riau dan Tarakan, Kalimantan Utara.

Program ini meliputi kegiatan Penyuluhan Kanker Serviks, HIV & AIDS kepada masyarakat Tanjung

Overall, "SOEs Present" program in West Sulawesi in 2016 raised fund of Rp7.5 billion.

B. Mangrove Planting Program in Bangka Belitung

To demonstrate its concern toward the environment, particularly coastal erosion caused by the damaged mangrove forest in Bangka-Belitung area, Garuda Indonesia organized Mangrove Planting Program through construction of nursery and planting in Petaling Village, Nasik Strait. This program is part of the mangrove utilization and conservation initiative, which at the same time establishes Nasik Strait as educational travel destination. In addition, the program also supports production of mangrove crabs which inhabits Nasik Strait area. Among the activities that took place were:

a. Planting 50,000 seeds of mangrove
b. Replanting 10,000 seeds of mangrove
c. Nursery 10,000 seeds of mangrove

The program also educates the students of junior high schools and vocational schools as well as general public and visitors regarding flora and fauna conservation as well as poverty alleviation. Through this program, potential of Petaling Village to become Tourism Village will improve, especially in terms of its beautiful nature potential and mangrove crab production which could attract prospective visitors.

C. Prevention of Cervical Cancer and HIV/AIDS Program

The Company's concern toward the high rate of Cervical Cancer & HIV-AIDS cases in Indonesia was reflected in its partnership with Indonesian Cancer Foundation (ICF) in Garuda Indonesia for Cervical Cancer and HIV-AIDS Program to organize Prevention of Cervical Cancer, HIV & AIDS Program in Tanjung Pinang, Riau Islands and Tarakan, North Kalimantan.

This program comprised of Counseling program for Cervical Cancer, HIV & AIDS to residents of Tanjung

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Pinang (1.500 Puskesmas) dan Tarakan (220 Puskesmas), Pelatihan Pap Smear & IVA bagi tenaga kesehatan yaitu Dokter Umum sebanyak 40 orang dan bidan sebanyak 40 orang dan Pelayanan Pap Smear & IVA bagi masyarakat khususnya pasangan usia subur untuk 350 orang serta bantuan rujukan sebanyak 2 orang dan bantuan pengobatan sebanyak 2 orang pada setiap provinsi bagi penderita kanker serviks yang positif terdeteksi dan terapi IVA Positif sebanyak 20 orang.

Perseroan juga memberikan bantuan alat Krioterapi sebanyak 2 buah yang ditempatkan di cabang YKI Tanjung Pinang, Kepulauan Riau dan Tarakan, Kalimantan Utara.

Pinang (1,500 community health centers) and Tarakan (220 community health centers), Pap Smear & IVA Trainings for medical staffs consisting of 40 general practicioners and 40 midwives as well as Pap Smear & IVA service for the general public particularly 350 couples of reproductive age and reference assistance for 2 patients in each province who were diagnosed with cervical cancer and 20 patients who came up with positive results in IVA theraphy.

The Company also donated 2 units of Cryotheraphy equipment to be stationed in YKI Tanjung Pinang, Riau Islands and Tarakan, North Kalimantan.

Pengembangan Program Pengembangan Sosial dan Kemasyarakatan

Dari berbagai insiatif program pengembangan social dan kemasyarakatan yang telah dijalankan Perseroan, sepanjang tahun 2016 Perseroan memang belum menyentuh sektor seni dan kebudayaan, namun tidak menutup kemungkinan Perseroan akan terus melakukan pengembangan program-program social dan kemasyarakatan termasuk untuk sektor-sektor seni dan kebudayaan.

Development of Social and Community Development Program

Out of its various initiatives in social and community development throughout 2016, the Company has yet to engage in arts and culture sector. However, it is very possible for the Company to continue to develop social and community development programs including for arts and culture sector.

DAMPAK KEUANGAN PENGEMBANGAN SOSIAL DAN KEMASYARAKATAN

Dana Program Kemitraan

Pada tahun 2016, Perseroan menyalurkan Rp740 juta kepada 19 mitra binaan, yang terdiri atas 3 (tiga) mitra binaan perajin tenun (Bali), 1 (satu) mitra binaan perajin rajutan (Bali), 1 (satu) industri telur asin (NTB), 1 (satu) mitra binaan perajin gerabah dan cuklik (NTB), 2 (dua) mitra binaan sektor perdagangan (Banten), 5 (lima) mitra binaan sektor industri (Banten), 3 (tiga) mitra binaan petani lada (Bangka Belitung), dan 2 (dua) mitra binaan industri makanan (Bangka Belitung).

FINANCIAL IMPACTS FROM SOCIAL AND COMMUNITY DEVELOPMENT

Partnership Fund Program

In 2016, the Company disbursed loan of Rp740 million to 19 (nineteen) fostered partners, consisting of 3 (three) weaving artisans fostered partners (Bali), 1 (one) knitting artisan fostered partner (Bali), 1 (one) potter and cuklik fostered partner (NTB), 2 (two) trade sector fostered partners (Banten), 5 (five) industrial sector fostered partners (Banten), 3 (three pepper farmer fostered partners (Bangka Belitung), and 2 (two) food industry fostered partners (Bangka Belitung).

Penyaluran Dana Pinjaman Kemitraan tahun 2016
2016 Partnership Loan Disbursement

Sektor Bisnis Business Sector	Realisasi Actual	Komposisi (%) Composition
Industri / Industry	Rp740.000.000	100%
Jumlah / Total	Rp740.000.000	100%

Hingga tahun 2016, Perseroan secara akumulatif telah menyalurkan dana pinjaman kemitraan sebesar Rp58,5 miliar, yang dilaksanakan melalui penyaluran langsung maupun sinergi dengan BUMN/Lembaga Penyalur.

By 2016, the Company has disbursed partnership loan amounting tp Rp58.5 billion in total, which was channeled through direct distribution as well as SOEs synergy/ Distributors.

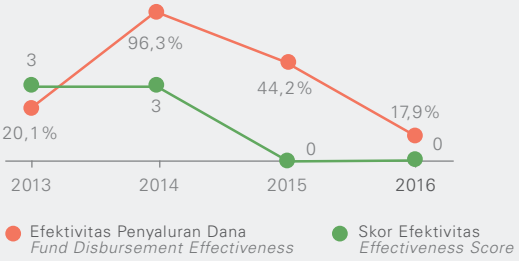
Tabel Dana Tersedia Program Kemitraan dan Bina Lingkungan 2016
Available Funds for Partnership Community Development Program in 2016

No.	Sektor Program Kemitraan Partnership Program Sector	Komposisi Composition	Jumlah Total
1.	Sektor Industri Industry Sector	26,9%	Rp15.707.225.000
2.	Sektor Perdagangan Trade Sector	7,1%	Rp4.171.500.000
3.	Sektor Pertanian Agriculture Sector	53,4%	Rp31.209.383.543
4.	Sektor Perkebunan Plantation Sector	5,2%	Rp3.030.000.000
5.	Sektor Peternakan Farming Sector	1,2%	Rp687.180.000
6.	Sektor Perikanan Fisheries Sector	3,3%	Rp1.940.000.000
7.	Sektor Jasa-jasa Services Sector	3,0%	Rp1.751.500.000
Jumlah / Total		**100%**	**Rp58.496.788.543**

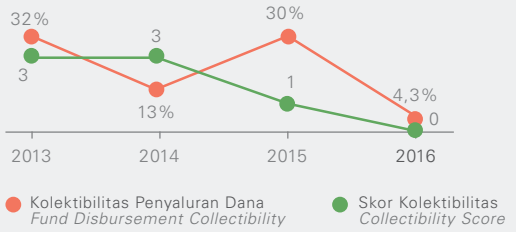
Dalam rangka mengukur kinerja Program Kemitraan, Perseroan senantiasa melakukan pemantauan dan supervisi terhadap perkembangan mitra binaan sebagai salah satu upaya mempertahankan kualitas usaha mitra binaan. Tingkat efektivitas penyaluran dana PKBL Perseroan tahun 2016 sebesar 17,9% atau skor 0 dan kinerja kolektabilitas piutang pinjaman mitra binaan mencapai 4,3% atau skor 0 pada 2016.

In order to measure the performance of the Partnership Program, the Company continues to monitor and supervise the development of the partners as an effort to maintain the quality of the business of its partners. The effectiveness of the Company's PKBL funds distributionin 2016 was 17.9% or a score of 0 and the loan receivables collectability performance of the fostered partners reached 4.3% or a score of 0 in 2016.

Efektivitas Penyaluran Program Kemitraan Tahun 2013 - 2016
Effectiveness of Partnership Program Disbursement in 2013 - 2016



Kolektibilitas Pinjaman Tahun 2013 - 2016
Loan Collectibility in 2013 - 2016



*) Range 0 s.d 3 merupakan penilaian Efektivitas dan Kolektibilitas, dimana 3 merupakan skor tertinggi
*) Range 0 to 3 is Effectiveness and Collectibility assessment in which 3 is the highest score

TANGGUNG JAWAB TERHADAP PENGEMBANGAN SOSIAL DAN KEMASYARAKATAN
Responsibility Towards Social and Community Development

Dana Program Bina Lingkungan dan CSR
Pada tahun 2016, Perseroan telah menyalurkan Rp16,6 miliar dari dana bina lingkungan untuk masing-masing sektor pendidikan dan pelatihan, kesehatan, bencana alam, bantuan sosial kemasyarakatan dalam rangka pengentasan kemiskinan, pelestarian alam, prasarana dan sarana umum, sarana ibadah, dan bantuan peningkatan kapasitas mitra binaan program kemitraan.

CSR and Community Development Program Fund
In 2016, the Company has disbursed Rp16.6 billion of its community development program fund for sectors of education and training, health, natural disaster, social community assistance, natural conservation, public infrastructure and facilities as well as places of worship and capacity improvement of fostered partners in partnership program.

Tabel Penyaluran Dana Bina Lingkungan 2016 dan Akumulasi Penyaluran s.d. Tahun 2016
Table of Community Development Fund Disbursement in 2016 and Accumulated Distribution up to 2016

Keterangan Description	Realisasi 2016 Actual 2016	Akumulasi s.d. 2016 Accumulated up to 2016	Komposisi (%) Composition
Bantuan Korban Bencana Alam Natural Disaster Victims Assistance	Rp38.434.650	Rp2.483.657.107	0,2%
Bantuan Pendidikan dan Pelatihan Education and Training Assistance	Rp8.790.383.057	Rp22.583.657.150	53,3%
Bantuan Peningkatan Kesehatan Health Improvement Assistance	Rp765.926.457	Rp5.413.768.994	4,6%
Bantuan Pengembangan Prasarana dan/ atau Sarana Umum Development of Public Infrastructure and Facilities Assistance	Rp165.387.600	Rp2.910.606.160	1,0%
Bantuan Sarana Ibadah Places of Worship Assistance	Rp662.830.275	Rp4.284.457.374	4,0%
Bantuan Pelestarian Alam Natural Conservation Assistance	Rp383.942.361	Rp5.135.115.278	2,3%
Bantuan Sosial Kemasyarakatan dalam Rangka Pengentasan Kemiskinan Social Community Assistance for Poverty Alleviation	Rp5.403.171.083	Rp5.403.171.083	32,8%
Bantuan Pendidikan, Pelatihan, Pemagangan, Pemasaran, Promosi, dan bentuk bantuan lain yang terkait dengan upaya peningkatan kapasitas Mitra Binaan Program Kemitraan Education, Training, Apprenticeship, Marketing, Promotion Assistance, and other forms of assistance related to improve the capacity of Fostered Partners in Partnership Program	Rp273.928.840	Rp273.928.840	1,7%
Jumlah Total	**Rp16.484.004.323**	**Rp48.488.361.986**	**100%**

Sementara itu, Perseroan juga telah menyalurkan dana CSR sebesar Rp922 juta yang diserap untuk berbagai program sosial kemasyarakatan dan lingkungan, di antaranya pengembangan cagar budaya Manara Pandang Bukittinggi, Sembako Ramadhan, Pertukaran Pelajar dan Kunjungan Siswa ke GITC dan GMF, renovasi rumah-rumah ibadah, serta Earth Hour 2016.

At the same time, the Company has also disbursed CSR fund amounting to Rp922 million for various social and environmental programs, which included development of cultural heritage Manara Pandang Bukittinggi, Ramadhan Staple Food, Student Exchange and Student Visit to GITC and GMF, renovation of places of worship, and Earth Hour 2016.

TANGGUNG JAWAB
TERHADAP PRODUK DAN PENUMPANG
Responsibility Towards Services and Passengers

KEBIJAKAN MENGENAI TANGGUNG JAWAB TERHADAP LAYANAN DAN PENUMPANG

Penumpang merupakan salah satu pemangku kepentingan yang berperan paling besar dalam menjamin keberlangsungan usaha Perseroan dalam jangka panjang. Dengan perannya yang sentral dalam menjamin pertumbuhan usaha Perseroan dalam bidang jasa penerbangan, maka kepercayaan serta kepuasan penumpang merupakan elemen yang harus dikelola dengan baik.

Untuk mengelola kepercayaan dan kepuasan penumpang tersebut, Perseroan telah menerapkan berbagai program, mencakup penyediaan ragam produk dan layanan jasa penerbangan yang sesuai dengan kebutuhan, berkualitas, layanan pendukung yang juga beragam, kemudahan akses melalui penyediaan jaringan layanan konvensional maupun *e-channel*, layanan *real time online* disertai penyediaan layanan penumpang.

Untuk meningkatkan kepuasan dan kepercayaan penumpang, Perseroan telah mengoptimalkan fasilitas *Global Contact Center* pada tahun 2014. Fungsi utama *Global Contact Center* adalah untuk memudahkan penumpang yang berada di dalam

POLICIES ON RESPONSIBILITY TOWARDS SERVICES AND PASSENGERS

Passengers were among the stakeholders that contribute the most in ensuring the Company's business continuity on the long run. With a central role in ensuring the growth of the Company's business in aviation service sector, passengers' trust and satisfaction is an element that must be managed properly.

In order to manage passengers' trust and satisfaction, the Company has implemented a variety of programs including the provision of diverse and quality flight products and services that cater to passengers' needs, various supporting services, ease of access through the provision of conventional network and e-channel, as well as real time online service coupled with passenger service.

To improve passengers' satisfaction and trust, the Company has optimized its Global Contact Center facility in 2014. The Global Contact Center primarily serves to facilitate passengers inside the country and abroad to get better services, including

TANGGUNG JAWAB TERHADAP PRODUK DAN PENUMPANG
Responsibility Towards Services and Passengers

negeri maupun luar negeri untuk memperoleh pelayanan yang lebih baik, termasuk layanan untuk media sosial hingga menangani keluhan dan menjawab pertanyaan penumpang. Layanan ini tersedia sepanjang waktu di nomor 0 804 1 807 807 atau 021 2351 9999. Lebih lanjut lagi, Perseroan telah membentuk dan menerapkan mekanisme lain yang berhubungan dengan perlindungan konsumen seperti tindak lanjut terhadap keluhan, survei kepuasan pelanggan, dan program peningkatan pelayanan pelanggan.

social media services as well as complaint handling and replying to passengers' inquiry. The service is available around the clock at 0 804 1 807 807 or 021 2351 9999. Moreover, the Company has established and implemented other measures in relation to consumer protection such as follow-up to complaints, customer satisfaction survey, and customer service improvement programs.

Bentuk komitmen lain terhadap penjaminan kualitas pelayanan kepada para pelanggan oleh Perseroan juga direfleksikan dalam perolehan sertifikasi Sistem Manajemen Mutu ISO9001:2008 Pelayanan Haji di mana setiap proses layanan dilakukan melalui serangkaian audit kualitas oleh badan sertifikasi SGS dengan mengacu kepada standar manajemen mutu yang ditetapkan.

The Company's commitment towards ensuring the quality of service to its passengers was also reflected in the acquisition of Quality Management System certificate ISO9001: 2008 Hajj Service, in which each process is carried out through a series of quality audit by SGS certification institution with reference to the established management quality standard.

IMPLEMENTASI TANGGUNG JAWAB TERHADAP LAYANAN DAN PENUMPANG

Pada bulan Mei - Agustus 2016 telah dilakukan persiapan pembukaan Terminal 3 Bandara Soekarno-Hatta, di mana salah satu persiapannya adalah melakukan pre-trial untuk pelaksanaan operasional Terminal 3 Bandara Soekarno-Hatta. Persiapan tersebut mencakup proses keberangkatan penumpang sampai dengan kedatangan penumpang dan melibatkan pihak internal dan eksternal Perseroan. Untuk pelaksanaan sosialisasi kepada penumpang dilakukan melalui internal Perseroan, kantor penjualan Garuda Indonesia, biro perjalanan, dan media lainnya.

IMPLEMENTATION OF SERVICES AND PASSENGERS RESPONSIBILITY

During the time frame of May to August 2016, there has been preparation of Terminal 3 Soekarno-Hatta Airport opening, one of which was to conduct pre-trial for operation of Terminal 3 Soekarno-Hatta Airport. The preparation included process of passengers' departures to passengers' arrival, and involved both of the Company's internal and external parties. The information was shared to the passengers through the Company's internal media, Garuda Indonesia sales offices, travel agents, and other types of media.

Pada tanggal 8 Agustus 2016, Bapak Arif Wibowo selaku Direktur Utama Perseroan dan Pelaksana Tugas (Plt.) Direktur Utama PT Angkasa Pura II, Bapak Djoko Murjatmodjo, didampingi jajaran Direksi dan manajemen kedua BUMN telah meresmikan fasilitas Premium *Check in*, Domestik *Lounge*, dan Gate 14 Terminal 3 Bandara Soekarno-Hatta. Peresmian tersebut secara simbolis menandai kesiapan fasilitas yang ada di Terminal 3 menjelang beroperasinya seluruh penerbangan di Terminal 3 pada tanggal 9 Agustus 2017 pukul 00.01 WIB.

On August 8, 2016, Mr. Arif Wibowo as the Company's President Director and Acting President Director of PT Angkasa Pura II, Mr. Djoko Murjatmodjo, together with the Board of Directors and the entire Management of both SOEs, have inaugurated the Premium Check-In facility, Domestic Lounge, and Gate 14 of Terminal 3 in Soekarno-Hatta Airport. The inauguration has symbolically represented the readiness of facilities in Terminal 3 prior to commencing operation of all flights in Terminal 3 by August 9, 2017 at 00.01 WIB.

Fasilitas-fasilitas yang terdapat di Terminal 3 antara lain:
1. Premium *Check-in Counter* (untuk penumpang *Business Class* dan GarudaMiles Platinum)
2. *Customer Service Desk*

Among the facilities available in Terminal 3 are:
1. Premium Check-in Counter (for Business Class and GarudaMiles Platinum passengers)
2. Customer Service Desk

3. *Passenger Information Center*
4. Garuda Indonesia *Lounge* (untuk penumpang *Business Class*, GarudaMiles Platinum, SkyTeam Elite Plus dan GarudaMiles Gold)
5. *Premium Arrival Service*, serta *Baggage Service*

Keselamatan Penumpang

Terkait aspek keselamatan dan kesehatan konsumen, Perseroan telah memiliki langkah mitigasi khusus melalui penerapan Sistem Manajemen Keselamatan (SMS - *Safety Management System*) sesuai praktik terbaik industri penerbangan. SMS merupakan pendekatan sistematis dan komprehensif untuk mengelola keselamatan di Garuda Indonesia. Selain itu, Perseroan juga memiliki kebijakan keselamatan (*Safety Policy*) untuk mendorong seluruh karyawan untuk aktif melaporkan potensi bahaya dan kejadian terkait aspek keselamatan dengan tetap menjunjung asas kepatutan. Pembahasan lebih rinci perihal pengelolaan risiko keselamatan termasuk aspek keselamatan dan kesehatan konsumen dapat ditemukan pada bagian Pengelolaan Risiko Keselamatan di Laporan Tahunan ini.

Informasi Produk dan Layanan

Dalam rangka mempermudah pelayanan dan akses kepada pelanggan, Perseroan juga melakukan sosialisasi mengenai produk dan layanan termasuk penawaran terbaru melalui:

1. *Website* www. garuda-indonesia.com.
2. Garuda Indonesia *Mobile App* yang tersedia di Apple Store dan Google Play.
3. Akun media sosial seperti YouTube, Facebook, Twitter, Instagram, LinkedIn, dan lainnya.

Layanan Pengaduan Pelanggan

Perseroan memiliki berbagai macam akses yang digunakan untuk memudahkan penumpang dalam menyampaikan pengaduan, di antaranya: *Call Center, E-mail, Website,* Facebook, Twitter, *Suggestion Form*, *Customer Service* di bandara dan di Kantor Penjualan. Guna menjawab kebutuhan penumpang mengenai informasi yang cepat dan akurat, *Global Contact Center* Garuda Indonesia beroperasi selama 24 jam. Penumpang dapat dengan mudah dan cepat memperoleh layanan sesuai kebutuhan mereka mulai dari informasi terkait produk dan layanan penerbangan hingga penanganan atas keluhan layanan penerbangan.

3. Passenger Information Center
4. Garuda Indonesia Lounge (for passengers of Business Class, GarudaMiles Platinum, SkyTeam Elite Plus and GarudaMiles Gold)
5. Premium Arrival Service, as well as Baggage Service

Passenger Safety

In relation to health and safety aspect of the passengers, the Company has taken specific mitigation measures through the implementation of Safety Management System (SMS) based on the appropriate aviation industry's practices. SMS is a systematic and comprehensive approach to manage safety in Garuda Indonesia. In addition, the Company has also formulated Safety Policy to encourage employees to actively report potential hazards and safety aspects while still upholding the proper principles. A more detailed discussion regarding the safety risk management, including the passengers' safety and health aspect can be found on the Safety Risk Management section in this Annual Report.

Product and Services Information

In order to facilitate service and access to the passengers, the Company has also disseminated information of its products and services including latest offers via:

1. www.garuda-indonesia.com website
2. Garuda Indonesia's Mobile App that is available via Apple Store and Google Play.
3. Social media such as YouTube, Facebook, Twitter, Instagram, LinkedIn, and others.

Customer Complaint Services

The Company has a wide range of options to facilitate its passengers to submit their complaints, among others: Call Center, E-mail, Website, Facebook, Twitter, Suggestion Form, Customer Service at the airports and sales offices. In order to quickly and accurately respond to passengers' request of information, Garuda Indonesia's Global Contact Center operates for 24 hours. Passengers can easily and quickly obtain services according to their requirements, ranging from product and flight services information to the handling of flight service complaints.

TANGGUNG JAWAB TERHADAP PRODUK DAN PENUMPANG
Responsibility Towards Services and Passengers

Pada tahun 2016, jumlah *customer feedback* yang masuk ke *Customer Care* terdiri dari 60% *Compliment*, 18% *Suggestion*, dan 22% *Complaint*. Semua *customer feedback* telah ditangani sesuai dengan Tingkat Layanan (*Service Level Agreement* atau SLA) yang ditentukan oleh Perseroan dan pelanggan telah memperoleh tanggapan yang akurat dan cepat sesuai dengan yang diharapkan.

Untuk memastikan kualitas pelayanan pada Layanan Pengaduan Pelanggan, setiap akses senantiasa dimonitor dan terintegrasi dalam satu aplikasi berbasis *Cloud*. Dengan demikian, komunikasi dan koordinasi antar unit kerja dapat berjalan dengan efektif dan efisien sehingga berdampak pada peningkatan kualitas layanan pada Layanan Pengaduan Pelanggan.

Pengelolaan Suara Pelanggan *(Compliment, Suggestion, Complaint)*
Dalam mengelola suara pelanggan, Perseroan menggunakan sistem yang terintegrasi, *Customer Voice Management System* (CVoMS) yang digunakan untuk meningkatkan kualitas penanganan keluhan pelanggan, penerapan *service recovery* secara efektif, dan peningkatan kemampuan pemetaan titik layanan yang kritikal. Sistem ini berperan membantu Perseroan dalam melakukan optimalisasi *Customer Feedback Management* sehingga mampu melakukan langkah perbaikan yang strategis dan tepat.

Peningkatan Layanan melalui Kantor Perwakilan
Dalam rangka peningkatan layanan dan akses penumpang, Perseroan memiliki kantor perwakilan sebagai bagian dari jaringan penjualan yang strategis. Pada tahun 2016, total kantor cabang Perseroan yang meliputi 64 Kantor Cabang Domestik dan 89 Kantor Penjualan serta 18 Kantor Cabang Internasional dan 17 Kantor Penjualan. Perseroan juga secara konsisten mendorong peningkatan penjualan melalui *channel distribution Online Sales Partner* (OSP) yang diperkenalkan tahun 2014. OSP adalah pola kerja sama yang mencakup proses reservasi, *inventory* dan *ticketing* yang terintegrasi dengan sistem Garuda Indonesia melalui fasilitas *Application Programming Interface* (API).

Survei Kepuasan Pelanggan
Survei Kepuasan Pelanggan merupakan salah satu parameter yang digunakan Perseroan untuk mengukur tingkat

In 2016, the number of customer feedbacks received by the Customer Care consisted of 60% Compliment, 18% Suggestion, and 22% Complaint. All of the passengers' feedbacks were handled with reference to the Service Level Agreement (SLA) established by the Company and passengers have obtained fast and accurate responses based on their expectations.

To ensure the service quality at the Customer Complaints Service, every access was constantly monitored and was integrated into a Cloud-based application. Thus, communication and coordination between the business units can be performed effectively and efficiently so as to positively improve the quality of services at the Customer Complaints Service.

Customer's Voice Management (Compliment, Suggestion, Complaint)
In managing the passengers' feedbacks, the Company utilizes an integrated system, Customer Voice Management System (VCMS) which is used to improve the quality of passenger complaint handling, the implementation of service recovery effectively, and the improvement of critical service points' mapping capabilities. The system helps the Company to optimize its Customer Feedback Management so as to take strategic and accurate improvement steps.

Service Improvement through Representative Office
In order to improve passengers' service and access, the Company has representative offices as part of its strategic sales network. In 2016, the Company's total branch offices consisted of 64 Domestic Representative Offices, 89 Sales Offices, 18 International Representative Offices, and 17 Sales Offices. The Company also consistently promotes sales improvement through a new sales distribution channel which is the Online Sales Partner (OSP) that was introduced in 2014. OSP is a partnership plan that encompasses reservation process, inventory and ticketing that is integrated with Garuda Indonesia's system through the Application Programming Interface (API) facility.

Customer's Satisfaction Survey
Customer's Satisfaction Survey is one of the parameters used by Garuda Indonesia to measure the level of success of its

keberhasilan berbagai program layanan. Survei Kepuasan Pelanggan dilakukan di dalam pesawat dan hasilnya disajikan dalam *in-flight magazine*. Melalui survei ini, penumpang memberikan penilaian terhadap kinerja layanan pada 28 *Customer Touch Points*.

Berdasarkan hasil pengukuran sepanjang tahun 2016, tingkat kepuasan pelanggan (*Customer Satisfaction Index* atau CSI) mencapai 86,1 (*Satisfied*). Peningkatan sebesar 0,8 poin dalam Indeks Kepuasan Pelanggan ini mencerminkan bahwa konsistensi Perseroan dalam meningkatkan kualitas layanan membuahkan hasil positif yakni pelanggan yang merasa puas. Adapun Indeks Kepuasan Pelanggan ini juga digunakan sebagai tolak ukur untuk menetapkan fokus pengembangan dan strategi Perseroan ke depannya.

various service programs. Customer's Satisfaction Survey is conducted inside the aircrafts and the results are presented in the in-flight magazine. Through this survey, passengers assess the service performance on 28 Customer Touch Points.

Based on the assessment that took place throughout 2016, customer satisfaction index (CSI) reached 86.1 (Satisfied). An increase of 0.8 points in the customer satisfaction index indicated that the Company's consistence in improving the service quality has yielded positive results, as reflected in satisfied passengers. The Customer Satisfaction Index is also used as a benchmark to determine the Company's future development focus and strategies.

08

434 Direktur Utama Entitas Anak
President Directors of Subsidiaries

435 Anggota Komite dan Pejabat Senior
Committee's Members and Senior Management

437 Entitas Anak
Subsidiaries

439 Entitas Asosiasi
Associates

440 Program Kemitraan
Partnership Program

442 Kantor Cabang
Branch Offices

INFORMASI **TAMBAHAN**

Auxiliary Information

DIREKTUR UTAMA
ENTITAS ANAK
President Directors of Subsidiaries

Albert Burhan*
PT Citilink Indonesia

Boedi Soeharto
PT Aero System Indonesia

Deny Fajar Arianto
PT Sabre Travel Network Indonesia

Gatot Satriawan
PT Aero Wisata

Harold Rudolph Tobing
Garuda Indonesia Holiday France S.A.S

Juliandra Nurtjahjo
PT GMF Aero Asia

Sucipto
PT Gapura Angkasa

* Efektif mengundurkan diri pada 30 Januari 2017
* Effectively resigned on January 30, 2017

ANGGOTA KOMITE DAN **PEJABAT SENIOR**

Committee's Members and Senior Management

Prasetyo Suhardi
Member of Audit Committee

Regina J. Arsjah
Member of Audit Committee

Asril Fitri Syamas
Member of KPUPR

Faldo Maldini
Member of KPUPR

Hengki Heriandono
VP Corporate Secretary
and Investor Relations

Sri Mulyati
VP Internal Audit

Achmad Jaka Santos Adiwijaya
Secretary to the Board of
Commissioners

ANGGOTA KOMITE **DAN PEJABAT SENIOR**
Committee's Members and Senior Management

Nama Name	Jabatan Position
Agus Irianto	VP Revenue Management
Benny Siga Butarbutar	VP Corporate Communication
Denny Permana	VP IT Strategy
Dian Ediono	VP Kalimantan, Sulawesi & Papua Region
Doddy Darmawan	Pjs. VP Corporate Quality, Safety & Environment Management
Dony Widojoko	VP Jakarta Raya Region
Elisabeth Enny K.	VP Enterprise Risk Management
Fikdanel Thaufik	VP Japan & Korea Region
Flora Izza	VP Jawa, Bali & Nusa Tenggara Region
Fuad Rizal	VP Treasury Management
Gono Santosa	VP Corporate Security
Gregorius Sudjatmiko	VP Flight Operation
Hady Syahrean	VP SBU Umrah, Hajj & Charter
Hari Agung Saputra	VP Cargo Operations
Hendra Sutara	VP Human Capital Management
Hengki Heriandono	VP Corporate Secretary & Investor Relation
Heriyanto	VP Alliance & Partnership Management
I Wayan Subagia	VP China Region
Jaka Ari Triyoga	VP Acquisition & Aircraft Management
Martinus Kayadu	VP Learning & Development
Mitra Piranti	Pjs. VP Business Support & General Affairs
Mukhtaris	VP Aircraft Maintenance Management
Nandung Wijaya	Pjs. VP Financial Accounting
Pikri Ilham Kurniansyah	VP Ground Services
Puji Nur Handayani	VP Business Strategy & Development
Purnomo	VP Airworthiness Management
Rosdi M. Abdullah	VP Operation Support
Sarah Iridina	VP Cabin Services
Selfie Dewiyanti	VP Marketing
Sentot Mujiono	VP Asia Region
Septinaputeri K. G. A. P.	VP Coordinator Sales & Distribution
Sri Mulyati	VP Internal Audit
Syahroni	VP Financial Analysis
Syamsuddin Jusuf Souib	VP Sumatera Region
Taufik Pasya Litaay	VP SBU Garuda Sentra Medika
Tri Poetra Indra Sakti	Pjs. VP Cargo Ancillary Revenue
Triyanto Moeharsono	VP Ground Operations
Uun Setiawan	VP South West Pacific Region
Vindex Valentino Tengker	VP Inflight Services
Wibawa Prasetyawan	VP Digital Business
Wynand Rene Van Joost	VP Cargo Commercial

ENTITAS **ANAK**
Subsidiaries

Entitas Anak Subsidiary	Domisili Domicile	Bidang Usaha Line of Business	Persentase Kepemilikan Ownership Percentage	Tahun Operasi Operation Year	Status Status
KEPEMILIKAN LANGSUNG *Direct Ownership*					
PT Aero Wisata	Indonesia	Perhotelan, jasa boga dan penjualan tiket Hotel, catering, ticketing service	99,99% kepemilikan langsung 99.99% direct ownership	1989	Sudah beroperasi Active
PT Sabre Travel Network Indonesia	Indonesia	Penyedia jasa sistem komputerisasi reservasi Computerize reservation system services provider	95,0% kepemilikan langsung 95.0% direct ownership	1995	Sudah beroperasi Active
PT Garuda Maintenance Facility Aero Asia	Indonesia	Perbaikan dan pemeliharaan pesawat Aircraft Maintenance and Overhaul	• 99,0% kepemilikan langsung • 1,0% kepemilikan tidak langsung melalui PT Aero Wisata • 99.0% direct ownership • 1.0% indirect ownership through PT Aero Wisata	2002	Sudah beroperasi Active
PT Aero Systems Indonesia	Indonesia	Penyedia jasa teknologi informasi Information technology services	• 51,0% kepemilikan langsung • 49,0% kepemilikan tidak langsung melalui PT Aero Wisata • 51.0% direct ownership • 49.0% indirect ownership through PT Aero Wisata	2005	Sudah beroperasi Active
PT Citilink Indonesia	Indonesia	Angkutan udara niaga Air transportation services	• 97,87% kepemilikan langsung • 2,13% kepemilikan tidak langsung melalui PT Aero Wisata • 97.87% direct ownership • 2.13% indirect ownership through PT Aero Wisata	2009	Sudah beroperasi Active
PT Gapura Angkasa	Indonesia	Jasa pengelolaan *ground handling* Ground handling services	• 58,75% kepemilikan langsung • 31,25% kepemilikan oleh PT Angkasa Pura II • 58.75% direct ownership • 31.25% ownership by PT Angkasa Pura II	2012	Sudah beroperasi Active
Garuda Indonesia Holiday France	Indonesia	Biro perjalanan wisata, penjualan tiket, dan jasa penyewaan pesawat Travel agent, ticketing service and aircraft rental service	100,0% kepemilikan langsung 100.0% direct ownership	2014	Sudah beroperasi Active
KEPEMILIKAN TIDAK LANGSUNG *Indirect Ownership*					
PT Aero Globe Indonesia (d/h) PT Biro Perjalanan Wisata Satriavi	Indonesia	Biro perjalanan wisata Travel agent	99,90% kepemilikan tidak langsung melalui PT Aero Wisata 99.90% indirect ownership through PT Aero Wisata	1974	Sudah beroperasi Active
PT Mirtasari Hotel Development	Indonesia	Hotel Hotel	99,90% kepemilikan tidak langsung melalui PT Aero Wisata 99.90% indirect ownership through PT Aero Wisata	1979	Sudah beroperasi Active
Garuda Orient Holidays Australia Pty, Ltd.	Indonesia	Biro perjalanan wisata Travel agent	100,0% kepemilikan tidak langsung melalui PT Aero Wisata 100.0% indirect ownership through PT Aero Wisata	1981	Berhenti Beroperasi per Oktober 2016 Ceased operations since October 2016

ENTITAS **ANAK**
Subsidiaries

Entitas Anak Subsidiary	Domisili Domicile	Bidang Usaha Line of Business	Persentase Kepemilikan Ownership Percentage	Tahun Operasi Operation Year	Status Status
PT Aerofood Indonesia (d/h) PT Angkasa Citra Sarana Catering Service	Indonesia	Jasa boga pesawat Aircraft catering services	99,90% kepemilikan tidak langsung melalui PT Aero Wisata 99.90% indirect ownership through PT Aero Wisata	1982	Sudah beroperasi Active
PT Bina Inti Dinamika	Indonesia	Hotel Hotel	61,80% kepemilikan tidak langsung melalui PT Aero Wisata 61.80% indirect ownership through PT Aero Wisata	1987	Sudah beroperasi Active
PT Aerotrans Services Indonesia (d/h) PT Mandira Erajasa Wahana	Indonesia	Jasa transportasi Transportation services	99,90% kepemilikan tidak langsung melalui PT Aero Wisata 99.90% indirect ownership through PT Aero Wisata	1988	Sudah beroperasi Active
PT Belitung Intipermai	Indonesia	Hotel Hotel	99,90% kepemilikan tidak langsung melalui PT Aero Wisata 99.90% indirect ownership through PT Aero Wisata	1992	Sudah beroperasi Active
PT Senggigi Pratama Internasional	Indonesia	Hotel Hotel	99,90% kepemilikan tidak langsung melalui PT Aero Wisata 99.90% indirect ownership through PT Aero Wisata	1997	Sudah beroperasi Active
PT Aerojasa Perkasa	Indonesia	Penjualan tiket Ticketing	99,90% kepemilikan tidak langsung melalui PT Aero Wisata 99.90% indirect ownership through PT Aero Wisata	1998	Sudah beroperasi Active
PT Aerojasa Cargo	Indonesia	Jasa kargo Cargo services	99,90% kepemilikan tidak langsung melalui PT Aerojasa Perkasa 99.90% indirect ownership through PT Aerojasa Perkasa	2003	Sudah beroperasi Active
Garuda Orient Holidays Korea Pty, Ltd.	Indonesia	Biro perjalanan wisata Travel agent	60,0% kepemilikan tidak langsung melalui PT Aero Wisata 60.0% indirect ownership through PT Aero Wisata	2008	Sudah beroperasi Active
Garuda Orient Holidays Japan Pty, Ltd.	Jepang	Biro perjalanan wisata Travel agent	60,0% kepemilikan tidak langsung melalui PT Aero Wisata 60.0% indirect ownership through PT Aero Wisata	2009	Sudah beroperasi Active
PT Aerohotel Management	Indonesia	Manajemen hotel Hotel management	• 90.0% kepemilikan tidak langsung melalui PT Aero Wisata • 10.0% kepemilikan tidak langsung melalui PT Mirtasari Hotel Development • 90.0% indirect ownership through PT Aero Wisata • 10.0% indirect ownership through PT Mirtasari Hotel Development	2010	Sudah beroperasi Active
PT GIH Indonesia	Indonesia	Biro perjalanan wisata Travel agent	60,0% kepemilikan tidak langsung melalui PT Aero Wisata 60.0% indirect ownership through PT Aero Wisata	2012	Sudah beroperasi Active
PT Citra Lintas Angkasa	Indonesia	Layanan Kargo Cargo Services	60,0% kepemilikan tidak langsung melalui PT Aerojasa Cargo 60.0% indirect ownership through PT Aerojasa Cargo	2014	Sudah beroperasi Active

ENTITAS **ASOSIASI**
Associates

Entitas Anak Subsidiary	Domisili Domicile	Bidang Usaha Line of Business	Persentase Kepemilikan Ownership Percentage	Tahun Operasi Operation Year	Status Status
KEPEMILIKAN LANGSUNG *Direct Ownership*					
PT Merpati Nusantara Airlines	Indonesia	Penerbangan Airline	3,0% kepemilikan langsung 3,0% direct ownership	1978	Sudah beroperasi Active
Everest Investment Holdings Ltd	Indonesia	Sistem informatika Information System	2.1% kepemilikan langsung 2.1% direct ownership	1997	Sudah beroperasi Active
Pan Asia Pacific Aviation Services Ltd.	Indonesia	Pengelolaan tata operasi darat dan penunjang usaha penerbangan Ground handling	17,7% kepemilikan langsung 17.7% direct ownership	1998	Sudah beroperasi Active
KEPEMILIKAN TIDAK LANGSUNG *Indirect Ownership*					
PT Aeroprima	Indonesia	Jasa boga pesawat Aircraft catering services	40,0% kepemilikan tidak langsung melalui PT Aero Wisata 40.0% indirect ownership through PT Aero Wisata	1982	Sudah beroperasi Active
PT Nusa Dua Graha Internasional	Indonesia	Jasa akomodasi Accomodation	6,0% kepemilikan tidak langsung melalui PT Aero Wisata 6.0% indirect ownership through PT Aero Wisata	1988	Sudah beroperasi Active
PT Arthaloka Indonesia	Indonesia	Jasa pengelolaan property Propery management service	2,6% kepemilikan tidak langsung melalui PT Aero Wisata 2.6% indirect ownership through PT Aero Wisata	1988	Sudah beroperasi Active
PT Bumi Minang Padang	Indonesia	Jasa akomodasi Accomodation	8,5% kepemilikan tidak langsung melalui PT Aero Wisata 8.5% indirect ownership through PT Aero Wisata	1989	Sudah beroperasi Active
PT Aeronurti	Indonesia	Jasa akomodasi Accomodation	45.0% kepemilikan tidak langsung melalui PT Aero Wisata 45.0% indirect ownership through PT Aero Wisata	1996	Sudah beroperasi Active

PROGRAM **KEMITRAAN**
Partnership Program

SKYTEAM

SkyTeam merupakan salah satu dari tiga Aliansi Global di dunia yang terdiri dari 20 anggota maskapai yang menerbangkan lebih dari 17.000 penerbangan dalam sehari dan mengangkut hingga 665 juta penumpang tiap tahun ke 1.062 destinasi di 177 negara. Garuda Indonesia resmi bergabung dengan aliansi SkyTeam pada tahun 2014 dengan tujuan untuk memperluas jaringan penerbangan internasional Garuda Indonesia, menawarkan layanan "Garuda Indonesia Experience" kepada konsumen global sekaligus menempatkan Indonesia dalam peta industri penerbangan dunia. Pada saat yang sama, penumpang dari maskapai penerbangan anggota aliansi SkyTeam dapat menikmati perjalanan yang lebih nyaman untuk bepergian ke berbagai destinasi domestik Garuda Indonesia. Hal ini membuka kesempatan bagi Garuda Indonesia untuk mengangkut lebih banyak penumpang dari luar negeri.

SkyTeam is one of the world's three Global Airline Alliances consisting of 20 airlines. SkyTeam has more than 17,000 daily flights and carried up to 665 million passengers every year to 1,062 destinations in 177 countries. Garuda Indonesia officially joined SkyTeam in 2014 to broaden its international flight networks, offers the "Garuda Indonesia Experience" for global customers, as well as better position Indonesia in the world aviation industry. On the other hand, passengers from other airlines in the SkyTeam alliance will be able to fly to Garuda Indonesia's wide domestic networks. This will open the opportunity for Garuda Indonesia to carry more passengers from the overseas origins.

Selama tahun 2016, Garuda Indonesia melakukan peningkatan kinerja melalui kerja sama *codeshare* dengan 26 maskapai, 13 di antaranya adalah anggota SkyTeam dan 13 dengan anggota Non SkyTeam hingga ke 62 destinasi baru yang tidak dioperasikan oleh Garuda Indonesia. Adapun untuk memenuhi kebutuhan penumpang ke destinasi di mana Garuda Indonesia tidak terbang secara langsung, Garuda Indonesia menjalin kerja sama *interline* BITA/MITA dan SPA dengan 90 maskapai.

In 2016, Garuda Indonesia set up codeshare agreement with 26 airlines, 13 of which are SkyTeam partners and 13 Non SkyTeam partners to 62 new destinations not operated by Garuda Indonesia. In order to meet customer needs to destinations to where Garuda has no direct flights, Garuda Indonesia set up BITA/MITA and SPA interline agreement with 90 airlines.

Melalui kerja sama *interline*, diharapkan penumpang memiliki opsi tambahan atas jaringan penerbangan Garuda Indonesia yang mana tidak dapat dilayani sendiri oleh Garuda Indonesia menggunakan armada yang kita miliki.

Through interline agreement, Garuda Indonesia will be able to offer more options in terms of the network coverage which is currently not possible due to limited number of Garuda Indonesia's fleets.

Pada tahun 2016, Garuda Indonesia menyelenggarakan Garuda Travel Fair (GATF) yang diadakan di kota-kota besar di Indonesia untuk memasarkan produk *interline*. Selain itu Garuda Indonesia juga membantu dalam memasarkan SkyTeam Travel Passes yang mencakup Round The World, Go Round Asia and Southwest Pacific, Go Europe, Go USA and Canada, Go Greater China, Go Mexico, Go Africa, dan Go Russia yang memberikan kesempatan kepada calon penumpang untuk melakukan perjalanan keliling dunia atau antar benua menggunakan maskapai SkyTeam dengan harga yang lebih kompetitif dibandingkan pembelian tiket secara satuan per rute.

In 2016, Garuda Indonesia held Garuda Travel Fair (GATF) held in a number of cities in Indonesia to promote interline products. In addition, Garuda Indonesia also promoted SkyTeam Travel Passes; which include Round The World, Go Round Asia and Southwest Pacific, Go Europe, Go USA and Canada, Go Greater China, Go Mexico, Go Africa, and Go Russia, allowing prospective customers to travel around the world or within continents using SkyTeam airlines at a more competitive rate than if using separate single journey tickets.

Hingga tahun 2016, Garuda Indonesia memiliki 4 SkyTeam Corporate Agreements yang mengatur kerja sama korporasi global antara anggota SkyTeam dengan klien korporat.

As of 2016, Garuda Indonesia has 4 SkyTeam Corporate Agreements which represent global corporation agreement between SkyTeam members and corporate clients.

Pada tahun 2017 yang akan datang, Garuda Indonesia akan terus fokus untuk melakukan beberapa program kerja meliputi:

1. Meningkatkan *customer experience* melalui SkyTeam product (Lounge, SkyPriority, Frequent Flyer Program, SkyTransfer).
2. Meningkatkan *awareness* dan penjualan SkyTeam Travel Passes.

In 2017, Garuda Indonesia will continue to focus on several programs which include:

1. Improve customer experience through the SkyTeam products (Lounge, SkyPriority, Frequent Flyer Program, SkyTransfer).
2. Increase awareness and sales of SkyTeam Travel Passes.

KANTOR **CABANG**
Branch Office

Kantor Garuda Indonesia
Garuda Indonesia Offices

INDONESIA

Ambon	Jl. Philip Latumahina, Ruko Pardeis, Ambon 97127	(62-911) 355796, (62-911) 355517
	Bandara Pattimura, Jl.Dr.Leimana Laha Ambon	(62-911) 322999
	Mall Ambon City Center lt. 2, Jalan Woltermongensidi, Baguala, Ambon	(62-911) 3869467
Balikpapan	Jl. Jend Sudirman Komplek Balikpapan Permai Blok H 1 No 23-24, Balikpapan 76114	(62-542) 422300/1
	Bandara Internasional Sultan Aji Muhammad Sulaiman Sepinggan Balikpapan, Jl. Marsma R. Iswahyudi	(62-542) 766844
	Hotel Novotel, Jl. Brigjen Ery Suparjan No. 2 Balikpapan 76112	(62-542) 422300
	Hotel Blue Sky, Jl. Letjend Suprapto No. 1 Balikpapan	(62-542) 422300
	The VIA Lounge, Jl. Syarifuddin Yoes RT. 01 Balikpapan	(62-542) 8521333
	Jl. Mulawarman No. 03A RT 04 Batakan, Balikpapan Timur, *e-mail* : garuda-geraibpn@totogasono.com	(62-542)-8520481
Banda Aceh	Jl.Teuku Imum Lueng Bata No.78 Banda Aceh	(62-651) 33666
	Bandara Sultan Iskandar Muda	(62-651) 21419, 51419
Bandung	Hotel Prama Grand Preanger, Jl. Asia Afrika No. 81 Bandung 40111	(62-22) 4209468 / 4217747 / 20525421
	Bandara Husein Sastranegara, Jl. Pajajaran No. 156 Bandung	(62-22) 6047182
	Gedung Bedding Solution, LG 1, Lot 3 Home Living Center, Kota Baru Parahyangan, Bandung Barat 40553, Jawa Barat	(62)- 08128128111
Banjarmasin	Jl. HM Hasanuddin No. 31, Banjarmasin, Kalimantan Selatan	(62-511) 3366747/ 58747
	Bandara Syamsudin Noor	(62-511) 470 5277 ext. 610
	Jl. A. Yani Km.39, Martapura, Kalimantan Selatan	(62-511) 4720415
Banyuwangi	Jl. PB. Soedirman No. 39, Banyuwangi	(62-333) 410999, 415888
	Bandara Belimbing Sari, Jl Agung Wilis Kec Rogojampi, Banyuwangi	(62-333) 630777, 632999
Batam	I-Hotel Jl. Teuku Umar, Bukit Nagoya	(62-778) 6000737
	Hang Nadim Int'l Airport	(62-778) 761502
Batu-Malang	Batu Town Square, Jl. Diponegoro No 1 Malang, telp. 0342-2991258, fax 0341-2991258, hp. 08564955222, *e-mail* garuda.geraibatu@gmail.com	(62-342)-2991258
Bau Bau	Betoambari Square, Jl. Betoambari Kav 8, Baubau, Sulawesi Tenggara Telp (0402)2823444	(0402)2823444
	Bandar Udara Betoambari, Jl. Dayanu Ikhsanuddin, Betoambari, Baubau, Sulawesi Tenggara	
Bekasi	MALL METROPOLITAN , HOTEL HORISON Jl. KH. Nur Ali - Bekasi 17148	(62-21) 8866928

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INDONESIA

Bengkulu	Splash Hotel, Jl.Jend, Sudirman No. 48 Pintu Batu- Bengkulu	(62-736) 349712
	Bandara Fatmawati Soekarno, Jl. Padang Kemiling km 14	(62-736) 5500990
Berau	Hotel Derawan Indah, Jl. Panglima Batur no. 396 , Tanjung Redeb Berau Kaltim,	(62-554) 2020285,2020286
	Bandara Kalimarau Berau Jl. Silo, Tanjung Redeb	(62-554) 8811116
Biak	Jl. Jend. Sudirman No. 3 Biak	(62-981) 25737/47
	Bandara Frans Kaisepo, Jl.Muh.Yamin No.2 Biak – Papua	(62-981) 25767
Bima	Jl. Soekarno Hatta No. 1 F, Bima, NTB	(62-374) - 42926, 42027,62-374-646007 fax 62-374-44747
	Bandara Sultan M. Salahuddin No.22 Bima, NTB	(62-374) - 81333
Bitung Sulut	Jalan Wolter Monginsidi, Kel. Girian Bawah, Kec. Girian, Bitung, Sulawesi Utara	
Bogor	BOTANI SQUARE , Gound Floor No. 12, Jl. Raya Pajajaran 32 Bogor 16717	0251-8324259
Bojonegoro	Jl. Untung Suropati Ruko Adipura BLOK A2	(62-353) 2893327
Bukitinggi	Hotel Grand Rocky Bukit Tinggi, Jl. Yos Sudarso No. 29, Bukit Tinggi	(62-752) 627737
Bulukumba	Jl. Gajah Mada No. 13B Bulukumba 92511	(62-413) 84146
Cirebon	Hotel Grand Tryas, Jl. Tentara Pelajar No. 103 – 107, Cirebon	(62-231) 238811
Denpasar	Jl. Sugianyar No 5, Denpasar	(62-361) 232400
	Rukan Golf Arcade Sanur, Jl. By Pass Ngurah Rai No 126	(62-361) 287915 / 270370
	Kuta Paradiso Hotel, level 1, Jl. Kartika Plaza, Kuta	(62-361) 761414 Ext 7807
	Bali Collection Nusa Dua Bali	(62-361) 770747
	Domestic Arrival Terminal, Ngurah Rai Airport	(62-361) 9351011 Ext. 5216
	Benoa Square, Jl. By Pass Ngurah Rai No. 21AA, Kedonganan	(62-361) 8342777
	Swiss-Bell In Hotel, Jl. Sunset No. 885, Seminyak	(62-361) 8468392, (62-361)739888 ext 7509
Depok	MARGO CITY , Margocity Ground floor 12C, Jl.Margonda Raya No.358 Depok	(62-21) 7887 0957
Dobo Kep. Aru	Gerai : Jl. Cendrawasih Puncak Dobo - Kepulauan Aru-Maluku, *e-mail* ticketku_center@yahoo.com, PIC : Dina Kailuhu phone 081398887309	081270707905
Dompu	Jl. Sultan Hasanuddin No. 48 RT04 RW08 Karijawa Kabupaten Dompu, NTB, telp/fax. 0373-22226	(62-373)-22226
Ende	Jl. Gatot subroto no. 100, Ende, Flores, Nusa Tenggara Timur	(62-381) 23600
	Bandara H. Hasan Aroeboesman,Ende, Flores, Nusa Tenggara Timur	(62-381) 23500
Gorontalo	Gorontalo Business Park, Jl. Sultan Botutihe blok A-9 Gorontalo 96114	(62-435) 830444

Kantor Garuda Indonesia
Garuda Indonesia Offices

INDONESIA

	Airport Office, Djalaluddin Airport , Terminal	(62-435) 890333
	Jl. A.A Wahab (Komplek Menara Limboto), Limboto, Kabupaten Gorontalo, telp. 0435-880089	(62-435)-880089
Gunung Sitoli	Jl. Lagundri No 1B, Gunung Sitoli, Pulau Nias, telp 0639-2266, call center 082304362266,Sumatera Utara, Dir Teuku Nasrudin, hp 081399071866	
Jakarta	GUNUNG SAHARI ,Gedung Garuda Indonesia , Jl. Gunung Sahari Raya No.52 Jakarta 10610	
	GEDUNG KEMENTERIAN NEGARA BUMN, Jl. Merdeka Selatan No.13 , Jakarta 10110	(62-21) 45856233
	INTILAND TOWER Jl. Jenderal Sudirman Kav. 32 Jakarta 10220	(62-21) 2512288
	Graha Rekso Building Ground Floor Jl. Boulevar Artha Gading kav.A1, Sentra Bisnis, Artha Gading	(62-21) 45856233
	Hotel Borobudur Jakarta , Jl. Lapangan Banteng Selatan No.1, Daerah Khusus Ibukota Jakarta 10710, Indonesia	(62-21) 3440625
	DHARMAWANGSA SQUARE, The City Walk Ground Floor Blok 57 , Jl. Dharmawangsa VI & IX No.64 Kebayoran Baru, Jakarta Selatan	(62-21) 72788364
	MENARA BIDAKARA Jl. Jenderal Gatot Subroto Kav. 71-73, Pancoran Jakarta 12870	(62-21) 83700820
	PUSKOPAL MABES AL, Jl. Raya Hankam Cilangkap , Jakarta Timur	(62-21) 8723899
	EMPORIUM PLUIT MALL, Shopping Unit No.UG 36-37, Jl. Pluit Selatan Raya, Jakarta Utara 14440	(62-21) 66676644
	GARUDA INDONESIA GALLERY: Senayan City Lt. 2 Unit 210, Jl. Asia Afrika Lot.19 - Jakarta 10270	(62-21) 29241000
	PURI INDAH MALL, Lantai Dasar Unit KC.10, Jl. Puri Agung, Puri Indah Mall Jakarta-Barat 11610	(62-21) 5822748
	PONDOK INDAH MALL I, Jl. Metro Duta Niaga Blok V, Lantai Dasar 60 B Pondok Indah, Jakarta Selatan	(62-21) 2310082
	Bandara Halim Perdana Kusuma Lt.1, Jakarta	(62-21) 8088 5207
	Soekarno Hatta Airport, Lt. 2, Terminal 2E/2F	(62-21) 5506575
	Soekarno Hatta Airport, Terminal 3, 19120	
	Hotel Sheraton, Bandara Soekarno Hatta Cengkareng, Jl. Prof. Dr. Ir.Sedyatmo	
	Mall Kota Kasablanca , Lantai 1 no 159, Jl. Kasablanca Raya Kav 88 Jakarta Selatan	(62-21) 52922188
Jambi	Abadi Suite Hotel & Tower, Jl. Prof. HMO Bafadhal No.111	(62-741) 7550888/ 0868
	Bandara Sultan Thaha	(62-741) 573377
Jayapura	Kompleks Ruko Pasifik Permai Blok G11-12, Jayapura	(62-967) 522221/522222/522223

Kantor Garuda Indonesia
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INDONESIA

	Saga Mall lt. dasar, Jl. Raya Abepura, Jayapura	(62-967) 582820
	Bandara Sentani, Jayapura,	(62-967) 592305
Jember	Jl. Gajah Mada No. 295, Jember	(62-331)-4350500
	Bandara Notohadinegoro, Jember	(62-331)-4355555
Kediri	Hotel Grand Surya Kediri, Jalan Dhoho 95, Kediri, Jawa Timur	(62-354) 4674567
Kendari	Ahmad Yani Square, Jl. Ahmad Yani No.4, Kendari	(62-401) 3129777
	Haluoleo Airport	(62-401) 3126747
Ketapang	Jl. Suprapto No. 135B, Ketapang, Kalimantan Barat, telp. 0534-35222, *e-mail* berjaya@yahoo.com, PIC : Arry, 085245300666	(62-534-35222)
	Bandara Roehadi Oesman, Ketapang, Jl. Patimura Ketapang, Kalimantan Barat	
Klaten	Hotel Grand Tjokro, Jl. Pemuda Selatan 42, Klaten 57412	(62-272) 325 981
Kuala Kapuas	Gerai: Jl. Ahmad Yani No.08, Kuala Kapuas, Kabupaten Kapuas, Kalimantan Tengah telp. 081349083909, PIC : Ibu Siti Nurbaya	(62-513) 23714
Kotamubagu (Sulut)	Jl. Adampe No. 193 Kel. Mogolaing, Kotamobagu, Sulawesi Utara, telp +62-434-2621549, Fax +62-434-2621549	
Kudus	Griptha Hotel Lt 2, Jl. AKBP R. Agil Kusumadya, Kudus	(62-291) 443747/737
Kupang	Jl. WJ. Lalamentik No 75E, Kupang - Nusa Tenggara Timur	(62-0380) 827333
	Bandara El Tari Kupang	(62-380) 882118/881878
	Jl. WR. Monginsidi Komplek Ruko Lontar Permai Blok B/37 Kupang-Nusa Tenggara Timur	(62-380)-833999
Maumere	Jl. Moa Toda, Kelurahan Kota Baru Kecamatan Alok Timur – Kabupaten Sikka	(62-382) 22123
Labuanbajo	Jl. Yohanes Sehadun (Kompleks Ruko Hotel Exotic Komodo)	(62) 812 360 36712
	Bandara Komodo , Labuan Bajo	(62) 812 360 35713
Lampung	Jl. Wolter Monginsisdi 267/24, Bandar Lampung	(62-721) 242737/ 261572
	Bandara Raden Inten II Jl.Branti Raya Tromol Pos no.1, Tanjung Karang	(62-721) 7697250
	Hotel Bandara Syariah Jalan Raya Natar km 21, Lampung	(62) 812 14615983
Langgur/Tual	Bandara Karel Sadsuitubun, Ibra, Langgur, Maluku Tenggara	(62-851) 97093161
	Hotel Suita, Jl. Sudirman 99, Ohoijang, Maluku Tenggara	(62-916) 23086
Lhokseumawe	Hotel Lido Graha, Jl. Medan-Banda Aceh, Uteunkot, Muara Dua, Lhokseumawe	(62-645) 48666
Lombok City Center	Lombok City Center Mall, Jl. Ahmad Yani Km 8, Lombok, Nusa Tenggara barat 83371	(62-370) 6171567

KANTOR CABANG
Branch Office

Kantor Garuda Indonesia
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INDONESIA

Lombok Timur	Ruko Pancor No. 6, Jl.. TGH Jainudin Abdul Majid, Depan Lampu Merah Lombok Timur	(62-376) 299 1621
Luwuk	Alamat Gerai ; Jl Jend. Sudirman No. 06 Luwuk ka. Banggai - Sulawesi Tengah, *e-mail*: geraigaluw@outlook.com	082292963777
Madiun	JL. S. Parman NO. 38 (Ruko Depan CAREFOUR) MADIUN	(62-351) 4773718
Magelang	Grand Artos Hotel & Convention, Jl.. Mayjen Bambang Sugeng No. 1 Magelang 56172, Jawa Tengah	(62-293)-3218888
Makassar	Jl. Slamet Riyadi No.6	(62-411) 3654747
	Bandara Internasional Sultan Hasanuddin	(62-411) 3656061
	Gedung Baruga, Telkomsel Lt. 1, Jl. AP. Pettarani No. 3 A Makassar	(62-411) 8120845
	Mall Trans Studio Makassar	
Maros	Jl. Poros Makassar - Maros Km. 21 No. 6 Bulu-Bulu, Maros Sulawesi Selatan	(62-411) 555158
Malang	Hotel Savana, Jl. Let. Jend. Sutoyo No. 32 – 34 Malang	(62-341)-419494/402215
	Bandara Abdurrahman Saleh, Jl. Lettu Udara Suwoto	(62-341) 419494/407647
Mamuju	Jl. Yos Sudarso No. 4 Mamuju, Sulawesi Barat	(62-426) 2326321
	Bandar Udara Tampa Padang Jl. Poros Mamuju Kaluku KM, 31 Mamuju	
Manado	Jl. Sam Ratulangi No. 212	(62-431) 877737/47
	Bandara Sam Ratulangi	(62-431) 814355
Manokwari	Jl.Trikora Wosi, Kompleks Ruko Blok A-3, Manokwari, Papua Barat	(62-986) 211444/214400
	Rendani Airport, Jl. Trikora Rendani, Manokwari, Papua Barat	(62-986)211112
Martapura	Alamat Gerai : Jl. A. Yani Km 38,500 Ruko No. 6 Kel/desa Jawa, Kecamatan Martapura, Kabupaten Banjar, Kalsel	(62)81320023003
Mataram	JL. Majapahit No. 2 Ampenan, Lombok	(62-370) 642303/649100
	Lombok International Airport,Area Perkantoran Airline Lt. Dasar, Praya, Lombok Tengah	(62-370) 6157200
Maumere	Jl. Moa Toda, Kelurahan Kota Baru Kecamatan Alok Timur – Kabupaten Sikka	(62-382) 22123
Medan	Jl. Dr. Wolter Monginsidi No. 34 A	(62-61) 4516084, 4556777 ext 127
	Departure Hall Kualanamo Int'l Airport	(62-61) 91172757
	Jl. H. Anif No.47 Cemara	
Merauke	Jl. Raya Mandala No. 45.5 Merauke, Papua	0971-324522/324448
	Bandara Mopah, Jl. PGT No. 1 Desa Rimba Jaya Kec. Merauke, Papua	
	Gerai: Jl.. Brawijaya No.20. Merauke	(62-971)-3330515/ SMS Center : 085344045123
Nabire/NBX	Gerai : Jl.. Pemuda No. 16 Nabire, Papua, No telp. 0984-26027, *e-mail*: yudinabire@yahoo.co.id, PIC : Yudi Setiawan Prawitha,	(62-984) 26027 (62) 81230285588

Kantor Garuda Indonesia
Garuda Indonesia Offices

INDONESIA

	Bandara Douw Aturure, Jl. Sisingamangaraja, Papua, Nabire	(62) 81328602184
Padang	Garuda Indonesia Building. Jalan Jend. Sudirman No. 2 Padang 25121.	(62-751) 30737/30173
	Bandara Internasional Minangkabau, Ketaping - Padang Pariaman	0751-819010
Padang Sidempuan	Jl.. Sisingamangaraja No.101A Padang Sidempuan 22723 *e-mail*: trku.psp@gmail.com dan trku.psp@transkuala.co.id, PIC Eko Suyudono (Gerai), PIC GA Hasan Basri	(62-634) 4320301 Fax: (62-634) 4320302
Palangkaraya	Jl. Imam Bonjol No. 19, Ruko Kav. 2-3, Palangkaraya, Kalimantan Tengah	(62-536) 3241350/3241351
	Tjilik Riwut Airport, Palangkaraya	(62-536)3232900
Palembang	Jl. Kapten A. Rivai No. 35	(62-711) 315333 ext.110/105
	Bandara Sultan Mahmud Badaruddin II, Jl. Letjen Harus Sohar Tanjung Siapi Api, Palembang	(62-711) 385047 Fax: (62-711) 385049
Palopo	City Market Palopo,Jl. Dr. Sam Ratulangi No 78 Palopo, Sulwesi Selatan	(62-471) 327110
Palu	Jl. Moh. Hatta No.6	(62-451) 428135/454888
	Bandara Mutiara Sis Aljufrie, Jl.Abdul Rahman Saleh Palu	(62-451) 486886
Pangkalan Bun	Jl. Pangeran Diponegoro No. 47B, Pangkalan Bun, Kalimantan Tengah	(62-532) 2067189
	Bandara Iskandar Jl, Iskandar, Pangkalan Bun Kalimantan Tengah	
Pangkal Pinang	Hotel Novotel, Jl. Soekarno Hatta Km 5, Pangkal Pinang	(62-717) 438737
	Departure Hall Depati Amir Airport Pangkal Pinang	(62-717) 434509, 439357
Pangkep/Tonasa	Kantor Pusat PT Semen Tonasa, Lt. Dasar Kel Bontoa, Kec. Minasatene, Kab Pangkep, Sulawesi Selatan *e-mail:* geraiga3t@gmail.com	(62-410) 310106
Pare-pare	Jl. Lahalede No. 57 Kel. Lakessi Soreang, Pare-Pare	(62-421) 22888
Pasuruan	BJ Perdana Hotel, Jalan Sultan Agung 21, Pasuruan	(62-343) 415766
Pekalongan	Lobby Dafam Hotel, Jl.Urip Simoharjo No.53 Pekalongan	(62-285) 420777
Pekanbaru	Jl. Jend. Sudirman No. 343, Pekanbaru	(62-761) 29115/116, 43903/45063
	Bandara Sultan Syarif Kasim II, Jl.Perhubungan, Simpang Tiga	(62-761) 674815
	Mona Plaza Hotel , Annex Building, Jl. HR. Soebrantas No.18 Pekanbaru (Panam)	(62-0761)-64837
Petung, Penajam Paser Utara	Jl.. Propinsi Km. 15 No. 1D Petung, Kab. Penajam Paser Utara, Kalimantan Timur, *e-mail* : garuda-geraippu@totogasono.com	(62-542)-8540078
Pinangsori	Bandara Dr. FL Tobing, Jl. Bandara Pinangsori, Tapanuli Tengah, Sumatera Utara	(62-631) 391222

Kantor Garuda Indonesia
Garuda Indonesia Offices

INDONESIA

Pomala/Kolaka	Jl. Pramuka No. 68 Kel Lomokato-Kolaka Sulawesi Tenggara	(62-405)2321631
	Bandar Udara Sangia Nibandera Tanngettada-Pomala/Kolaka Sulawesi Tenggara	
Pontianak	Jl. Rahadi Usman No. 8A	(62-561) 734986, 741441
	Bandara Supadio, Pontianak	(62-561) 723433
	Mercure Hotel, Lt.1 Jl. Ahmad Yani no.91	(62-561) 581152/577888
	Aston Hotel, Lt.1 Jl. Gajah Mada no.21	(62-561) 748079/761118
Purwokerto	Main Lobby Hotel Aston Imperium, Jl. Overste Isdiman No. 33 Purwokerto	(62-281)-626823
Putussibau	Bandar Udara Pangsuma, Jl. Lintas Selat Putussibau Kode Pos 78711, Kalimantan Barat	
	Jl. KS Tubun no 7A Putussibau telp. 0567-21870 Kode Poss 78711 Kalimantan Barat	
Sabang	Jl. Teuku Umar No.23-35, Kota Atas Sabang, Kec. Sukakarya, Sabang, Aceh. PIC Bpk. Solpa Puji	
Salatiga	Lobby Hotel Laras Asri Resort & Spa, Jl.. Sudirman No. 335 Salatiga - Jawa tengah	(62-298)-6031888
Samarinda	Jl. S. Parman, Komplek Mall Lembuswana, Blok C-10 Samarinda, Kalimantan Timur	(62-541) 747200/739800
	Hotel Bumi Senyiur, Jl. P. Diponegoro No. 17-19 Samarinda, Kalimantan Timur *e-mail* : garuda.geraismd@gamil.com	(62-541) 735101
Saumlaki	Bandar Udara Mathilda Batlayeri, Jl. Mangkawar, Amtufu, Maluku Tenggara Barat	
	Hotel Harapan Indah, Jl. Mathilda Batlayeri, Saumlaki, Maluku Tenggara Barat	Hp. 0821 99526555
Semarang	Gedung BPD Jateng Lt.1, Jl.Pemuda no.142 Semarang	(62-24) 3517007
	Museum Ranggawarsita 1, Jl. Abdul Rahman Saleh, Semarang	(62-24) 7667-4777
	Ahmad Yani International Airport	(62-24) 7613737, 7608760
Sentani	Komplek Ruko, Jl.. Flavouw No. 113,Telp. 0967-594881, Fax 0967-594881 Sentani Kota, Jayapura, PIC: Silva Eviany Pakabu, ph. 081394999983	(62-967)-594881
Serui	Jl.. Jend Sudirman Serui *e-mail* masshellajayabadi.pt@gmail.com, Dir Zaldy Charles	(62-983) 31313, 31017, 32425 (62) 812 4842543
Silangit	Bandara Silangit, Jl. Simpang Muara No. 1 Desa Silangit Kec. Siborong-Borong, Tapanuli Utara, Sumatera Utara, PIC: Elenaria Gultom	(62) 85830633960
Singkawang	Gerai GA, Jl. Safioeddin No. 55C, RT 001 RW 001 Pasiran, Singkawang, Kalimantan Barat	
Sintang	Jl.. Haryono MT Km 1 No. 158 Kel. Kapuas Kanan Hulu, Sintang, Kalimantan Barat, PIC: Bpk. Susilo	0821 5385 2223

Kantor Garuda Indonesia
Garuda Indonesia Offices

INDONESIA

	Bandara Susilo, Jl.. MT. Haryono, Sei Durian, Sintang, Kalimantan Barat	
Solo	Jl. Veteran No. 242, Tipes, Serengan, Surakarta 57154	(62-271) 737500
	Bandara Adi Sumarno, Jl Bandara Adisumarmo, Surakarta 57108	(62-271) 781018
Sorong	Komplek Hotel City View, Jl. Sri Gunting, Sorong Papua Barat	(62-951) 333951, 334825
	Bandara Domine Edward Osok, Jl. Basuki Rahmat Km 8 Sorong Papua Barat	(62-951) 328194
	Jalan Klamono Km 19 Kota Baru Aimas Kabupaten Sorong, *e-mail*: herbethpattiwael@yahoo.co.id, PIC Herbert Pattiwael (SR GA SOQ)	085354431488, 085244697246
Sragen	Ruko Pilang Sari, Bendungan, Jalan Raya Timur Km. 4,5 Ngerampal, Sragen, Jawa Tengah	(62-271) 8825293
Sumbawa Besar	Hotel Tambora-Jalan Garuda 4, Sumbawa Besar	(62-371) 24767
	Bandar Udara Sultan Muhammad Kaharuddin, Jalan Garuda 41, Sumbawa	(62-371) 262 8377/66
Surabaya	Jl. Tunjungan 29 Surabaya	(62-31) 5340460
	Graha Bumi Surabaya Lt. 1, Jl. Basuki Rahmat 106-128 Surabaya	(62-31) 5344999
	City of Tomorrow GE 3, Jl. Achmad Yani 288, Bundaran Waru	(62-31) 58251400
	Terminal 2 Juanda International Airport	(62-31) 8688666
	Mall Ciputra World 1st floor Unit 15-16, Jl. Mayjend Sungkono No. 89 Surabaya	(62-31) 51200371-372
Tambolaka	Jalan Bandara Ruko Galaxy Tambolaka, Waitabula , Sumba Barat Daya	(62-0387) 2524080 / 2524081 / 82236782194
	Terminal Keberangkatan Bandara Tambolaka	(62-0387) 2524083 / 82236782195
Tangerang	LIVING WORLD ALAM SUTERA,1st Floor Unit 1 - 02, Living World Jalan Alam Sutera Boulevard Kav 21 Serpong Utara - Tangerang Selatan	021-29211660
	Mall Bintaro Xchange, Lantai LG /112 Boulevard , Bintaro Jaya Sektor VII Tangerang 15227	021-22210234
	Tangerang city mall lantai dasar B1-CL -City Park, Jl.Jend.Sudirman No.1 Cikokol -Tangerang	
Tanjung Pandan	Billiton Hotel & Club, JL. Depati Gegedek, Tanjung Pandan, Belitung 33411	(62-719)23408 / 23390
	Bandara H.A.S. Hananjudin	(62-719) 233371
Tanjung Pinang	Pelangi Hotel Jalan DI Panjaitan Km 6 Tanjungpinang	(61) 0812 707 781 000
	Bandara Raja Ali Haji Fisabilllah	(61-771) 7335577,7335537
Tarakan	Bandar Udara International Juwata, Jl. Mulawarman No. 1	(62-551) 31154

KANTOR CABANG
Branch Office

Kantor Garuda Indonesia
Garuda Indonesia Offices

INDONESIA

	Paradise Hotel Jl Mulawarman no 21	(52-551) 24188
Tasikmalaya	Ruko Tasik Indah Plaza, Jl. HZ Mustofa No 345 Tasikmalaya	(62-265) 344 953
Ternate	Ruko Jatiland Business Center, Jl. Boelevard Raya No. 43, Ternate	(62-921) 3128030/3123707
	Bandara Sultan Babullah	(62-921) 3125654
Timika	JL. Budi Utomo No. 652-653, Inauga, Mimika Baru	62-901) 324200/3126780
	Mosses Kilangin Airport Jl.Freeport Timikia	(62-901) 323757/ 323767
Tobelo	Jl. Ar. Nada, Desa Gosoma, Tobelo, Kab Halmahera Utara, telp 0924-2622261	(62-924) 2622261
Tulungagung	Hotel Crown Victoria, Jalan Supriadi 41, Tulungagung	(62-355) 325999
Yogjakarta	Royal Ambarukmo Hotel Lt. 1, Jl. Laksda Adi Sucipto No. 81	(62-274) 488488
	Hotel Inna Garuda, Jl. Malioboro No.60	(62-274) 558470
	Bandara Adi Sucipto Jl. Solo KM.9	(+62 274) 484 261 ext.8112

INTERNATIONAL

AUSTRALIA

Melbourne	Level 1, 30 Collins St, Melbourne VIC 3000, www.garuda-indonesia.com/au	1300 365 331, (61 3) 8663 0222
Perth	Ground Floor, 16 St Georges Terrace, Perth WA 6000, PO Box Z5240 St Georges Terrace, Perth WA 6831, www.garuda-indonesia.com/au	1300 365 331, (61 8) 9214 5101
Sydney	Level 9, 15 Castlereagh St, Sydney NSW 2000, GPO Box 3836 Sydney NSW 2001, www.garuda-indonesia.com/au	1300 365 331, (61-2) 9334 9944

CHINA

Beijing	RM 209-210, 2F China Life Tower 16 Chaoyang, District Beijing, PRC	(86-10) 8525 3339
	RM.32087,Level 3, Terminal 2 Beijing Capital International Airport Beijing,PRC	(86-10)6459 9455
Shanghai	Unit G-H-I, 23F Huamin Empire Plaza, 726, Yan Anh Road(W) Shanghai, PRC	(86-21) 5239 1000
	Room B1-M14 Terminal Two , Pudong International Airport Shanghai, PRC	0086-21-68855040
Guangzhou	Unit 903-904,Main Tower, Guang Dong Intl Building,No.339, Huanshi East Road, Guangzhou	(86-20) 83343088
	Room VIP 6 , East Wing, Pullman Hotel Guangzhou Baiyun International Airport	(86-20) 36067491 / 36067493

HONG KONG

Hong Kong	Unit 10, 10/F, 68 Yee Woo Street Causeway Bay,Hong Kong	(85-2) 28400000

Kantor Garuda Indonesia
Garuda Indonesia Offices

JAPAN

Osaka	OCAT Building 4F, 1-4-1 Minatomachi, Naniwa-ku, Osaka-shi , 556-0017 www.garuda-indonesia.com/jp	(81-6) 66353222
Tokyo	Shin Tokyo Bldg. 1F 3-3-1 Marunouchi, Chiyoda-ku, Tokyo 100-0005	(81-3) 32406161

KOREA

Seoul	7F, Center Place Bldg, 40, Namdaemun-ro 9-gil,Jung-gu, Seoul, Korea Zip Code 04522	(82-2) 7732092

MALAYSIA

Kuala Lumpur	Lot 1-16, Intermark Mall, The Intermark, 348 Jalan Tun Razak 50400 Kuala Lumpur-Malaysia	(603) 21622811
	Lot S23 – S24 , Level 4, Main Terminal Building, Kuala Lumpir International Airport, 64000, KLIA, Sepang-Malaysia	(603) 87874066

NETHERLAND

Amsterdam	WTC Tower B-7th Floor, Schiphol Boulevard 177, 1118 BG Schiphol Airport , www.garuda-indonesia.nl	+31(0)20 5502600

SINGAPORE

Singapore	101 Thomson Road #12-03 United Square Singapore 307591 www.garudaindonesia.com.sg	(65) 62502888

THAILAND

Bangkok	1168/77 Lumpini Tower, 27th floor, Rama IV Road, Thungmahamek, Sathorn, Bangkok 10120	(66-2) 2856470

UNITED KINGDOM

London	PT Garuda Indonesia Tbk, 2 Queen Caroline Street Hammersmith London W6 9DX United Kingdom	(44) 20 31788908, (40) 20 31788561
	D'Nata Terminal 3 ticket desk, Heathrow Airport, Hounslow Middlesex, TW6 1OG (Open during flight operations only)	+44 (0)2087450461

GSA (GENERAL SALES AGENT)

CANADA

Toronto	5915 Airport Rd, Suite 830 Mississauga, ON L4V 1T1, Canada	+1 (800) 3-427832
Vancouver	1030 West Georgia Street, Suite 1214 Vancouver, BC V6E 2Y3, Canada	+1 (800) 3-427832

NEW ZEALAND

Auckland	Level 10, 120 Albert St, Auckland 1141, PO Box 6247, Wellesley St Auckland 1141	(64 9) 3661855

PHILIPPINES

Manila	"Lower Lobby, Century Park Hotel, P. Ocampo St. cor. M. Adriatico St. Malate Manila, Philippines 1004	(63) 2 400 5978 / (63) 2 400 5979

Kantor Garuda Indonesia
Garuda Indonesia Offices

QATAR		
Doha	BLDG. 2, OFFICE 1-3 THANI BIN ABDULLA COMPLEX C-RING ROAD NEAR VIP CLOCK R/A DOHA,QATA, *E-mail* : anand@ctnqatar.com Web : www.ctnqatar.com	+974 44622122
USA		
Los Angeles	"16250 Venture Boulevard, Suite 115 Encino, CA 91436, USA lax@garudana.com"	+1 (800) 3-427832
Chicago	"401 N.Michigan Avenue, Suite 3320, Chicago, IL 60611, USA chi@garudana.com"	+1 (800) 3-427832
Houston	"3050 Post Oak Blvd, Suite 1320, Houston, TX 77056, USA hou@garudana.com"	+1 (800) 3-427832
New York	"147W, 35th St Suite 1505, New York, NY 10001, USA nyc@garudana.com"	+1 (800) 3-427832
SAUDI ARABIA		
Jeddah	"City Center, Annex, Madinah Road P.O.Box 11727 Jeddah 21463 Saudi Arabia	Toll free: +92 000 6881; Phone: +966 12 6652820 / 6640225
Madinah	Sultana Center, Sultana Street, Madinah Al-Munawwara-Saudi Arabia	Toll free: +92 000 6881; Phone: +966 14 8690373/5
Makkah	Mansour Commercial Center, Prince Mansour Street, Makkah – Saudi Arabia	Toll free: +92 000 6881, Phone: +966 12 5443093/4
VIETNAM		
Ho Chi Minh City	2nd Floor, Travel House Building, 170 – 172, Nam Ky Khoi Nghia Street, District 3, Ho Chi Minh City	(84-8) 39302949
Hanoi	4th Floor, Dao Duy Anh Tower, 9 Dao Duy Anh Street, Dong Da District, Hanoi	(84-4) 35747002
BELGIUM		
Brussel	J.E. Mommaertslaan 18B, 1831 Diegem, Belgium *E-mail*: garuda.bru@aviareps.com	+32(0)27120584
KUWAIT		
Kuwait	Al-Jawhara Tower, Al Salhiya , Ali Al-Salem Street Safat Code 13056 , Kuwait accounts-gsa@caesarstravel.com www.caesarstravel.com	Tel: +965 2226 0260 Mobile: +965 66097289
INDIA		
New Delhi	E-9, Connaught House, Connaught Place, New Delhi 110001	(91) 11-41517121
Hyderabad	H. No. 6-3-1093, 101, 1st Floor , V.V. Vintage Boulevard Somajiguda, Rajbhivan Road Hyderarab, India 500082	(91)- 9000785802
Calcutta	Crescent Tower,Suite no 2F,229AJC Bose Road.Kolkota,W Bengal Indoa 700017	(91) 33-30222615
Chennai	42, 2nd Floor, Sindur Plaza, Montieth Road, Egmore, Chennai - 600 008, India	(91) 44-28553863

Kantor Garuda Indonesia
Garuda Indonesia Offices

Mumbai	14, Nirman Kendra, DR. E. Moses Road, Near Famous Studio Mahalaxmi, West Mumbai 400 011	(91) 22 66156273
Bangalore	No. 138B, 1st Floor, Brigade Brigade Gardens, Church Street, Bangalore - 560001	(91)- 9901611810
SRI LANKA		
Sri Lanka	No.11, York Street, Colombo 01, Sri Lanka	(94) 112475340
GERMANY		
Frankfurt	Theodor-Heuss-Alee 112, 60486 Frankfurt am Main *E-mail*: Garudaindonesia@flight-Connect.com	+49(0)69667741255
LAOS		
Laos	36/10-12 Samsenthai Road, Ban Haysoke, Vientiane, Laos PDR P.O. Box 4816 *E-mail*: watana@transexpress.la	(+85621) 213995-9
CHINA		
Shanghai	Unit 19 J1-2, Shanghai Zhaofeng Universal Building No. 1800 Zhongshan Road West Shanghai 200235, China *E-mail*: cherry.ou@megacap.com.cn	(86-21) 64403485
Wuhan	Room 1409, United International Tower, No. 609, Luoyu Road, Hongshan District, Wuhan, Hubei Province, 430070, China	+862787688884
Chengdu	Room 1505, North Tower, Chengdu Poly Plaza, No.7 Lingshiguan Road, Wuhou District, Chengdu, Sichuan Province, 610000, China	+862864402498
Guangzhou	GSA Call Center China:	
	Room 502, Main Tower, No. 339, Huanshi Road East, Guangdong International Building, Guangzhou, Guangdong Province, 510060, China	+862083172566
TAIWAN		
Taipei	4f-1 No. 194 Zhouzi St.Neihu Dist, Taipei 11943, Taiwan (R.O.C)	(886) 2-2656-0255

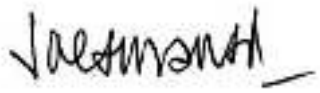
SURAT PERNYATAAN ANGGOTA DEWAN KOMISARIS DAN DIREKSI **TENTANG TANGGUNG JAWAB ATAS LAPORAN TAHUNAN 2016 PT GARUDA INDONESIA (PERSERO) TBK**

Statement of Members of Board of Commissioners and Board of Directors on the Accountability for the Annual Report 2016 of PT Garuda Indonesia (Persero) Tbk

Kami yang bertanda tangan di bawah ini menyatakan bahwa semua informasi dalam Laporan Tahunan PT Garuda Indonesia (Persero) Tbk tahun buku 2016 telah dimuat secara lengkap dan bertanggung jawab penuh atas kebenaran isi laporan tahunan dan laporan keuangan konsolidasian perusahaan. Demikian pernyataan ini dibuat dengan sebenarnya.

We, the undersigned, testify that all information in the Annual Report of PT Garuda Indonesia (Persero) Tbk for fiscal year 2016 is presented in its entirety and we are fully responsible for the accuracy of the contents in the Company's annual report and consolidated financial statements. This statement is hereby made in all truthfulness.

Dewan Komisaris
Board of Commissioners



Jusman Syafii Djamal
Komisaris Utama dan Komisaris Independen
President Commissioner and Independent Commissioner

Chairal Tanjung
Komisaris
Commissioner

Dony Oskaria
Komisaris
Commissioner

Hasan M. Soedjono
Komisaris Independen
Independent Commissioner

Isa Rachmatarwata
Komisaris
Commissioner

Muzaffar Ismail
Komisaris
Commissioner

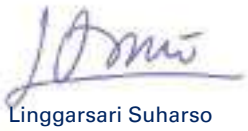
Direksi
Board of Directors

M. Arif Wibowo
Direktur Utama
President & CEO

Agus Toni Soetirto
Direktur Niaga
Director of Commercial

Helmi Imam Satriyono
Direktur Keuangan dan Manajemen Risiko
Director of Finance and Risk Management

Iwan Joeniarto
Direktur Teknik dan Teknologi Informasi
Director of Maintenance and Information Technology



Linggarsari Suharso
Direktur SDM & Umum
Director of Human Capital & Corporate Affairs

Nicodemus P. Lampe
Direktur Layanan
Director of Services

Novianto Herupratomo
Direktur Operasi
Director of Operations

Sigit Muhartono
Direktur Cargo
Director of Cargo

REFERENSI SE OJK
NO. 30/SEOJK.04/2016
Reference of OJK Circular Letter No. 30/SEOJK.04/2016

No.	Materi dan Penjelasan	Halaman Page	Subject and Explanation
I.	**Ikhtisar Data Keuangan Penting**		**Highlights of Key Financial Information**
1.	Ikhtisar Data Keuangan Penting memuat informasi keuangan yang disajikan dalam bentuk perbandingan selama 3 (tiga) tahun buku atau sejak memulai usahanya jika Emiten atau Perusahaan Publik tersebut menjalankan kegiatan usahanya kurang dari 3 (tiga) tahun, paling sedikit memuat: a. Pendapatan/penjualan; b. Laba bruto; c. Laba (rugi); d. Jumlah laba (rugi) yang dapat diatribusikan kepada pemilik entitas induk dan kepentingan non pengendali; e. Total laba (rugi) komprehensif; f. Jumlah laba (rugi) komprehensif yang dapat diatribusikan kepada pemilik entitas induk dan kepentingan non pengendali; g. Laba (rugi) per saham; h. Jumlah aset; i. Jumlah liabilitas; j. Jumlah ekuitas; k. Rasio laba (rugi) terhadap jumlah aset; l. Rasio laba (rugi) terhadap ekuitas; m. Rasio laba (rugi) terhadap pendapatan/penjualan; n. Rasio lancar; o. Rasio liabilitas terhadap ekuitas; p. Rasio liabilitas terhadap jumlah aset; dan q. Informasi dan rasio keuangan lainnya yang relevan dengan Emiten atau Perusahaan Publik dan jenis industrinya.	8 - 10	Highlights of Key Financial Information contains financial information in comparative form over a period of 3 (three) fiscal years or since the commencement of business if the Issuer or Listed Company has been running its business activities for less than 3 (three) years, at least contains: a. Operating sales/revenue; b. Gross profit (loss); c. Profit (loss); d. Net profit attributable to owners of the parent and non-controlling interest; e. Net comprehensive profit; f. Net comprehensive profit attributable to owners of the parent and non-controlling interest; g. Profit (loss) per share; h. Total assets; i. Total liabilities; j. Total equity; k. Profit (loss) ratio to total assets; l. Profit (loss) ratio to equity; m. Profit (loss) ratio to revenue; n. Current ratio; o. Liabilities ratio to equity; p. Liabilities ratio to total assets; and q. Other relevant financial ratio and information about the Issuer or Listed Company or its industry.
II.	**Informasi Saham** Informasi saham (jika ada) paling sedikit memuat:		**Shares Information** Shares information (if any) shall include at least:
1.	Saham yang telah diterbitkan untuk setiap masa triwulan (jika ada) yang disajikan dalam bentuk perbandingan selama 2 (dua) tahun buku terakhir, paling sedikit meliputi: a. Jumlah saham yang beredar; b. Kapitalisasi pasar berdasarkan harga pada Bursa Efek tempat saham ditempatkan; c. Harga saham tertinggi, terendah, dan penutupan berdasarkan harga pada Bursa Efek tempat saham dicatatkan; dan d. Volume perdagangan pada Bursa Efek tempat saham dicatatkan. Informasi pada huruf a diungkapkan oleh Emiten yang merupakan Perusahaan Terbuka yang sahamnya tercatat maupun tidak tercatat di Bursa Efek. Informasi pada huruf b, huruf c, dan huruf d hanya diungkapkan jika Emiten merupakan Perusahaan Terbuka dan sahamnya tercatat di Bursa Efek.	12	Shares published for every quarter (if any) presented in the comparison of latest 2 (two) fiscal years (if any), at least include: a. Number of issued shares; b. Market capitalization based on the price on the Stock Exchange where shares are listed; c. Highest, lowest, and closing price based on the price on the Stock Exchange where shares are listed; and d. Transaction volume on the Stock Exchange where shares are listed. Information in the letter a is disclosed by the Issuer which is a Listed Company whose shares are listed or not listed on the Stock Exchange. Information in the letter b, letter c, and letter d are only disclosed if the Issuer is a Listed Company and its shares are listed on the Stock Exchange.
2.	Dalam hal terjadi aksi korporasi, seperti pemecahan saham *(stock split)*, penggabungan saham *(reverse stock)*, dividen saham, saham bonus, dan penurunan nilai nominal saham, informasi saham sebagaimana dimaksud pada angka 2 ditambahkan penjelasan paling sedikit mengenai: a. Tanggal pelaksanaan aksi korporasi; b. Rasio pemecahan saham *(stock split)*, penggabungan saham *(reverse stock)*, dividen saham, saham bonus, dan penurunan nilai nominal saham; c. Jumlah saham beredar sebelum dan sesudah aksi korporasi; dan d. Harga saham sebelum dan sesudah aksi korporasi.	n.a	In case of corporate actions, such as stock split, reverse stock, shares dividend, bonus shares, and reduction in nominal share prices, the share information referred in point 2 shall be added explanations which included at least: a. The execution date of corporate action; b. Ratio of stock split, reverse stock, share dividend, bonus share, and reduction in share price; c. Shares volume issued before and after corporate actions; and d. Shares price before and after corporate actions.

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3.	Dalam hal terjadi penghentian sementara perdagangan saham *(suspension)*, dan/atau penghapusan pencatatan saham *(delisting)* dalam tahun buku, Emiten atau Perusahaan Publik menjelaskan alasan penghentian sementara perdagangan saham *(suspension)* dan/atau penghapusan pencatatan saham *(delisting)* tersebut.	n.a	In case of suspended stock trading, and/or delisting in the fiscal year, the Issuer or Listed Company explains the reason for such suspension and/or delisting.
4.	Dalam hal penghentian sementara perdagangan saham (suspension) dan/atau penghapusan pencatatan saham (delisting) sebagaimana dimaksud pada angka 3 masih berlangsung hingga akhir periode Laporan Tahunan, Emiten atau Perusahaan Publik menjelaskan tindakan yang dilakukan untuk menyelesaikan penghentian sementara perdagangan saham *(suspension)* dan/atau penghapusan pencatatan saham *(delisting)* tersebut.	n.a	In case of stock suspension and/or delisting as referred to point 3 still continue until the end of Annual Report period, the Issuer or Listed Company shall explain the actions of the company to resolve such stock suspension and/or delisting.
III.	**Laporan Direksi** Laporan Direksi paling sedikit memuat:		**Board of Directors' Report** Board of Directors' Report shall include at least:
1.	Uraian singkat mengenai kinerja Emiten atau Perusahaan Publik, paling sedikit meliputi: a. Strategi dan kebijakan strategis Emiten atau Perusahaan Publik; b. Perbandingan antara hasil yang dicapai dengan yang ditargetkan; dan c. Kendala yang dihadapi Emiten atau Perusahaan Publik.	46 - 59	A brief description of the Issuer's or Listed Company's performance, at least include: a. Strategy and strategic policy of Issuer or Listed Company; b. Comparison between achievement of results and targets; and c. Challenges faced by the Issuer or Listed Company.
2.	Gambaran tentang prospek usaha.	56 - 59	An overview of business prospects.
3.	Penerapan tata kelola Emiten atau Perusahaan Publik; dan	54 - 55	Implementation of Good Corporate Governance by the Issuer or Listed Company; and
4.	Perubahan komposisi anggota Direksi dan alasan perubahannya (jika ada).	55 - 56	Changes in the composition of the Board of Directors' members and the reason of such changes (if any).
IV.	**Laporan Dewan Komisaris** Laporan Dewan Komisaris paling sedikit memuat:		**Board of Commissioners' Report** Board of Commissioner's Report shall include at least:
1.	Penilaian terhadap kinerja Direksi mengenai pengelolaan Emiten atau Perusahaan Publik.	28 - 37	Assessment on the performance of the Board of Directors in managing the Company;
2.	Pengawasan terhadap implementasi strategi Emiten atau Perusahaan Publik.	32	Supervision of strategy implementation of Issuer or Listed Company.
3.	Pandangan atas prospek usaha Emiten atau Perusahaan Publik yang disusun oleh Direksi.	35 - 36	View on the prospects of the Issuer or Listed Company as established by the Board of Directors.
4.	Pandangan atas penerapan tata kelola Emiten atau Perusahaan Publik.	34	View on the implementation of Issuer's or Listed Company's governance.
5.	Perubahan komposisi anggota Dewan Komisaris dan alasan perubahannya (jika ada); dan	35	Changes in the composition of the Board of Commissioners's members and the reason of such changes (if any); and
6.	Frekuensi dan cara pemberian nasihat kepada anggota Direksi.	33	Frequency and means of providing advice to the members of the Board of Directors.
V.	**Profil Emiten atau Perusahaan Publik** Profil Emiten atau Perusahaan Publik paling sedikit memuat:		**Company Profile** Profile of Issuer or Listed Company shall include at least:
1.	Nama Emiten atau Perusahaan Publik termasuk apabila terdapat perubahan nama, alasan perubahan, dan tanggal efektif perubahan nama pada tahun buku.	72 - 74	Name of the Issuer or Listed Company including if there is a change of name, the reason for the change, and the effective date of the name change in the fiscal year.

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2.	Akses terhadap Emiten atau Perusahaan Publik termasuk kantor cabang atau kantor perwakilan yang memungkinkan masyarakat dapat memperoleh informasi mengenai Emiten atau Perusahaan Publik, meliputi: a. Alamat; b. Nomor telepon; c. Nomor faksimile; d. Alamat surat elektronik; dan e. Alamat Situs *Web*;	74	Access to the Issuer or Listed Company including branch office or representative office which allows the public to obtain information about the Issuer or Listed Company, including: a. Address; b. Phone number; c. Facsimile number; d. E-mail address; and e. Website address;
3.	Riwayat singkat Emiten atau Perusahaan Publik.	78 - 81	Brief history of Issuer or Listed Company
4.	Visi dan misi Emiten atau Perusahaan Publik.	75	Vision and mission of the Issuer or Listed Company.
5.	Kegiatan usaha menurut anggaran dasar terakhir, kegiatan usaha yang dijalankan pada tahun buku, serta jenis barang dan/atau jasa yang dihasilkan.	84 - 86	The business activities according to the latest articles of association, business activities carried on in the fiscal year, and type of products and/or services provided.
6.	Struktur organisasi Emiten atau Perusahaan Publik dalam bentuk bagan, paling sedikit sampai dengan struktur 1 (satu) tingkat di bawah Direksi, disertai dengan nama dan jabatan.	98 - 99	Organizational structure of Issuer or Listed Company in the form of a chart, giving the names and titles and at least up to the one level below the Board of Directors.
7.	Profil Direksi, paling sedikit memuat: a. Nama dan jabatan yang sesuai dengan tugas dan tanggung jawab; b. Foto terbaru; c. Usia; d. Kewarganegaraan; e. Riwayat pendidikan; f. Riwayat jabatan, meliputi informasi: 1) dasar hukum penunjukan sebagai anggota Direksi pada Emiten atau Perusahaan Publik yang bersangkutan; 2) rangkap jabatan, baik sebagai anggota Direksi, anggota Dewan Komisaris, dan/atau anggota komite serta jabatan lainnya (jika ada); dan 3) pengalaman kerja beserta periode waktunya baik di dalam maupun di luar Emiten atau Perusahaan Publik; g. Pendidikan dan/atau pelatihan yang telah diikuti anggota Direksi dalam meningkatkan kompetensi dalam tahun buku (jika ada); dan h. Hubungan afiliasi dengan anggota Direksi lainnya, anggota Dewan Komisaris, dan pemegang saham utama (jika ada) meliputi nama pihak yang terafiliasi;	62 - 69	Profile of the Board of Directors, at least includes: a. Name and position in accordance with the duties and responsibilities; b. Latest picture; c. Age; d. Citizenship; e. Educational history; f. Work experience, includes information as follows: 1) legal basis of appointment of Board of Directors' members in the Issuer or Listed Company; 2) concurrent position, both as members of the Board of Directors, members of the Board of Commissioners, and/or members of the committee as well as other position (if any); and 3) work experience as well as the working period both inside or outside the Issuer or Listed Company; g. Training attended by the Board of Directors' members to improve the competence in the fiscal year (if any), and h. Affiliate relationships with another member of the Board of Directors, Board of Commissioners' members, and ultimate shareholders (if any) including the name of affiliated parties;
8.	Profil Dewan Komisaris, paling sedikit memuat: a. Nama; b. Foto terbaru; c. Usia; d. Kewarganegaraan; e. Riwayat pendidikan; f. Riwayat jabatan, meliputi informasi: 1) dasar hukum penunjukan sebagai anggota Dewan Komisaris yang bukan merupakan Komisaris Independen pada Emiten atau Perusahaan Publik yang bersangkutan; 2) dasar hukum penunjukan pertama kali sebagai anggota Dewan Komisaris yang merupakan Komisaris Independen pada Emiten atau Perusahaan Publik yang bersangkutan;	40 - 45	Profile of the Board of Commissioners, at least includes: a. Name; b. Latest picture; c. Age; d. Citizenship; e. Educational history; f. Work experience, includes information as follows: 1) legal basis of appointment of Board of Commissioners' members excluding the Independent Commissioner in the Issuer or Listed Company; 2) legal basis of appointment of Board of Commissioners' members as Independent Commissioner in the Issuer or Listed Company;

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	3) rangkap jabatan, baik sebagai anggota Dewan Komisaris, anggota Direksi, dan/atau anggota komite serta jabatan lainnya (jika ada); dan 4) pengalaman kerja beserta periode waktunya baik di dalam maupun di luar Emiten atau Perusahaan Publik; g. Pendidikan dan/atau pelatihan yang telah diikuti anggota Dewan Komisaris dalam meningkatkan kompetensi dalam tahun buku (jika ada); h. Hubungan afiliasi dengan anggota Dewan Komisaris lainnya dan pemegang saham utama (jika ada) meliputi nama pihak yang terafiliasi; dan i. Pernyataan independensi Komisaris Independen dalam hal Komisaris Independen telah menjabat lebih dari 2 (dua) periode (jika ada);		3) concurrent position, both as members of the Board of Commissioners, members of the Board of Directors, and/or members of the committee as well as other position (if any); and 4) work experience as well as the working period both inside or outside the Issuer or Listed Company; g. Training attended by the Board of Commissioners' members to improve the competence in the fiscal year (if any), and h. Affiliate relationships with another member of the Board of Commissioners and ultimate shareholders (if any) including the name of affiliated parties; and i. Independence statement of Independent Commissioner in the event of the Independent Commissioner has served more than 2 (two) periods (if any);
9.	Dalam hal terdapat perubahan susunan anggota Direksi dan/atau anggota Dewan Komisaris yang terjadi setelah tahun buku berakhir sampai dengan batas waktu penyampaian Laporan Tahunan, susunan yang dicantumkan dalam Laporan Tahunan adalah susunan anggota Direksi dan/atau anggota Dewan Komisaris yang terakhir dan sebelumnya.	√	In case of a change in the composition of the Board of Directors and/or the Board of Commissioners that occurred after the fiscal year ends until the deadline for submission of the Annual Report, then the structure sets out in the Annual Report is the recent and previous composition of the Board of Directors's members and/or Board of Commissioners' members.
10.	Jumlah karyawan dan deskripsi sebaran tingkat pendidikan dan usia karyawan dalam tahun buku.	73, 108 - 109	The number of employees and a description of the distribution of educational level and age of employees during the fiscal year.
11.	Nama pemegang saham dan persentase kepemilikan pada akhir tahun buku, yang terdiri dari: a. Pemegang saham yang memiliki 5% (lima persen) atau lebih saham Emiten atau Perusahaan Publik; b. Anggota Direksi dan anggota Dewan Komisaris yang memiliki saham Emiten atau Perusahaan Publik; dan c. Kelompok pemegang saham masyarakat, yaitu kelompok pemegang saham yang masing-masing memiliki kurang dari 5% (lima persen) saham Emiten atau Perusahaan Publik;	13 - 15	The names of shareholders and percentage of ownership at the end of the fiscal year, which consists of: a. Shareholders owning 5% (five percent) or more shares of the Issuer or Listed Company; b. Member of Board of Directors and Board of Commissioners who hold shares of the Issuer or Listed Company; and c. Public shareholders, a group of shareholders who each own less than 5% (five percent) of the shares of Issuer or Listed Company;
12.	Jumlah pemegang saham dan persentase kepemilikan per akhir tahun buku berdasarkan klasifikasi: a. Kepemilikan institusi lokal; b. Kepemilikan institusi asing; c. Kepemilikan individu lokal; dan d. Kepemilikan individu asing;	13	The number of shareholders and the percentage of ownership as of the end of fiscal year based on the classification: a. Local institution ownership; b. Foreign institution ownership; c. Local individual ownership; and d. Foreign individual ownership;
13.	Informasi mengenai pemegang saham utama dan pengendali Emiten atau Perusahaan Publik, baik langsung maupun tidak langsung, sampai kepada pemilik individu, yang disajikan dalam bentuk skema atau bagan.	13	Information on the major and controlling shareholder of the Issuer or Listed Company, either directly or indirectly, to the individual owners, presented in the form of schemes or charts.
14.	Nama entitas anak, perusahaan asosiasi, perusahaan ventura bersama di mana Emiten atau Perusahaan Publik memiliki pengendalian bersama entitas, beserta persentase kepemilikan saham, bidang usaha, total aset, dan status operasi Emiten atau Perusahaan Publik tersebut (jika ada); Untuk entitas anak, ditambahkan informasi mengenai alamat entitas anak tersebut.	437 - 439	Name of subsidiaries entities, associates, joint venture company in which the Issuer or Listed Company has joint controlled entities, along with shareholding percentage, line of bussiness and status of such Issuer or Listed Company (if any). For subsidiary entities, please add information about the address.

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15.	Kronologi pencatatan saham, jumlah saham, nilai nominal, dan harga penawaran dari awal pencatatan hingga akhir tahun buku serta nama Bursa Efek di mana saham Emiten atau Perusahaan Publik dicatatkan (jika ada).	12	Chronology of share listing, number of shares, nominal value, and the offering pricefrom the beginning of listing until the end of fiscal year and name of stock exchange where the Issuer's or Listed Company's share is listed (if any).
16.	Kronologi pencatatan Efek lainnya selain Efek sebagaimana dimaksud pada angka 15, yang paling sedikit memuat nama Efek, tahun penerbitan, tanggal jatuh tempo, nilai penawaran, dan peringkat Efek (jika ada).	17 - 18	Chronology of other Securities listing other than Securities referred in point 15, which at least includes the name of Securities, year of issuance, maturity date, offering value, and Securities rating (if any).
17.	Nama dan alamat lembaga dan/atau profesi penunjang pasar modal.	87 - 89	Name and address of capital market institutions and/or supporting professions.
18.	Dalam hal terdapat profesi penunjang pasar modal yang memberikan jasa secara berkala kepada Emiten atau Perusahaan Publik, diungkapkan informasi mengenai jasa yang diberikan, komisi *(fee)*, dan periode penugasan; dan	87 - 89	In the event of capital market supporting professions that provide periodic service to the Issuer or Listed Company, the information about the service provided, fee, and assignment period shall be disclosed; and
19.	Penghargaan dan/atau sertifikasi yang diterima Emiten atau Perusahaan Publik baik yang berskala nasional maupun internasional dalam tahun buku terakhir (jika ada), yang memuat: a. Nama penghargaan dan/atau sertifikasi; b. Badan atau lembaga yang memberikan; dan c. Masa berlaku penghargaan dan/atau sertifikasi (jika ada).	22 - 25	Award and certification received by the Issuer or Listed Company, both on a national and international scale during the recent fiscal year (if any), which contains: a. Name of award and/or certification; b. Agency or institution that provides the award; and c. The validity period of award and/or certification (if any).
VI.	**Analisis dan Pembahasan Manajemen** Analisis dan pembahasan manajemen memuat analisis dan pembahasan mengenai laporan keuangan dan informasi penting lainnya dengan penekanan pada perubahan material yang terjadi dalam tahun buku, yaitu paling sedikit memuat:		**Management Discussion and Analysis** Management discussion and analysis contains the analysis and discussion of financial statements and other important information with an emphasis on material changes that occurred during the fiscal year, which at least contain:
1.	Tinjauan operasi per segmen operasi sesuai dengan jenis industri Emiten atau Perusahaan Publik, paling sedikit mengenai: a. Produksi, yang meliputi proses, kapasitas, dan perkembangannya; b. Pendapatan/penjualan; dan c. Profitabilitas.	162 - 171	Operational review per business segment in accordance with the type of industry of the Issuer or Listed Company, contains at least: a. Production,which includes the process, capacity, and development; b. Revenue/sales; and c. Profitability.
2.	Kinerja keuangan komprehensif yang mencakup perbandingan kinerja keuangan dalam 2 (dua) tahun buku terakhir, penjelasan tentang penyebab adanya perubahan dan dampak perubahan tersebut, paling sedikit mengenai: a. Aset lancar, aset tidak lancar, dan total aset; b. Liabilitas jangka pendek, liabilitas jangka panjang, dan total liabilitas; c. Ekuitas; d. Pendapatan/penjualan, beban, laba (rugi), penghasilan komprehensif lain, dan total laba (rugi) komprehensif; dan e. Arus kas.	172 - 187	Comprehensive financial performance analysis which includes a comparison between the last 2 (two) fiscal year, explanation about the cause of changes and the impact, among others concerning: a. Current assets, non-current assets, and total assets; b. Short-term liabilities, long-term liabilities, and total liabilities; c. Equity; d. Revenue/sales, expense, profit/loss, other comprehensive income, and total of comprehensive income/loss; and e. Cash flow.
3.	Kemampuan membayar utang dengan menyajikan perhitungan rasio yang relevan.	188	Ability to pay debt by presenting relevant ratio calculation.
4.	Tingkat kolektibilitas piutang Emiten atau Perusahaan Publik dengan menyajikan perhitungan rasio yang relevan.	189	Issuer's or Listed Company's collectability by presenting relevant ratio calculation.
5.	Struktur modal (capital structure) dan kebijakan manajemen atas struktur modal (capital structure) tersebut disertai dasar penentuan kebijakan dimaksud.	190 - 191	Capital structure and management policy on such capital structure with the basis for determining such policy.

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6.	Bahasan mengenai ikatan yang material untuk investasi barang modal dengan penjelasan paling sedikit meliputi: a. Tujuan dari ikatan tersebut; b. Sumber dana yang diharapkan untuk memenuhi ikatan tersebut; c. Mata uang yang menjadi denominasi; dan d. Langkah yang direncanakan Emiten atau Perusahaan Publik untuk melindungi risiko dari posisi mata uang asing yang terkait.	198	Discussion on material ties for the investment of capital goods with description includes at least: a. The purpose of the ties; b. Source of funds expected to fulfill the said ties; c. Currency of denomination; and d. Steps taken by the Issuer or Listed Company to protect the risk against the position of related foreign currency.
7.	Bahasan mengenai investasi barang modal yang direalisasikan dalam tahun buku terakhir, paling sedikit meliputi: a. Jenis investasi barang modal; b. Tujuan investasi barang modal; dan c. Nilai investasi barang modal yang dikeluarkan;	199	Discussion on capital goods investment realized in the last fiscal year, at least includes: a. Type of capital goods investment; b. Objective of capital goods investment; and c. The investment value of capital goods
8.	Informasi dan fakta material yang terjadi setelah tanggal laporan akuntan (jika ada).	199	Significant information and fact subsequent to the accountant's report date (if any).
9.	Prospek usaha dari Emiten atau Perusahaan Publik dikaitkan dengan kondisi industri, ekonomi secara umum dan pasar internasional disertai data pendukung kuantitatif dari sumber data yang layak dipercaya.	223 - 227	Business prospects of the Issuer of Listed Company in connection with the condition of industry, economy in general, and the international market supported by quantitative data from a reliable data source.
10.	Perbandingan antara target/proyeksi pada awal tahun buku dengan hasil yang dicapai (realisasi), mengenai: a. Pendapatan/penjualan; b. Laba (rugi); c. Struktur modal *(capital structure)*; atau d. Hal lainnya yang dianggap penting bagi Emiten atau Perusahaan Publik.	193 - 197	Comparison between target/projection in the beginning of fiscal year and the achieved result (realization), which includes: a. Revenue/sales; b. Income (loss); c. Capital structure; or d. Other matters that considered important for the Issuer or Listed Company.
11.	Target/proyeksi yang ingin dicapai Emiten atau Perusahaan Publik untuk 1 (satu) tahun mendatang, mengenai: a. Pendapatan/penjualan; b. Laba (rugi); c. Struktur modal *(capital structure)*; d. Kebijakan dividen; atau e. Hal lainnya yang dianggap penting bagi Emiten atau Perusahaan Publik.	195 - 197	Issuer's or Listed Company's target/projection in 1 (one) year, which includes: a. Revenue/sales; b. Income (loss); c. Capital structure; d. Dividend policy; or e. Other matters that considered important for the Issuer or Listed Company.
12.	Aspek pemasaran atas barang dan/atau jasa Emiten atau Perusahaan Publik, paling sedikit mengenai strategi pemasaran dan pangsa pasar.	220 - 222	Marketing aspect for the product and service of Issuer or Listed Company, such as: marketing strategy and market share.
13.	Uraian mengenai dividen selama 2 (dua) tahun buku terakhir (jika ada), paling sedikit: a. Kebijakan dividen; b. Tanggal pembayaran dividen kas dan/atau tanggal distribusi dividen non kas; c. Jumlah dividen per saham (kas dan/atau non kas); dan d. Jumlah dividen per tahun yang dibayar.	191 - 192	Description of the dividend for 2 (two) last fiscal years (if any), which at least includes: a. Dividend policy; b. Date of cash dividend payment and/or date of non-cash dividend distribution; c. Amount of dividend per share (cash/non-cash); and d. Amount of paid dividend per year.
14.	Realisasi penggunaan dana hasil Penawaran Umum, dengan ketentuan: a. Dalam hal selama tahun buku, Emiten memiliki kewajiban menyampaikan laporan realisasi penggunaan dana, maka diungkapkan realisasi penggunaan dana hasil Penawaran Umum secara kumulatif sampai dengan akhir tahun buku; dan b. Dalam hal terdapat perubahan penggunaan dana sebagaimana diatur dalam Peraturan Otoritas Jasa Keuangan tentang Laporan Realisasi Penggunaan Dana Hasil Penawaran Umum, maka Emiten menjelaskan perubahan tersebut.	198	Actual use of proceeds from the Public Offering, provided that: a. In the event that during fiscal year, the Issuer has the obligation to report realization of the use of proceeds, thus the cumulative use of the proceeds from the Public Offering shall be disclosed until the last fiscal year; and b. In the event of any changes the in use of proceeds as stipulated in the Regulation of Financial Services Authority on Report on Realization of the Use of Proceeds from Public Offerings, Issuers shall explain such changes.

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15.	Iinformasi material (jika ada), antara lain mengenai investasi, ekspansi, divestasi, penggabungan/peleburan usaha, akuisisi, restrukturisasi utang/modal, transaksi afiliasi, dan transaksi yang mengandung benturan kepentingan, yang terjadi pada tahun buku, antara lain memuat: a. Tanggal, nilai, dan objek transaksi; b. Nama pihak yang bertransaksi; c. Sifat hubungan afiliasi (jika ada); d. Penjelasan mengenai kewajaran transaksi; dan e. Pemenuhan ketentuan terkait	199	Significant information (if any) about investation, expansion, divestment, business merger/takeover, acquisition, debt/equity restructuring, affiliated transaction, and transaction that contains conflict of interest occurred in fiscal year, among others includes: a. Date, value, and transaction object; b. Name of the parties conducting transaction; c. Nature of affiliation (if any); d. Description about transaction fairness; and e. Relevant regulation compliance
16.	Perubahan ketentuan peraturan perundang-undangan yang berpengaruh signifikan terhadap Emiten atau Perusahaan Publik dan dampaknya terhadap laporan keuangan (jika ada); dan	199 - 200	Changes in regulation which have a significant impact on the Issuer and Listed Company and the impact on financial statements (if any); and
17.	Perubahan kebijakan akuntansi, alasan dan dampaknya terhadap laporan keuangan (jika ada).	201 - 202	Changes in the accounting policy, reason and its impact on financial statements (if any).
VII.	**Tata Kelola Emiten atau Perusahaan Publik** Tata kelola Emiten atau Perusahaan Publik paling sedikit memuat uraian singkat mengenai:		**Corporate Governance** Governance of Issuer or Listed Company shall contain at least a brief description about:
1.	Direksi, mencakup antara lain: a. Tugas dan tanggung jawab masing-masing anggota Direksi; b. Pernyataan bahwa Direksi memiliki pedoman atau piagam *(charter)* Direksi; c. Prosedur, dasar penetapan, struktur, dan besarnya remunerasi masing-masing anggota Direksi, serta hubungan antara remunerasi dengan kinerja Emiten atau Perusahaan Publik; d. Kebijakan dan pelaksanaan tentang frekuensi rapat Direksi, termasuk rapat bersama Dewan Komisaris, dan tingkat kehadiran anggota Direksi dalam rapat tersebut; e. Informasi mengenai keputusan RUPS 1 (satu) tahun sebelumnya, meliputi: 1) keputusan RUPS yang direalisasikan pada tahun buku; dan 2) alasan dalam hal terdapat keputusan yang belum direalisasikan; f. Informasi mengenai keputusan RUPS pada tahun buku, meliputi: 1) keputusan RUPS yang direalisasikan pada tahun buku; dan 2) alasan dalam hal terdapat keputusan yang belum direalisasikan; dan g. Penilaian terhadap kinerja komite yang mendukung pelaksanaan tugas Direksi;	316 - 340	The Board of Directors, among others includes: a. The duties and responsibilities of each member of the Board of Directors; b. Statement that the Board of Directors has the Board of Directors' guidelines or charter; c. Procedure, basis of stipulation, structure, and the amount of remuneration for each member of the Board of Directors, as well as the relation between remuneration and the Issuer's or Listed Company's performance; d. Policy and the implementation of the Board of Directors meeting frequency, including meeting with Board of Commissioners, and attendance of the Board of Directors in such meeting; e. Information on previous GMS resolution, which includes: 1) GMS resolution realized in the fiscal year; and 2) the reason in the event of a resolution that has not been realized; f. Information on the GMS resolution in the fiscal year, which includes: 1) GMS resolution realized in the fiscal year; and 2) the reason in the event of a resolution that has not been realized; and g. The assessment on the performance of committee which supports the implementation of the Board of Directors' duties;
2.	Dewan Komisaris, mencakup antara lain: a. Tugas dan tanggung jawab Dewan Komisaris; b. Pernyataan bahwa Dewan Komisaris memiliki pedoman atau piagam *(charter)* Dewan Komisaris; c. Prosedur, dasar penetapan, struktur, dan besarnya remunerasi masing-masing anggota Dewan Komisaris;	265 - 294	The Board of Commissioners, among others includes: a. The duties and responsibilities of each member of the Board of Commissioners; b. Statement that the Board of Commissioners has the Board of Commissioners' guidelines or charter; c. Procedure, basis of stipulation, structure, and the amount of remuneration for each member of the Board of Commissioners;

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	d. Kebijakan dan pelaksanaan tentang frekuensi rapat Dewan Komisaris, termasuk rapat bersama Direksi, dan tingkat kehadiran anggota Dewan Komisaris dalam rapat tersebut; e. kebijakan Emiten atau Perusahaan Publik tentang penilaian terhadap kinerja anggota Direksi dan anggota Dewan Komisaris dan pelaksanaannya, paling sedikit meliputi: 1) prosedur pelaksanaan penilaian kinerja; 2) Kriteria yang digunakan; dan 3) Pihak yang melakukan penilaian; f. Penilaian terhadap kinerja komite yang mendukung pelaksanaan tugas Dewan Komisaris; dan g. Dalam hal Dewan Komisaris tidak membentuk Komite Nominasi dan Remunerasi, dimuat informasi paling sedikit mengenai: 1) Alasan tidak dibentuknya komite; dan 2) Prosedur nominasi dan remunerasi yang dilakukan dalam tahun buku;		d. Policy and the implementation of the Board of Commissioners meeting frequency, including meeting with Board of Directors, and level of attendance of the members of the Board of Commissioners in such meeting; e. Issuer's or Listed Company's policy on the assessment of the performance of the Board of Directors' and Board of Commissioners' members and its implementation, which includes at least: 1) procedure of performance assessment; 2) the criteria used; and 3) the party carrying out the assessment; f. The assessment on the performance of committee which supports the implementation of the Board of Commissioners' duties; and g. In the event that the Board of Commissioners does not establish a Nomination and Remuneration Committee, shall publish information at least about: 1) The reason why such committee is not established; and 2) Procedure of nomination and remuneration carried out in the fiscal year;
3.	Dewan Pengawas Syariah, bagi Emiten atau Perusahaan Publik yang menjalankan kegiatan usaha berdasarkan prinsip syariah sebagaimana tertuang dalam anggaran dasar, paling sedikit memuat: a. Nama; b. Tugas dan tanggung jawab Dewan Pengawas Syariah; dan c. Frekuensi dan cara pemberian nasihat dan saran serta pengawasan pemenuhan Prinsip Syariah di Pasar Modal terhadap Emiten atau Perusahaan Publik;	n.a	Sharia Supervisory Board, for Issuer or Listed Company which carries out business activity based on sharia principle as stated in the article of association, which includes at least: a. Name; b. Duties and responsibilities of the Sharia Supervisory Board; and c. Frequency and means of providing advice and suggestion as well as the supervision on the fulfillment of Sharia Principle in the Capital Market for the Issuer of Listed Company;
4.	Komite Audit, mencakup antara lain: a. Nama dan jabatannya dalam keanggotaan komite; b. Usia; c. Kewarganegaraan; d. Riwayat pendidikan; e. Riwayat jabatan, meliputi informasi: 1) dasar hukum penunjukan sebagai anggota komite; 2) rangkap jabatan, baik sebagai anggota Dewan Komisaris, anggota Direksi, dan/atau anggota komite serta jabatan lainnya (jika ada); dan 3) pengalaman kerja beserta periode waktunya baik di dalam maupun di luar Emiten atau Perusahaan Publik; f. Periode dan masa jabatan anggota Komite Audit; g. Pernyataan independensi Komite Audit; h. Kebijakan dan pelaksanaan tentang frekuensi rapat Komite Audit dan tingkat kehadiran anggota Komite Audit dalam rapat tersebut; i. Pendidikan dan/atau pelatihan yang telah diikuti dalam tahun buku (jika ada); dan j. Pelaksanaan kegiatan Komite Audit pada tahun buku sesuai dengan yang dicantumkan dalam pedoman atau piagam *(charter)* Komite Audit;	296 - 307	Audit Committee, among others includes: a. Name and position in the committee; b. Age c. Citizenship; d. Educational history; e. Work experience, which includes information: 1) basis of appointment as the member of the committee; 2) concurrent position, both as the member of the Board of Commissioners, member of the Board of Directors, and/or member of committee as well as other position (if any); and 3) work experience and working period both inside and outside the Issuer or Listed Company; f. Working period and term of service of the member of Audit Committee; g. Independence statement of the Audit Committee; h. Policy and implementation of Audit Committee meeting frequency and level of attendance of the member of Audit Committee in such meeting; i. Training attended in the fiscal year (if any); and j. Implementation of Audit Committee's activity in the fiscal year in accordance with the Audit Committee guideline or charter;

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5.	Komite lain yang dimiliki Emiten atau Perusahaan Publik dalam rangka mendukung fungsi dan tugas Direksi dan/ atau Dewan Komisaris, seperti Komite Nominasi dan Remunerasi, yang mencakup antara lain: a. Nama dan jabatannya dalam keanggotaan komite; b. Usia; c. Kewarganegaraan; d. Riwayat pendidikan; e. Riwayat jabatan, meliputi informasi: 1) dasar hukum penunjukan sebagai anggota komite: 2) rangkap jabatan, baik sebagai anggota Dewan Komisaris, anggota Direksi, dan/atau anggota komite serta jabatan lainnya (jika ada); dan 3) pengalaman kerja beserta periode waktunya baik di dalam maupun di luar Emiten atau Perusahaan Publik; f. Periode dan masa jabatan anggota komite; g. Uraian tugas dan tanggung jawab; h. Pernyataan bahwa telah memiliki pedoman atau piagam *(charter)* komite; i. Pernyataan independensi komite; j. Kebijakan dan pelaksanaan tentang frekuensi rapat komite dan tingkat kehadiran anggota komite dalam rapat tersebut; k. Pendidikan dan/atau pelatihan yang telah diikuti dalam tahun buku (jika ada); dan l. Uraian singkat pelaksanaan kegiatan komite pada tahun buku;	307 - 315	Other committees that the Issuer or Listed Company have in order to support the function and duties of the Board of Directors and/or Board of Commissioners, such as Nomination and Remuneration Committee, which includes: a. Name and position in the committee; b. Age; c. Citizenship; d. Educational history; e. Work experience, which includes information: 1) basis of appointment as the member of the committee; 2) concurrent position, both as the member of the Board of Commissioners, member of the Board of Directors, and/or member of committee as well as other position (if any); and 3) work experience and working period both inside and outside the Issuer or Listed Company; f. Working period and term of service of the member of committee; g. Description of duties and responsibilities; h. Statement of the committee's guidelines or charter; i. Independency statement of the committee; j. Policy and implementation of committee meeting frequency and level of attendance of the member of committee in such meeting; k. Training attended in the fiscal year (if any); and l. Brief description of the implementation of committee's activity in the fiscal year;
6.	Sekretaris Perusahaan, mencakup antara lain; a. Nama; b. Domisili; c. Riwayat jabatan, meliputi informasi: 1) dasar hukum penunjukan sebagai Sekretaris Perusahaan; dan 2) pengalaman kerja beserta periode waktunya baik di dalam maupun di luar Emiten atau Perusahaan Publik; d. Riwayat pendidikan; e. Pendidikan dan/atau pelatihan yang diikuti dalam tahun buku; dan f. Uraian singkat pelaksanaan tugas Sekretaris Perusahaan pada tahun buku;	342 - 350	Corporate Secretary, among others includes; a. Name; b. Domicile; c. Work experience, which includes information: 1) basis of appointment as the Corporate Secretary; 2) work experience and working period both inside and outside the Issuer or Listed Company; d. Educational history; e. Training attended in the fiscal year (if any); and f. Brief description of the duties implementation of Corporate Secretary in the fiscal year;
7.	Unit Audit Internal, mencakup antara lain: a. Nama kepala Unit Audit Internal; b. Riwayat jabatan, meliputi informasi; 1) dasar hukum penunjukan sebagai kepala Unit Audit Internal; dan 2) pengalaman kerja beserta periode waktunya baik di dalam maupun di luar Emiten atau Perusahaan Publik; c. Kualifikasi atau sertifikasi sebagai profesi audit internal (jika ada); d. Pendidikan dan/atau pelatihan yang diikuti dalam tahun buku; e. Struktur dan kedudukan Unit Audit Internal; f. Uraian tugas dan tanggung jawab; g. Pernyataan bahwa telah memiliki pedoman atau piagam *(charter)* Unit Audit Internal; dan h. Uraian singkat pelaksanaan tugas Unit Audit Internal pada tahun buku;	351 - 357	Internal Audit Unit, among others includes: a. Name of head of Internal Audit Unit; b. Work experience, which includes information: 1) Basis of appointment as the head of Internal Audit Unit; and 2) Work experience and working period both inside and outside the Issuer or Listed Company; c. Qualification and certification as internal auditor (if any); d. Training attended in the fiscal year; e. Structure and position of the Internal Audit Unit; f. Description of duties and responsibilities; g. Statement of Internal Audit Unit's guidelines or charter; and h. Brief description about the duties implementation of Internal Audit Unit in the fiscal year;

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8.	Uraian mengenai sistem pengendalian internal *(internal control)* yang diterapkan oleh Emiten atau Perusahaan Publik, paling sedikit mengenai: a. Pengendalian keuangan dan operasional, serta kepatuhan terhadap peraturan perundang-undangan lainnya; dan b. Tinjauan atas efektivitas sistem pengendalian internal;	365 - 368	Description about internal control system implemented by the Issuer or Listed Company, at least includes: a. Financial and operational control, as well as compliance towards other regulations; and b. Review on the effectiveness of internal control system;
9.	Sistem manajemen risiko yang diterapkan oleh Emiten atau Perusahaan Publik, paling sedikit mengenai: a. Gambaran umum mengenai sistem manajemen risiko Emiten atau Perusahaan Publik; b. Jenis risiko dan cara pengelolaannya; dan c. Tinjauan atas efektivitas sistem manajemen risiko Emiten atau Perusahaan Publik;	359 - 364	Risk management system implemented by the Issuer or Listed Company, at least includes: a. General description about the Issuer's or Listed Company's risk management system; b. Type of risk and its management; and c. Review on the effectiveness of Issuer's or Listed Company's risk management;
10.	Perkara penting yang dihadapi oleh Emiten atau Perusahaan Publik, entitas anak, anggota Direksi dan anggota Dewan Komisaris (jika ada), antara lain meliputi: a. Pokok perkara/gugatan; b. Status penyelesaian perkara/gugatan; dan c. Pengaruhnya terhadap kondisi Emiten atau Perusahaan Publik;	368 - 369	Important case encountered by Issuer or Listed Company, subsidiary entities, member of Board of Directors and Board of Commissioners, among others includes: a. Subject of the case/claim; b. Status of settlement of case/claim; and c. Potential impacts on the condition of the Issuer or Listed Company;
11.	Informasi tentang sanksi administratif yang dikenakan kepada Emiten atau Perusahaan Publik, anggota Dewan Komisaris dan Direksi, oleh otoritas Pasar Modal dan otoritas lainnya pada tahun buku terakhir (jika ada);	369	Information about administrative sanctions imposed on the Issuer or Listed Company, member of the Board of Commissioners and Board of Directors, by the Capital Market authority and others in the last fiscal year (if any);
12.	Informasi mengenai kode etik Emiten atau Perusahaan Publik meliputi: a. Pokok-pokok kode etik; b. Bentuk sosialisasi kode etik dan upaya penegakannya; dan c. Pernyataan bahwa kode etik berlaku bagi anggota Direksi, anggota Dewan Komisaris, dan karyawan Emiten atau Perusahaan Publik;	370 - 373	Information about Issuer's or Listed Company's code of conduct which includes: a. Principles of the code of conduct; b. Form of dissemination of code of conduct and its enforcement attempt; and c. Statement that the code of conduct is applicable to the members of the Board of Directors, Board of Commissioners, and employees of the Issuer or Listed Company;
13.	Informasi mengenai budaya perusahaan *(corporate culture)* atau nilai-nilai perusahaan (jika ada);	372 - 373	Information on corporate culture or corporate values (if any);
14.	Uraian mengenai program kepemilikan saham oleh karyawan dan/atau manajemen yang dilaksanakan Emiten atau Perusahaan Publik (jika ada), antara lain mengenai: a. Jumlah saham dan/atau opsi; b. Jangka waktu pelaksanaan; c. Persyaratan karyawan dan/atau manajemen yang berhak; dan d. Harga pelaksanaan;	197 - 198	Description of share ownership program by employee and/or management that implemented by the Issuer or Listed Company (if any), among others includes: a. Number of shares and/or share options; b. Exercise period; c. Requirement of eligible employee and/or management; and d. Exercise price
15.	Uraian mengenai sistem pelaporan pelanggaran (whistleblowing system) di Emiten atau Perusahaan Publik (jika ada), antara lain meliputi: a. Cara penyampaian laporan pelanggaran; b. Perlindungan bagi pelapor; c. Penanganan pengaduan; d. Pihak yang mengelola pengaduan; dan e. Hasil dari penanganan pengaduan, paling sedikit meliputi: 1) Jumlah pengaduan yang masuk dan diproses dalam tahun buku; dan 2) Tindak lanjut pengaduan;	377 - 380	Description of whistleblowing system in the Issuer and Listed Company (if any), among others includes: a. Mechanism of whistleblowing system; b. Protection for the whistleblower; c. Complaint handling; d. Party that manages the complaint; and e. Result of complaint handling, at least includes: 1) Number of incoming and processed complaints in the fiscal year; and 2) Complaint follow-up;

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16.	Penerapan atas Pedoman Tata Kelola Perusahaan Terbuka bagi Emiten yang menerbitkan Efek Bersifat Ekuitas atau Perusahaan Publik, meliputi: a. Pernyataan mengenai rekomendasi yang telah dilaksanakan; dan/atau b. Penjelasan atas rekomendasi yang belum dilaksanakan, disertai alasan dan alternatif pelaksanaannya (jika ada);	239 - 245	Implementation Corporate Governance Guidelines for the Issuer or Listed Company which issues Equity-type Shares, which includes: a. Statement regarding the recommendations that have been implemented; and/or b. Explanation of recommendations that have not been implemented, as well as the reason and implementation alternatives (if any);
VIII.	**Tanggung Jawab Sosial dan Lingkungan Emiten atau Perusahaan Publik**		**Social and Environmental Responsibility of Issuer or Listed Company**
1.	Informasi mengenai tanggung jawab sosial dan lingkungan Emiten atau Perusahaan Publik meliputi kebijakan, jenis program, dan biaya yang dikeluarkan, antara lain terkait aspek: a. Lingkungan hidup, antara lain: 1) penggunaan material dan energi yang ramah lingkungan dan dapat didaur ulang; 2) sistem pengolahan limbah Emiten atau Perusahaan Publik; 3) mekanisme pengaduan masalah lingkungan; dan 4) sertifikasi di bidang lingkungan yang dimiliki; b. Praktik ketenagakerjaan, kesehatan, dan keselamatan kerja, antara lain: 1) kesetaraan gender dan kesempatan kerja; 2) sarana dan keselamatan kerja; 3) tingkat perpindahan *(turnover)* karyawan; 4) tingkat kecelakaan kerja; 5) pendidikan dan/atau pelatihan; 6) remunerasi; dan 7) mekanisme pengaduan masalah ketenagakerjaan; c. Pengembangan sosial dan kemasyarakatan, antara lain: 1) penggunaan tenaga kerja lokal; 2) pemberdayaan masyarakat sekitar Emiten atau Perusahaan Publik antara lain melalui penggunaan bahan baku yang dihasilkan oleh masyarakat atau pemberian edukasi; 3) perbaikan sarana dan prasarana sosial; 4) bentuk donasi lainnya; dan 5) komunikasi mengenai kebijakan dan prosedur anti korupsi di Emiten atau Perusahaan Publik, serta pelatihan mengenai anti korupsi (jika ada); d. Tanggung jawab barang dan/atau jasa, antara lain: 1) kesehatan dan keselamatan konsumen; 2) informasi barang dan/atau jasa; dan 3) sarana, jumlah, dan penanggulangan atas pengaduan konsumen.	395 - 432	Information of social and environmental responsibility of Issuer or Listed Company including policy, kind of program, and cost incurred, among others covering the aspects of: a. Environmental, among others: 1) use of environmentally friendly material and energy that could be recycled; 2) issuer's or Listed Company's waste treatment system; 3) complaint mechanism of environmental issue; and 4) certificate on environmental; b. Practice of employment, occupational health and safety, among others: 1) equality of gender and work opportunity; 2) facility and work safety; 3) employee turnover rate; 4) occupational accident rate 5) training; 6) remuneration; 7) complaint mechanism of employment issue; c. Community and social development, among others: 1) local worker recruitment; 2) community empowerment around the Issuer or Listed Company, among others, through the use of raw material produced by the community or educational training; 3) social facility repairement; 4) other donations; and 5) socialization of the policy and procedure of anti-corruption in the Issuer or Listed Company, and training of anti-corruption (if any); d. Product and/or service responsibility, among others: 1) customer's health and safety; 2) product and/or service information; 3) facility, total, and customer complaint handling.
2.	Dalam hal Emiten atau Perusahaan Publik menyajikan informasi mengenai tanggung jawab sosial dan lingkungan sebagaimana dimaksud pada angka 1) pada laporan tersendiri seperti laporan tanggung jawab sosial dan lingkungan atau laporan keberlanjutan *(sustainability report)*, Emiten atau Perusahaan Publik dikecualikan untuk mengungkapkan informasi mengenai tanggung jawab sosial dan lingkungan dalam Laporan Tahunan; dan	√	In the event that Issuer or Listed Company presents information of social and environmental responsibility as stated in point 1) in separated report such as in the form of corporate social responsibility report or sustainability report, Issuer or Listed Company is excluded to disclose information on social and environmental responsibility in the Annual Report; and
3.	Laporan sebagaimana dimaksud pada angka 2) disampaikan kepada Otoritas Jasa Keuangan bersamaan dengan penyampaian Laporan Tahunan.	√	Such report referred in point 2) is submitted to the Financial Services Authority in conjunction with submission of Annual Report.

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IX.	**Laporan Keuangan Tahunan yang Telah Diaudit**		**Audited Financial Statements**
1.	Laporan keuangan tahunan yang dimuat dalam Laporan Tahunan disusun sesuai dengan Standar Akuntansi Keuangan di Indonesia dan telah diaudit oleh Akuntan. Laporan keuangan dimaksud memuat pernyataan mengenai pertanggungjawaban atas laporan keuangan sebagaimana diatur dalam peraturan perundang-undangan di sektor Pasar Modal yang mengatur mengenai tanggung jawab Direksi atas laporan keuangan atau peraturan perundang-undangan di sektor Pasar Modal yang mengatur mengenai laporan berkala Perusahaan Efek dalam hal Emiten merupakan Perusahaan Efek; dan	√	The annual financial statements contained in the Annual Report shall compiled in accordance with Financial Accounting Standard in Indonesia and has been audited by Accountant. Such financial statements shall contained statement about financial statements accountability as set out in Capital Market regulation which governing the Board of Directors' responsibility upon the financial statements or the legislation in the Capital Market sector which governing the periodic report of Securities Company in terms of the aforementioned is Securities Company; and
X.	**Surat Pernyataan Anggota Direksi dan Anggota Dewan Komisaris tentang Tanggung Jawab atas Laporan Tahunan**		**Statements of the Members of Board of Directors and Board of Commissioners on Responsibility for the Annual Report**
1.	Surat pernyataan anggota Direksi dan anggota Dewan Komisaris tentang tanggung jawab atas Laporan Tahunan disusun sesuai dengan format Surat Pernyataan Anggota Direksi dan Anggota Dewan Komisaris tentang Tanggung Jawab atas Laporan Tahunan sebagaimana tercantum dalam Lampiran yang merupakan bagian tidak terpisahkan dari Surat Edaran Otoritas Jasa Keuangan ini.	√	Statement of the members of Board of Commissioners on the responsibility for the Annual Report is prepared in accordance with the format of the Statement of the Members of Board of Directors and Board of Commissioners on Responsibility for the Annual Report as stated in the Appendix which is an integral part of this Circular Letter of Financial Services Authority.

Garuda Indonesia
The Airline of Indonesia

PT. GARUDA INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK/
AND ITS SUBSIDIARIES

LAPORAN KEUANGAN KONSOLIDASIAN/
CONSOLIDATED FINANCIAL STATEMENTS

UNTUK TAHUN -TAHUN YANG BERAKHIR
31 DESEMBER 2016 DAN 2015/
FOR THE YEARS ENDED
DECEMBER 31, 2016 AND 2015

DAN LAPORAN AUDITOR INDEPENDEN/
AND INDEPENDENT AUDITORS' REPORT

PT. GARUDA INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK
DAFTAR ISI

PT. GARUDA INDONESIA (PERSERO) Tbk
AND ITS SUBSIDIARIES
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Garuda Indonesia

SURAT PERNYATAAN DIREKSI
TENTANG TANGGUNG JAWAB
ATAS LAPORAN KEUANGAN KONSOLIDASIAN
31 DESEMBER 2016 DAN 2015
SERTA UNTUK TAHUN-TAHUN YANG BERAKHIR
31 DESEMBER 2016 DAN 2015

DIRECTOR'S STATEMENT LETTER
RELATING TO THE RESPONSIBILITY ON THE
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015
AND FOR THE YEARS ENDED
DECEMBER 31, 2016 AND 2015

PT GARUDA INDONESIA (PERSERO) Tbk DAN ENTITAS ANAK/
PT GARUDA INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES

Kami yang bertanda tangan di bawah ini/ *We the undersigned:*

1. Nama/ *Name* : M. Arif Wibowo
   Alamat kantor/ *Office address* : Gd. Garuda Indonesia
   Jl. Kebon Sirih No. 44
   Jakarta – 10110, Indonesia
   Alamat domisili sesuai KTP atau kartu indentitas lain/ *Domicile as stated in ID card* : Jl. Vanda XI No. 10, Palem Semi RT 004/RW 011
   Kel. Penunggangan Barat, Kec. Cibodas, Tangerang
   Nomor telepon/ *Phone number* : +62 21 25601324
   Jabatan/ *Position* : Direktur Utama/*President & CEO*

2. Nama/ *Name* : Helmi Imam Satriyono
   Alamat kantor/ *Office address* : Gd. Garuda Indonesia
   Jl. Kebon Sirih No. 44
   Jakarta – 10110, Indonesia
   Alamat domisili sesuai KTP atau kartu indentitas lain/ *Domicile as stated in ID card* : Jl. Benda No. 40B, RT 005/RW 001
   Ciganjur, Jagakarsa, Jakarta Selatan
   Nomor telepon/ *Phone number* : +62 21 25601306
   Jabatan/ *Position* : Direktur Keuangan & Manajemen Risiko/
   Director of Finance & Risk Management

menyatakan bahwa/ *state that:*

1. Bertanggung jawab atas penyusunan dan penyajian laporan keuangan konsolidasian;
2. Laporan keuangan konsolidasian telah disusun dan disajikan sesuai dengan Standar Akuntasi Keuangan (SAK) di Indonesia;
3. a. Semua informasi dalam laporan keuangan konsolidasian telah dimuat secara lengkap dan benar;
   b. Laporan keuangan konsolidasian tidak mengandung informasi atau fakta material yang tidak benar; dan tidak menghilangkan informasi atau fakta material;
4. Bertanggung jawab atas sistem pengendalian interen dalam Perusahaan.

1. *Responsible for the preparation and presentation of the consolidated financial statements;*
2. *The consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards (SAK);*
3. a. *All information contained in the consolidated financial statements is complete and correct;*
   b. *The consolidated financial statements do not contain misleading material information or facts, and do not omit material information and facts;*
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, 10 Maret / *March* 2017

0170239 — 20363

M. Arif Wibowo
Direktur Utama/ *President & CEO*

Helmi Imam Satriyono
Direktur Keuangan & Manajemen Risiko/
Director of Finance & Risk Management

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Laporan Auditor Independen

No. GA117 0111 GIA HA

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 2016, serta laporan laba rugi dan penghasilan komprehensif lain konsolidasian, laporan perubahan ekuitas konsolidasian dan laporan arus kas konsolidasian untuk tahun yang berakhir pada tanggal tersebut, 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.

Independent Auditors' Report

No. GA117 0111 GIA HA

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, 2016, and the consolidated statement of profit or loss and other 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.

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Member of Deloitte Touche Tohmatsu Limited

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 penilian 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 panyajian laporan keuangan konsolidasian secara keseluruhan.

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 auditors' consider 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.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan suatu basis bagi opini audit kami.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opini

Menurut opini kami, laporan keuangan konsolidasian terlampir menyajikan secara wajar, dalam semua hal yang material, posisi keuangan konsolidasian PT. Garuda Indonesia (Persero) Tbk. dan entitas anak pada tanggal 31 Desember 2016, serta kinerja keuangan dan arus kas konsolidasian untuk tahun yang berakhir pada tanggal tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia.

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, 2016, and their consolidated financial performance and cash flows for the year then ended, in conformity with Indonesian Financial Accounting Standards.

SATRIO BING ENY & REKAN

Henri Arifian
Izin Akuntan Publik/ *Public Accountant License* No. AP.0561

10 Maret/ *March 10,* 2017

	Catatan/ *Notes*	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
		USD	USD	
ASET				**ASSETS**
ASET LANCAR				CURRENT ASSETS
Kas dan setara kas	5,45	578.702.739	519.972.655	Cash and cash equivalents
Piutang usaha				Trade accounts receivables
Pihak berelasi	6,45	3.716.431	2.318.588	Related parties
Pihak ketiga - setelah dikurangi cadangan kerugian penurunan nilai sebesar USD 7.279.906 pada 31 Desember 2016 dan USD 5.487.220 pada 31 Desember 2015		187.579.134	119.209.053	Third parties - net of allowance for impairment loss of USD 7,279,906 at December 31, 2016 and USD 5,487,220 at December 31, 2015
Piutang lain-lain	7	21.172.730	17.581.553	Other receivables
Persediaan - bersih	8	108.954.457	91.631.231	Inventories - net
Uang muka dan biaya dibayar dimuka	9	220.275.067	177.104.409	Advances and prepaid expenses
Pajak dibayar dimuka	10	44.732.744	80.030.516	Prepaid taxes
Jumlah Aset Lancar		1.165.133.302	1.007.848.005	Total Current Assets
ASET TIDAK LANCAR				NON CURRENT ASSETS
Dana perawatan pesawat dan uang jaminan	11,48,49	1.241.870.703	1.012.753.651	Maintenance reserve fund and security deposits
Uang muka pembelian pesawat	12	169.738.910	204.469.384	Advances for purchase of aircraft
Investasi pada entitas asosiasi	13	427.479	399.772	Investment in associates
Aset pajak tangguhan	10	108.493.964	104.990.625	Deferred tax assets
Aset tetap - setelah dikurangi akumulasi penyusutan sebesar USD 625,778,389 pada 31 Desember 2016 dan USD 591,322,702 pada 31 Desember 2015	14	926.666.977	867.089.209	Property and equipment - net of accumulated depreciation of USD 625,778,389 at December 31, 2016 and USD 591,322,702 at December 31, 2015
Properti investasi	15	57.772.474	55.390.166	Investment properties
Aset takberwujud - bersih	16	4.992.892	4.648.523	Intangible assets - net
Beban tangguhan - bersih		1.307.310	2.193.585	Deferred charges - net
Aset lain-lain - bersih	17,45	61.165.379	50.228.066	Other assets - net
Jumlah Aset Tidak Lancar		2.572.436.088	2.302.162.981	Total Non Current Assets
JUMLAH ASET		**3.737.569.390**	**3.310.010.986**	**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.

	Catatan/ *Notes*	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
LIABILITAS DAN EKUITAS				**LIABILITIES AND EQUITY**
LIABILITAS JANGKA PENDEK				CURRENT LIABILITIES
Utang bank dan lembaga keuangan	18,45	698.011.118	361.254.270	Loan from banks and financial institution
Utang usaha				Trade accounts payable
Pihak-pihak berelasi	19,45	91.412.955	44.963.436	Related parties
Pihak ketiga		129.019.003	104.392.331	Third parties
Utang lain-lain	20	35.583.709	49.901.950	Other payables
Utang pajak	10	39.458.951	80.997.046	Taxes payable
Beban akrual	21	197.983.396	181.042.507	Accrued expenses
Pendapatan diterima dimuka	22	229.846.173	176.531.019	Unearned revenues
Uang muka diterima		30.932.877	24.549.496	Advances received
Liabilitas jangka panjang yang jatuh tempo dalam satu tahun:				Current maturities of long term liabilities
Pinjaman jangka panjang	23,45	61.696.994	103.936.071	Long-term loans
Liabilitas sewa pembiayaan	24	22.311.219	15.125.233	Lease liabilities
Liabilitas estimasi biaya pengembalian dan pemeliharaan pesawat	25	27.319.726	53.155.762	Estimated liability for aircraft return and maintenance cost
Jumlah Liabilitas Jangka Pendek		1.563.576.121	1.195.849.121	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	132.418.213	133.022.468	Long-term loans
Liabilitas sewa pembiayaan	24	138.588.227	106.055.960	Lease liabilities
Liabilitas estimasi biaya pengembalian dan pemeliharaan pesawat	25	86.550.585	69.448.854	Estimated liability for aircraft return and maintenance cost
Utang obligasi	26	641.041.165	635.947.442	Bonds payable
Liabilitas pajak tangguhan	10	2.055.561	1.661.989	Deferred tax liabilities
Liabilitas imbalan kerja	28	116.009.808	177.519.224	Employment benefits obligation
Liabilitas tidak lancar lainnya	27	47.432.491	39.782.743	Other non current liabilities
Jumlah Liabilitas Jangka Panjang		1.164.096.050	1.163.438.680	Total Non Current Liabilities
EKUITAS				EQUITY
Modal saham - nilai nominal Rp 459 per saham untuk saham Seri A Dwiwarna dan saham Seri B				Capital stock - 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 25.868.926.632 saham Seri B pada 31 Desember 2016 dan 2015	29	1.309.433.569	1.309.433.569	Issued and paid-up capital - 1 Series A Dwiwarna shares and 25,868,926,632 Series B share at December 31, 2016 and 2015
Tambahan modal disetor	30	(33.948.489)	(33.948.489)	Additional paid-in capital
Opsi saham	32	2.770.970	2.770.970	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 54)				Deficit amounting USD 1,385,459,977 as of January 1, 2012 was eliminated in connection with quasi reorganization (Notes 54)
- Dicadangkan	33	6.081.861	6.081.861	- Appropriated
- Belum dicadangkan		(221.069.730)	(220.046.387)	- Unappropriated
Pendapatan komprehensif lainnya	14,31	(70.462.233)	(130.770.768)	Other comprehensive income
Ekuitas yang dapat diatribusikan kepada pemilik		992.805.948	933.520.756	Equity attributable to owners of the company
Kepentingan non pengendali	34	17.091.271	17.202.429	Non controlling interest
Jumlah Ekuitas		1.009.897.219	950.723.185	Total Equity
JUMLAH LIABILITAS DAN EKUITAS		**3.737.569.390**	**3.310.010.986**	**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 DAN
PENGHASILAN KOMPREHENSIF LAIN KONSOLIDASIAN
UNTUK TAHUN-TAHUN YANG BERAKHIR 31 DESEMBER 2016 DAN 2015

PT. GARUDA INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	Catatan/ *Notes*	2015	
	USD		USD	
PENDAPATAN USAHA				OPERATING REVENUES
Penerbangan berjadwal	3.279.806.762	35	3.208.469.733	Scheduled airline services
Penerbangan tidak berjadwal	192.145.848	35	261.899.138	Non-scheduled airline services
Lainnya	391.968.955	35	344.620.874	Others
Jumlah Pendapatan Usaha	3.863.921.565		3.814.989.745	Total Operating Revenues
BEBAN USAHA				OPERATING EXPENSES
Operasional penerbangan	2.187.316.263	36	2.190.607.282	Flight operations
Pemeliharaan dan perbaikan	393.308.458	37	376.500.961	Maintenance and overhaul
Bandara	334.047.207	38	301.880.822	User charges and station
Tiket, penjualan dan promosi	310.187.732	39	309.608.281	Ticketing, sales and promotion
Pelayanan penumpang	286.289.766	40	270.750.084	Passenger services
Administrasi dan umum	226.797.925	41	224.907.111	General and administrative
Operasional hotel	28.180.038		29.698.564	Hotel operation
Operasional transportasi	17.848.699		17.528.744	Transportation operations
Operasional jaringan	11.951.555		10.303.636	Network operation
Jumlah Beban Usaha	3.795.927.643		3.731.785.485	Total Operating Expenses
BEBAN (PENDAPATAN) USAHA LAINNYA				OTHER OPERATING (INCOME) CHARGES
Kerugian (keuntungan) selisih kurs	19.170.712		(15.213.543)	Loss (gain) on foreign exchange
Lain-lain	(50.280.729)	42	(70.327.638)	Others
Bersih	(31.110.017)		(85.541.181)	Net
LABA USAHA	99.103.939		168.745.441	PROFIT FROM OPERATIONS
Bagian rugi bersih asosiasi	(215.172)		(98.259)	Equity in net loss of associates
Pendapatan keuangan	7.180.597		6.597.482	Finance income
Beban keuangan	(88.278.664)	43	(68.584.517)	Finance cost
LABA SEBELUM PAJAK	17.790.700		106.660.147	PROFIT BEFORE TAX
BEBAN PAJAK	(8.425.842)	10	(28.685.986)	TAX EXPENSES
LABA BERSIH TAHUN BERJALAN	9.364.858		77.974.161	NET PROFIT FOR THE CURRENT YEAR
PENGHASILAN KOMPREHENSIF LAIN				OTHER COMPREHENSIVE INCOME
POS-POS YANG TIDAK DIREKLASIFIKASIKAN KE LABA RUGI				ITEM THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS
Peningkatan revaluasi aset tetap - bersih	48.017.873		26.847.140	Gain on revaluation of property and equipment - net
Pengukuran kembali kewajiban imbalan pasti	(14.236.271)		(3.428.663)	Remeasurement of defined benefit obligation
Pajak penghasilan terkait item yang tidak direklasifikasi	(6.678.568)		(1.079.565)	Income tax relating to items that will not be reclassified
Subjumlah	27.103.034		22.338.912	Subtotal
POS-POS YANG MUNGKIN DIREKLASIFIKASIKAN KE LABA DAN RUGI				ITEM THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS
Keuntungan (kerugian) belum direalisasi atas transaksi lindung nilai arus kas	13.154.916		(10.708.281)	Unrealized gain (loss) on cash flows hedge transaction
Selisih kurs karena penjabaran laporan keuangan	9.551.226		(18.349.198)	Exchange differences on translating foreign operations
Subjumlah	22.706.142		(29.057.479)	Subtotal
Jumlah penghasilan komprehensif lain	49.809.176		(6.718.567)	Total other comprehensive income
JUMLAH LABA KOMPREHENSIF PADA TAHUN BERJALAN	59.174.034		71.255.594	TOTAL COMPREHENSIVE INCOME FOR THE CURRENT YEAR
LABA YANG DAPAT DIATRIBUSIKAN KEPADA:				PROFIT ATTRIBUTABLE TO:
Pemilik entitas induk	8.069.365		76.480.236	Owners of the Company
Kepentingan non pengendali	1.295.493	34	1.493.925	Non controlling interest
LABA BERSIH TAHUN BERJALAN	9.364.858		77.974.161	NET PROFIT FOR THE YEAR
JUMLAH LABA KOMPREHENSIF YANG DAPAT DIATRIBUSIKAN KEPADA:				TOTAL COMPREHENSIVE INCOME ATRIBUTABLE TO:
Pemilik entitas induk	59.285.192		70.022.788	Owners of the Company
Kepentingan non pengendali	(111.158)	34	1.232.806	Non controlling interest
JUMLAH LABA KOMPREHENSIF TAHUN BERJALAN	59.174.034		71.255.594	TOTAL COMPREHENSIVE INCOME FOR THE YEAR
LABA PER SAHAM DASAR - diatribusikan kepada pemilik entitas induk	0,00031	44	0,00296	EARNINGS PER SHARE - BASIC 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.

	Modal saham/ *Capital stock*	Tambahan modal disetor/ *Additional paid-up capital*	Opsi saham/ *Stock option*	Saldo laba/ Retained Earning		Pendapatan komprehensif lainnya/ *Other comprehensive income*				Sub jumlah/ *Sub total*	Kepentingan non pengendali/ *Non controlling interest*	Jumlah ekuitas/ *Total equity*	
				Dicadangkan/ *Appropriated*	Belum dicadangkan/ *Unappropriated*	Surplus revaluasi/ *Revaluation Surplus*	Selisih Penjabaran laporan keuangan/ *Translation adjustments*	Keuntungan belum direalisasi atas transaksi lindung nilai arus kas/ *Unrealized gain on cash flows hedge transaction*	Total penghasilan komprehensif lainnya/ *Total other comprehensive income*				
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	
Saldo 1 Januari 2015	**1.309.433.569**	**(33.948.489)**	**2.770.970**	**6.081.861**	**(293.955.127)**	**99.066.192**	**(225.921.238)**	**(29.770)**	**(126.884.816)**	**863.497.968**	**15.969.623**	**879.467.591**	**Balance as of January 1, 2015**
Jumlah penghasilan komprehensif tahun berjalan	-	-	-	-	73.908.740	24.888.279	(18.065.950)	(10.708.281)	(3.885.952)	70.022.788	1.232.806	71.255.594	Total comprehensive income for the year
Saldo 31 Desember 2015	**1.309.433.569**	**(33.948.489)**	**2.770.970**	**6.081.861**	**(220.046.387)**	**123.954.471**	**(243.987.188)**	**(10.738.051)**	**(130.770.768)**	**933.520.756**	**17.202.429**	**950.723.185**	**Balance as of December 31, 2015**
Jumlah penghasilan komprehensif tahun berjalan	-	-	-	-	(1.023.343)	36.350.455	10.803.164	13.154.916	60.308.535	59.285.192	(111.158)	59.174.034	Total comprehensive income for the year
Saldo 31 Desember 2016	**1.309.433.569**	**(33.948.489)**	**2.770.970**	**6.081.861**	**(221.069.730)**	**160.304.926**	**(233.184.024)**	**2.416.865**	**(70.462.233)**	**992.805.948**	**17.091.271**	**1.009.897.219**	**Balance as of December 31, 2016**

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.

	2016 USD	2015 USD	
ARUS KAS DARI AKTIVITAS OPERASI			CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan kas dari pelanggan	3.868.012.178	3.769.410.803	Cash receipts from customers
Pengeluaran kas kepada pemasok	(3.170.901.643)	(3.102.317.745)	Cash paid to suppliers
Pengeluaran kas kepada karyawan	(482.507.564)	(405.976.381)	Cash paid to employees
Kas dihasilkan dari operasi	214.602.971	261.116.677	Cash generated from operations
Pembayaran bunga dan beban keuangan	(84.522.027)	(69.855.783)	Interest and financial charges paid
Pembayaran pajak penghasilan	(22.548.680)	(11.861.546)	Income taxes paid
Kas Bersih Diperoleh dari Aktivitas Operasi	**107.532.264**	**179.399.348**	**Net Cash Provided from Operating Activities**
ARUS KAS DARI AKTIVITAS INVESTASI			CASH FLOWS FROM INVESTING ACTIVITIES
Penerimaan pengembalian uang muka pembelian pesawat	59.111.963	232.788.003	Refund of advance payments for purchase of aircraft
Penerimaan pengembalian dana pemeliharaan pesawat	29.487.113	9.336.989	Receipts of aircraft maintenance reimbursements
Penerimaan uang jaminan	39.144.528	20.680.984	Receipts of security deposit
Penerimaan bunga	7.180.596	6.597.482	Interest received
Hasil pelepasan aset tetap	5.698.791	1.659.360	Proceeds from disposal of property and equipment
Hasil pelepasan properti investasi	1.441.498	-	Proceeds from sale of investment property
Penerimaan dividen	433.502	10.686.697	Dividend received
Pengeluaran untuk dana pemeliharaan pesawat	(354.844.553)	(315.919.637)	Payments for aircraft maintenance reserve fund
Uang muka pembelian pesawat	(24.748.673)	(70.282.089)	Advance payments for purchase aircrafts
Pengeluaran untuk perolehan aset tetap	(39.260.341)	(43.135.095)	Acquisition of property and equipment
Pengeluaran untuk perolehan aset pemeliharaan dan aset sewa pesawat	(7.490.197)	(16.528.215)	Payments for aircraft maintenance and aircraft leased asset
Pembayaran uang jaminan	(17.166.487)	(26.363.964)	Payments for security deposit
Uang muka perolehan aset tetap	(4.749.209)	(12.115.837)	Advance payments for property and equipment
Penerimaan (pengeluaran) lainnya dari aktivitas investasi	(1.329.643)	2.642.824	Proceeds from (payment to) other investing activities
Kas Bersih Digunakan untuk Aktivitas Investasi	**(307.091.112)**	**(199.952.498)**	**Net Cash Used in Investing Activities**
ARUS KAS DARI AKTIVITAS PENDANAAN			CASH FLOWS FROM FINANCING ACTIVITIES
Penerimaan pinjaman jangka panjang	59.656.335	78.196.510	Proceeds of long-term loan
Penerimaan utang bank dan lembaga keuangan	1.359.271.806	1.173.194.154	Proceeds of bank loan and financial institution
Penerimaan sukuk - bersih	-	496.280.000	Proceeds of sukuk - net
Pembayaran pinjaman jangka panjang	(126.456.343)	(676.547.731)	Payments of long-term loan
Pembayaran utang bank dan lembaga keuangan	(1.024.441.948)	(892.533.705)	Payments of bank loan and financial institution
Kenaikan (penurunan) kas yang dibatasi penggunaannya	(49.615)	3.618.439	Increase (decrease) in restricted cash
Pembayaran biaya pengembalian pesawat	(237.613)	(67.483)	Payment for aircraft return and maintenance
Pembayaran untuk aktivitas pendanaan lainnya	(261.711)	(753.205)	Payment for other financing activities
Kas Bersih Diperoleh dari Aktivitas Pendanaan	**267.480.911**	**181.386.979**	**Net Cash Provided from Financing Activities**
KENAIKAN BERSIH KAS DAN SETARA KAS	67.922.063	160.833.829	NET INCREASE IN CASH AND CASH EQUIVALENTS
KAS DAN SETARA KAS AWAL TAHUN	519.972.655	434.327.498	CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR
Efek perubahan kurs mata uang asing	(9.191.979)	(75.188.672)	Effect of foreign exchange rate changes
KAS DAN SETARA KAS AKHIR TAHUN	**578.702.739**	**519.972.655**	**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 Ardjasasmita, 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. 3 tanggal 15 Mei 2015 dari Aulia Taufani, S.H., notaris di Kabupaten Tangerang mengenai perubahan anggaran dasar untuk disesuaikan dengan Peraturan Otoritas Jasa Keuangan (OJK) No. 32/POJK.04/2014 dan No. 33/POJK.04 /2014. Perubahan tersebut telah mendapatkan persetujuan dari Menteri Kehakiman dan Hak Asasi Manusia melalui Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-AH.01.03-0939814 tanggal 11 Juni 2015.

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 Ardjasasmita, 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. 3 dated May 15, 2015 of Aulia Taufani, S. H., notary in Tangerang District concerning the changes in the Company's article of association in accordance with Financial Service Authority Regulation (OJK) No. 32/POJK.04/2014 and No. 33/POJK.04/2014. These changes have been approved by the Minister of Justice and Human Rights of the Republic of Indonesia in his decision letter No. AHU-AH.01.03-0939814 dated June 11, 2015.

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; dan

8. Jasa layanan kesehatan personil penerbangan, baik untuk keperluan sendiri maupun pihak ketiga.

Saat ini Perusahaan telah menjalankan seluruh ruang lingkup kegiatannya kecuali jasa layanan konsultasi yang berkaitan dengan industri penerbangan.

Perusahaan mulai beroperasi komersial pada tahun 1950. Jumlah karyawan Perusahaan dan entitas anak ("Grup") per 31 Desember 2016 dan 2015 masing-masing adalah 16.735 dan 16.792 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.

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; and

8. Providing health care services for aircrew to satisfy own needs and the needs of third party.

The Company currently operates all its scope of activities except for providing consulting services relating to aviation industry.

The Company started commercial operations in 1950. The Company and subsidiaries (the "Group") total employees as of December 31, 2016 and 2015 were 16,735 and 16,792, 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. Dewan Komisaris dan Direksi

Susunan pengurus Perusahaan per 31 Desember 2016 berdasarkan Akta No. 2 tanggal 15 April 2016 dari Aulia Taufani, S.H., M.Kn., notaris di Kabupaten Tangerang dan 31 Desember 2015 berdasarkan Akta No. 4 tanggal 15 Mei 2015 dari Aulia Taufani, S.H., M.Kn., notaris di Kabupaten Tangerang adalah sebagai berikut:

b. Board of Commissioners and Directors

The Company's management at December 31, 2016 as stated in Notarial Deed No. 2 dated April 2, 2016 of Aulia Taufani, S.H., M.Kn., notary in Tangerang District and at December 31, 2015 as stated in Notarial Deed No. 4 dated May 15, 2015 of Aulia Taufani, S.H., M.Kn., notary in Tangerang District, are as follows:

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
Komisaris utama	Jusman Syafii Djamal	Jusman Syafii Djamal	President Commissioner
Komisaris	Isa Rachmatarwata	Isa Rachmatarwata	Commissioners
	Muzaffar Ismail	Muzaffar Ismail	
	Dony Oskaria	Dony Oskaria	
	Chairal Tanjung	Chairal Tanjung	
Komisaris independen	Jusman Syafii Djamal	Jusman Syafii Djamal	Independent Commissioners
	Hasan M. Soedjono	Hasan M. Soedjono	
Direktur Utama	M. Arif Wibowo	M. Arif Wibowo	President & CEO
Direktur Keuangan dan Manajemen Resiko	Helmi Imam Satriyono	IGN Askhara Danadiputra	Director of Finance & Risk Management
Direktur Niaga	Agus Toni Soetirto	Handayani	Director of Commercial
Direktur Teknik & Teknologi Informasi	Iwan Joeniarto	Iwan Joeniarto	Director of Maintenance & Information Technologi
Direktur Layanan	Nicodemus P. Lampe	Nicodemus P. Lampe	Director of Services
Direktur Operasi	Novianto Herupratomo	Novianto Herupratomo	Director of Operations
Direktur Sumber Daya Manusia & Umum	Linggarsari Suharso	Heriyanto Agung Putra	Director of Human Capital & Corporate Affairs
Direktur Cargo	Sigit Muhartono	-	Director of Cargo

c. Komite Audit, Sekretaris Perusahaan dan Audit Internal

Susunan Komite Audit, Sekretaris Perusahaan dan Audit Internal pada tanggal 31 Desember 2016 dan 2015 adalah sebagai berikut:

c. Audit Committee, Corporate Secretary and Internal Audit

The Company's Audit Committee, Corporate Secretary and Internal Audit as of December 31, 2016 and 2015 are the following:

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
Komite Audit			Audit Committee
Ketua	Hasan M Sudjono	Hasan M Sudjono	Chairman
Anggota	Regina Jansen Arsjah	Regina Jansen Arsjah	Members
	Prasetyo Suhardi	Prasetyo Suhardi	
Sekretaris Perusahaan	Hengki Heriandono	Heri Akhyar	Corporate Secretary
Audit internal	Sri Mulyati	Sri Mulyati	Internal Audit

d. Penawaran Umum Efek Grup

1. 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.

2. Pada tanggal 21 Maret 2014, Perusahaan mendapatkan surat pernyataan efektif dari Otoritas Jasa Keuangan (OJK) (d/h BAPEPAM-LK), melalui Surat No. S-171/D.04/2014 sehubungan dengan penawaran umum terbatas Perusahaan atas 3.227.930.663 lembar saham kepada pemegang saham melalui Right Issue, setiap pemegang 701.409 saham lama yang namanya tercatat di daftar pemegang saham Perusahaan pada 4 April 2014 pukul 16.00 berhak atas 100.000 saham dengan harga Rp 460 per lembar. Pada tanggal 8 April 2014, seluruh tambahan saham telah tercatat di Bursa Efek Indonesia.

Pada tanggal 31 Desember 2016, seluruh saham Perusahaan atau sejumlah 25.886.576.254 lembar saham telah dicatatkan pada Bursa Efek Indonesia.

d. Public Offering of Shares of the Group

1. 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.

2. On March 21, 2014, the Company obtained the Notice of Effectivity from Financial Service Authority/Otoritas Jasa Keuangan (also known as OJK) (formerly BAPEPAM-LK) in its Letter No. S-171/D.04/2014 regarding the limited public offering of the Company's 3,227,930,663 shares to the shareholder through Rights Issue. Each holder of 701,409 old shares whose names are recorded in the Company's register of shareholder on April 4, 2014 at 04:00 PM is entitled to 100,000 rights with exercise price of Rp 460 per share. On April 8, 2014, all additional shares have been listed on Indonesia Stock Exchange.

As of December 31, 2016, all of the Company's share or 25,886,576,254 shares have been listed on the Indonesia Stock Exchange.

e. Entitas Anak

Perusahaan memiliki, baik langsung maupun tidak langsung, lebih dari 50% saham entitas anak berikut:

e. Consolidated Subsidiaries

The Company has ownership interest of more than 50%, directly or indirectly, in the following subsidiaries:

Entitas anak/ *Subsidiaries*	Domisili/ *Domicile*	Kegiatan usaha utama/ *Main business activities*	Persentase kepemilikan/ *Percentage of ownership*	Tahun operasi komersial/ *Start of commercial operation*	Jumlah aset sebelum eliminasi/ *Total assets before elimination*	
					31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*
			%		USD	USD
PT Sabre Travel Network Indonesia (d/h PT. Abacus Distribution System Indonesia) (ADSI)**)	Jakarta	Penyedia jasa sistem komputerisasi reservasi/ *Computerize reservation system services provider*	95,00	1996	9.122.468	7.743.001
PT Garuda Maintenance Facility Aero Asia (GMFAA)**)	Jakarta	Perbaikan dan pemeliharaan pesawat terbang/ *Aircraft maintenance and overhaul*	99,99	2002	445.589.107	312.994.597
PT Aero Systems Indonesia (ASI) **)	Jakarta	Penyedia teknologi informasi/ *Information technology services*	99,99	2005	30.191.823	29.455.937
PT Citilink Indonesia (CT)**)	Jakarta	Air transportation services/ *Air transportation services*	99,99	2012	329.715.603	245.462.136
Garuda Indonesia Holiday France S.A.S (GIHF)**)	Paris	Biro perjalanan wisata, penjualan tiket, dan jasa penyewaan pesawat/ *Travel agent, ticketing service and aircraft rental service*	100,00	2014	376.469.516	191.737.536
PT Gapura Angkasa (GA)	Jakarta	Jasa Groundhandling/ *Groundhandling services*	58,75	1998	131.262.753	72.837.271
PT Aero Wisata and subsidiaries (AWS)	Jakarta	Hotel, jasa boga dan penjualan tiket/ *Hotel, catering, ticketing services*	99,99	1973	228.504.152	212.486.909
PT Mirtasari Hotel Development (MHD)*)	Denpasar	Hotel	99,99	1974	25.211.234	23.278.984
PT Aerofood Indonesia (ACS) *)	Jakarta	Jasa boga pesawat/ *Aircraft catering services*	99,99	1974	98.305.265	94.394.387
PT Aero Globe Indonesia (AGI) *)	Jakarta	Biro perjalanan wisata/ *Travel agent*	99,99	1967	8.630.257	7.173.363
PT Aerotrans Services Indonesia (ATS) *)	Jakarta	Jasa transportasi/ *Transportation services*	99,99	1989	34.520.848	25.807.101
PT Aerojasa Perkasa (AJP) *)	Jakarta	Penjualan tiket/ *Ticketing*	99,87	1989	2.145.717	2.462.942
PT Senggigi Pratama Internasional (SPI) *)	Lombok	Hotel	99,99	1988	12.990.410	11.174.450
Garuda Orient Holidays, Pty, Limited (GOHA) *) ***)	Sydney	Biro perjalanan wisata/ *Travel agent*	99,99	1981	692.518	4.228.112
Garuda Orient Holidays Korea Co, Limited (GOHK) *)	Korea	Biro perjalanan wisata/ *Travel agent*	60,00	2008	869.124	656.359
Garuda Orient Holidays Japan Co, Ltd (GOHJ) *)	Jepang/ *Japan*	Biro perjalanan wisata *Travel agent*	60,00	2009	4.868.357	4.011.412
PT Bina Inti Dinamika (BID) *)	Bandung	Hotel	61,89	1989	3.275.338	3.154.573
PT Aero Hotel Management (AHM) *)	Jakarta	Manajemen hotel/ *Hotel management*	99,99	2010	992.705	894.268
PT GIH Indonesia *)	Jakarta	Biro perjalanan wisata/ *Travel agent*	60.00	2012	889.814	708.769
PT Belitung Intipermai (BIP) *)	Jakarta	Hotel	99,99	Dalam tahap pengembangan/ *Under development stage*	2.390.362	2.171.475
PT Aerojasa Cargo ("AJC")*)	Jakarta	Jasa kargo/ *Cargo services*	99,99	2003	1.410.149	803.478
PT Citra Lintas Angkasa("CLA")*), Owned by AJC	Jakarta	Keagenan dan biro perjalanan/ *Regulated Agent/ Cargo Services*	60,00	2014	500.383	255.758

*) Kepemilikan tidak langsung/ *Indirect ownership*
**) Kepemilikan langsung dan tidak langsung/ *Direct and Indirect ownership*
***) Sedang proses likuidasi tahun 2016/ Under liquidation in 2016.

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 standar dan interpretasi baru dan revisi 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 2016.

Amandemen PSAK 5 Segmen Operasi (i), mensyaratkan entitas untuk mengungkapkan pertimbangan yang dibuat oleh manajemen dalam menerapkan kriteria penggabungan segmen operasi, termasuk deskripsi singkat tentang segmen operasi yang telah digabungkan dan indikator ekonomik yang telah dinilai dalam menentukan bahwa segmen operasi yang digabungkan memiliki karakteristik ekonomik yang serupa; dan (ii) mengklarifikasi bahwa rekonsiliasi total aset segmen dilaporkan terhadap aset entitas hanya diungkapkan jika aset segmen secara regular disediakan kepada pengambil keputusan operasional. Grup menggabungkan beberapa segmen operasi menjadi satu segmen operasi tunggal dan membuat pengungkapan yang disyaratkan dalam Catatan 52 sesuai dengan amandemen.

Penerapan amandemen dan interpretasi standar berikut tidak memiliki pengaruh signifikan atas pengungkapan atau jumlah yang dicatat di dalam laporan keuangan konsolidasian pada tahun berjalan dan tahun sebelumnya:

- PSAK 4: Laporan Keuangan Tersendiri tentang Metode Ekuitas dalam Laporan Keuangan Tersendiri,
- PSAK 7, Pengungkapan pihak-pihak berelasi,
- PSAK 13: Properti Investasi,
- PSAK 15: Investasi Pada Entitas Asosiasi dan Ventura Bersama tentang Entitas Investasi: Penerapan Pengecualian Konsolidasi,
- PSAK 16: Aset Tetap tentang Klarifikasi Metode yang Diterima untuk Penyusutan dan Amortisasi,
- PSAK 19: Aset Takberwujud tentang Klarifikasi Metode yang Diterima untuk Penyusutan dan Amortisasi,
- PSAK 22, Kombinasi Bisnis,
- PSAK 24: Imbalan Kerja tentang Program Imbalan Pasti: Iuran Pekerja,
- PSAK 25, Kebijakan Akuntansi, Perubahan Estimasi Akuntansi dan Kesalahan,
- PSAK 65: Laporan Keuangan Konsolidasian tentang Entitas Investasi: Penerapan Pengecualian Konsolidasi,

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 following new and revised standards and interpretations issued by the Financial Accounting Standard Board of the Indonesian Institute of Accountants that are relevant to its operations and effective for accounting period beginning on January 1, 2016.

The amendments to PSAK 5 Operating Segments (i) require an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments, including a brief description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have "similar economic characteristics"; and (ii) clarify that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if segment assets are regularly provided to the chief operating decision-maker. The Group has aggregated several operating segments into a single operating segment and made the required disclosures in Note 52 in accordance with the amendments.

The application of the following amendments and intepretation to standards have not resulted to material impact to disclosures or on the amounts recognized in the current and prior year consolidated financial statements:

- PSAK 4: Separate Financial Statements about Equity Method in Separate Financial Statements,
- PSAK 7, Related Party Disclosures,
- PSAK 13 Investment Property ,
- PSAK 15: Investment in Associates and Joint Venture about Investment Entities: Applying the Consolidation Exception,
- PSAK 16: Property, Plant and Equipment about Clarification of Acceptable Methods of Depreciation and Amortization,
- PSAK 19: Intangible Asset about Clarification of Acceptable Methods of Depreciation and Amortization,
- PSAK 22, Business Combination,
- PSAK 24: Employee Benefits about Defined Benefit Plans: Employee Contributions,
- PSAK 25, Accounting Policies, Changes in Accounting Estimates and Errors,
- PSAK 65: Consolidation Financial Statements about Investment Entities: Applying the Consolidation Exception,

- PSAK 66: Pengaturan Bersama tentang Akuntansi Akuisisi Kepentingan dalam Operasi Bersama
- PSAK 67: Pengungkapan Kepentingan Dalam Entitas Lain tentang Entitas Investasi: Penerapan Pengecualian Konsolidasi,
- PSAK 70: Akuntansi Aset dan Liabilitas Pengampunan Pajak, dan
- ISAK 30: Pungutan.

b. Standar dan interpretasi telah diterbitkan tapi belum diterapkan

Amandemen standar dan interpretasi berikut efektif untuk periode yang dimulai pada atau setelah 1 Januari 2017, dengan penerapan dini diperkenankan yaitu amandemen PSAK 1: Penyajian Laporan Keuangan tentang Prakarsa Pengungkapan dan ISAK 31: Interpretasi atas Ruang Lingkup PSAK 13: Properti Investasi.

Standar dan amandemen standar berikut efektif untuk periode yang dimulai pada atau setelah tanggal 1 Januari 2018, dengan penerapan dini diperkenankan yaitu PSAK 69: Agrikultur dan amandemen PSAK 16: Aset Tetap tentang Agrikultur: Tanaman Produktif.

Sampai dengan tanggal penerbitan laporan keuangan konsolidasian, dampak dari standar dan interpretasi tersebut terhadap laporan keuangan konsolidasian tidak dapat diketahui atau diestimasi oleh manajemen.

3. KEBIJAKAN AKUNTANSI YANG SIGNIFIKAN

a. Pernyataan Kepatuhan

Laporan keuangan konsolidasian disusun menggunakan Standar Akuntansi Keuangan di Indonesia.

b. Dasar Penyusunan

Dasar penyusunan laporan keuangan konsolidasian adalah biaya historis, kecuali properti dan instrumen keuangan tertentu yang diukur pada jumlah revaluasian atau nilai wajar dan basis akrual kecuali untuk penyusunan laporan arus kas konsolidasian pada setiap akhir periode pelaporan, yang dijelaskan dalam kebijakan akuntansi di bawah ini. Mata uang penyajian yang digunakan untuk penyusunan laporan keuangan konsolidasian adalah mata uang Dolar Amerika Serikat (USD).

Pada umumnya biaya historis didasarkan pada nilai wajar yang didasarkan atas pertukaran suatu barang atau jasa.

- PSAK 66: Joint Arrangements about Accounting for Acquisitions of Interests in Joint Operation,
- PSAK 67: Disclosures of Interest in Other Entities about Investment Entities: Applying the Consolidation Exception,
- PSAK 70: Accounting for Tax Amnesty Asset and Liability, and
- ISAK 30: Levies.

b. Standards and interpretations issued not yet adopted

Amendments to standard and interpretation effective for periods beginning on or after January 1, 2017, with early application permitted are amendments to PSAK 1: Presentation of Financial Statements about Disclosure Initiative and ISAK 31: Scope Interpretation of PSAK 13: Investment Property.

Standard and amendment to standard effective for periods beginning on or after January 1, 2018, with early application permitted are PSAK 69: Agriculture and amendments to PSAK 16: Property, Plant and Equipment about Agriculture: Bearer Plants.

As of the issuance date of the consolidated financial statements, the effect of adoption of these standards, amendments and interpretations of the consolidated financial statements is not known nor reasonably estimable 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.

b. Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at revalued amounts or fair values and using accrual basis except for the consolidated statement of cash flow at the end of each reporting period, as explained in the accounting policies below. The presentation currency used in the preparation of the consolidated financial statements is the United States Dollar (USD).

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Nilai wajar adalah harga yang akan diterima untuk menjual suatu aset atau harga yang akan dibayar untuk mengalihkan suatu liabilitas dalam transaksi teratur antara pelaku pasar pada tanggal pengukuran tanpa memperhatikan apakah harga tersebut dapat diobservasi secara langsung atau diestimasi menggunakan teknik penilaian lain. Dalam mengukur nilai wajar atas suatu aset atau liabilitas pada tanggal pengukuran, Grup memperhitungkan karateristik suatu aset atau liabilitas jika pelaku pasar akan memperhitungkan karakteristik tersebut ketika menentukan harga aset atau liabilitas pada tanggal pengukuran. Untuk tujuan pelaporan keuangan konsolidasian, pengukuran dan pengungkapan nilai wajar ditentukan berdasarkan basis tersebut, kecuali untuk transaksi sewa dalam ruang lingkup PSAK 30, dan pengukuran yang memiliki beberapa kemiripan dengan nilai wajar tetapi bukan merupakan nilai wajar, seperti nilai realisasi neto (*net realizable value*) dalam PSAK 14 atau nilai pakai (*value in use*) dalam PSAK 48.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics the asset or a liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and for disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of PSAK 30, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in PSAK 14 or value in use in PSAK 48.

Selain itu, untuk pelaporan laporan keuangan, pengukuran nilai wajar dikategorikan kedalam level 1, 2, atau 3 berdasarkan peringkat dimana perhitungan nilai wajar diamati dan signifikansi atas input masukan untuk perhitungan nilai wajar secara keseluruhan, dapat dijelaskan sebagai berikut:

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Input level 1 adalah harga kuotasion (tanpa penyesuaian) di pasar aktif untuk aset atau liabilitas yang identik yang dapat diakses entitas pada tanggal pengukuran;
- Input level 2 adalah input selain harga kuotasian yang termasuk dalam level 1 yang dapat diobservasi untuk aset atau liabilitas, baik secara langsung atau tidak langsung; dan
- Input level 3 adalah input yang tidak dapat diobservasi untuk aset atau liabilitas tertentu.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Laporan arus kas konsolidasian disusun dengan menggunakan metode langsung dengan mengelompokkan arus kas dalam aktivitas operasi, investasi dan pendanaan.

The consolidated statements of cash flows are prepared using the direct method with classification of cash flows into operating, investing and financing activities.

c. Dasar Konsolidasian

Laporan keuangan konsolidasian menggabungkan laporan keuangan Perusahaan dan entitas yang dikendalikan oleh Perusahaan dan entitas anak (termasuk entitas terstruktur). Pengendalian tercapai dimana Perusahaan memiliki kekuasaan atas *investee;* eksposur atau hak atas imbal hasil variabel dari keterlibatannya dengan *investee*; dan kemampuan untuk menggunakan kekuasaannya atas *investee* untuk mempengaruhi jumlah imbal hasil investor.

c. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved where the Company has the power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns.

Perusahaan menilai kembali apakah investor mengendalikan investee jika fakta dan keadaan mengindikasikan adanya perubahaan terhadap satu atau lebih dari tiga elemen pengendalian yang disebutkan diatas.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Ketika Perusahaan memiliki kurang dari hak suara mayoritas di-*investee*, ia memiliki kekuasaan atas *investee* ketika hak suara investor cukup untuk memberinya kemampuan praktis untuk mengarahkan aktivitas relevan secara sepihak. Perusahaan mempertimbangkan seluruh fakta dan keadaan, ketika menilai apakah hak suara atas investee tersebut mencukupi untuk memberinya kekuasaan, termasuk (i) ukuran kepemilikan hak suara Perusahaan relative terhadap ukuran dan penyebaran kepemilikan pemilik suara lain (ii) hak suara potensial yang dimiliki oleh Perusahaan, pemegang suara lain atau pihak lain (iii) hak yang timbul dari pengaturan kontraktual lain dan (iv) fakta dan keadaan tambahan apapun yang mengindikasikan bahwa investor memiliki atau tidak memiliki kemampuan kini untuk mengarahkan aktivitas relevan pada saat keputusan perlu dibuat, termasuk pola pemilihan suara dalam RUPS sebelumnya.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including (i) the size of the Company's holding of voting rights relative to the size and dispersion of holding of the other vote holders; (ii) potential voting rights held by the Company, other vote holders or other parties; (iii) rights arising from other contractual arrangements; and (iv) any additional facts and circumstances that indicates that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Konsolidasi entitas anak dimulai ketika Perusahaan memperoleh pengendalian atas entitas anak tersebut dan tidak mengkonsolidasikan entitas anak ketika kehilangan pengendaliannya. Secara khusus, penghasilan dan beban entitas anak yang diakuisi atau dilepas selama tahun berjalan diakui dalam laporan laba rugi dan penghasilan komprehensif lain konsolidasian dari tanggal diperolehnya pengendalian sampai dengan ketika entitas kehilangan pengendalian atas entitas anak tersebut.

Consolidation of subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expense of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Laba rugi dan setiap komponen dari penghasilan komprehensif lain diatribusikan kepada Perusahaan dan kepentingan nonpengendali. Perusahaan juga mengatribusikan total laba komprehensif entitas anak kepada pemilik entitas induk dan kepentingan nonpengendali meskipun hal tersebut mengakibatkan kepentingan nonpengendali memiliki saldo defisit.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interest. Total comprehensive income are attributed to owners of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Jika diperlukan, penyesuaian dapat dilakukan terhadap laporan keuangan entitas anak agar kebijakan akuntansi yang digunakan sesuai dengan kebijakan akuntansi yang digunakan oleh Grup.

When necessary, adjustment are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Seluruh aset dan liabilitas dalam intra kelompok usaha, ekuitas, pendapatan, biaya dan arus kas yang berkaitan dengan transaksi dalam kelompok usaha dieliminasi secara penuh pada saat konsolidasian.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transaction between members of the Group are eliminated in full on consolidation.

Perubahan 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. Selisih 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.

Changes in the Group's ownership interest in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interest are adjusted to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount by which the non-controlling interest are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

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. Seluruh jumlah yang diakui sebelumnya dalam penghasilan komprehensif lain yang terkait dengan entitas anak yang dicatat seolah-olah Grup telah melepaskan secara langsung aset atau liabilitas terkait entitas anak (yaitu direklasifikasi ke laba rugi atau ditransfer ke kategori lain dari ekuitas sebagaimana ditentukan / diizinkan oleh standar akuntansi yang berlaku). Nilai wajar setiap sisa investasi pada entitas anak terdahulu pada tanggal hilangnya pengendalian dianggap sebagai nilai wajar pada saat pengakuan awal untuk akuntansi berikutnya dalam PSAK 55, Instrumen Keuangan: Pengakuan dan Pengukuran atau, ketika berlaku, biaya perolehan pada saat pengakuan awal dari investasi pada entitas asosiasi atau ventura bersama.

When the Group losses 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. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted 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, 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. 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.

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.

Goodwill diukur sebagai selisih lebih dari nilai gabungan dari imbalan yang dialihkan, jumlah setiap kepentingan nonpengendali pada pihak diakuisisi dan nilai wajar pada tanggal akuisisi kepentingan ekuitas yang sebelumnya dimiliki oleh pihak pengakuisisi pada pihak diakuisisi (jika ada) atas jumlah neto dari aset teridentifikasi yang diperoleh dan liabilitas yang diambilalih pada tanggal akuisisi. Jika, setelah penilaian kembali, jumlah neto dari aset teridentifikasi yang diperoleh dan liabilitas yang diambilalih pada tanggal akuisisi melebihi jumlah imbalan yang dialihkan, jumlah dari setiap kepentingan non pengendali pada pihak diakuisisi dan nilai wajar pada tanggal akuisisi kepentingan ekuitas yang sebelumnya dimiliki oleh pihak pengakuisisi pada pihak diakuisisi (jika ada), selisih lebih diakui segera dalam laba rugi sebagai pembelian dengan diskon.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquire (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after the reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase option.

Kepentingan nonpengendali yang menyajikan bagian kepemilikan dan memberikan mereka hak atas bagian proporsional dari aset neto entitas dalam hal terjadi likuidasi pada awalnya diukur baik pada nilai wajar ataupun pada bagian proporsional kepemilikan kepentingan nonpengendali atas aset neto teridentifikasi dari pihak yang diakuisisi. Pilihan dasar pengukuran dilakukan atas dasar transaksi. Kepentingan nonpengendali jenis lain diukur pada nilai wajar atau, jika berlaku, pada dasar pengukuran lain yang ditentukan oleh standar akuntansi lain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another standard.

Bila imbalan yang dialihkan oleh Grup dalam suatu kombinasi bisnis termasuk aset atau liabilitas yang berasal dari pengaturan imbalan kontinjen (*contingent consideration arrangement*), imbalan kontinjen 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 kontinjen 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.

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.

Perubahan selanjutnya dalam nilai wajar atas imbalan kontinjen yang tidak memenuhi syarat sebagai penyesuaian periode pengukuran tergantung pada bagaimana imbalan kontinjen tersebut diklasifikasikan sebagai ekuitas tidak diukur kembali pada tanggal sesudah tanggal pelaporan dan penyelesaian selanjutnya dicatat dalam ekuitas. Imbalan kontinjensi yang diklasifikasikan sebagai aset atau liabilitas diukur kembali pada nilai wajar pada setiap tanggal pelaporan, dengan perubahan nilai wajar diakui dalam laporan laba rugi.

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 at fair value, with changes in fair value recognised in profit or loss.

Bila suatu kombinasi bisnis dilakukan secara bertahap, kepemilikan terdahulu Grup atas pihak terakuisisi diukur kembali ke nilai wajar pada tanggal akuisisi dan keuntungan atau kerugian nya, jika ada, diakui dalam laba rugi. Jumlah yang berasal dari kepemilikan sebelum tanggal akuisisi yang sebelumnya telah diakui dalam penghasilan 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.

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. Kombinasi Bisnis Entitas Sepengendali

Kombinasi bisnis entitas sepengendali dicatat dengan menggunakan metode penyatuan kepemilikan dimana aset dan liabilitas yang diperoleh dari kombinasi bisnis dicatat oleh pengakuisisi pada jumlah tercatatnya.

Selisih antara jumlah imbalan yang dialihkan dan jumlah tercatat disajikan sebagai tambahan modal disetor dan tidak diakui ke laba rugi.

Metode penyatuan kepemilikan diterapkan seolah-olah entitas telah bergabung sejak periode dimana entitas yang bergabung berada dalam sepengendali.

e. Business Combination Under Common Control

Business combination of entities under common control that qualifies as a business are accounted for under pooling of interest method where assets and liabilities acquired in the business combination are recorded by the acquirer at their book values.

The difference between the transfer price and the book value is presented as Additional Paid in Capital and is not recycled to profit and loss.

The pooling of interest method is applied as if the entities had been combined from the period in which the merging entities were placed under common control.

f. Transaksi dan Penjabaran Laporan Keuangan Dalam Mata Uang Asing

Manajemen menetapkan mata uang dari lingkungan ekonomi utama dimana Grup beroperasi (mata uang fungsional) dalam mata uang Dollar Amerika Serikat (USD), kecuali GA, ASI, AWS dan entitas anak. 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. Pos non-moneter yang diukur menggunakan nilai wajar dalam mata uang non fungsional disesuaikan untuk mencerminkan kurs yang berlaku pada tanggal pengukuran nilai wajar tersebut dilakukan. Keuntungan atau kerugian yang timbul dikreditkan atau dibebankan dalam laporan laba rugi. Pos nonmoneter diukur dalam biaya historis dalam valuta asing yang tidak dijabarkan kembali.

f. Foreign Currency Transactions and Translations

The management has determined the currency of the primary economic environtment in which Group operates (its functional currency) to be U.S. Dollar (USD), except GA, ASI, AWS and its subsidiaries. In preparing the financial statements of each group entity, transaction in currencies other than the entity's functional currency (foreign currency) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Selisih kurs pada pos moneter diakui dalam laporan laba rugi pada periode saat terjadinya, kecuali:

- Selisih kurs pada pinjaman dalam mata uang asing yang berkaitan dengan aset dalam penyelesaian untuk penggunaan produktif di masa depan, yang termasuk dalam biaya aset tersebut ketika mereka dianggap sebagai penyesuaian terhadap biaya bunga atas pinjaman dalam mata uang asing tersebut.
- Selisih kurs transaksi yang timbul dalam rangka lindung nilai risiko mata uang asing tertentu.
- Selisih kurs pada pos moneter piutang atau hutang untuk operasi dalam mata uang asing yang penyelesaiannya tidak direncanakan atau mungkin terjadi. Untuk membentuk bagian dari investasi bersih dalam operasi luar negeri, yang pada awalnya diakui pada penghasilan komprehensif lain dan direklasifikasi dari ekuitas ke keuntungan atau kerugian pada pembayaran kembali pos moneter.

Untuk tujuan penyajian laporan keuangan konsolidasian, aset dan liabilitas entitas anak tertentu pada tanggal pelaporan dijabarkan masing-masing ke dalam mata uang USD dengan menggunakan kurs yang berlaku pada tanggal tertentu, sedangkan pendapatan dan beban dijabarkan dengan menggunakan kurs rata-rata apabila kurs mendekati kurs pada tanggal transaksi dan tidak berfluktuasi secara signifikan. Selisih kurs yang terjadi, jika ada, yang diakui dalam penghasilan komprehensif lain dan diakumulasi dalam komponen ekuitas yang terpisah (diatribusikan pada kepentingan nonpengendali secara memadai).

Kurs utama yang digunakan, berdasarkan kurs tengah yang diterbitkan Bank Indonesia adalah sebagai berikut:

Exchange differences on monetary items are recognized in profit or loss in the period which they arise except for:

- Exchange differences on foreign currency borrowing relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowing.
- Exchange differences on transaction entered into in order to hedge certain foreign currency risks.
- Exchange differences on monetary items receivable from or payable to a foreign currency operation for which settlement is neither planned nor likely to occur (therefor forming part of the net investment in the foreign operation, which are recognized initially on other comprehensive income and reclassified from equity to profit or loss on repayment of monetary items.

For the purpose of presenting the consolidated financial statements, assets and liabilities of certain subsidiaries at reporting date are translated into USD using the exchange rates prevailing at the end of each reporting period. Income and expenses are translated using the average rates of exchange for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transaction are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in the separate equity (attributed to non-controlling interest as appropriate).

The main exchange rates used, based on the mid rates published by Bank Indonesia are as follows:

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*
	USD	USD
Mata uang/ *Currencies*		
IDR 1	0,0001	0,0001
EURO 1	1,0540	1,0924
YEN 100	0,8589	0,8302
SGD 1	0,6921	0,7069
AUD 1	0,7238	0,7296
GBP 1	1,2286	1,4825

g. 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.

g. 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.

h. 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 dijaminkan serta tidak dibatasi penggunaannya.

h. 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.

i. Aset Keuangan

Aset keuangan diakui ketika Grup merupakan bagian dari salah satu pihak dalam ketentuan pada kontrak instrument tersebut.

Seluruh aset keuangan diakui dan dihentikan pengakuannya berdasarkan tanggal perdagangan. Pembelian atau penjualan aset keuangan yang regular mensyaratkan penyerahan aset dalam kurun waktu tertentu yang umumnya ditetapkan dalam peraturan atau kebiasaan yang berlaku dipasar dimana pada pengakuan awal diukur pada nilai wajarnya. Pada pengakuan awal biaya transaksi diatribusikan secara langsung pada biaya perolehan atau penerbitan aset keuangan (selain aset keuangan yang diukur pada nilai wajar melalui laba rugi) yang ditambahkan atau dikurang secara tepat ke nilai wajar aset keuangan. Biaya transaksi yang diatribusikan langsung pada perolehan aset keuangan yang diukur pada nilai wajar melalui laba rugi diakui langsung ke laba rugi.

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.

  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.

i. Financial Assets

Financial assets are recognized when a group entity becomes a party to the contractual provisions of the instruments.

All financial assets are recognized and derecognized on trade date basis. Regular way purchase or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognized immediately in profit or loss.

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.

- 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 kuotasi 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.

  Bunga diakui dengan menggunakan metode suku bunga efektif, kecuali untuk piutang jangka pendek di mana pengakuan bunga tidak material.

- 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.

  Interest is recognized by applying the effective interest method, except for short term receivable where the recognition or interest would be immaterial.

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.

Suku bunga efektif adalah suku bunga yang secara tepat mendiskontokan estimasi penerimaan atau pembayaran kas masa depan (mencakup seluruh komisi dan bentuk lain yang dibayarkan dan diterima oleh para pihak dalam kontrak yang merupakan bagian yang tak terpisahkan dari suku bunga efektif, biaya transaksi dan premium dan diskonto lainnya) selama perkiraan umur instrumen keuangan, atau, jika lebih tepat, digunakan periode yang lebih singkat untuk memperoleh nilai tercatat bersih dari aset keuangan pada saat pengakuan awal.

Pendapatan diakui berdasarkan suku bunga efektif untuk instrumen keuangan selain instrumen keuangan yang dinilai pada nilai wajar melalui laporan laba rugi.

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.

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.

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.

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.

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 yang didiskontokan pada tingkat imbal hasil yang berlaku di pasar untuk aset keuangan yang serupa. Kerugian penurunan nilai tersebut tidak dapat dibalik pada periode berikutnya.

Jumlah tercatat aset keuangan tersebut dikurangi dengan kerugian penurunan nilai secara langsung atas seluruh aset keuangan, kecuali piutang yang jumlah tercatatnya dikurangi melalui penggunaan akun cadangan piutang. Jika piutang tidak tertagih, piutang tersebut dihapuskan melalui akun cadangan piutang. Pemulihan kemudian dari jumlah yang sebelumnya telah dihapuskan dikreditkan terhadap akun cadangan. Perubahan jumlah tercatat akun cadangan piutang diakui dalam laba rugi.

Jika aset keuangan AFS dianggap menurun nilainya, keuntungan atau kerugian kumulatif yang sebelumnya telah diakui dalam ekuitas direklasifikasikan ke laba rugi.

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.

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 cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognized in equity are reclassified to profit or loss.

Dalam hal efek ekuitas AFS, 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 penghasilan 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.

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.

j. Liabilitas Keuangan dan Instrumen Ekuitas

Liabilitas keuangan pada awalnya diukur sebesar nilai wajar. Biaya transaksi yang dapat diatribusikan secara langsung ke dalam akuisisi atau penerbitan liabilitas keuangan (selain liabilitas keuangan pada nilai wajar melalui laba rugi) dikurangkan dari nilai wajar liabilitas keuangan, sesuai dengan pengakuan awal. Biaya transaksi yang dapat diatribusikan secara langsung dengan akuisisi liabilitas keuangan pada nilai wajar melalui laporan laba rugi diakui segera dalam laporan laba rugi.

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.

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised 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.

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.

j. Financial Liabilities and Equity Instruments

Financial liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities, as appropriate, in initial recognition. Transaction costs directly attributable to the acquisition of financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

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.

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 – biaya perolehan diamortisasi

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.

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.

k. 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.

l. Biaya Dibayar Dimuka

Biaya dibayar dimuka diamortisasi selama masa manfaat masing-masing biaya dengan metode garis lurus.

m. Investasi Pada Entitas Asosiasi dan Ventura Bersama

Entitas asosiasi adalah suatu entitas dimana Grup mempunyai pengaruh yang signifikan. Pengaruh signifikan adalah kekuasaan untuk berpartipasi dalam keputusan kebijakan keuangan dan operasional *investee* tetapi tidak mengendalikan atau mengendalikan bersama atas kebijakan tersebut. Ventura bersama adalah pengaturan bersama yang para pihaknya memiliki pengendalian bersama atas pengaturan memiliki hak atas aset neto dari pengaturan tersebut. Pengendalian bersama adalah persetujuan kontraktual untuk berbagi pengendalian atas suatu pengaturan, yang ada hanya ketika keputusan tentang aktivitas relevan mensyaratkan persetujuan dengan suara bulat dari seluruh pihak yang berbagi pengendalian.

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 – at amortized cost

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.

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.

k. 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.

l. Prepaid Expenses

Prepaid expenses are amortized over their beneficial periods using the straight-line method.

m. Investments in Associates and joint ventures

An associate is an entity over which the Group has significant influence. 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. A joint venture is arrangement whereby the parties that have joint control of the arrangement have rights to net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Penghasilan operasi dan aset dan liabilitas dari entitas asosiasi digabungkan dalam laporan keuangan konsolidasian interim dicatat dengan menggunakan metode ekuitas, kecuali ketika investasi diklasifikasikan sebagai dimiliki untuk dijual, sesuai dengan PSAK 58, 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 atau ventura bersama.

The results of operations and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with PSAK 58 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture 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 or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), 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 or joint venture.

Investasi pada entitas asosiasi atau ventura bersama dicatat dengan menggunakan metode ekuitas dari tanggal pada saat investee menjadi entitas asosiasi atau ventura bersama. Setiap kelebihan biaya perolehan investasi atas bagian Grup atas nilai wajar bersih dari aset yang teridentifikasi, liabilitas dan liabilitas kontinjen dari entitas asosiasi atau ventura bersama yang diakui pada tanggal akuisisi, diakui sebagai goodwill. Goodwill termasuk dalam jumlah tercatat investasi, dan diuji penurunan nilai sebagai bagian dari investasi. Setiap kelebihan dari kepemilikan Grup dari nilai wajar bersih dari aset yang teridentifikasi, liabilitas dan liabilitas kontinjen atas biaya perolehan investasi, sesudah pengujian kembali segera diakui di dalam laba rugi pada periode di mana investasinya diperoleh.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. Any excess of the cost of the acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of the acquisition, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

Persyaratan dalam PSAK 55 Instrumen Keuangan: Pengakuan dan Pengukuran, diterapkan untuk menentukan apakah perlu untuk mengakui setiap penurunan nilai sehubungan dengan investasi pada entitas asosiasi atau ventura bersama Grup. Jika perlu, jumlah tercatat investasi yang tersisa (termasuk *goodwill*) diuji penurunan nilai sesuai dengan PSAK 48 (revisi 2014), 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. Setiap pembalikan dari penurunan nilai diakui sesuai dengan PSAK 48 sepanjang jumlah terpulihkan dari investasi tersebut kemudian meningkat.

The requirements of PSAK 55, 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 or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with PSAK 48 (revised 2014), 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.

Grup menghentikan penggunaan metode ekuitas dari tanggal ketika investasinya berhenti menjadi investasi pada entitas asosiasi atau ventura bersama atau ketika investasi diklasifikasi sebagai dimiliki untuk dijual. Ketika Grup mempertahankan kepentingan dalam entitas asosiasi atau ventura bersama terdahulu dan sisa kepentingan adalah aset keuangan, Grup mengukur setiap sisa kepentingan pada nilai wajar pada tanggal tersebut dan nilai wajar dianggap sebagai nilai wajarnya pada saat pengakuan awal sesuai dengan PSAK 55. Selisih antara jumlah tercatat entitas asosiasi atau ventura bersama pada tanggal metode ekuitas dihentikan penggunaannya, dan nilai wajar setiap investasi yang tersisa dan setiap hasil dari pelepasan bagian kepentingan dalam entitas asosiasi atau ventura bersama termasuk dalam penentuan keuntungan atau kerugian pelepasan dari entitas asosiasi atau ventura bersama. Selanjutnya, Grup mencatat seluruh jumlah yang sebelumnya telah diakui dalam penghasilan komprehensif lain yang terkait dengan entitas asosiasi atau ventura bersama tersebut dengan menggunakan dasar perlakuan yang sama dengan yang disyaratkan jika entitas asosiasi atau ventura bersama telah melepaskan secara langsung aset dan liabilitas yang terkait. Oleh karena itu, jika keuntungan atau kerugian yang sebelumnya diakui dalam penghasilan komprehensif lain oleh entitas asosiasi atau ventura bersama akan direklasifikasi ke laba rugi pada saat pelepasan dari aset atau liabilitas terkait, Grup mereklasifikasi laba rugi dari ekuitas ke laba rugi (sebagai penyesuaian reklasifikasi) entitas asosiasi atau ventura bersama ketika metode ekuitas dihentikan penggunaannya.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with PSAK 55. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate or joint venture 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 the equity method is discontinued.

Grup melanjutkan penerapan metode ekuitas jika investasi pada entitas asosiasi menjadi investasi pada ventura bersama atau investasi pada ventura bersama menjadi investasi pada entitas asosiasi. Tidak terdapat pengukuran kembali ke nilai wajar pada saat perubahan kepentingan.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

Ketika Grup mengurangi kepemilikannya di entitas asosiasi atau ventura bersama tetapi Group terus menggunakan metode ekuitas, Grup mereklasifikasi ke dalam laba rugi proporsi keuntungan atau kerugian yang sebelumnya telah diakui dalam penghasilan komprehensif lain yang berkaitan dengan penurunan kepemilikan (jika keuntungan atau kerugian tersebut akan direklasifikasi ke laba rugi atas pelepasan aset atau liabilitas terkait).

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or Ioss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest (if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities).

Ketika Grup melakukan transaksi dengan entitas asosiasi atau ventura bersama keuntungan dan kerugian yang timbul dari transaksi dengan entitas asosiasi diakui dalam laporan keuangan konsolidasian Grup hanya sepanjang kepemilikan dalam entitas asosiasi atau ventura bersama yang tidak terkait dengan Grup.

When a group entity transacts with an associate or a joint venture of the Group, profit and losses resulting from the transactions with the associate or joint venture are recognized in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

n. 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.

Properti investasi dihentikan 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 pengakuan properti investasi ditentukan dari selisih antara hasil neto pelepasan dan jumlah tercatat aset dan diakui dalam laba rugi pada periode terjadinya penghentian atau pelepasan.

o. 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 penghasilan komprehensif lain dan terakumulasi dalam ekuitas pada bagian surplus revaluasian, kecuali sebelumnya penurunan revaluasi atas aset yang sama pernah diakui dalam laporan laba rugi, dalam hal ini kenaikan revaluasi hingga sebesar penurunan nilai aset akibat revaluasi tersebut, dikreditkan dalam laporan laba rugi. 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.

n. 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.

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.

o. 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.

Aset tetap pesawat disusutkan hingga ke estimasi nilai residu dengan menggunakan metode garis lurus selama taksiran masa manfaat, sebagai berikut:

Aircraft assets are depreciated using the straight-line method to an estimated residual value based on their estimated useful lives, as follows:

	Tahun/ *Years*	
Rangka Pesawat	18 - 27	Airframe
Mesin	18 - 27	Engine
Simulator	10	Simulator
Rotable parts	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

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:

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:

	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.

Land is not depreciated.

Aset pembiayaan disusutkan berdasarkan taksiran masa manfaat ekonomis yang sama dengan aset tetap yang dimiliki sendiri atau disusutkan selama periode yang lebih pendek antara masa sewa dan umur manfaatnya.

Assets held under finance lease are depreciated based on the same estimated useful life with owned assets or where shorter, the term of the relevant lease.

Taksiran masa manfaat, nilai residu dan metode penyusutan direviu minimum setiap akhir tahun buku, dan pengaruh dari setiap perubahan estimasi akuntansi diterapkan secara prospektif.

The estimated useful lives, residual values and depreciation method are reviewed at least each year end and the effect of any changes in estimate accounted for on a prospective basis.

Beban pemeliharaan dan perbaikan dibebankan pada laporan laba rugi 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.

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.

Aset tetap yang dihentikan pengakuannya atau yang dijual nilai tercatatnya dikeluarkan dari kelompok aset tetap. Keuntungan atau kerugian dari penjualan aset tetap tersebut dibukukan dalam laba rugi.

When assets are retired or otherwise disposed of, their carrying amount is removed from the accounts and the resulting gains or losses are reflected in profit or loss.

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.

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, konstruksi atau produksi 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.

For borrowings that are not specific to the acquisition, construction or production of qualifying assets, 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 outstanding borrowings during the period, excluding borrowings directly attributable to financing of other qualifying assets.

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.

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.

p. Aset Tidak Lancar Tersedia Untuk Dijual

Aset tidak lancar (atau 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 pengakuan sebagai penjualan dalam satu tahun dari tanggal klasifikasi.

p. Non Current Assets Held For Sale

Noncurrent assets (or 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.

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.

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.

q. Penurunan Nilai Aset Non Keuangan

Pada setiap akhir periode pelaporan, Grup menelaah nilai tercatat aset non-keuangan untuk menentukan apakah terdapat indikasi bahwa aset tersebut telah mengalami penurunan nilai. Jika terdapat indikasi tersebut, jumlah terpulihkan dari aset diestimasi untuk menentukan tingkat kerugian penurunan nilai (jika ada). Bila tidak memungkinkan untuk mengestimasi jumlah terpulihkan atas suatu aset individual, Grup mengestimasi jumlah terpulihkan dari unit penghasil kas atas aset.

q. Impairment of Non-Financial Asset

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that the 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). When 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.

Estimasi jumlah terpulihkan adalah nilai tertinggi antara nilai wajar dikurangi biaya pelepasan dan nilai pakai. Dalam menilai nilai pakainya, 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 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 (diungkapkan dalam Catatan 3o).

Ketika rugi penurunan nilai dipulihkan, nilai tercatat aset (atau unit penghasil kas) meningkat menjadi estimasi yang direvisi dari jumlah terpulihkan, akan tetapi peningkatan nilai tercatat tidak boleh melebihi nilai tercatat yang telah ditentukan dan tidak ada kerugian penurunan nilai yang telah diakui untuk aset (atau unit penghasil kas) di tahun sebelumnya. pemulihan rugi penurunan nilai segera diakui dalam laba rugi, kecuali aset tersebut dicatat pada nilai revaluasi, dalam hal tersebut pemulihan rugi penurunan nilai diperlakukan sebagai kenaikan revaluasi (yang diungkapkan dalam Catatan 3o).

Kebijakan akuntansi untuk penurunan nilai aset keuangan diungkapkan dalam Catatan 3i.

r. 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. Sewa kontijensi dibebankan pada periode terjadinya.

Estimated recoverable amount is the higher of fair value less costs to sell and 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 an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease (as disclosed in Note 3o).

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss has been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase (as disclosed in Note 3o).

Accounting policy for impairment of financial assets is disclosed in Note 3i.

r. 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.

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. Sewa kontijensi diakui sebagai beban di dalam periode terjadinya.

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.

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.

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

Sale and Leaseback

Aset yang dijual berdasarkan transaksi jual dan sewa-balik diperlakukan sebagai berikut:

Assets sold under a sale and leaseback transaction are accounted for as follows:

- 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.

- 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.

- 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.

- 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.

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.

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.

Untuk sewa pembiayaan, tidak diperlukan penyesuaian kecuali jika telah terjadi penurunan nilai. Dalam hal ini, nilai tercatat diturunkan ke jumlah yang dapat dipulihkan.

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.

s. 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.

s. 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.

t. Beban Tangguhan

Biaya-biaya lain yang memenuhi kriteria pengakuan aset akan ditangguhkan dan diamortisasi dengan metode garis lurus berdasarkan masa manfaatnya.

t. Deferred Charges

Other charges that meet the asset recognition criteria are deferred and amortized using the straight-line method over their beneficial periods.

u. 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. 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.

v. *Frequent Flyer Program*

Perusahaan menyelenggarakan program "*Garuda Miles*" 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.

w. Imbalan Pasca-Kerja dan Imbalan Kerja Jangka Panjang

Program iuran pasti

Pembayaran kepada program dana pensiun pasti dibebankan pada saat jatuh tempo. Pembayaran kepada program dana pensiun didasarkan pada iuran pasti tertentu yang ditentukan program.

Program imbalan pasti

Imbalan pasca-kerja yang dicatat sebagai imbalan manfaat pasti ditentukan menggunakan metode Projected Unit Credit dengan penilaian aktuaria yang dilakukan setiap akhir periode pelaporan. Pengukuran kembali, terdiri dari keuntungan dan kerugian aktuarial, perubahan dampak batas atas aset (jika ada) dan imbal hasil aset program (tidak termasuk bunga), yang tercermin langsung dalam laporan posisi keuangan konsolidasian yang dibebankan atau dikreditkan dalam penghasilan komprehensif lain pada periode terjadinya. Pengukuran kembali yang diakui dalam penghasilan komprehensif lain tercermin segera dalam saldo laba ditahan dan tidak akan direklasifikasi ke laporan laba rugi. Biaya jasa lalu diakui dalam laporan laba rugi pada periode amandemen program. Bunga bersih dihitung dengan menggunakan tarif diskonto pada awal periode dengan liabilitas atau aset imbalan pasti. Biaya imbalan pasti dikategorikan sebagai berikut: (i) biaya jasa (termasuk biaya jasa saat ini, biaya jasa lalu, serta keuntungan dan kerugian kurtailmen dan penyelesaian); (ii) beban bunga bersih atau pendapatan; dan (iii) pengukuran kembali.

Grup menyajikan dua komponen pertama biaya imbalan pasti di laporan laba rugi. Keuntungan dan kerugian kurtailmen dicatat sebagai biaya jasa lalu.

v. Frequent Flyer Program

The Company operates a frequent flyer program called "Garuda Miles" 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 deferments of revenue are recorded as unearned revenue. Any remaining unutilized benefits are recognized as revenue upon expiry.

w. Post-Employment Benefits and Long-Term Benefits

Defined contribution plan

Payments made to defined contribution plan are charged as an expense as they fall due. Payments made to pension plan are dealt with as payments to defined contribution plans.

Defined benefits plan

Post-employment benefits accounted for as defined benefit plan are determined using the Projected Unit Credit Method with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on - plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurements recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows: (i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); (ii) net interest expense or income; and (iii) remeasurement.

The Group presents the first two components of defined benefit cost in profit or loss. Curtailment gains and losses are accounted for as past service costs.

Liabilitas imbalan pensiun yang diakui pada laporan posisi keuangan konsolidasian merupakan defisit atau surplus aktual dalam program imbalan pasti Grup. Surplus yang dihasilkan dari perhitungan ini terbatas pada nilai kini manfaat ekonomik yang tersedia dalam bentuk pengembalian dana program dan pengurangan iuran masa depan ke program.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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.

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.

x. 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.

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. 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.

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.

y. Pajak Penghasilan

Beban pajak penghasilan merupakan jumlah dari pajak kini dan pajak tangguhan.

Pajak saat terutang berdasarkan laba kena pajak untuk suatu tahun. Laba kena pajak berbeda dari laba sebelum pajak seperti yang dilaporkan dalam laporan laba rugi dan penghasilan komprehensif lain karena pos pendapatan atau beban yang dikenakan pajak atau dikurangkan pada tahun berbeda dan pos-pos yang tidak pernah dikenakan pajak atau tidak dapat dikurangkan. Beban pajak kini Grup ditentukan berdasarkan laba kena pajak dalam periode yang bersangkutan yang dihitung berdasarkan tarif pajak yang berlaku.

y. Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income statement because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax expense is determined based on the taxable income for the year computed using prevailing tax rates.

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.

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.

Pajak tangguhan diakui atas perbedaan temporer antara jumlah tercatat aset dan liabilitas dalam laporan keuangan konsolidasian dengan dasar pengenaan pajak yang digunakan dalam perhitungan laba kena pajak. Liabilitas pajak tangguhan umumnya diakui untuk keseluruhan perbedaan temporer kena pajak. Aset pajak tangguhan umumnya diakui untuk seluruh perbedaan temporer yang dapat dikurangkan sepanjang kemungkinan besar bahwa laba kena pajak akan tersedia sehingga perbedaan temporer dapat dimanfaatkan. Aset dan liabilitas pajak tangguhan tidak diakui jika perbedaan temporer timbul dari pengakuan awal (bukan kombinasi bisnis) dari aset dan liabilitas suatu transaksi yang tidak mempengaruhi laba kena pajak atau laba akuntansi. Selain itu, liabilitas pajak tangguhan tidak diakui jika perbedaan temporer timbul dari pengakuan awal goodwill.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the consumption of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary differences aries from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized in the temporary differences arises from the initial recognition of goodwill.

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.

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.

Pengukuran aset dan liabilitas pajak tangguhan mencerminkan konsekuensi pajak yang sesuai dengan cara yang Grup ekspektasikan, pada akhir periode pelaporan, untuk memulihkan atau menyelesaikan jumlah tercatat aset dan liabilitasnya.

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.

Jumlah tercatat aset pajak tangguhan ditelaah 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.

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.

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 penghasilan komprehensif lain maupun secara langsung di ekuitas), dalam hal tersebut pajak juga diakui di luar laba atau rugi atau pada saat perlakuan akuntansi pada bisnis kombinasi. Dalam hal bisnis kombinasi, efek pajak termasuk dalam akutansi untuk bisnis kombinasi.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. There current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

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 yang sama atas entitas kena pajak yang sama atau entitas kena pajak yang berbeda yang memiliki intensi untuk memulihkan aset dan liabilitas pajak kini dengan dasar neto, atau merealisasikan aset dan menyelesaikan liabilitas secara bersamaan, pada setiap periode masa depan dimana jumlah signifikan atas aset atau liabilitas pajak tangguhan diharapkan untuk diselesaikan atau dipulihkan.

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 on either the same taxable entity or different taxable entities when there is an intention to settle its current tax assets and current tax liabilities on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

z. 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 penghasilan komprehensif lain dan bagian yang tidak efektif langsung diakui dalam laporan laba rugi. Jika transaksi lindung nilai mengakibatkan pengakuan aset atau liabilitas, akumulasi keuntungan dan kerugian dalam penghasilan komprehensif lain direklasifikasi ke laporan laba rugi 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 ditangguhkan dalam penghasilan komprehensif lain diakui dalam laporan laba rugi 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.

Akuntansi lindung nilai dihentikan pada saat Grup membatalkan hubungan lindung nilai, ketika instrumen lindung nilai kadaluwarsa atau dijual, diakhiri atau dieksekusi, atau ketika tidak lagi memenuhi persyaratan akuntansi lindung nilai. Keuntungan dan kerugian diakui dalam penghasilan komprehensif lain dan terakumulasi di ekuitas saat itu tetap berada di bagian ekuitas dan akan diakui pada saat prakiraan transaksi yang pada akhirnya diakui dalam laba rugi. Ketika prakiraan transaksi tidak lagi diharapkan akan terjadi, akumulasi keuntungan atau kerugian dalam ekuitas langsung diakui dalam laba rugi.

z. 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.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

Suatu derivatif disajikan sebagai aset tidak lancar atau liabilitas jangka panjang jika sisa jatuh tempo dari instrumen lebih dari 12 bulan dan tidak diharapkan akan direalisasi atau diselesaikan dalam jangka waktu 12 bulan. Derivatif lainnya disajikan sebagai aset lancar atau liabilitas jangka pendek.

A derivative is presented as non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months and is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

aa. 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.

aa. 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.

bb. Informasi Segmen

Segmen operasi diidentifikasi berdasarkan laporan internal mengenai komponen dari Grup yang secara regular 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 regular 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 penillaian kinerja mereka terfokus pada kategori dari setiap produk.

bb. 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.

cc. 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. 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.

dd. *Manufacturer's Incentive*

Perusahaan mendapatkan kredit dari *vendor* sehubungan dengan perolehan atas peralatan penerbangan tertentu. Berdasarkan sifatnya, kredit ini akan dicatat sebagai pengurang biaya perolehan atas peralatan penerbangan tersebut. Kredit ini akan diselesaikan baik dengan pengembalian uang untuk pembelian selanjutnya atau saling hapus dengan tagihan dari *vendor* tersebut.

dd. 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.

ee. 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 konsolidasian dan penghasilan komprehensif lain sebagai biaya kumulatif yang mencerminkan perubahan estimasi, dengan penyesuaian berdasarkan cadangan imbalan kerja yang diselesaikan dengan instrumen ekuitas.

ee. 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 recognized in consolidated statements of profit or loss and other comprehensive income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

ff. 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".

ff. 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".

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 53. 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.

The quasi-reorganization was carried out using the accounting for 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 53. 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 48.

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 48.

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 kontijensi pada tanggal laporan keuangan konsolidasian serta jumlah pendapatan dan beban selama periode pelaporan. Realisasi dapat berbeda dengan jumlah yang diestimasi.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

Critical Judgements in Applying Accounting Policies

The following are the critical judgements, 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 48.

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 48.

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 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.

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.

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, keusangan 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.

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. 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, Grup 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, Grup 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.

iv. Income Tax

In certain circumstances, the Group 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 Group 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. 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 direviu 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.

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 judgement 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. 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.

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.

vii. Pengukuran Nilai Wajar dan Proses Penilaian

Beberapa aset dan liabilitas Grup diukur pada nilai wajar untuk tujuan keuangan. Manajemen menentukan teknik penilaian yang sesuai dan menggunakannya dalam pengukuran nilai wajar. Dalam mengestimasi nilai wajar aset atau libilitas, Grup menggunakan data pasar yang dapat diobservasi selama tersedia. Ketika Level 1 tidak tersedia, Grup melibatkan penilai dari pihak ketiga yang memenuhi syarat untuk melakukan penilaian. Informasi tentang teknik penilaian dan dasar yang digunakan dalam menentukan nilai wajar berbagai aset dan liabilitas diungkapkan dalam Catatan 14 dan 15.

vii. Fair value measurement and valuation process

Some of the Group's assets and liabilities are measured at fair value for financial purpose. Management determine the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent it is available. Where Level 1 input are not available, the Group engages third party qualified valuers to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Notes 14 and 15.

5. KAS DAN SETARA KAS / 5. CASH AND CASH EQUIVALENTS

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Kas			Cash on hand
Rupiah	2.308.586	2.091.104	Rupiah
Dolar Amerika Serikat	94.517	18.033	U.S. Dollar
Mata uang asing lainnya	186.038	131.130	Other foreign currencies
Jumlah Kas	2.589.141	2.240.267	Total Cash on hand
Bank			Banks
Pihak berelasi (Catatan 45)			Related parties (Note 45)
Bank Negara Indonesia	62.077.546	19.128.107	Bank Negara Indonesia
Bank Mandiri	39.561.736	22.693.876	Bank Mandiri
Bank Rakyat Indonesia	34.048.811	87.945.474	Bank Rakyat Indonesia
Bank Negara Indonesia Syariah	3.077.529	3.230.055	Bank Negara Indonesia Syariah
Bank Mega	1.934.943	1.236.620	Bank Mega
Bank Syariah Mandiri	1.629.035	2.013.201	Bank Syariah Mandiri
Bank Exim Indonesia	295.549	295.364	Bank Exim Indonesia
Bank Rakyat Indonesia Syariah	12.547	-	Bank Rakyat Indonesia Syariah
Pihak ketiga			Third parties
Citibank N.A.	56.083.995	69.903.920	Citibank N.A.
Bank of China	38.852.957	33.571.578	Bank of China
Standard Chartered Bank	16.310.078	55.635.367	Standard Chartered Bank
Bank Central Asia	13.494.440	7.219.004	Bank Central Asia
ANZ Bank	12.002.296	21.201	ANZ Bank
Industrial Commercial Bank of China	9.697.853	3.590.401	Industrial Commercial Bank of China
Bank Permata	7.850.764	6.946.516	Bank Permata
Saudi Arabian Bank	3.864.840	4.388.796	Saudi Arabian Bank
Commonwealth Bank of Australia	2.961.784	10.190.948	Commonwealth Bank of Australia
The Bank of Tokyo-Mitsubishi UFJ	1.939.719	1.736.171	The Bank of Tokyo-Mitsubishi UFJ
United Overseas Bank	1.610.452	1.344.033	United Overseas Bank
Bank Internasional Indonesia	1.450.152	4.873.130	Bank Internasional Indonesia
ABN Amro Bank	1.365.578	366.976	ABN Amro Bank
Mizuho Bank	1.027.728	756.521	Mizuho Bank
CIMB Niaga	840.019	1.091.627	CIMB Niaga
Banca di Roma	727.001	753.488	Banca di Roma
Industrial Bank of Korea	526.522	-	Industrial Bank of Korea
Bangkok Bank Limited	392.724	520.954	Bangkok Bank Limited
California Bank	195.405	466.883	California Bank
Bank lain (masing-masing dibawah USD 300.000)	2.044.137	4.187.166	Other Banks (each below USD 300,000)
Jumlah Bank	315.876.140	344.107.377	Total bank
Deposito berjangka			Time deposits
Pihak berelasi (Catatan 45)			Related parties (Note 45)
Bank Rakyat Indonesia	157.602.003	38.915.737	Bank Rakyat Indonesia
Bank Negara Indonesia	37.095.823	6.996.646	Bank Negara Indonesia
Bank Mega	16.637.392	89.724.030	Bank Mega
Bank Mega Syariah	2.158.380	-	Bank Mega Syariah
Bank Mandiri	524.182	869.880	Bank Mandiri
Pihak ketiga			Third parties
Bank BJB Syariah	18.396.844	-	Bank BJB Syariah
Bank Muamalat	8.590.061	16.119.477	Bank Muamalat
Bank Bukopin	4.733.804	6.129.511	Bank Bukopin
Bank BJB	1.800.000	371.723	Bank BJB
Bank CIMB Niaga	-	8.191.374	Bank CIMB Niaga
Bank Permata	-	2.899.601	Bank Permata
Bank BTPN	-	1.812.251	Bank BTPN
Bank UOB	-	1.449.801	Bank UOB
Bank Danamon	-	144.980	Bank Danamon
Jumlah deposito berjangka	247.538.489	173.625.011	Total time deposits
Kas dibatasi penggunaannya			Restricted cash
Standard Chartered Bank	10.000.000	-	Standard Chartered Bank
Bank Central Asia	1.698.969	-	Bank Central Asia
California Bank	1.000.000	-	California Bank
Jumlah kas yang dibatasi penggunaannya	12.698.969	-	Total restricted cash
Jumlah	578.702.739	519.972.655	Total
Tingkat bunga deposito berjangka per tahun:			Interest rate per annum on time deposit:
Rupiah	4,50% - 9,25%	4,50% - 10,25%	Rupiah
Dolar Amerika Serikat	0,75% - 2,10%	0,75% - 3,00%	U.S. Dollar

Kas dan setara kas berdasarkan mata uang:

Cash and cash equivalent by currency:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Dolar Amerika Serikat	289.581.278	267.518.306	U.S. Dollar
Rupiah	180.353.895	160.690.131	Rupiah
Renmimbi China	61.930.609	50.010.620	Chinese Renmimbi
Dolar Australia	14.911.457	12.035.240	Australian Dollar
Yen Jepang	9.174.564	8.239.562	Japanese Yen
Euro	4.748.937	4.779.139	Euro
Riyal Saudi Arabia	3.903.293	4.413.595	Saudi Arabian Riyal
Singapore Dollar	3.740.531	2.683.330	Singapore Dollar
Won Korea	3.250.305	2.104.528	Korean Won
Poundsterling Inggris	2.045.386	1.471.173	Great Britain Poundsterling
Baht Thailand	1.651.787	1.683.686	Thailand Dollar
Dolar Hongkong	1.034.989	1.361.168	Hongkong Dollar
Dirham Uni Emirat Arab	366.059	924.460	United Arab Emirates Dirham
Mata uang lainnya (masing-masing dibawah USD 300.000)	2.009.649	2.057.717	Other currencies (each under USD 300,000)
Jumlah	578.702.739	519.972.655	Total

6. PIUTANG USAHA / 6. TRADE ACCOUNTS RECEIVABLES

a. Berdasarkan Debitur / a. By Debtors

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Pihak berelasi (Catatan 45)			Related parties (Note 45)
PT Jiwasraya	578.037	710.006	PT Jiwasraya
Abacus International Ltd	534.151	544.607	Abacus International Ltd
PT Bukit Asam (Persero) Tbk	372.255	135.069	PT Bukit Asam (Persero) Tbk
PT Pos Indonesia	371.126	572.383	PT Pos Indonesia
PT Angkasa Pura II	171.134	256.939	PT Angkasa Pura II
Lain-lain	1.689.728	99.584	Others
Jumlah	3.716.431	2.318.588	Total
Pihak ketiga			Third parties
Jasa penerbangan			Airlines services
Agen penumpang	36.975.741	34.278.320	Passenger agents
Agen kargo	16.083.785	14.075.716	Cargo agents
Kartu kredit	13.247.684	4.918.520	Credit cards
Perusahaan penerbangan	8.094.008	8.995.006	Airlines
Lain-lain	9.742.214	5.449.221	Others
Sub jumlah	84.143.432	67.716.783	Sub total
Non jasa penerbangan	110.715.608	56.979.490	Non airlines services
Jumlah	194.859.040	124.696.273	Total
Cadangan kerugian penurunan nilai	(7.279.906)	(5.487.220)	Allowance for impairment loss
Jumlah - bersih	187.579.134	119.209.053	Total - net
Jumlah Piutang Usaha	191.295.565	121.527.641	Total Trade Accounts Receivables

b. Berdasarkan Mata Uang / b. By Currency

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Dolar Amerika Serikat	88.081.880	35.889.108	U.S. Dollar
Rupiah	74.233.720	52.243.119	Rupiah
Yen Jepang	5.006.930	5.312.832	Japanese Yen
Euro	4.272.259	2.818.350	Euro
Riyal Saudi Arabia	2.436.298	4.012.773	Saudi Arabian Riyal
Won Korea	2.101.821	5.842.010	Korean Won
Dolar Australia	2.035.606	2.090.078	Australian Dollar
Renmimbi China	1.796.399	3.220.315	Chinese Renmimbi
Ringgit Malaysia	1.492.720	3.928.512	Malaysian Ringgit
Dolar Singapura	1.139.496	953.828	Singapore Dollar
Mata uang lainnya	15.978.342	10.703.936	Other currencies
Jumlah	198.575.471	127.014.861	Total
Cadangan kerugian penurunan nilai	(7.279.906)	(5.487.220)	Allowance for impairment loss
Jumlah - bersih	191.295.565	121.527.641	Total - net

c. Berdasarkan Umur Piutang Usaha Tetapi Tidak Mengalami Penurunan Nilai / c. Aging of Trade Accounts Receivable Not Impaired

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Belum jatuh tempo	139.249.124	83.649.039	Not yet due
Jatuh tempo			Past due
1 - 60 hari	25.045.739	15.997.153	1 - 60 days
61 - 180 hari	17.023.576	7.666.370	61 - 180 days
181 - 360 hari	3.207.431	8.288.246	181 - 360 days
> 360 hari	6.769.695	5.926.833	> 360 days
Jumlah	191.295.565	121.527.641	Total

Jangka waktu rata-rata kredit penjualan adalah 30 - 60 hari untuk tahun-tahun yang berakhir 31 Desember 2016 dan 2015. Bunga tidak dikenakan kepada pelanggan yang umur piutang usahanya telah jatuh tempo.

The average credit term is 30 - 60 days for the years ended December 31, 2016 and 2015. No interest is charged on overdue trade accounts receivables.

Mutasi cadangan kerugian penurunan nilai:

Changes in the allowance for impairment loss:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Saldo awal	5.487.220	6.599.637	Beginning balance
Penambahan	3.631.616	1.873.763	Addition
Pemulihan	(1.838.930)	(2.986.180)	Recovery
Saldo akhir	7.279.906	5.487.220	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:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Penilaian individu	2.199.089	1.170.831	Individual assessments
Penilaian kolektif	1.432.527	702.932	Collective assessments
Jumlah	3.631.616	1.873.763	Total

Dalam menentukan pemulihan dari piutang usaha, Grup mempertimbangkan setiap perubahan dalam kualitas kredit dari piutang usaha sejak tanggal awal kredit diberikan sampai dengan akhir periode pelaporan. Konsentrasi risiko kredit terbatas pada basis pelanggan adalah besar dan tidak saling berhubungan.

In determining the recoverability of a trade accounts 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.

Berdasarkan penelahaan 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.

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 does not 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.

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.

Individually impaired trade 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 does not have any collateral over those balances.

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.

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. PIUTANG LAIN-LAIN / 7. OTHER RECEIVABLES

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Piutang pegawai	6.719.011	2.612.614	Employee receivables
PT Asuransi Jasa Indonesia (Catatan 45)	6.537.331	6.784.871	PT Asuransi Jasa Indonesia (Notes 45)
Pendapatan masih harus diterima	4.936.431	3.185.847	Accrued revenues
Lain-lain	2.979.957	4.998.221	Others
Jumlah	21.172.730	17.581.553	Total

Piutang ke Jasindo merupakan kelebihan premi yang dibayarkan Perusahaan ke Jasindo.

Manajemen berpendapat seluruh piutang tersebut dapat ditagih sehingga cadangan kerugian penurunan nilai tidak dibentuk.

Receivable to Jasindo is excess premi paid by the Company to Jasindo.

Management believes that all such receivables are collectible thus allowance for impairment losses was not provided.

8. PERSEDIAAN / INVENTORIES

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Suku cadang	93.367.485	76.812.786	Spare parts
Jasa boga	13.408.114	12.464.443	Catering
Dokumen tiket	1.192.254	1.021.124	Ticketing document
Lain-lain	3.671.127	3.532.656	Others
Jumlah	111.638.980	93.831.009	Total
Penyisihan penurunan nilai persediaan	(2.684.523)	(2.199.778)	Allowance for decline in value
Jumlah bersih	108.954.457	91.631.231	Net amount

Mutasi penyisihan penurunan nilai persediaan adalah sebagai berikut:

Changes in the allowance for decline in value of inventories are as follows:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Saldo awal	2.199.778	1.394.807	Beginning balance
Penambahan	497.502	881.582	Additions
Pemulihan	(12.757)	(76.611)	Recovery
Saldo akhir	2.684.523	2.199.778	Ending balance

Manajemen berpendapat bahwa penyisihan penurunan nilai persediaan tersebut cukup untuk menutup kerugian yang mungkin timbul dari penurunan nilai persediaan.

Management believes that the allowance for decline in value of inventories is adequate to cover possible losses on the decline in inventory value.

Pada tanggal 31 Desember 2016 dan 2015, persediaan Perusahaan telah diasuransikan kepada PT Asuransi Jasa Indonesia, pihak berelasi (Catatan 45), terhadap risiko kebakaran dan risiko lainnya berdasarkan suatu paket polis dengan nilai pertanggungan masing-masing sebesar USD 86.758.093 dan USD 96.635.768. Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutup kemungkinan kerugian atas persediaan yang dipertanggungkan.

As of December 31, 2016 and 2015, the inventories of the Company were insured with PT Asuransi Jasa Indonesia, a related party (Note 45), against fire and other risks under pool policies with total sum insured of USD 86,758,093 and USD 96,635,768, respectively. Management believes that the insurance coverage is adequate to cover possible losses on the inventories insured.

Pada tanggal 31 Desember 2016 dan 2015, tidak terdapat persediaan yang digunakan sebagai jaminan kecuali persediaan PT Aerofood Indonesia (ACS), entitas anak, yang digunakan sebagai jaminan untuk pinjaman fasilitas kredit pinjaman jangka panjang dari Bank Rakyat Indonesia (Catatan 23).

As of December 31, 2016 and 2015, no inventories were used as collateral except inventory of PT Aerofood Indonesia (ACS), a subsidiary, which were used as collateral for the long term loan credit facility from Bank Rakyat Indonesia (Note 23).

9. UANG MUKA DAN BIAYA DIBAYAR DIMUKA / ADVANCES AND PREPAID EXPENSES

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Sewa dibayar dimuka	89.574.099	79.884.510	Prepaid rent
Sewa pesawat	71.134.059	52.216.303	Aircraft rental
Suku cadang	25.600.830	12.187.444	Spare parts
Perawatan pesawat	13.840.915	15.625.958	Aircraft maintenance
Bahan bakar	5.193.307	3.903.193	Fuel
Sewa gedung	3.500.437	3.082.130	Building rental
Perjalanan dinas	2.551.508	2.033.673	Duty trip
Asuransi	2.086.426	2.347.583	Insurance
Lain-lain	6.793.486	5.823.615	Others
Jumlah	220.275.067	177.104.409	Total

10. PERPAJAKAN / TAXATION

a. Pajak Dibayar Dimuka / Prepaid Taxes

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Perusahaan			The Company
Taksiran Penghasilan Badan Lebih Bayar			Estimated Overpayment of Corporate Income Tax
Tahun 2016	1.026.380	-	Year 2016
Tahun 2015	2.580.194	2.272.938	Year 2015
Tahun 2014	-	5.096.888	Year 2014
Pajak Pertambahan Nilai	20.601.626	42.549.932	Value Added Tax
Pajak lain-lain	-	1.279.908	Other tax
Sub jumlah	24.208.200	51.199.666	Sub total
Entitas anak			Subsidiaries
Taksiran Penghasilan Badan Lebih Bayar			Estimated Overpayment of Corporate Income Tax
Tahun 2016	4.487.837	-	Year 2016
Tahun 2015	2.982.115	3.232.884	Year 2015
Tahun 2014	755.786	3.349.425	Year 2014
Tahun 2013	-	337.651	Year 2013
Pajak Pertambahan Nilai	11.605.721	21.910.890	Value Added Tax
Pajak Lain-lain	693.085	-	Other tax
Sub jumlah	20.524.544	28.830.850	Sub total
Jumlah	44.732.744	80.030.516	Total

b. Pajak Pertambahan Nilai atas Pemanfaatan Jasa kena Pajak

Mengacu pada Peraturan Pemerintah (PP) No. 38 Tahun 2003 tentang Perubahan Atas Peraturan Pemerintah No. 146 Tahun 2000 tentang Impor dan/atau Penyerahan Barang Kena Pajak tertentu dan/atau Penyerahan Jasa Kena Pajak Tertentu yang Dibebaskan dari Pengenaan Pajak Pertambahan Nilai.

Menunjuk Surat Direktorat Jenderal Pajak Direktorat Peraturan I No. S-1007/PJ.02/2014 tanggal 29 Oktober 2014 perihal Perlakuan PPN atas Impor Kapal Laut atau Pesawat Udara dinyatakan bahwa transaksi sewa pesawat dengan skema sewa operasi (*Operating Lease*) terhutang PPN.

Perusahaan dan entitas anak memiliki PPN terhutang atas tagihan sewa pesawat per 31 Desember 2016 dan 31 Desember 2015 adalah masing-masing sebesar USD 21.602.190 (setara dengan Rp 290.247.024.840) dan USD 54.716.988 (setara dengan Rp 735.707.309.348).

b. Value Added Tax on Utilization of Taxable Services

Referring to Government Regulation No. 38 Year 2003 on Amendment to Government Regulation No. 146 Year 2000 about import and/or delivery taxable goods and/or Taxable Services that are exempted from Value Added Tax.

Referring to letter of the Director General of Tax, Regulation Director I No. S-1007/PJ.02/2014 dated October 29, 2014 concerning the treatment of VAT on Imported Ships or Aircrafts stating that the aircraft lease transactions with operating leases scheme is due for VAT.

The Company and subsidiaries have the VAT due on aircraft rental charge as of December 31, 2016 and 2015 is USD 21,602,190 (equivalent to Rp 290,247,024,840) and USD 54,716,988 (equivalent to Rp 735,707,309,348) respectively.

c. Pajak atas Penilaian Kembali Aset Tetap

Berdasarkan Peraturan Menteri Keuangan (PMK) Nomor 191/PMK.010/2015 tanggal 15 Oktober 2015 yang telah diubah dengan PMK Nomor 233/PMK.03/2015 tanggal 21 Desember 2015, permohonan penilaian kembali aktiva tetap untuk tujuan perpajakan yang diajukan sampai dengan tanggal 31 Desember 2015, akan mendapatkan perlakuan khusus berupa Pajak Penghasilan yang bersifat final dengan tarif sebesar 3%. Adapun atas permohonan yang diajukan sejak tanggal 1 Januari 2016 sampai dengan 30 Juni 2016, tarif Pajak Penghasilan yang bersifat final sebesar 4%.

Pada tanggal 22 Desember 2015, Perusahaan mengajukan "Permohonan penilaian kembali aktiva tetap untuk tujuan perpajakan pada tahun 2015 oleh wajib pajak yang belum melakukan penilaian kembali aktiva tetap" kepada Kepala Kantor Wilayah Wajib Pajak Besar melalui surat No. GARUDA/JKTDF/20459/15. Perusahaan mendapatkan perlakuan pajak khusus untuk beberapa bangunan dan dikenakan pajak final sebesar Rp 18.919.735.206 (setara USD 1.353.823) (Catatan 31).

Perusahaan memperoleh "Persetujuan Penilaian Kembali Aktiva Tetap untuk Tujuan Perpajakan Bagi Permohonan yang Diajukan Pada Tahun 2015 dan Tahun 2016" dengan diterbitkannya Keputusan Direktur Jenderal Pajak No. KEP-305/WPJ.19/2016.

c. Tax on Fixed Asset Revaluation

Based on the Finance Minister Regulation (PMK) No. 191/PMK.010/2015 dated October 15, 2015, as amended by PMK No. 233/PMK.03/2015 dated on December 21, 2015, the applicant of fixed asset revaluation for tax purpose filed until the date of December 31, 2015, will receive special treatment in the form of final income tax rate at 3%. The petition filed on the date of January 1, 2016 until June 30, 2016, the final income tax rate of 4% is final.

On December 22, 2015, the Company filed an "Application of fixed asset revaluation for tax purposes in 2015 by tax payers who have not revalued fixed assets" to the Head of Tax payer Office through letter No. GARUDA/JKTDF/20459/15. The Company availed of the special treatment of tax for several buildings and subject to final income tax totalling to Rp 18,919,735,206 (equivalent USD 1,353,823) (Note 31).

The Company obtained the "Approval of Fixed Asset Revaluation for Tax Purposes for the requester that filed in 2015 and 2016" with the issuance of the Director General of Taxation No. KEP-305 / WPJ.19 / 2016.

d. Utang Pajak / Taxes Payable

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Perusahaan			The Company
Pajak penghasilan			Income taxes
Pasal 21	1.808.503	1.240.893	Article 21
Pasal 22	6.194	7.629	Article 22
Pasal 4(2)	22.692	37.828	Article 4 (2)
Pasal 23	1.046.152	1.396.818	Article 23
Pasal 26	818.698	2.059.448	Article 26
Pajak pertambahan nilai	8.470.493	8.297.493	Value Added Taxes
Pajak lain-lain	12.880.397	42.607.717	Other taxes
Sub jumlah	25.053.129	55.647.826	Sub total
Entitas anak			Subsidiaries
Pajak penghasilan			Income taxes
Pasal 21	2.381.905	2.265.072	Article 21
Pasal 23	598.400	673.841	Article 23
Pasal 25	664.131	281.004	Article 25
Pasal 4 (2)	180.187	178.561	Article 4 (2)
Pasal 26	405.670	294.928	Article 26
Pasal 29	6.084.618	7.518.098	Article 29
Pajak Pertambahan Nilai	1.823.454	747.532	Value Added Taxes
Pajak Pembangunan 1	1.245.689	1.191.672	Local Government Taxes 1
Pajak lain-lain	1.021.768	12.198.512	Other taxes
Sub jumlah	14.405.822	25.349.220	Sub total
Jumlah	39.458.951	80.997.046	Total

e. Manfaat (Beban) Pajak / Tax Benefit (Expense)

	2016 USD	2015 USD	
Pajak kini			Current tax
Perusahaan	-	-	The Company
Entitas anak	(17.960.427)	(16.146.760)	Subsidiaries
Jumlah pajak kini	(17.960.427)	(16.146.760)	Total current tax
Pajak tangguhan			Deferred tax
Perusahaan	13.908.099	(8.543.661)	The Company
Entitas anak	(4.207.793)	(3.662.023)	Subsidiaries
Jumlah pajak tangguhan	9.700.306	(12.205.684)	Total deferred tax
Beban pajak entitas anak sehubungan dengan SKP dan SPT pembetulan	(165.721)	(333.542)	Tax expense of subsidiaries in connection with SKP and SPT correction
Jumlah	(8.425.842)	(28.685.986)	Total

Pajak Kini

Rekonsiliasi antara laba (rugi) sebelum pajak menurut laporan laba rugi konsolidasian dan penghasilan komprehensif lainnya dengan laba (rugi) fiskal Perusahaan adalah sebagai berikut:

Current Tax

A reconciliation between income (loss) before tax per consolidated statements of profit or loss and other comprehensive income and taxable income (fiscal loss) of the Company is as follows:

	2016 USD	2015 USD	
Laba sebelum pajak menurut laporan laba rugi dan penghasilan komprehensif lain konsolidasian	17.790.700	106.660.147	Profit before tax per consolidated statements of profit or loss and other comprehensive income
Eliminasi dan penyesuaian	(81.732.171)	(72.091.606)	Elimination and adjustment
Laba (rugi) sebelum pajak Perusahaan	(63.941.471)	34.568.541	Profit (loss) before tax of the Company
Perbedaan temporer:			Temporary differences:
Beban penyisihan piutang ragu-ragu	70.288	(480.211)	Allowance for impairment losses of accounts receivable
Beban penyisihan penurunan nilai persediaan	(487.384)	(8.430)	Allowance for decline in value of inventories
Beban penyusutan	20.640.617	22.088.715	Depreciation expense
Penurunan nilai aset	(17.865.566)	(5.222.126)	Impairment of assets
Perbedaan perlakuan aset pemeliharaan	(14.497.540)	(11.461.331)	Maintenance assets
Beban imbalan pasca kerja	(59.302.798)	(10.017.805)	Post employment benefits
Sub jumlah	(71.442.383)	(5.101.188)	Sub total
Perbedaan yang tidak dapat diperhitungkan menurut fiskal:			Nondeductible expenses/ Non taxable income:
Sewa pembiayaan	(16.426.306)	(15.652.057)	Lease liabilities
Penghasilan yang dikenakan pajak final	(5.428.666)	(34.078.715)	Income subjected to final tax
Beban yang tidak dapat diperhitungkan menurut fiskal	52.641.552	51.578.823	Expenses that are not deductible for tax purposes
Sub jumlah	30.786.580	1.848.051	Sub total
Laba (rugi) fiskal sebelum kompensasi kerugian fiskal	(104.597.274)	31.315.404	Taxable income (fiscal loss) before fiscal loss carryforward
Kompensasi rugi fiskal			Fiscal loss carryforward
Rugi fiskal 2013 - setelah penyesuaian SPT atas laba fiskal tahun 2015	(19.994)	(37.720.783)	Fiscal loss of 2013 - adjusted after SPT taxable income for the year 2015
Rugi fiskal 2014 - setelah penyesuain SKP diterima tahun 2016	(311.184.644)	(316.747.017)	Fiscal loss 2014 - adjusted after received SKP in 2016
Akumulasi rugi fiskal	(415.801.912)	(323.152.396)	Accumulated fiscal loss

Laba fiskal yang dilaporkan di SPT tahun 2015 sebesar USD 35.483.965 berbeda dengan yang tercantum dalam laporan keuangan sehingga berdampak terhadap pengakuan pemanfaatan rugi fiskal 2013 menjadi USD 19.994.

Taxable income reported on SPT 2015 amounted to USD 35,483,965 is different from amount stated on financial statement and has impact to recognition of 2013 fiscal loss utilization amounted to USD 19,994.

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:

	2016	2015	
	USD	USD	
Perusahaan			The Company
Beban pajak kini	-	-	Current tax expense
Dikurangi pajak dibayar dimuka			Less prepaid taxes
Pajak penghasilan - Pasal 15	(5.707)	(378.155)	Income tax - Article 15
Pajak penghasilan - Pasal 22	(471.628)	(894.801)	Income tax - Article 22
Pajak penghasilan - Pasal 23	(549.045)	(150.213)	Income tax - Article 23
Pajak penghasilan - Pasal 25	-	(849.769)	Income tax - Article 25
Sub jumlah	(1.026.380)	(2.272.938)	Sub total
Lebih bayar pajak kini	(1.026.380)	(2.272.938)	Current tax over payment
Entitas anak			Subsidiaries
Beban pajak kini			Current tax expense
PT Garuda Maintenance Facility Aero Asia	13.341.794	10.569.212	PT Garuda Maintenance Facility Aero Asia
PT Aero Wisata dan entitas anak	3.438.799	3.968.376	PT Aero Wisata and subsidiaries
Garuda Indonesia Holiday France	396.990	20.941	Garuda Indonesia Holiday France
PT Sabre Travel Network Indonesia	372.341	277.882	PT Sabre Travel Network Indonesia
PT Gapura Angkasa	237.691	1.192.807	PT Gapura Angkasa
PT Aero System Indonesia	172.812	117.542	PT Aero System Indonesia
Jumlah	17.960.427	16.146.760	Total
Dikurangi pajak dibayar dimuka	(16.363.646)	(11.861.546)	Less prepaid taxes
Kurang bayar pajak kini	1.596.781	4.285.214	Current tax Less payment
Disajkan sebagai:			Presented as:
Pajak dibayar dimuka	(4.487.837)	(3.232.884)	Prepaid tax
Utang pajak	6.084.618	7.518.098	Tax payable
Bersih	1.596.781	4.285.214	Net

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, 2016*	Dikreditkan (dibebankan) ke laporan laba rugi/ *Credited (charged) to profit or loss for the period*	Dicatat di penghasilan komprehensif lain/ *Recognized in other comprehensive income*	Penjabaran Laporan Keuangan/ *Translation Adjustment*	31 Desember/ *December 31, 2016*	
	USD	USD	USD	USD	USD	
Aset (Kewajban) pajak tangguhan						Deferred tax assets (liabilities)
Perusahaan						The Company
Beban penyisihan piutang ragu-ragu	4.627.944	4.229	-	-	4.632.173	Allowance for impairment loss of accounts receivables
Beban penyisihan penurunan nilai persediaan	209.216	(134.087)	-	-	75.129	Allowance for decline in value of inventories
Penyusutan	(25.202.524)	21.927.258	(9.146.032)	-	(12.421.298)	Depreciation
Penurunan nilai aset	(996.189)	73.413	-	-	(922.776)	Impairment of asset
Penurunan investasi Merpati	1.147.028	-	-	-	1.147.028	Impairment of investment in Merpati
Penyisihan piutang jangka panjang	8.429.344	484	-	-	8.429.828	Provision for long term receivable
Perbedaan perlakuan aset pemeliharaan	(45.955.264)	(12.782.974)	-	-	(58.738.238)	Maintenance assets
Provisi estimasi biaya pengembalian dan pemeliharaan pesawat	24.022.604	(3.516.902)	-	-	20.505.702	Estimated liabilities for aircraft return and maintenance cost
Beban imbalan pasca kerja	22.688.450	(14.825.699)	(1.462.758)	-	6.399.993	Post employment benefits
Akumulasi Rugi Fiskal	80.788.101	23.162.377	-	-	103.950.478	Tax loss carry forward
Jumlah	69.758.709	13.908.099	(10.608.790)	-	73.058.018	Total
Entitas anak						Subsidiaries
PT Citilink Indonesia	17.540.876	2.082.384	(842.709)	-	18.780.551	PT Citilink Indonesia
PT Sabre Travel Network Indonesia	120.321	23.104	713	-	144.138	PT Sabre Travel Network Indonesia
PT Garuda Maintenance Facility Aero Asia	12.466.185	(5.914.875)	2.659.773	-	9.211.083	PT Garuda Maintenance Facility Aero Asia
PT Aero Wisata dan entitas anak	2.249.540	90.481	592.246	(2.082)	2.930.185	PT Aero Wisata and its subsidiaries
PT Gapura Angkasa	2.854.997	394.986	989.228	130.778	4.369.989	PT Gapura Angkasa
Jumlah	35.231.919	(3.323.920)	3.399.251	128.696	35.435.946	Total
Aset pajak tangguhan - bersih	104.990.625	10.584.179	(7.209.539)	128.696	108.493.964	Deferred tax asset - net
Liabilitas pajak tangguhan - bersih						Deferred tax liabilities - net
Entitas anak						Subsidiaries
PT Aero Systems Indonesia	(318.690)	(127.694)	(1.265)	-	(447.649)	PT Aero Systems Indonesia
PT Aero Wisata dan entitas anak	(1.343.298)	394.298	418.857	8.375	(521.768)	PT Aero Wisata and its subsidiaries
PT Gapura Angkasa	-	(1.150.477)	113.379	(49.046)	(1.086.144)	PT Gapura Angkasa
Liabilitas pajak tangguhan - bersih	(1.661.989)	(883.873)	530.971	(40.671)	(2.055.561)	Deferred tax liabilities - net

	1 Januari/ *January 1,* 2015	Dikreditkan (dibebankan) ke laporan laba rugi/ *Credited (charged) to profit or loss for the year*	Dicatat di penghasilan komprehensif lain/ *Recognized in other comprehensive income*	Penjabaran Laporan Keuangan/ *Translation Adjustment*	31 Desember/ *December 31,* 2015	
	USD	USD	USD	USD	USD	
Aset (Kewajban) pajak tangguhan						Deferred tax assets (liabilities)
Perusahaan						The Company
Beban penyisihan piutang ragu-ragu	4.746.025	(118.081)	-	-	4.627.944	Allowance for impairment loss of accounts receivables
Beban penyisihan penurunan nilai persediaan	211.028	(1.812)	-	-	209.216	Allowance for decline in value of inventories
Penyusutan	(31.774.844)	7.799.853	(1.227.533)	-	(25.202.524)	Depreciation
Penurunan nilai aset	(1.060.603)	64.414	-	-	(996.189)	Impairment of asset
Penurunan investasi Merpati	1.147.028	-	-	-	1.147.028	Impairment of investment in Merpati
Penyisihan piutang jangka panjang	8.431.316	(1.972)	-	-	8.429.344	Provision for long term receivable
Perbedaan perlakuan aset pemeliharaan	(37.448.997)	(8.506.267)	-	-	(45.955.264)	Maintenance assets
Provisi estimasi biaya pengembalian dan pemeliharaan pesawat	21.368.399	2.654.204	-	-	24.022.604	Estimated liabilities for aircraft return and maintenance cost
Beban imbalan pasca kerja	25.124.460	(2.504.451)	68.441	-	22.688.450	Post employment benefits
Akumulasi rugi fiskal	88.717.650	(7.929.549)	-	-	80.788.101	Tax loss carry forward
Jumlah	79.461.462	(8.543.661)	(1.159.093)	-	69.758.709	Total
Entitas anak						Subsidiaries
PT Citilink Indonesia	20.978.988	(2.984.523)	(453.590)	-	17.540.876	PT Citilink Indonesia
PT Sabre Travel Network Indonesia	69.085	42.580	8.656	-	120.321	PT Sabre Travel Network Indonesia
PT Garuda Maintenance Facility Aero Asia	12.852.829	(1.295.616)	908.972	-	12.466.185	PT Garuda Maintenance Facility Aero Asia
PT Aero Wisata dan entitas anak	2.204.684	534.175	(167.121)	(322.198)	2.249.540	PT Aero Wisata and its subsidiaries
PT Gapura Angkasa	4.083.462	(643.797)	(94.828)	(489.840)	2.854.997	PT Gapura Angkasa
Jumlah	40.189.048	(4.347.181)	202.089	(812.038)	35.231.919	Total
Aset pajak tangguhan - bersih	119.650.511	(12.890.842)	(957.003)	(812.038)	104.990.625	Deferred tax asset - net
Liabilitas pajak tangguhan - bersih						Deferred tax liabilities - net
Entitas anak						Subsidiaries
PT Aero Systems Indonesia	(250.672)	(12.475)	(55.543)	-	(318.690)	PT Aero Systems Indonesia
PT Aero Wisata dan entitas anak	(2.280.465)	697.633	(67.019)	306.553	(1.343.298)	PT Aero Wisata and its subsidiaries
Liabilitas pajak tangguhan - bersih	(2.531.137)	685.158	(122.562)	306.553	(1.661.989)	Deferred tax liabilities - net

Rekonsiliasi antara manfaat pajak dan hasil perkalian rugi akuntansi sebelum pajak penghasilan dengan tarif pajak yang berlaku adalah sebagai berikut:

A reconciliation between the total tax benefit and the amounts computed by applying the effective tax rate to loss before income taxes as follows:

	2016 USD	2015 USD	
Laba sebelum pajak menurut laporan laba rugi dan penghasilan komprehensif lain konsolidasian	17.790.700	106.660.147	Profit before tax per consolidated statements of profit or loss and other comprehensive income
Beban pajak dengan tarif yang berlaku	(4.447.675)	(26.665.037)	Tax expense at effective tax rates
Dampak pajak atas perbedaan yang tidak dapat diperhitungkan menurut fiskal:			Tax effects of non deductible expenses:
Perusahaan	(2.077.269)	(462.013)	The Company
Entitas anak	(1.735.177)	(2.119.424)	Subsidiaries
Penyesuaian yang diketahui pada tahun berjalan terkait pajak tangguhan tahun sebelumnya	-	894.030	Adjustment recognized in current year in relation to the prior year deferred tax
Beban pajak entitas anak sehubungan dengan SKP dan SPT pembetulan	(165.721)	(333.542)	Tax expenses of subsidiaries in connection with SKP and SPT correction
Beban pajak	(8.425.842)	(28.685.986)	Tax expense

11. DANA PERAWATAN PESAWAT DAN UANG JAMINAN

11. MAINTENANCE RESERVE FUND AND SECURITY DEPOSITS

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Dana perawatan pesawat (Catatan 48)	1.086.996.070	826.618.920	Aircraft maintenance reserve funds (Note 48)
Uang jaminan sewa operasi (Catatan 48)	154.874.633	186.134.731	Operating lease security deposits (Note 48)
Jumlah	1.241.870.703	1.012.753.651	Total

12. UANG MUKA PEMBELIAN PESAWAT

Akun ini merupakan uang muka pembelian pesawat Boeing 777-300ER, Boeing 737-800 MAX, Airbus A330-200, Airbus A320-200, ATR 72-600, mesin pesawat 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 MAX, Airbus A330-200, Airbus A320-200, ATR 72-600, aircraft engine and simulator equipment. Details of related agreements have been disclosed in Note 48.

Berikut dengan rincian uang muka pembelian pesawat:

Below are the details of advances for purchase of aircraft:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
A330			A330
Saldo awal	113.488.381	159.333.216	Beginning balance
Penambahan	23.680.624	42.473.431	Additions
Pengurangan	(50.335.447)	(88.318.266)	Deductions
Dialihkan dari A320	40.545.545	-	Transfer in from A320
Saldo akhir	127.379.103	113.488.381	Ending balance
A320			A320
Saldo awal	48.763.807	83.742.958	Beginning balance
Penambahan	5.068.049	41.239.313	Additions
Pengurangan	(3.999.439)	(76.218.464)	Deductions
Dialihkan ke A330	(40.545.545)	-	Transfer out to A330
Saldo akhir	9.286.872	48.763.807	Ending balance
B777-300ER			B777-300ER
Saldo awal	11.810.505	116.987.900	Beginning balance
Penambahan	-	265.135	Additions
Pengurangan	(11.810.505)	(105.442.530)	Deductions
Saldo akhir	-	11.810.505	Ending balance
B737-800 MAX			B737-800 MAX
Saldo awal	27.988.691	21.467.426	Beginning balance
Penambahan	-	6.521.265	Additions
Saldo akhir	27.988.691	27.988.691	Ending balance
ATR 72-600			ATR 72-600
Saldo	2.418.000	2.418.000	Balance
Mesin Pesawat			Aircraft Engine
Saldo	2.666.244	-	Balance
Flight Simulator			Flight Simulator
Saldo awal	-	4.933.991	Beginning balance
Penambahan	-	2.577.130	Additions
Pengurangan	-	(7.511.121)	Deductions
Saldo akhir	-	-	Ending balance
Jumlah	169.738.910	204.469.384	Total

13. INVESTASI PADA ENTITAS ASOSIASI

13. INVESTMENT IN ASSOCIATES

	Bidang usaha/ *Main business*	Tempat kedudukan/ *Domicile*	Persentase kepemilikan/ *Percentage of Ownership*	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*
			%	USD	USD
PT Aeroprima	Jasa boga pesawat/ *Aircraft catering services*	Jakarta	40,00	382.466	347.063
PT Aeronurti Catering Services	Jasa boga pesawat/ *Aircraft catering services*	Jakarta	45,00	45.013	52.709
Jumlah/*Total*				427.479	399.772

Entitas asosiasi yang dimiliki oleh Grup seluruhnya beroperasi di Indonesia. Seluruh entitas yang dicatat dengan menggunakan metode ekuitas dalam laporan keuangan konsolidasian ini.

The associates of the Group are operating exclusively in Indonesia. All of the above associates are accounted for using the equity method in these consolidated financial statements.

Mutasi investasi pada entitas asosiasi:

Changes in investments in associates:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
PT Aeroprima			PT Aeroprima
Saldo awal tahun	347.063	477.417	Balance at beginning of year
Bagian laba (rugi) bersih	180.056	(34.041)	Equity in net gain (loss)
Selisih kurs penjabaran	(144.653)	(96.313)	Translation adjustment
Saldo akhir tahun	382.466	347.063	Balance at end of year
PT Aeronurti Catering Services			PT Aeronurti Catering Services
Saldo awal tahun	52.709	68.230	Balance at beginning of year
Bagian laba (rugi) bersih	3.471	(6.138)	Equity in net gain (loss)
Selisih kurs penjabaran	(11.167)	(9.383)	Translation adjustment
Saldo akhir tahun	45.013	52.709	Balance at end of year

Ringkasan informasi keuangan terkait dengan asosiasi disajikan dibawah ini. Ringkasan informasi keuangan dibawah ini merupakan jumlah yang disajikan dalam laporan keuangan entitas asosiasi yang disusun sesuai dengan Standar Akuntansi Keuangan Indonesia.

Summarized financial information in respect of associates is set out below. The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance Indonesian Financial Accounting Standards.

	PT Aeroprima		PT Aeronurti Catering Services		
	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Aset	2.684.491	2.476.607	541.000	614.926	Assets
Liabilitas	1.757.179	1.632.861	562.079	633.249	Liabilities
Ekuitas yang dapat diatribusikan kepada pemilik	556.387	506.248	(11.594)	(7.790)	Equity attributable to owners of the Group
Kepentingan non pengendali	370.925	337.498	(9.486)	(10.533)	Non-controling interest
Jumlah	2.684.491	2.476.607	540.999	614.926	Total
Pendapatan	4.604.072	4.392.330	1.299.311	1.159.829	Revenue
Beban	(4.153.932)	(4.477.433)	(1.291.598)	(1.173.470)	Expenses
Laba (Rugi)	450.140	(85.103)	7.713	(13.641)	Profit (Loss)
Laba (Rugi) dan penghasilan komprehensif lain yang dapat diatribusikan kepada:					Profit (Loss) and other comprehensive income attributable to:
Pemilik	270.084	(51.062)	4.242	(7.503)	Owner of the Company
Kepentingan non pengendali	180.056	(34.041)	3.471	(6.138)	Non controlling interest
Jumlah laba (rugi) dan penghasilan komprehensif lain untuk tahun berjalan	450.140	(85.103)	7.713	(13.641)	Total profit (loss) and other comprehensive income for the year

14. ASET TETAP / 14. PROPERTY AND EQUIPMENT

	1 Januari 2016/ *January 1, 2016*	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 2016/ *December 31, 2016*	31 Desember 2016/ *December 31, 2016* Biaya perolehan/ *Cost*	31 Desember 2016/ *December 31, 2016* Revaluasi/ *Revaluation*	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	
Biaya Perolehan/revaluasi:											Acquisition Cost/Revaluation:
Aset pesawat											Aircraft assets
Pemilikan langsung											Direct Acquisition
Rangka pesawat	71.631.704	-	(1.639.846)	(26.161.173)	-	43.830.685	16.536.994	60.367.679	-	60.367.679	Airframes
Mesin	107.860.655	3.432	(3.507.209)	(38.771.739)	-	65.585.139	35.151.251	100.736.390	-	100.736.390	Engines
Simulator	97.930.214	-	-	-	-	97.930.214	-	97.930.214	97.930.214	-	Simulators
Rotable parts	157.448.640	7.359.150	-	1.842.810	-	166.650.600	-	166.650.600	166.650.600	-	Rotable parts
Aset pemeliharaan											Maintenance assets
Rangka pesawat	54.606.213	8.150.299	(4.515.239)	(3.000)	-	58.238.273	-	58.238.273	58.238.273	-	Airframes
Mesin	100.306.242	40.545.258	(56.032.753)	(5.188.693)	-	79.630.054	-	79.630.054	79.630.054	-	Engines
Aset dalam penyelesaian	-	-	-	9.123.977	-	9.123.977	-	9.123.977	9.123.977	-	Assets under construction
Aset sewa pembiayaan											Leased assets
Rangka pesawat	113.228.095	-	-	-	-	113.228.095	-	113.228.095	113.228.095	-	Airframes
Mesin	52.588.773	746.413	-	-	-	53.335.186	-	53.335.186	53.335.186	-	Engines
Pengembangan aset sewa	67.473.519	-	-	-	-	67.473.519	-	67.473.519	67.473.519	-	Leasehold improvement
Aset non-pesawat											Non aircraft assets
Pemilikan langsung											Direct Acquisition
Peralatan	236.031.807	19.556.207	(370.918)	3.109.181	447.950	258.774.227	-	258.774.227	258.774.227	-	Equipment
Perangkat keras	4.292.252	215.088	-	-	49.472	4.556.812	-	4.556.812	4.556.812	-	Hardware
Kendaraan	83.756.125	9.843.554	(3.191.679)	(2.918.291)	5.190.686	92.680.395	-	92.680.395	92.680.395	-	Vehicles
Mesin	12.475.499	3.530.871	(96.566)	5.577.078	333.127	21.820.009	-	21.820.009	21.820.009	-	Engines
Instalasi	6.512.653	513.622	(75.763)	419.437	183.771	7.553.720	-	7.553.720	7.553.720	-	Installation
Tanah	126.789.667	256.071	-	(3.253.994)	7.547.207	131.338.951	7.080.588	138.419.539	-	138.419.539	Land
Hak atas tanah	62.202	-	-	-	-	62.202	-	62.202	62.202	-	Land right
Bangunan dan prasarana	125.444.391	2.601.938	(1.725.346)	(11.798.666)	(2.258.513)	112.263.804	7.846.072	120.109.876	-	120.109.876	Buildings and infrastructure
Aset dalam penyelesaian	6.499.424	7.432.018	(3.854)	(6.873.461)	311.587	7.365.714	-	7.365.714	7.365.714	-	Assets under construction
Aset sewa pembiayaan											Leased assets
Kendaraan	15.551.729	59.232.171	(24.659)	-	(6.199)	74.753.042	-	74.753.042	74.753.042	-	Vehicles
Perangkat keras	3.971.126	-	-	-	-	3.971.126	-	3.971.126	3.971.126	-	Hardware
Pengembangan aset sewa											Leasehold improvement
Bangunan	12.869.845	130.678	(137.527)	1.815.867	56.592	14.735.455	-	14.735.455	14.735.455	-	Buildings
Bangun, kelola, alih											Building, operate, transfer
Bangunan dan prasarana	855.202	-	(247.779)	-	101.361	708.784	-	708.784	708.784	-	Buildings and infrastructure
Mesin	117.337	-	(5.065)	-	5.108	117.380	-	117.380	117.380	-	Engines
Instalasi	108.597	-	(12.447)	-	6.948	103.098	-	103.098	103.098	-	Installation
Jumlah	1.458.411.911	160.116.770	(71.586.650)	(73.080.667)	11.969.097	1.485.830.461	66.614.905	1.552.445.366	1.132.811.882	419.633.484	Total

	1 Januari 2015/ *January 1, 2015*	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 2016/ *December 31, 2016*	
	USD	USD	USD	USD	USD	USD	USD	USD	
Akumulasi penyusutan:									Accumulated depreciation:
Asset pesawat									Aircraft assets
Pemilikan langsung									Direct Acquisition
Rangka pesawat	2.328.858	25.111.105	(1.639.847)	(24.315.115)	-	1.485.001	-	1.485.001	Airframes
Mesin	3.393.395	40.612.834	(3.202.911)	(38.771.738)	-	2.031.580	-	2.031.580	Engines
Simulator	57.408.247	4.315.169	-	16.144	-	61.739.560	-	61.739.560	Simulators
Rotable parts	123.740.358	5.357.913	-	-	-	129.098.271	-	129.098.271	Rotable parts
Aset pemeliharaan									Maintenance assets
Rangka pesawat	15.220.708	8.108.688	(4.515.239)	(1.432.870)	-	17.381.287	-	17.381.287	Airframes
Mesin sewa	62.026.492	34.003.580	(52.906.424)	-	-	43.123.648	-	43.123.648	Engines
Aset sewa pembiayaan									Leased assets
Rangka pesawat	13.672.784	5.151.708	-	(130.934)	-	18.693.558	-	18.693.558	Airframes
Mesin	10.346.788	5.139.462	-	-	-	15.486.250	-	15.486.250	Engines
Pengembangan aset sewa	27.107.690	6.934.917	-	-	-	34.042.607	-	34.042.607	Leasehold improvement
Aset non pesawat									Non aircraft assets
Pemilikan langsung									Direct Acquisition
Peralatan	170.670.638	10.127.612	(354.764)	1.751.732	318.138	182.513.356	-	182.513.356	Equipment
Perangkat keras	1.294.247	680.326	-	-	145.634	2.120.207	-	2.120.207	Hardware
Kendaraan	81.120.295	6.279.418	(1.976.562)	(1.393.880)	1.884.352	85.913.623	-	85.913.623	Vehicles
Mesin	5.417.605	2.059.197	(54.524)	1.672.827	(23.927)	9.071.178	-	9.071.178	Engine
Instalasi	3.934.955	683.752	(75.763)	13.921	(43.149)	4.513.716	-	4.513.716	Installation
Hak atas tanah	5.199	-	-	-	-	5.199	-	5.199	Land right
Bangunan dan prasarana	960.600	8.938.712	(72.380)	(5.502.732)	(3.528.280)	795.920	-	795.920	Buildings & Infrastructure
Aset sewa pembiayaan									Leased assets
Kendaraan	445.909	3.318.140	(8.733)	-	104.166	3.859.482	-	3.859.482	Vehicles
Perangkat keras	3.218.013	-	-	-	-	3.218.013	-	3.218.013	Hardware
Pengembangan aset sewa									Leasehold improvement
Bangunan	7.969.601	1.829.882	(33.236)	-	25.488	9.791.735	-	9.791.735	Buildings
Bangun, kelola, alih									Buildings, operate, transfer
Bangunan dan prasarana	833.897	4.471	(241.193)	-	93.100	690.275	-	690.275	Buildings and Infrastructure
Mesin	98.181	3.504	(5.065)	-	4.559	101.179	-	101.179	Engine
Instalasi	108.242	-	(12.447)	-	6.949	102.744	-	102.744	Installation
Jumlah	591.322.702	168.660.390	(65.099.088)	(68.092.645)	(1.012.970)	625.778.389	-	625.778.389	Total
Nilai tercatat	867.089.209							926.666.977	Net carrying value

	1 Januari 2015/ *January 1, 2015*	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 2015/ *December 31, 2015*	31 Desember 2015/ *December 31, 2015* Biaya perolehan/ *Cost*	31 Desember 2015/ *December 31, 2015* Revaluasi/ *Revaluation*	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	
Biaya Perolehan/revaluasi:											Acquisition Cost/Revaluation:
Aset pesawat											Aircraft assets
Pemilikan langsung											Direct Acquisition
Rangka pesawat	88.037.553	-	(1.723.358)	(21.814.912)	-	64.499.283	7.132.421	71.631.704	-	71.631.704	Airframes
Mesin	127.619.245	24.296.519	(25.683.718)	(23.340.782)	-	102.891.264	4.969.391	107.860.655	-	107.860.655	Engines
Simulator	97.677.170	253.044	-	-	-	97.930.214	-	97.930.214	97.930.214	-	Simulators
Rotable parts	148.312.198	4.372.406	(539.555)	5.303.591	-	157.448.640	-	157.448.640	157.448.640	-	Rotable parts
Aset pemeliharaan											Maintenance assets
Rangka pesawat	44.165.526	16.232.769	(5.577.794)	(214.288)	-	54.606.213	-	54.606.213	54.606.213	-	Airframes
Mesin	110.438.165	27.497.368	(33.694.006)	(3.935.285)	-	100.306.242	-	100.306.242	100.306.242	-	Engines
Aset sewa pembiayaan											Leased assets
Rangka pesawat	182.476.240	-	-	(1.774.626)	-	180.701.614	-	180.701.614	180.701.614	-	Airframes
Mesin	54.100.000	507.048	(2.018.275)	-	-	52.588.773	-	52.588.773	52.588.773	-	Engines
Aset non-pesawat											Non aircraft assets
Pemilikan langsung											Direct Acquisition
Peralatan	224.358.018	3.557.175	(1.379.554)	11.528.595	(2.032.427)	236.031.807	-	236.031.807	236.031.807	-	Equipment
Perangkat keras	7.326.574	230.567	-	(3.264.889)	-	4.292.252	-	4.292.252	4.292.252	-	Hardware
Kendaraan	91.394.762	3.432.869	(6.147.904)	(916.480)	(4.007.122)	83.756.125	-	83.756.125	83.756.125	-	Vehicles
Mesin	9.949.624	1.700.096	(105.092)	1.965.220	(1.034.349)	12.475.499	-	12.475.499	12.475.499	-	Engines
Instalasi	6.549.135	601.406	-	76.952	(714.840)	6.512.653	-	6.512.653	6.512.653	-	Installation
Tanah	117.085.738	383.512	-	(65.337)	(9.864.496)	107.539.417	19.250.250	126.789.667	-	126.789.667	Land
Hak atas tanah	62.202	-	-	-	-	62.202	-	62.202	62.202	-	Land right
Bangunan dan prasarana	89.875.744	4.258.598	(20.672)	34.480.113	(4.023.600)	124.570.183	874.208	125.444.391	-	125.444.391	Buildings and infrastructure
Aset dalam penyelesaian	56.865.396	6.903.885	(168.099)	(56.780.925)	(320.833)	6.499.424	-	6.499.424	6.499.424	-	Assets under construction
Aset sewa pembiayaan											Leased assets
Kendaraan	-	15.582.327	-	-	(30.598)	15.551.729	-	15.551.729	15.551.729	-	Vehicles
Perangkat keras	-	-	-	3.971.126	-	3.971.126	-	3.971.126	3.971.126	-	Hardware
Pengembangan aset sewa											Leasehold improvement
Bangunan	12.128.177	944.334	(371.504)	462.495	(293.657)	12.869.845	-	12.869.845	12.869.845	-	Buildings
Bangun, kelola, alih											Building, operate, transfer
Bangunan dan prasarana	1.621.940	-	(22)	(706.237)	(60.479)	855.202	-	855.202	855.202	-	Buildings and infrastructure
Mesin	119.151	20.729	(13.277)	-	(9.266)	117.337	-	117.337	117.337	-	Engines
Instalasi	120.426	-	-	-	(11.829)	108.597	-	108.597	108.597	-	Installation
Jumlah	1.470.282.984	110.774.652	(77.442.830)	(55.025.669)	(22.403.496)	1.426.185.641	32.226.270	1.458.411.911	1.026.685.494	431.726.417	Total

	1 Januari 2015/ *January 1, 2015*	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 2015/ *December 31, 2015*	
	USD	USD	USD	USD	USD	USD	USD	USD	
Akumulasi penyusutan:									Accumulated depreciation:
Asset pesawat									Aircraft assets
Pemilikan langsung									Direct Acquisition
Rangka pesawat	2.183.399	26.771.711	(1.162.756)	(25.463.496)	-	2.328.858	-	2.328.858	Airframes
Mesin	4.825.848	46.049.305	(22.994.863)	(24.486.895)	-	3.393.395	-	3.393.395	Engines
Simulator	53.098.251	4.309.996	-	-	-	57.408.247	-	57.408.247	Simulators
Rotable parts	118.830.636	5.112.415	(202.693)	-	-	123.740.358	-	123.740.358	Rotable parts
Aset pemeliharaan									Maintenance assets
Rangka pesawat	9.769.979	7.914.165	(5.577.794)	3.114.358	-	15.220.708	-	15.220.708	Airframes
Mesin sewa	58.378.117	37.342.381	(33.694.006)	-	-	62.026.492	-	62.026.492	Engines
Aset sewa pembiayaan									Leased assets
Rangka pesawat	9.021.725	5.279.572	-	(628.513)	-	13.672.784	-	13.672.784	Airframes
Mesin	7.430.422	4.934.641	(2.018.275)	-	-	10.346.788	-	10.346.788	Engines
Pengembangan aset sewa	19.930.773	7.176.917	-	-	-	27.107.690	-	27.107.690	Leasehold improvement
Aset non pesawat									Non aircraft assets
Pemilikan langsung									Direct Acquisition
Peralatan	165.440.274	9.766.407	(1.260.160)	416.029	(3.691.912)	170.670.638	-	170.670.638	Equipment
Perangkat keras	1.510.156	309.578	-	(525.487)	-	1.294.247	-	1.294.247	Hardware
Kendaraan	80.815.206	8.206.237	(3.295.859)	(878.259)	(3.727.030)	81.120.295	-	81.120.295	Vehicles
Mesin	4.294.074	2.005.662	(104.904)	-	(777.227)	5.417.605	-	5.417.605	Engine
Instalasi	3.879.340	632.904	-	-	(577.289)	3.934.955	-	3.934.955	Installation
Hak atas tanah	-	5.199	-	-	-	5.199	-	5.199	Land right
Bangunan dan prasarana	585.756	7.254.514	(20.672)	(6.555.949)	(303.049)	960.600	-	960.600	Buildings & Infrastructure
Aset sewa pembiayaan									Leased assets
Kendaraan	36.149	415.281	-	-	(5.521)	445.909	-	445.909	Vehicles
Perangkat keras	-	885.027	-	2.332.986	-	3.218.013	-	3.218.013	Hardware
Pengembangan aset sewa									Leasehold improvement
Bangunan	5.990.812	2.223.369	-	(67.361)	(177.219)	7.969.601	-	7.969.601	Buildings
Bangun, kelola, alih									Buildings, operate, transfer
Bangunan dan prasarana	1.028.127	4.877	(22)	(115.339)	(83.746)	833.897	-	833.897	Buildings and Infrastructure
Mesin	119.151	689	(13.277)	-	(8.382)	98.181	-	98.181	Engine
Instalasi	120.427	-	-	-	(12.185)	108.242	-	108.242	Installation
Jumlah	547.288.622	176.600.847	(70.345.281)	(52.857.926)	(9.363.560)	591.322.702	-	591.322.702	Total
Nilai tercatat	922.994.362							867.089.209	Net carrying value

Beban penyusutan yang dibebankan dalam beban operasional untuk tahun yang berakhir 31 Desember 2016 dan 2015 masing-masing sebesar USD 168.660.390 dan USD 176.600.847.

Depreciation expense charged to operations for the year ended December 31, 2016 and 2015 amounted to USD 168,660,390 and USD 176,600,847, respectively.

Pelepasan aset tetap adalah sebagai berikut:

Disposal of property and equipment are as follows:

	2016	2015	
	USD	USD	
Nilai tercatat	3.056.932	4.795.573	Net carrying value
Hasil penjualan setelah dikurangi biaya penjualan	2.431.082	4.919.424	Proceeds net of selling expenses
Keuntungan (kerugian) penjualan aset tetap	(625.850)	123.851	Gain (loss) on sale of property and equipment

Pada tahun 2015, Perusahaan menjual satu buah pesawat B737-500 dengan Nomor Seri Pabrikan 28730 dan Nomor Register PK-GGF kepada Tentara Nasional Indonesia – Angkatan Udara (TNI-AU) dengan nilai tercatat dan biaya penjualan sebesar USD 3.249.457. Harga yang disepakati kedua belah pihak adalah sebesar Rp 44.972.584.207 atau setara USD 3.260.064. Keuntungan atas penjualan pesawat tersebut adalah sebesar Rp 129.346.416 atau setara dengan USD 10.607.

In 2015, the Company dispose an aircraft B737-500 with Serial Number 28730 and Register Number PK-GGF to Indonesian National Army – Air Force with net carrying and selling cost value amounting to USD 3,249,457. The agreed price is Rp 44,972,584,207 or equivalent USD 3,260,064. Gain on sale of the aircraft is Rp 129,346,416 or equivalent USD 10,607.

Penilaian atas nilai wajar aset tetap berupa tanah, bangunan dan pesawat dilakukan oleh penilai independen yang telah teregistrasi di OJK, KJPP Fuadah, Rudi & Rekan untuk tahun 2016 dalam laporannya tertanggal 27 Januari 2017. KJPP Iskandar & Rekan untuk tahun 2015 dengan laporannya tertanggal 28 Desember 2015. Penilaian aset tetap masing-masing menggunakan laporan per 30 November 2016 dan 2015.

The revaluation of land, buildings and aircrafts was performed by independent appraisers registered in OJK, KJPP Fuadah, Rudi & Rekan for 2016 as stated in report dated January 27, 2017. KJPP Iskandar & Rekan for 2015 as stated in report dated December 28, 2015. The revaluation of fixed assets used the financial information as of November 30, 2016 and 2015, respectively.

Berdasarkan laporan penilaian tersebut dilakukan sesuai dengan Standar Penilaian Indonesia (SPI) yang ditentukan berdasarkan transaksi terkini dalam ketentuan yang wajar dan Peraturan Bapepam-LK No. VIII.C.4 tentang pedoman penilaian dan penyajian laporan penilaian aset di pasar modal. Metode penilaian yang digunakan adalah pendekatan nilai pasar dan biaya.

Based on the appraisal report, the valuation was determined in accordance with the Indonesian Appraisal Standards (SPI), referring to recent arm's length market transaction and Bapepam-LK's rule No. VIII.C.4. regarding valuation and presentation of asset valuation report in capital market. Appraisal method used is the market value and cost approach.

Rincian dari tanah milik Grup, bangunan dan pesawat serta informasi mengenai hirarki nilai wajar per 31 Desember 2016, adalah sebagai berikut:

Details of the Group's land, building and aircraft and information about the fair value hierarchy as of December 31, 2016, are as follows:

	Tingkat 1/ *Level 1*	Tingkat 2/ *Level 2*	Tingkat 3/ *Level 3*	
Tanah	-	√	-	Land
Bangunan dan prasarana	-	-	√	Building and improvement
Pesawat	-	√	-	Aircraft

Tidak ada perpindahan antara tingkat 1 dan tingkat 2 selama periode tersebut.

There were no transfer between Level 1 and level 2 during the period.

Selisih nilai wajar aset dengan nilai tercatat dikurangi dengan penghasilan pajak tangguhan, dibukukan pada penghasilan 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:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Pesawat	88.992.999	123.916.289	Aircraft
Tanah	30.575.683	30.483.635	Land
Bangunan dan prasarana	79.407.605	80.308.871	Building and improvement
Jumlah	198.976.287	234.708.795	Total

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.

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.

Pada tanggal 31 Desember 2016, aset dalam penyelesaian terdiri dari:

As of December 31, 2016, assets under construction consisted of the following:

	31 Desember 2016/ *December 31, 2016*				
	Nilai tercatat/ *Carrying amount* USD	Jumlah kontrak/ *Total contract* USD	Persentase penyelesaian/ *Percentage of completion* %	Estimasi penyelesaian/ *Estimated completion*	
Instalasi mesin	649.662	1.639.913	40%	2017	Machine installation
Perangkat lunak	1.725.600	4.914.000	35%	2018	Software
Kontruksi bangunan	4.990.452	11.022.239	45%	2017	Building construction
	7.365.714	17.576.152			

Jumlah tercatat bruto dari setiap aset tetap yang telah disusutkan penuh dan masih digunakan per 31 Desember 2016 sebesar USD 130.342.293.

Gross carrying amount of property and equipment that have been fully depreciated and still in use as of December 31, 2016 amounted to USD 130,342,293.

Aset tetap Grup digunakan sebagai jaminan utang bank, jaminan pinjaman jangka panjang dan utang sewa pembiayaan (Catatan 18, 23 dan 24).

Property and equipment of the Group are used as collateral for bank loan, long-term loans and lease liabilities (Notes 18, 23 and 24).

Perusahaan mengubah umur masa manfaat untuk jenis pesawat jenis pesawat Airbus 330-300 di tahun 2016 dari 22 tahun menjadi 25 tahun dan Boeing 747-400 di tahun 2015 dari 22 tahun menjadi 27 tahun. Perubahan tersebut diperlakukan secara prospektif yang menyebabkan penurunan beban penyusutan sebesar USD 5.749.799 di tahun 2016 dan USD 7.264.555 di tahun 2015.

The Company changed the estimated useful life of Airbus 330-300 in 2016 from 22 to 25 years and Boeing 747-400 in 2015 from 22 to 27 years. Such change in estimate was accounted prospectively resulting to reduction in depreciation expense by USD 5,749,799 in 2016 and USD 7,264,555 in 2015.

Pada tanggal 31 Desember 2016, lima pesawat Boeing 737-300, tiga pesawat Boeing 737-500, dan satu mesin pesawat cadangan Boeing 737-300 yang dimiliki PT Citilink Indonesia, entitas anak, tidak digunakan untuk sementara dengan nilai tercatat sebesar USD 10.077.144.

As of December 31, 2016, five Boeing 737-300 aircrafts, three Boeing 737-500 aircraft, and one engine spare owned by PT Citilink Indonesia, a subsidiary, are temporarily idle with carrying amount of USD 10,077,144.

Pada tanggal 31 Desember 2016 dan 2015, aset tetap kecuali tanah, telah diasuransikan kepada perusahaan asuransi terhadap risiko kebakaran, pencurian dan risiko lainnya sebagai berikut:

As of December 31, 2016 and 2015, property and equipment except land, were insured with insurance companies against fire, theft and other possible risk as follows:

Periode/ *Period*	Perusahaan asuransi/ Insurance company	Nilai pertanggungan/ *Sum insured*	
		USD	Rupiah
31 Desember 2016/ *December 31, 2016*	Pihak berelasi (Catatan 45)/ *Related party (Note 45)*		
	PT Asuransi Jasa Indonesia dan/ *and* PT Tugu Pratama Indonesia	119.270.508	5.428.692.017.893
	Pihak ketiga/ *Third parties*		
	PT Asuransi Bina Dana Artha dan/ *and* PT Himalaya Pelindung	504.322	13.251.820.000
31 Desember 2015/ *December 31, 2015*	Pihak berelasi (Catatan 45)/ *Related party (Note 45)*		
	PT Asuransi Jasa Indonesia dan/ *and* PT Tugu Pratama Indonesia	165.382.413	2.899.878.025.547
	Pihak ketiga/ *Third parties*		
	PT Asuransi Bina Dana Artha dan/ *and* PT Himalaya Pelindung	1.057.566	14.993.560.000

Manajemen berpendapat bahwa nilai pertanggungan tersebut cukup untuk menutupi kemungkinan kerugian atas aset yang dipertanggungkan.

Management believes that the insurance coverage is adequate to cover possible losses on the assets insured.

15. PROPERTI INVESTASI / 15. INVESTMENT PROPERTIES

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
	USD	USD	
Saldo awal	55.390.166	26.818.510	Beginning balance
Keuntungan atas revaluasi	366.651	28.665.833	Gain on revaluation
Penambahan	7.572	-	Addition
Pengurangan	(1.495.580)	-	Deduction
Reklasifikasi (Catatan 14)	3.462.612	65.337	Reclassification (Note 14)
Translasi	41.053	(159.514)	Translation
Jumlah	57.772.474	55.390.166	Ending balance

Grup mempunyai properti investasi berupa tanah dan bangunan.

The Group has investment properties in land and building.

Penilaian atas nilai wajar properti investasi dilakukan oleh penilai independen yang telah teregistrasi di OJK, KJPP Fuadah, Rudi & Rekan untuk tahun 2016 dan KJPP Iskandar & Rekan untuk tahun 2015. Penilaian properti investasi masing-masing menggunakan laporan per 30 November 2016 dan 2015.

The revaluation of investment properties was performed by independent appraisers registered with OJK, KJPP Fuadah, Rudi & Rekan for 2016 and KJPP Iskandar & Rekan for 2015. The revaluation of investment property used the financial information as of November 30, 2016 and 2015, respectively.

Pada tanggal 15 Januari 2016 GOHA melakukan penjualan aset properti investasi bangunan dengan nilai tercatat sebesar USD 1.495.580 dan harga jual sebesar AUD 2.050.000 (atau setara USD 1.441.498).

On January 15, 2016 GOHA disposed its investment property building with net carrying value amounted to USD 1,495,580 and agreed price amounted to AUD 2.050.000 (or equivalent USD 1.441.498).

Berdasarkan laporan penilaian tersebut dilakukan sesuai dengan Standar Penilaian Indonesia (SPI) yang ditentukan berdasarkan transaksi terkini dalam ketentuan yang wajar dan Peraturan Bapepam-LK No. VIII.C.4 tentang pedoman penilaian dan penyajian laporan penilaian aset di pasar modal. 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 and Bapepam-LK's rule No. VIII.C.4. regarding valuation and presentation of asset valuation report in capital market. Appraisal method used is the market value and cost approach.

Selisih nilai wajar aset dengan nilai tercatat, dibukukan sebagai keuntungan atas revaluasi properti investasi. Pada 31 Desember 2016, nilai wajar property investasi Grup dikategorikan sebagai level 2, dan tidak ada perpindahan level 1 dan 2 selama tahun berjalan.

The difference between the fair value and carrying amount of the asset is recorded as gain on revaluation of investment properties. As of December 31, 2016, the Group's investment properties fair value is categorised as Level 2, and there were no transfers between Level 1 and Level 2 during the year.

16. ASET TAKBERWUJUD - BERSIH / 16. INTANGIBLE ASSETS– NET

	1 Januari/ *January 1,* 2016	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Reklasifikasi/ *Reclassifications*	Selisih Kurs Penjabaran/ *Translation*	31 Desember/ *December 31,* 2016	
	USD	USD	USD	USD	USD	USD	
Biaya perolehan:							Acquisition cost:
Pemilikan langsung							Direct acquisitions
Perangkat lunak	1.432.890	17.580	-	-	20.991	1.471.461	Software
Lisensi	12.847.359	739.042	(446.085)	-	(2.240)	13.138.076	License
Aset sewa pembiayaan							Leased assets
Perangkat lunak	1.425.866	-	-	-	12.103	1.437.969	Software
Lisensi	175.042	-	-	-	1.486	176.528	License
Perangkat lunak dalam penyelesaian	182.501	1.807.520	-	-	(71.271)	1.918.750	Software still under installation
Jumlah	16.063.658	2.564.142	(446.085)	-	(38.931)	18.142.784	Total
Akumulasi penyusutan:							Accumulated amortization:
Pemilikan langsung							Direct acquisitions
Perangkat lunak	744.503	353.969	-	-	17.242	1.115.714	Software
Lisensi	9.522.532	1.005.922	-	-	6.976	10.535.430	License
Aset sewa pembiayaan							Leased assets
Perangkat lunak	1.020.681	295.426	-	-	31.926	1.348.033	Software
Lisensi	127.419	19.524	-	-	3.772	150.715	License
Jumlah	11.415.135	1.674.841	-	-	59.916	13.149.892	Total
Nilai buku	4.648.523					4.992.892	Net carrying value

	1 Januari/ *January 1,* 2015	Penambahan/ *Additions*	Pengurangan/ *Deductions*	Reklasifikasi/ *Reclassifications*	31 Desember/ *December 31,* 2015	
	USD	USD	USD	USD	USD	
Biaya perolehan:						Acquisition cost:
Pemilikan langsung						Direct acquisitions
Perangkat lunak	1.354.293	78.597	-	-	1.432.890	Software
Lisensi	12.847.359	-	-	-	12.847.359	License
Aset sewa pembiayaan						Leased assets
Perangkat lunak	1.425.866	-	-	-	1.425.866	Software
Lisensi	175.042	-	-	-	175.042	License
Perangkat lunak dalam penyelesaian	-	182.501	-	-	182.501	Software still under installation
Jumlah	15.802.560	261.098	-	-	16.063.658	Total
Akumulasi penyusutan:						Accumulated amortization:
Pemilikan langsung						Direct acquisitions
Perangkat lunak	539.215	205.288	-	-	744.503	Software
Lisensi	8.410.040	1.112.492	-	-	9.522.532	License
Aset sewa pembiayaan						Leased assets
Perangkat lunak	706.923	313.758	-	-	1.020.681	Software
Lisensi	99.053	28.366	-	-	127.419	License
Jumlah	9.755.231	1.659.904	-	-	11.415.135	Total
Nilai buku	6.047.329				4.648.523	Net carrying value

Aset takberwujud merupakan sistem *PSS Release 15*, 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., pembelian lisensi oracle dari PT Oracle Indonesia dan *Internet Booking Engine (IBE).*

Intangible assets represent *PSS Release 15*, 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 and purchase of oracle license from PT Oracle Indonesia and Internet Booking Engine (IBE).

Per 31 Desember 2016, manajemen telah dilakukan penurunan nilai atas PSS Release 15 sebesar USD 446.085 dan dibebankan di tahun berjalan.

As of December 31, 2016, PSS Release 15 was impaired amounted to USD 446,085 and charged in the current year.

Pada tanggal 31 Desember 2016, aset dalam penyelesaian terdiri dari:

As of December 31, 2016, assets under construction consisted of the following:

	31 Desember 2016/ December 31, 2016				
	Nilai tercatat/ *Carrying amount*	Jumlah kontrak/ *Total contract*	Persentase penyelesaian/ *Percentage of completion*	Estimasi penyelesaian/ *Estimated completion*	
	USD	USD	%		
Perangkat lunak	1.918.751	21.310.971	9%	2018	Software
	1.918.751	21.310.971			

Beban amortisasi untuk tahun yang berakhir 31 Desember 2016 dan 2015 masing-masing sebesar USD 1.674.841 dan USD 1.659.904 disajikan sebagai beban operasional jaringan.

Amortization expense for the year ended December 31, 2016 and 2015 amounted to USD 1,674,841 and USD 1,659,904, respectively, which are presented as network operation expenses.

Manajemen berpendapat bahwa tidak terdapat kejadian atau perubahan keadaan yang mengindikasikan penurunan nilai aset takberwujud pada tanggal pelaporan.

Management believes that there are no events or changes in circumstances which may indicate impairment of intangible assets as of reporting date.

Tidak terdapat aset takberwujud yang dijaminkan.

There were no intangible assets used as collateral.

17. ASET LAIN-LAIN– BERSIH / 17. OTHER ASSETS– NET

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
	USD	USD	
Manufacturer's incentive	24.356.395	10.772.919	Manufacturer's incentive
Aset program (Catatan 28)	13.708.978	11.897.495	Plan assets (Note 28)
Uang jaminan - *non aircraft*	7.871.689	12.048.258	Security deposits - non aircraft
Aset keuangan lainnya	4.317.783	4.032.565	Other financial assets
Aset tidak digunakan	3.691.103	3.984.755	Non productive assets
Kas yang dibatasi penggunaannya	142.402	92.787	Restricted cash
Lain-lain	7.077.029	7.399.287	Others
Jumlah	61.165.379	50.228.066	Total

Manufacturer's Incentive / Manufacturer's Incentive

Mutasi *manufacturer's incentive* adalah sebagai berikut:

Movements of manufacturer's incentive are as follows:

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
	USD	USD	
Saldo awal	10.772.919	8.870.062	Beginning balance
Penambahan	26.482.000	10.810.251	Additions
Pengurangan	(12.898.524)	(8.907.394)	Deductions
Saldo Akhir	24.356.395	10.772.919	Ending balance

Aset keuangan lainnya - tersedia untuk dijual

Saldo investasi tersedia untuk dijual Grup adalah sebagai berikut:

Other financial assets - available for sale

The Group available for sale investments are as follows:

	Tempat kedudukan/ *Domicile*	Persentase kepemilikan/ *Percentage of Ownership*	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*
		%	USD	USD
Investasi Saham - sebesar biaya/ *Investments in Shares - at cost*				
Sabre Asia Pacific Pte., Ltd (d/h/ *formerly* Abacus International Ltd.)	Singapura/ *Singapore*	2,06	1.730.948	1.730.948
Papas Limited	Hongkong	17,65	1.242.816	1.242.816
PT Nusa Dua Graha International	Bali	8,00	975.593	952.137
PT Arthaloka Indonesia	Jakarta	3,00	85.428	83.205
PT Bumi Minang Padang Plaza	Padang	10,00	34.151	23.459
Sub Jumlah/*Sub Total*			4.068.936	4.032.565
Lainnya/*Other*			248.847	-
Jumlah/ *Total*			4.317.783	4.032.565

Grup memiliki saham-saham tersebut dimaksudkan untuk memperoleh potensi keuntungan dalam jangka panjang karena Perusahaan tersebut bergerak dalam industri 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.

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 tersedia untuk dijual lainnya milik GOHK yang dikelola oleh Industrial Bank of Korea (IBK) dalam bentuk investasi Obligasi, saham dan pasar uang sebesar.

Other available for sale assets are other financial instrument owned by GOHK which is managed by Industrial Bank of Korea (IBK).

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.

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
	USD	USD	
Nilai buku - sebelum penurunan	4.242.410	4.242.410	Net carrying amount - before impairment
Penyisihan penurunan nilai aset	(551.307)	(257.655)	Provision for impairment of assets
Bersih	3.691.103	3.984.755	Net
Mutasi penyisihan sebagai berikut:			The movement of the provision is follow:
Saldo awal	(257.655)	(424.913)	Beginning balance
Perubahan bersih tahun berjalan	(293.652)	167.258	Net changes for the period
Saldo akhir	(551.307)	(257.655)	Ending balance

Uang jaminan – *non aircraft*

Akun ini merupakan uang jaminan atas sewa gedung kantor cabang dan biaya utilitas.

Kas yang dibatasi penggunaannya

Akun ini merupakan kas yang dibatasi penggunaannya sehubungan dengan pinjaman jangka panjang.

Security deposits – non aircraft

This account represents security deposits for branch office buildings and utilities.

Restricted cash

This account represents restricted cash related to long term loan.

18. UTANG BANK DAN LEMBAGA KEUANGAN / 18. LOANS FROM BANKS AND FINANCIAL INSTITUTION

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Bank Rakyat Indonesia	168.755.720	115.515.087	Bank Rakyat Indonesia
Bank ICBC	139.596.549	44.486.071	Bank ICBC
Bank Negara Indonesia	131.455.725	1.436.609	Bank Negara Indonesia
Bank Panin	85.000.000	-	Bank Panin
Bank of China	50.000.000	50.000.000	Bank of China
Bank Permata	35.000.000	70.000.000	Bank Permata
Bank CIMB Niaga	35.000.000	26.300.000	Bank CIMB Niaga
KEB Hana Bank	25.000.000	-	KEB Hana Bank
Bank HSBC	14.814.742	15.832.255	Bank HSBC
Bank Mandiri	11.164.037	-	Bank Mandiri
Bank Central Asia	2.224.345	-	Bank Central Asia
Bank Standard Chartered	-	21.000.000	Bank Standard Chartered
Bank ANZ	-	16.684.248	Bank ANZ
Jumlah	698.011.118	361.254.270	Total

Bank Rakyat Indonesia

- Perusahaan

  Pada tanggal 30 Desember 2014, Perusahaan memperoleh fasilitas kredit dari Bank Rakyat Indonesia dalam bentuk Kredit Modal Kerja Impor ("KMKI"), Penangguhan Jaminan Impor ("PJI") dalam bentuk Surat Kredit Berdokumen Dalam Negeri ("SKBDN"), *Letter of Credit (LC), Sight/Usance/Usance Payable at Sight* (UPAS) dan *Standby Letter of Credit* (SBLC) senilai Rp 1 triliun dan USD 30 juta. Fasilitas KMKI memiliki jangka waktu maksimum 6 (enam) bulan untuk LC/SKBDN/Sight dan 3 (tiga) bulan untuk LC/SKBDN Usance/UPAS, fasilitas PJI dengan jangka waktu maksimum 180 (seratus delapan puluh) hari dan fasilitas SBLC dengan jangka waktu maksimum 12 bulan. Pada tanggal 21 Desember 2015, fasilitas ini diadendum menjadi sebesar Rp 2 triliun dan USD 30 juta dengan maksimum limit penggunaan fasilitas kredit kepada PT Citilink Indonesia senilai Rp 300 Milyar.

  Tujuan dari fasilitas KMKI dan PJI adalah untuk pembelian bahan bakar pesawat dari Pertamina dan pemeliharaan pesawat oleh GMFAA.

Bank Rakyat Indonesia

- Company

  On December 30, 2014, the Company obtained credit facilities consisting of Kredit Modal Kerja Impor (KMKI), and Penangguhan Jaminan Impor ("PJI") in the form of Surat Kredit Berdokumen Dalam Negeri ("SKBDN"), Letter of Credit (LC), Sight/Usance/ Usance Payable at Sight (UPAS) and Standby Letter of Credit (SBLC) amounting to Rp 1 trillion and USD 30 million. KMKI facility has tenor of up to 6 (six) months, for LC/SKBDN/Sight and up to 3 (three) months for LC/SKBDN Usance/UPAS, PJI facility has tenor of up to 180 (one hundred and eighty) days and SBLC facility tenor has of up to 12 months. On December 21, 2015, this facility was amended to become Rp 2 trillion and USD 30 million with maximum credit facility utilization limit to PT Citilink Indonesia amounted to Rp. 300 billion.

  The purposes of the KMKI and PJI facilities are for jet fuel purchases from Pertamina and aircraft maintenance of GMFAA.

Jumlah saldo per 31 Desember 2016 adalah sebesar USD 20.000.000 dan Rp 1.998.681.860.258 (setara dengan USD 148.755.720) dan 31 Desember 2015 Rp 1.593.530.628.612 (setara dengan USD 115.515.087).

Total outstanding loan as of December 31, 2016 amounted to USD 20,000,000 and Rp 1,998,681,860,258 (equivalent to USD 148,755,720) and December 31, 2015 Rp 1,593,530,628,612 (equivalent to USD 115,515,087).

Bank Industrial Commercial Bank of China (ICBC)

- Perusahaan

Pada tanggal 14 November 2013, Perusahaan mendapatkan fasilitas kredit dalam bentuk Surat Kredit Berdokumen Dalam Negeri ("SKBDN") dan the Omnibus Sight/Usance/Usance Payable at Sight (UPAS) Letter of Credit (L/C) termasuk Standby Letter of Credit Line (SBLC). SKBDN dan UPAS memiliki jangka waktu maksimum 90 hari dan untuk SBLC memiliki jangka waktu maksimum 12 bulan. Kredit gabungan untuk kedua fasilitas ini sebesar USD 20 juta. Pada tanggal 10 Desember 2015, maksimum fasilitas pinjaman diamandemen menjadi sebesar USD 56 juta dengan maksimum sublimit fasilitas kredit kepada PT Citilink Indonesia (CT) senilai USD 6 juta dan jatuh tempo fasilitas pada 11 November 2016. Fasilitas kredit ini dapat dicairkan dalam mata uang IDR maupun USD. Tujuan fasilitas kredit tersebut adalah hanya untuk kebutuhan modal kerja.

Bank Industrial Commercial Bank of China (ICBC)

- Company

On November 14, 2013, the Company obtained a credit facility in the form of Domestic Letter of Credit ("SKBDN") and the Omnibus Sight/Usance/Usance Payable at Sight (UPAS) Letter of Credit (L/C) including Standby Letter of Credit Line (SBLC). SKBDN and UPAS have a maximum tenor of 90 days and for the SBLC has a maximum tenor of 12 months. The combined limit of the facility is USD 20 million. On December 10, 2015, the credit facilities were amended to become USD 56 million with maximum sublimit credit facilities for PT Citilink Indonesia (CT) amounting to USD 6 million and will be due at November 11, 2016. This credit facility can be drawn in IDR or USD. The purpose of this facility is for working capital needs.

Pada tanggal 8 Agustus 2016, Perusahaan memperoleh tambahan fasilitas kredit baru sebesar USD 24 juta dengan jangka waktu maksimum 6 bulan. Fasilitas kredit ini bertujuan untuk menunjang kebutuhan modal kerja Perusahaan.

On August 8, 2016, the Company obtained new credit facility amounting to USD 24 million with maximum tenor up to 6 months. The purpose of this facility is for Company's working capital needs.

Jumlah saldo utang bank adalah sebesar USD 133.552.996 (Perusahaan sebesar USD 102.000.000 dan Rp 344.150.862.937 atau setara dengan USD 25.614.086 serta CT sebesar Rp 79.795.188.830 atau setara dengan USD 5.938.910) per 31 Desember 2016 dan USD 44.486.071 (Perusahaan sebesar USD 38.968.459 dan CT sebesar Rp 76.115.457.540 atau setara dengan USD 5.517.612) per 31 Desember 2015.

Total outstanding bank loan amounted to USD 133,552,996 (the Company amounted to USD 102,000,000 and Rp 344,150,862,937 or equivalent with USD 25,614,086 and CT amounted to Rp 79,795,188,830 or equivalent with USD 5,938,910) as of December 31, 2016 and USD 44,486,071 (the Company amounted to USD 38,968,459 and CT amounted to Rp 76,115,457,540 or equivalent with USD 5,517,612) as of December 31, 2015.

- PT GMF AEROASIA (GMFAA)

Pada tanggal 18 Mei 2016, Perusahaan memperoleh fasilitas Omnibus Sight Usance, UPAS Letter of Credit (L/C) dan Surat Kredit Berdokumen Dalam Negeri (SKBDN) dari Bank ICBC, jangka waktu sampai 17 Mei 2017, dengan jumlah maksimum fasilitas sebesar USD 20 juta.

- PT GMF AEROASIA (GMFAA)

On May 18, 2016, the Company obtained Omnibus Sight Usance, UPAS Letter of Credit (L/C) and Surat Kredit Berdokumen Dalam Negeri (SKBDN) from Bank ICBC, with maturity date until May 17, 2016, and maximum amount of USD 20 million.

Jumlah saldo utang bank per 31 Desember 2016 sebesar USD 6.043.553.

The outstanding balance as of December 31, 2016 amounted to USD 6,043,553.

Bank Negara Indonesia

- Perusahaan

  Pada tanggal 28 Juni 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, jumlah plafon maksimal yang dapat digunakan oleh Perusahaan adalah USD 15 juta. Fasilitas BNI SKBDN 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 akta No 16 dengan Adendum Perpanjangan Fasilitas Kredit sesuai dengan Akta No 32 tanggal 16 Oktober 2014 oleh notaris Wenda Taurusita Amidjaja, S.H. Perusahaan memperoleh fasilitas SKBDN dan LC dengan jumlah plafon maksimal senilai USD 40 juta. Fasilitas tersebut digunakan untuk pembelian bahan bakar pesawat dan kebutuhan operasi. Per 31 Desember 2015, pinjaman ini telah dilunasi.

  Pada tanggal 18 Maret 2016 sesuai dengan akta No. 26 oleh Notaris Fathiah Helmi,S.H. fasilitas ini diadendum menjadi sebesar USD 100 juta atau ekuivalen dengan nilai Rp 1,4 triliun.

  Per 31 Desember 2016 jumlah saldo utang bank adalah sebesar Rp 1.399.525.628.401 (setara dengan USD 104.162.372).

- PT GMF AEROASIA (GMFAA)

  Pada tanggal 26 April 2016, GMFAA memperoleh fasilitas kredit modal kerja dari Bank Negara Indonesia sebesar USD 30 juta jatuh tempo tanggal 26 April 2017. Pinjaman tersebut mempunyai suku bunga mengambang sebesar LIBOR tiga bulanan ditambah 2,75% per tahun. Fasilitas ini digunakan untuk mendukung aktivitas operasional GMFAA.

  Jumlah saldo utang bank per 31 Desember 2016 adalah sebesar USD 27.293.353.

- PT Aerotrans Services Indonesia (ATS)

  Pada tanggal 19 November 2015, ATS memperoleh pinjaman Kredit Modal Kerja (KMK) BNI dengan maksimum kredit Rp 10 miliar, tingkat bunga efektif 11% per tahun, dengan jatuh tempo tanggal 28 November 2016. Pinjaman ini dijamin dengan seluruh piutang ATS kepada GMFAA.

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 jet fuel from PT Pertamina (Persero). The Company is required to maintain deposits or checking account balances with BNI during 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 with addendum of credit facility as deed No. 32 dated October 16, 2014 by Wenda Taurusita Amidjaja, S.H. The Company obtained credit facility SKBDN and LC facility with the maximum credit limit of USD 40 million. The facility is to be used for jet fuel purchase and operating activities. As of December 31, 2015, this loan has been settled.

  In accordance with deed No. 26 dated March 18, 2016 by Fathiah Helmi, S.H., the facility was amended to become USD 100 million or equivalent to Rp 1.4 trillion.

  As of December 31, 2016 the outstanding bank loan amounted to Rp 1,399,525,628,401 (equivalent to USD 104,162,372).

- PT GMF AEROASIA (GMFAA)

  On April 26, 2016, GMFAA obtained a working capital credit facility from Bank Negara Indonesia, with maximum amount of USD 30 million and maturity date until April 26, 2017. The loan has floating interest rate of 3 months LIBOR plus 2.75% per annum. The facility issued to support GMFAA operational activities.

  The outstanding balance as of December 31, 2016 amounted to USD 27,293,353.

- PT Aerotrans Services Indonesia (ATS)

  On November 19, 2015, ATS obtained Working Capital Loans (KMK) from BNI with maximum limit of Rp 10 billion, effective interest rate of 11% per annum, and with maturity date on November 28, 2016. This loan is guaranteed with all ATS's receivable from GMFAA.

Per 31 Desember 2016 hutang tersebut telah lunas dan pada 31 Desember 2015 jumlah saldo utang bank adalah sebesar Rp 9.835.027.788 (setara dengan USD 712.941).

As of December 31, 2016 the loan has been settled and December 31, 2015 the outstanding bank loan amounted to Rp 9,835,027,788 (equivalent to USD 712,941).

- PT Aerowisata (AWS)

  Pada tanggal 4 Maret 2014, AWS memperoleh pinjaman Kredit Modal Kerja (KMK) dengan maksimum kredit Rp 25 miliar, tingkat bunga efektif 11% per tahun dengan jatuh tempo berakhir tanggal 19 April 2016. Pinjaman ini diperuntukkan sebagai tambahan modal kerja usaha untuk AWS sebesar Rp 15 miliar, AGI sebesar Rp 5 miliar dan AJP sebesar Rp 5 miliar. Pinjaman ini dijamin dengan sertifikat hak guna bangunan di Bali milik AGI.

  Per 31 Desember 2016 hutang tersebut telah lunas dan pada 31 Desember 2015 jumlah saldo utang bank adalah sebesar Rp 9.982.973.987 (setara dengan USD 723.668).

- PT Aerowisata (AWS)

  On March 4, 2014, AWS obtained Working Capital Loan (KMK) from BNI with a maximum credit of Rp 25 billion, effective interest rate 11% per annum, and maturity date on April 19, 2016. The loan is intended as an additional working capital of Rp 15 billion to AWS, Rp 5 billion to AGI and Rp 5 billion to AJP. This loan is secured by landright certificates and building in Bali owned by AGI.

  As of December 31, 2016 the loan has been settled and December 31, 2015 the outstanding bank loan amounted to Rp 9,982,973,987 (equivalent to USD 723,668).

Bank Panin

Pada tanggal 24 Februari 2016, Perusahaan memperoleh fasilitas pinjaman *money market lines* berdasarkan akta no. 31 dengan maksimum fasilitas kredit sebesar USD 50 juta yang bertujuan untuk kebutuhan modal kerja perusahaan.

Pada tanggal 2 September 2016, Perusahaan memperoleh tambahan fasilitas pinjaman Money Market Lines sebesar USD 100 juta sehingga total fasilitas pinjaman diadendum menjadi sebesar USD 150 juta yang juga bertujuan untuk kebutuhan modal kerja Perusahaan.

Jumlah saldo utang bank per 31 Desember 2016 adalah sebesar USD 85.000.000.

Bank Panin

On February 24, 2016, The Company obtained money market credit facility pursuant to deed No.31 with maximum credit facility amounting to USD 50 million for the purpose of Company's working capital needs.

On September 2, 2016, The Company obtained additional Money Market Line facility amounting to USD 100 million and the credit facility was amended to become USD 150 million for the purpose of Company's working capital needs.

The outstanding balance as of December 31, 2016 amounted to USD 85,000,000.

Bank of China

Pada tanggal 11 Desember 2015, Perusahaan memperoleh fasilitas kredit *Demand Loan* dan *Stand By Letter of Credit* (SBLC) dari Bank of China sesuai dengan Perjanjian Fasilitas Kredit No. 133 dan No. 134 dengan nilai maksimum fasilitas kredit sebesar USD 100 juta yang dapat dipergunakan untuk keperluan umum Perusahaan. Fasilitas kredit ini tanpa jaminan.

Jumlah saldo utang bank per 31 Desember 2016 dan 2015 adalah sebesar USD 50.000.000.

Bank of China

On December 11, 2015, the Company obtained credit facility Demand Loan and Stand By Letter of Credit (SBLC) from Bank of China pursuant to Credit Facilities Agreement No. 133 and No. 134 with maximum credit facility amounted to USD 100 million for Company's general purpose needs. The credit facilities are unsecured.

As of December 31, 2016 and 2015, the outstanding bank loan amounted to USD 50,000,000.

Bank Permata

Pada tanggal 1 April 2015, Perusahaan memperoleh fasilitas kredit dalam bentuk *Omnibus Revolving Loan*, Fasilitas PIF/LC/Usance/Sight/UPAS/UFAM dan SBLC dari Bank Permata sesuai dengan Perjanjian Fasilitas Perbankan No. 5 dengan maksimum fasilitas kredit sebesar USD 70 juta yang dapat digunakan untuk keperluan umum Perusahaan dan jatuh tempo tanggal pada 31 Maret 2017 dan dapat diperpanjang. Fasilitas kredit ini tanpa jaminan.

Bank Permata

On April 1, 2015, the Company obtained an Omnibus revolving loan, PIF/LC/Usance/Sight/UPAS/UFAM and SBLC facilities from Bank Permata based on Banking Facility Agreement No. 5 with a maximum credit amount of USD 70 million for Company's general purpose needs with maturity date on March 31, 2017 and revolving. The credit facilities are unsecured.

Jumlah saldo Per 31 Desember 2016 dan 2015 masing-masing sebesar USD 35.000.000 dan USD 70.000.000.

As of December 31, 2016 and 2015, the outstanding bank loan amounted to USD 35,000,000 and USD 70,000,000, respectively.

CIMB Niaga

Pada tanggal 23 Juni 2015, Perusahaan memperoleh fasilitas kredit dalam bentuk *Multicurrency Omnibus LC/Sight/Usance/UPAS/SKBDN /PTK Import/Money Market Lines* sesuai dengan Perjanjian Kredit No. 92 pada tanggal 23 Juni 2015 dengan maksimum fasilitas kredit sebesar USD 50 juta dan jatuh tempo pada 25 Agustus 2016.

CIMB Niaga

On June 23, 2015, the Company obtained credit facility in the form of Multicurrency Omnibus LC/ Sight/ Usance/ UPAS/ SKBDN/ PTK Import/ Money Market Lines in accordance with Credit Agreement No. 92 dated June 23, 2015 with maximum credit facility amounting to USD 50 million and maturity date on August 25, 2016.

Jangka waktu fasilitas kredit ini diperpanjang sampai dengan 23 Juni 2017 sebagaimana tercantum dalam Perubahan ke-1. Akta Perjanjian Kredit No. 92 tertanggal 12 Agustus 2016.

The maturity date of the credit facility is etended until June 23, 2017 as stated in Amendment 1 Credit Agreement No. 92 dated August 12, 2016.

Fasilitas kredit tersebut digunakan untuk pembelian bahan bakar pesawat, suku cadang untuk pemeliharaan pesawat, kebutuhan haji dan umrah serta kebutuhan modal kerja lainnya.

The credit facility is used for purchase of jet fuel, spareparts for aircraft maintenance, hajj and umrah also other working capital needs.

Per 31 Desember 2016 dan 2015, jumlah saldo utang bank masing-masing adalah sebesar USD 35.000.000 dan USD 26.300.000.

As of December 31, 2016 and 2015, the outstanding bank loan amounted to USD 35,000,000 and USD 26,300,000, respectively.

Bank KEB Hana Indonesia (KEB Hana Bank)

Pada tanggal 20 September 2016, Perusahaan memperoleh fasilitas kredit dalam bentuk *Money Market Line* sebesar USD 25 juta untuk kebutuhan modal kerja Perusahaan.

Bank KEB Hana Indonesia (KEB Hana Bank)

On Setember 20, 2016, the Company obtained credit facility in the form of Money Market Line amounted to USD 25 million for working capital purpose.

Per 31 Desember 2016 jumlah saldo utang bank adalah sebesar USD 25.000.000.

As of December 31, 2016 the outstanding bank loan amounted to USD 25,000,000.

The Hongkong and Shanghai Banking Corporation Limited (HSBC)

Pada tanggal 26 Agustus 2014, Perusahaan mendapatkan fasilitas kredit dari HSBC dengan maksimum kredit USD 20 juta.

The Hongkong and Shanghai Banking Corporation Limited (HSBC)

On August 26, 2014, the Company obtained credit facility from HSBC, with maximum credit limit of USD 20 million.

Tujuan dari fasilitas ini adalah untuk pembayaran bahan bakar kepada Pertamina, pembayaran untuk pemeliharaan dan pembayaran kepada operator bandara untuk pendaratan, penanganan darat, *overflying*, dan *route charge* (LHOR).

The purposes of this facility are for jet fuel payment to Pertamina, payment to maintenance service provider and payment to airport operator for landing, handling, overflying and route charges (LHOR).

Per 31 Desember 2016 dan 2015 jumlah saldo utang bank masing-masing adalah sebesar Rp 199.050.870.320 (setara dengan USD 14.814.742) dan USD 15.832.255.

As of December 31, 2016 and 2015, the outstanding bank loan amounted to Rp 199,050,870,320 (equivalent to USD 14,814,742) and USD 15,832,255, respectively.

Bank Mandiri

Pada 24 Februari 2016, Perusahan memperoleh fasilitas kredit dalam bentuk LC/SKBDN Sight, Usance, dan UPAS dari Bank Mandiri sesuai dengan akta No. 27 sebesar Rp 1 triliun dengan maksimum sub-limit fasilitas penggunaan kepada PT Citilink Indonesia (CT) sebesar Rp 150 miliar yang dapat dipergunakan untuk keperluan pembayaran bahan bakar pesawat kepada Pertamina.

Bank Mandiri

On February 24, 2016, PT Citilink Indonesia (CT) obtained credit facility in the form of LC/SKBDN Sight, Usance, and UPAS from Bank Mandiri pursuant to deed No.27 with maximum credit facility amounting to Rp 1 trillion with maximum facility utlization sub-limit to PT Citilink Indonesia (CT) amounting to Rp 150 billion for the purpose of jet fuel payment to Pertamina.

Pada 11 November 2016, CT mencairkan fasilitas kredit tersebut sebesar Rp 150 miliar.

Jumlah saldo utang bank CT per 31 Desember 2016 sebesar Rp 150.000.000.000 (atau setara dengan USD 11.164.037).

Bank Central Asia

Pada tanggal 6 Juni 2016, ATS mendapatkan fasilitas Kredit Modal Kerja dari Bank Central Asia (BCA) dengan maksimum kredit Rp 30 miliar, tingkat bunga efektif 9,5% per tahun dan jatuh tempo berakhir tanggal 17 Juni 2017. Pinjaman ini dijamin dengan kendaraan yang dibiayai, piutang usaha PT Garuda Indonesia (Persero) Tbk dan anak perusahaan dengan nilai fidusia minimal Rp 30 Milyar dan setoran jaminan minimal sebesar 10% dari Bank Garansi yang diterbitkan.

Jumlah saldo utang bank per 31 Desember 2016 adalah sebesar Rp 29.886.295.799 (atau setara dengan USD 2.224.345).

Standard Chartered

Pada tanggal 22 Juni 2015, Perusahaan memperoleh fasilitas kredit dari Standard Chartered Bank ("SCB") dengan maksimum kredit sebesar USD 35 juta sesuai dengan Surat Fasilitas No. JKT/FCD/4439 yang akan jatuh tempo pada 31 Maret 2016.

Fasilitas kredit tersebut digunakan untuk mendanai kembali *Pre-Delivery Payment ("PDP")* Perusahaan.

Per 31 Desember 2016 hutang tersebut telah lunas dan pada 31 Desember 2015 jumlah saldo utang bank adalah sebesar USD 21.000.000.

PT Bank ANZ Indonesia (Bank ANZ)

Pada tanggal 17 November 2015, Perusahaan memperoleh fasilitas kredit *Multi Option Trade Facility* dari Bank ANZ sesuai dengan Perjanjian Fasilitas No. 948/FA/ANZ/NEW/XI/2015 dengan nilai maksimum fasilitas kredit sebesar USD 20 juta. Fasilitas kredit tersebut digunakan untuk pembelian bahan bakar pesawat, spareparts dan pemeliharaan pesawat.

Per 31 Desember 2016 hutang tersebut telah lunas dan pada 31 Desember 2015 jumlah saldo utang bank adalah sebesar Rp 230.159.199.018 (setara dengan USD 16.684.248).

On November 11, 2016, CT withdrawn the credit facility amounting to Rp 150 billion.

The outstanding balance as of December 31, 2016 amounted to Rp 150,000,000,000 (equivalent to USD 11,164,037).

Bank Central Asia

On June 6, 2016, ATS obtained Working Capital Loans Bank Central Asia (BCA) with maximum limit of Rp 30 billion, effective interest rate of 9,5% per annum, and maturity date on June 17, 2017. This loan is secured by related vehicles purchased, receivable from PT Garuda Indonesia (Persero) Tbk and its subsidiaries with minimum amount Rp 30 billion and cash collateral with minimum of 10% on Bank Guarantee amount released.

The outstanding balance as of December 31, 2016 amounting to Rp 29,886,295,799 (equivalent to USD 2,224,345).

Standard Chartered

On June 22, 2015, the Company obtained credit facility from Standard Chartered Bank ("SCB") with a maximum credit amount of USD 35 million. Pursuant to Facility Letter No. JKT/FCD/4439 with maturity date at March 31, 2016.

The purpose of the credit facility is to refinance Company's existing Pre-Delivery Payment ("PDP").

As of December 31, 2016, the loan has been settled and December 31, 2015 the outstanding bank loan amounted to USD 21,000,000.

PT Bank ANZ Indonesia (Bank ANZ)

On November 17, 2015, the Company obtained credit facility Multi Option Trade Facility from Bank ANZ pursuant to Facility Agreement No. 948/FA/ANZ/ NEW/XI/2015 with maximum credit facility amounted to USD 20 million. The credit facility is used for purchase of jet fuel, spareparts and aircraft maintenance.

As of December 31, 2016 the loan has been settled and December 31, 2015 the outstanding bank loan amounted to Rp 230,159,199,018 (equivalent to USD 16,684,248) respectively.

19. UTANG USAHA / 19. TRADE ACCOUNTS PAYABLE

a. Berdasarkan Pemasok / a. By Creditor

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Pihak berelasi (Catatan 45)			Related parties (Note 45)
PT Pertamina (Persero)	80.810.262	33.961.968	PT Pertamina (Persero)
PT Angkasa Pura II (Persero)	5.341.541	1.896.574	PT Angkasa Pura II (Persero)
PT Angkasa Pura I (Persero)	2.507.793	1.677.897	PT Angkasa Pura I (Persero)
PT Jasa Raharja	1.016.555	584.596	PT Jasa Raharja
Perum LPPNPI	811.695	5.701.917	Perum LPPNPI
PT Telekomunikasi Indonesia (Persero) Tbk	246.686	716.130	PT Telekomunikasi Indonesia (Persero) Tbk
Lain-lain	678.423	424.354	Others
Sub jumlah	91.412.955	44.963.436	Sub total
Pihak ketiga			Third parties
Jasa penerbangan			Airline services
Bahan bakar	14.486.052	13.260.132	Fuel
Jasa boga	12.523.754	13.134.963	Catering
Umum dan administrasi	8.914.398	9.431.903	General and administrative
Bandara	7.990.291	6.424.892	User charges and station
Pemeliharaan dan perbaikan	1.395.401	4.225.421	Maintenance and overhaul
Maskapai penerbangan	17.718	926.374	Airline
Sub jumlah	45.327.614	47.403.685	Sub total
Non Jasa Penerbangan	83.691.389	56.988.646	Non airline services
Sub jumlah	129.019.003	104.392.331	Sub total
Jumlah	220.431.958	149.355.767	Total

b. Berdasarkan Mata Uang / b. By Currency

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Rupiah	135.079.316	77.963.413	Rupiah
Dolar Amerika Serikat	75.039.815	58.153.633	U.S. Dollar
Dolar Singapura	3.406.091	2.432.525	Singapore Dollar
Yen Jepang	1.446.049	1.526.787	Japanese Yen
Euro	1.184.931	2.364.382	Euro
Dolar Australia	968.969	986.344	Australian Dollar
Riyal Saudi Arabia	881.677	2.110.002	Arabian Riyal
Mata uang lainnya	2.425.110	3.818.681	Other currencies
Jumlah	220.431.958	149.355.767	Total

20. UTANG LAIN-LAIN / 20. OTHER PAYABLES

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Retribusi bandara luar negeri	21.783.260	14.849.049	Foreign airport retribution
Derivatif keuangan (Catatan 47)	11.372.690	26.781.283	Financial derivatives (Note 47)
Asuransi tiket penumpang	670.975	1.269.978	Passenger ticket insurance
Lain-lain	1.756.784	7.001.640	Others
Jumlah	35.583.709	49.901.950	Total

21. BEBAN AKRUAL / 21. ACCRUED EXPENSES

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Administrasi dan umum	65.404.201	58.341.207	General and administrative
Operasional penerbangan	26.057.565	11.697.860	Flight operations
Bandara	30.340.519	25.024.193	User charges and station
Pemeliharaan dan perbaikan	27.492.730	30.378.499	Maintenance and overhaul
Tiket penjualan dan promosi	14.640.419	15.061.472	Ticketing sales and promotion
Bunga	7.926.656	7.224.474	Interest
Pelayanan penumpang	7.056.338	5.405.439	Passenger services
Lain-lain	19.064.968	27.909.363	Others
Jumlah	197.983.396	181.042.507	Total

22. PENDAPATAN DITERIMA DIMUKA / 22. UNEARNED REVENUES

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Jasa penerbangan berjadwal	228.263.737	175.276.423	Traffic scheduled flight
Lain-lain	1.582.436	1.254.596	Others
Jumlah	229.846.173	176.531.019	Total

23. PINJAMAN JANGKA PANJANG / 23. LONG-TERM LOANS

Rincian pinjaman jangka panjang Grup pada tanggal 31 Desember 2016 dan 2015, setelah biaya transaksi sebelum diamortisasi.

Details of long-term loans at December 31, 2016 and 2015, net of unamortized transaction cost.

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Pihak berelasi (Catatan 45)			Related parties (Note 45)
Bank Negara Indonesia	91.219.153	44.342.757	Bank Negara Indonesia
Indonesia Eximbank	8.265.989	24.131.875	Indonesia Eximbank
Bank Rakyat Indonesia	1.999.107	1.939.833	Bank Rakyat Indonesia
PT Pertamina (Persero)	-	14.379.163	PT Pertamina (Persero)
PT Angkasa Pura II (Persero)	-	10.315.531	PT Angkasa Pura II (Persero)
PT Angkasa Pura I (Persero)	-	3.281.668	PT Angkasa Pura I (Persero)
Sub jumlah	101.484.249	98.390.827	Sub total
Pihak ketiga			Third parties
Bank Central Asia	75.073.504	78.869.844	Bank Central Asia
PT Indonesia Infrastructure Finance	16.190.019	20.237.524	PT Indonesia Infrastructure Finance
Bank CIMB Niaga	918.834	2.019.155	Bank CIMB Niaga
PT BCA Finance	448.601	-	PT BCA Finance
Bank Pan Indonesia	-	34.943.997	Bank Pan Indonesia
Wesel bayar bunga mengambang			Floating Rate Notes
Dolar Amerika Serikat	-	1.519.563	U.S. Dollar
Commonwealth Bank (AUD)	-	948.417	Commonwealth Bank (AUD)
PT Mandiri Tunas Finance	-	29.212	PT Mandiri Tunas Finance
Sub jumlah	92.630.958	138.567.712	Sub total
Jumlah pinjaman jangka panjang	194.115.207	236.958.539	Total long term loan
Dikurangi bagian yang jatuh tempo dalam satu tahun	61.696.994	103.936.071	Less current maturities
Bagian jangka panjang	132.418.213	133.022.468	Long term loans portion

Biaya amortisasi pinjaman jangka panjang adalah sebagai berikut:

The amortized cost of long-term loans is as follows:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Pinjaman Jangka Panjang	194.115.207	236.958.539	Long-term Loan
Beban Bunga Akrual	7.926.656	7.273.614	Accrued interest expense
Jumlah	202.041.863	244.232.153	Total

Rata-rata tingkat suku bunga sebagai berikut:

The average interest rate are as follows:

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
Dolar Amerika Serikat	2,750% - 6,000%	1,140% - 6,000%	U.S. Dollar
Rupiah	8,750% - 13,00%	7,400% - 13,000%	Rupiah

Detail pembayaran per 31 Desember 2016 dan 2015 adalah sebagai berikut:

Payment details as of December 31, 2016 and 2015 are as follows:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Bank Pan Indonesia	35.000.000	40.000.000	Bank Pan Indonesia
Indonesia Eximbank	16.621.749	12.334.469	Indonesia Eximbank
PT Pertamina (Persero)	14.379.163	14.379.163	PT Pertamina (Persero)
Bank Central Asia	10.587.190	-	Bank Central Asia
PT Angkasa Pura II (Persero)	10.315.531	3.157.815	PT Angkasa Pura II (Persero)
Bank Negara Indonesia	7.450.127	2.823.091	Bank Negara Indonesia
PT Indonesia Infrastructure Finance	4.047.505	-	PT Indonesia Infrastructure Finance
PT Angkasa Pura I (Persero)	3.318.959	-	PT Angkasa Pura I (Persero)
PT Bank Rakyat Indonesia	1.571.371	20.316.506	PT Bank Rakyat Indonesia
Wesel bayar bunga mengambang			Floating rate notes
Dolar Amerika Serikat	1.520.121	14.545.479	U.S. Dollar
Rupiah	-	1.503.322	Rupiah
Bank CIMB Niaga	1.164.648	537.456	Bank CIMB Niaga
Commonwealth Bank Australia	914.121	-	Commonwealth Bank Australia
PT Mandiri Tunas Finance	29.929	1.168.743	PT Mandiri Tunas Finance
Pinjaman sindikasi BCA Club Deal	-	186.008.837	BCA Club Deal - Syndicated loan
Standard Chartered (Conventional)	-	115.000.000	Standard Chartered (Conventional)
PT Bank Internasional Indonesia	-	97.000.000	PT Bank Internasional Indonesia
Standard Chartered (Syariah - Emirates)	-	85.000.000	Standard Chartered (Syariah - Emirates)
Bank Permata	-	70.000.000	Bank Permata
Tirta Finance	-	48.280	Tirta Finance
Bringin Indotama Sejatera	-	7.876	Bringin Indotama Sejatera
Jumlah	106.920.414	663.831.037	Total

PT Bank Negara Indonesia

a. PT GMF AEROASIA (GMFAA)

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.

Pada tanggal 31 Mei 2013, GMFAA memperoleh tambahan fasilitas kredit investasi dengan plafon maksimal sebesar Rp 490 miliar dan USD 6 juta, jatuh tempo pada tanggal 30 November 2025 dan suku bunga mengambang dari Bank Negara Indonesia. Fasilitas kredit berjangka waktu 12 tahun ini ditujukan untuk pembiayaan pembangunan hanggar baru dan pengadaan peralatan hanggar.

Pada tanggal 13 Oktober 2016, GMFAA melakukan konversi pinjaman dari Rupiah ke dolar Amerika Serikan.

Pada tanggal 28 April 2016, GMFAA memperoleh tambahan fasilitas kredit investasi dengan plafon maksimal sebesar USD 42 juta, jatuh tempo pada tanggal 28 April 2021 dan suku bunga mengambang dari Bank Negara Indonesia. Fasilitas kredit berjangka waktu 5 tahun ini ditujukan untuk pembiayaan pengembangan kemampuan dan penambahan kapabilitas perawatan pesawat terbang dengan jaminan aset yang dibiayai.

Pada tanggal 28 April 2016, GMFAA memperoleh tambahan fasilitas kredit investasi dengan plafon maksimal sebesar USD 8 juta, jatuh tempo pada tanggal 28 April 2019 dan suku bunga mengambang dari Bank Negara Indonesia. Fasilitas kredit berjangka waktu 3 tahun ini digunakan untuk pembiayaan pembayaran konsesi lahan dan sewa tanah dari Angkasa Pura II.

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 2016, GMFAA telah memenuhi seluruh rasio keuangan yang dipersyaratkan.

Pada tanggal 31 Desember 2016 dan 2015 saldo pinjaman masing-masing sebesar USD 86.883.304 dan Rp 518.351.635.965 (setara dengan USD 37.575.327).

PT Bank Negara Indonesia

a. PT GMF AEROASIA (GMFAA)

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.

On May 31, 2013, GMFAA obtained additional investment credit facility with maximum limit 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 new hangar and hangar equipment.

On October 13, 2016, GMFAA converted the loan from Rupiah to US Dollar.

On April 28, 2016, GMFAA obtained additional investment credit facility with maximum limit of USD 42 million, due on April 28, 2021 at a floating interest rate from Bank Negara Indonesia. The facility has a term of 5 years and intended to finance the development of capabilities and additional capabilities of aircraft maintenance. The loan facility is secured with assets financed by this facility.

On April 28, 2016, GMFAA obtained additional investment credit facility with maximum limit of USD 8 million, due on April 28, 2019 at a floating interest rate from Bank Negara Indonesia. The facility has a term of 3 years and intended to finance the payment of land concessions and land rental from Angkasa Pura II.

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, 2016, GMFAA has met the financial ratio requirement based on the agreement.

As of December 31, 2016 and 2015, outstanding loan balance amounted to USD 86,883,304 and Rp 518,351,635,965 (equivalent to USD 37,575,327), respectively.

b. PT Aerofood Indonesia (ACS)

Pada tanggal 19 Juli 2012, ACS memperoleh fasilitas pinjaman dengan jumlah maksimum sebesar Rp 100 milyar, dikenakan tingkat bunga efektif 11% pada tahun 2015 dan 9,5% pada tahun 2014 dan jangka waktu pinjaman selama 72 bulan setelah perjanjian kredit ditandatangani. Fasilitas ini digunakan sebagai pembiayaan pengembangan fasilitas dapur di Denpasar, Medan dan Balikpapan dan dijamin secara fidusia dengan fasilitas dapur yang dibiayai.

Per 31 Desember 2016 dan 2015, jumlah outstanding pinjaman adalah masing-masing sebesar Rp 26.333.828.958 (setara dengan USD 1.959.945) dan Rp 43.933.828.959 (setara dengan USD 3.184.765).

Pada tanggal 15 Juli 2013, ACS memperoleh fasilitas kredit sebagai berikut:

Fasilitas KMK dengan jumlah maksimum sebesar Rp 50 milyar. Jangka waktu pinjaman selama 12 bulan setelah perjanjian kredit ditandatangani.

Fasilitas pinjaman berjangka dengan jumlah maksimum sebesar Rp 60 milyar. Jangka waktu pinjaman selama 72 bulan setelah perjanjian kredit ditandatangani termasuk masa tenggang 12 bulan. Pinjaman ini digunakan untuk pembelian *capital expenditure* di seluruh unit bisnis ACS. Sesuai dengan perjanjian, ACS menanggung 20% dari setiap pembelian *capital expenditure* yang dilakukan. Jumlah tanggungan tersebut dicatat sebagai "Kas yang dibatasi penggunaannya".

Pinjaman ini dijamin secara fidusia dengan aset berikut:

1. Hak Guna Bangunan No. 14227 tanah seluas 797 m2 dan bangunan seluas 1.680 m2 di Kelurahan Sepinggan, Kecamatan Balikpapan Selatan, Kota Balikpapan, Kalimantan Timur.
2. Hak Guna Bangunan No. 56 tanah seluas 10.250 m2 dan bangunan seluas 5.620 m2 di Desa Tuban, Kecamatan Kuta, Kabupaten Badung, Propinsi Bali.
3. Hak Guna Bangunan No.2 dan 4 tanah seluas 18.089 m2 di Desa Araskabu, Kecamatan Beringin, Kabupaten Deli Serdang, Propinsi Sumatera Utara.
4. Mesin dan peralatan produksi senilai Rp 148.653.000.000.
5. Piutang usaha pada tanggal 31 Desember 2016 dan 2015 masing-masing senilai Rp 272.208.000.0000 dan Rp 132.368.000.000.

b. PT Aerofood Indonesia (ACS)

On July 19, 2012, ACS obtained term loan facility with maximum amount of Rp 100 billion, effective interest rate of 11% per annum in 2015 and 9.5% per annum in 2014 and time period of loans for 72 months since the agreement was signed. This loan is used for project development of kitchen facilities in Denpasar, Medan and Balikpapan which is secured by fiduciary right over the related kitchen facilities.

As of December 31, 2016 and 2015, the outstanding balance of the loan amounted to Rp 26,333,828,958 (equivalent to USD 1,959,945) and Rp 43,933,828,959 (equivalent to USD 3,184,765), respectively.

On July 15, 2013, ACS obtained loan facility as follows:

Working capital loan with maximum amount Rp 50 billion. Time period of loans for 12 months since the agreement was signed.

Loan facility with maximum amount Rp 60 billion. Time period of loans for 72 months since the agreement was signed, including grace period of 12 months. This loan is used for capital expenditure purchases in all of ACS business unit. According to the agreement, ACS has to bear the 20% of every capital expenditure made. Such bourne expenditures were recorded as "Restricted Cash".

This loan is guaranteed in a fiduciary with assets as follows:

1. Building Rights No. 14227 parcel of land of 797 sqm and building of 1,680 sqm in Kelurahan Sepinggan, Kecamatan Balikpapan Selatan, Kota Balikpapan, East Kalimantan.
2. Building Rights No. 56 parcel of land of 10,250 sqm and building of 5,620 sqm in Desa Tuban, Kecamatan Kuta, Kabupaten Badung, Bali.
3. Building Rights No. 2 and 4 parcel of land of 18,089 sqm in Desa Araskabu, Kecamatan Beringin, Kabupaten Deli Serdang, North Sumatera.
4. Machines and production equipment amounting to Rp 148,653,000,000.
5. Trade accounts receivable as of December 31, 2016 and 2015 amounting to Rp 272,208,000,000 and Rp 132,368,000,000, respectively.

Pembatasan penting dalam perjanjian fasilitas pinjaman ini adalah: *Current Ratio* minimum 1 kali. *Debt to Equity Ratio* maksimum 2,5 kali. *Debt Service Coverage* minimum 100%. Saldo minimum direkening sebesar 1 kali kewajiban bunga dan angsuran pokok.

Per 31 Desember 2016 dan 2015 jumlah outstanding pinjaman adalah masing-masing sebesar Rp 17.666.234.816 (setara dengan USD 1.314.843) dan Rp 31.745.872.768 (setara dengan USD 2.301.259.

The major covenants of these loan facilities include the following: Minimum Current Ratio of 1 time. Maximum Debt to Equity Ratio of 2.5 time. Minimum Debt Service Coverage Ratio is 100%. Minimum balance in their accounts amounted 1 time of interest and principal installment.

As of December 31, 2016 and 2015 the outstanding balance of the loan amounted to Rp 17,666,234,816 (equivalent to USD 1,314,843) and Rp 31,745,872,768 (equivalent to USD 2,301,259), respectively.

c. PT Aero Wisata (AWS)

Pada bulan Maret 2013, AWS, entitas anak, memperoleh 3 fasilitas pinjaman dari Bank Negara Indonesia dengan jumlah maksimum pinjaman masing-masing sebesar Rp 18 miliar, Rp 7 miliar dan Rp 25 miliar serta masing-masing jatuh tempo pada tanggal 3 Maret 2021, 2 September 2022 dan 19 April 2016. Fasilitas ini digunakan untuk biaya renovasi Hotel Grand Preanger, Hotel Tastaru, Hotel Mandalika dan digunakan sebagai modal kerja di entitas anak.

Persyaratan penting atas fasilitas pinjaman aerotersebut adalah sebagai berikut:

- Rasio lancar minimum adalah 1 kali,
- Rasio utang terhadap modal maksimal adalah 2,1 kali,
- Rasio utang cakupan pelayanan tidak kurang dari 100%.

Per 31 Desember 2016 dan 2015, jumlah outstanding pinjaman adalah masing-masing sebesar Rp 14.256.418.800 (setara dengan USD 1.061.061) dan Rp 17.676.999.600 (setara dengan USD 1.281.406).

c. PT Aero Wisata (AWS)

In March 2013, AWS, a subsidiary, obtained 3 loan facilities from Bank Negara Indonesia with maximum credit amount of Rp 18 billion, Rp 7 billion and Rp 25 billion and maturity date on March 3, 2021, September 2, 2022 and April 19, 2016, respectively. The loan is used to finance the renovation of Hotel Grand Preanger, Hotel Tastaru, Hotel Mandalika and for the subsidiary's working capital.

The major covenants of these loan facilities include the following:

- Minimum current ratio is 1 time,
- Maximum debt to equity ratio is maximum of 2.1 times,
- Debt service coverage ratio is no less than 100%.

As of December 31, 2016 and 2015, the outstanding balance of the loan amounted to Rp 14,256,418,800 (equivalent to USD 1,061,061) and Rp 17,676,999,600 (equivalent to USD 1,281,406), respectively.

Indonesia Eximbank

Pada 28 April 2014, Perusahaan menandatangani kesepakatan perjanjian jangka panjang dengan Indonesia Eximbank. Fasilitas ini diberikan kepada Perusahaan sebesar Rp 500 miliar dengan jangka waktu 36 bulan yang ditujukan sebagai modal kerja. Pembayaran pokok dan bunga pembiayaan dilakukan setiap tiga bulan dan pembayaran pokok pertama kali dilakukan setelah 12 bulan dari tanggal perjanjian. Seluruh fasilitas pinjaman dicairkan oleh Perusahaan pada tanggal 9 Mei 2014. Tidak ada jaminan untuk fasilitas pinjaman ini.

Persyaratan penting atas fasilitas pinjaman tersebut adalah sebagai berikut:

- *Debt-to-equity ratio* Grup tidak melebihi 2,5 kali.
- Kas dan setara kas berbanding pendapatan usaha Grup tidak kurang dari 5%.
- Jumlah ekuitas Grup tidak kurang dari USD 800.000.000.

Indonesia Eximbank

On April 28, 2014, the Company entered into a long-term loan facility agreement with Indonesia Eximbank for Rp 500 billion with a term of 36 months designated for working capital. Interests are payable quarterly. Principal installment will begin 12 months after the date of the agreement; payable quarterly. The entire facility was drawn by the Company on May 9, 2014. There is no collateral for this loan facility.

The major covenants of these loan facilities include the following:

- Debt-to-equity ratio not to exceed 2.5 times.
- Minimum cash and cash equivalents percentage shall not be less than 5% of the Group operating revenues.
- Group equity shall not be less than USD 800,000,000.

Saldo pinjaman pada tanggal 31 Desember 2016 dan 2015 adalah masing-masing sebesar Rp 111.061.823.542 (setara dengan USD 8.265.989) dan Rp 332,8 miliar (setara dengan USD 24.131.875).

The outstanding loan as of December 31, 2016 and 2015 amounted to Rp 111,061,823,542 (equivalent to USD 8,265,989) and Rp 332.8 billion (equivalent to USD 24,131,875), respectively.

Bank Rakyat Indonesia

Bank Rakyat Indonesia

a. Perusahaan

a. The Company

Pada tanggal 29 Mei 2013, Perusahaan menandatangani Perjanjian Kredit Modal Kerja dengan PT Bank Rakyat Indonesia (Persero) Tbk dengan jumlah fasilitas sebesar USD 40 juta dengan jangka waktu 24 bulan sejak ditandatangani perjanjian ini. Pinjaman tersebut digunakan untuk pembiayaan *general purpose* termasuk pembiayaan pra-pengiriman pesawat 2013.

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 million 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 2016, 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, 2016, the Company has complied with the financial covenant stipulated in the agreement. Major covenant of the agreement includes, among others is debt-to-equity ratio is not to exceed 5 times.

Per tanggal 31 Desember 2016 pinjaman ini telah dilunasi.

As of December 31, 2016, the loan has been settled.

b. PT Aerofood Indonesia (ACS)

b. PT Aerofood Indonesia (ACS)

Pada tanggal 24 Mei 2016, ACS mendapatkan fasilitas pinjaman Kredit Investasi (KI) dari Bank Rakyat Indonesia (BRI) dengan jumlah maksimum sebesar Rp 21,1 milyar, dikenakan tingkat bunga efektif 10,25% per tahun serta jangka waktu pinjaman selama 48 bulan. Pinjaman dijamin dengan hak fidusia atas piutang usaha dan persediaan (Catatan 14).

On May 24, 2016, ACS obtained Investment Loans from Bank Rakyat Indonesia (BRI) with maximum limit of Rp 21.1 billion, effective interest rate of 10,25% per year and term of the loan of 48 months. The loans are secured by fiduciary rights over receivables and inventories (Note 14).

Saldo pinjaman pada tanggal 31 Desember 2016 adalah sebesar Rp 21.100.000.000 (setara dengan USD 1.570.408).

The outstanding loan as of December 31, 2016 amounted to Rp 21,100,000,000 (equivalent to USD 1,570,408).

c. PT Gapura Angkasa (Gapura)

c. PT Gapura Angkasa (Gapura)

Pada tanggal 13 Maret 2014, Gapura menerima kredit investasi dari Bank Rakyat Indonesia dengan total plafon Rp 56,7 miliar dengan jangka waktu kredit 36 bulan yang digunakan untuk pembelian Ground Support Equipment (GSE). Pinjaman tersebut dijamin dengan GSE.

On March 13, 2014, Gapura obtained investment credit from Bank Rakyat Indonesia with a total limit of Rp 56.7 billion, with term of 36 months and used for purchase of Ground Support Equipment (GSE). The loan is secured by GSE.

Jumlah saldo pinjaman per 31 Desember 2016 dan 2015 masing-masing sebesar Rp 5.760.000.000 (setara dengan USD 428.699) dan Rp 26.760.000.000 (setara dengan USD 1.939.833).

Total outstanding loan balance as of December 31, 2016 and 2015, amounted to Rp 5,760,000,000 (equivalent to USD 428,699), and Rp 26,760,000,000 (equivalent to USD 1,939,833), respectively.

PT Pertamina (Persero)

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 jatuh tempo pada tanggal 31 Desember 2015.

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 4 Januari 2016, seluruh pinjaman ini telah dilunasi.

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 (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 4 Januari 2016, seluruh pinjaman ini telah dilunasi.

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 (setara dengan USD 8.872.465) menjadi pinjaman jangka panjang dengan pembayaran cicilan. Pinjaman ini jatuh tempo tanggal 30 Desember 2015. Pada tanggal 4 Januari 2016, seluruh pinjaman ini telah dilunasi.

Bank Central Asia

- Perusahaan

  Pada tanggal 17 Desember 2015, Perusahaan menandatangani perjanjian pinjaman komersial dengan Bank Central Asia (BCA). Jumlah fasilitas pinjaman yang diberikan kepada Perusahaan sebesar Rp 1.093.500.000.000 dengan jangka waktu 36 bulan, JIBOR 3 bulan.

  Dana pinjaman telah dicairkan seluruhnya oleh Perusahaan pada tanggal 21 Desember 2015. Dana pinjaman ini digunakan untuk *reprofiling* pinjaman yang ada.

  Pembatasan-pembatasan penting dalam perjanjian ini antara lain menjaga rasio keuangan sebagai berikut:

  - *Debt-to-equity ratio* Grup tidak melebihi 2,5 kali.
  - Kas dan setara kas berbanding pendapatan usaha Grup tidak kurang dari 5%.
  - Jumlah ekuitas Grup tidak kurang dari USD 800.000.000.

  Saldo pinjaman pada tanggal 31 Desember 2016 dan 2015 adalah sebesar Rp 956.327.046.003 (setara dengan USD 71.176.470) dan Rp 1.088.009.496.675 (setara dengan USD 78.869.844).

- PT Aerotrans Services Indonesia (ATS)

  Pada tanggal 17 Juni 2016, ATS memperoleh fasilitas Kredit Investasi (KI) BCA dengan jumlah kredit maksimal sebesar Rp 56.900.000.000 yang digunakan sebagai pembiayaan dalam pengadaan kendaraan baru untuk kegiatan operasional dengan jangka waktu 4 tahun sejak masing-masing penarikan.

On January 4, 2016, this loan has been settled.

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 (equivalent to USD 21,052,103) into a long-term loan payable with installment terms. This loan will fall due on December 30, 2015. On January 4, 2016, this loan has been settled.

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 (equivalent to USD 8,872,465) into a long-term loan payable with installment terms. This loan due on December 30, 2015. On January 4, 2016, this loan has been settled.

Bank Central Asia

- Company

  On December 17, 2015, the Company entered into a commercial loan agreement with Bank Central Asia (BCA). The total loan facility amounted to Rp 1,093,500,000,000 with term of 36 months, JIBOR 3 months.

  The funds have been drawn by the Company on December 21, 2015. This facility is used for reprofiling of existing loan.

  The major covenants include maintaining certain financial covenants as follow:

  - Debt-to-equity ratio of the Group not to exceed 2.5 times.
  - Minimum cash percentage shall not be less than 5% of the Group operating revenues.
  - Group equity shall not be less than USD 800,000,000.

  The outstanding loan as of December 31, 2016 and 2015 amounted to Rp 956,327,046,003. (equivalent to USD 71,176,470) and Rp 1,088,009,496,675 (equivalent to USD 78,869,844).

- PT Aerotrans Services Indonesia (ATS)

  On June 17, 2016, ATS obtained Investment Credit facility from BCA with maximum credit of Rp 56,900,000,000 to finance the purchase of new vehicle for operations with term of 4 years since each withdrawal.

ATS juga memperoleh pinjaman non-cash berupa fasilitas Bank Garansi (BG) dengan plafon maksimal Rp10 Milyar untuk menjamin pelaksanaan debitor pada pihak lain.

Pinjaman ini dijamin dengan kendaraan yang dibiayai, piutang usaha PT Garuda Indonesia (Persero) Tbk dan anak perusahaan dengan nilai fidusia minimal 30 Milyar dan setoran jaminan minimal sebesar 10% dari Bank Garansi yang diterbitkan. Agunan saling ikat antara fasilitas (KMK, KI dan BG).

Pada tanggal 31 Desember 2016 saldo pinjaman adalah sebesar Rp 52.360.551.641 (setara dengan USD 3.897.034).

ATS also obtained a non-cash loan facility in the form of Bank Guarantee (BG) with a maximum limit Rp 10 billion to ensure the cooperation with another party.

This loan is secured by related vehicles purchased, receivable from PT Garuda Indonesia (Persero) Tbk and its subsidiaries at minimum of Rp 30 billion, and cash collateral with minimum of 10% on Bank Guarantee amount released. These collaterals are mutual tie for all credit facility (KMK, KI and BG).

As of December 31, 2016, outstanding loan balance amounted to Rp 52,360,551,641 (equivalent to USD 3,897,034).

PT Indonesia Infrastructure Finance

Pada tanggal 16 Juli 2014, GMFAA memperoleh fasilitas kredit investasi dari PT Indonesia Infrastructure Finance (IIF) dengan jumlah maksimum sebesar USD 30 juta, jangka waktu sampai dengan 16 Desember 2020. Pinjaman tersebut mempunyai suku bunga mengambang. Fasilitas ini digunakan untuk pembelian peralatan dan suku cadang.

Pada tanggal 30 Juni 2015, GMFAA melakukan amendemen atas perjanjian kredit tersebut dengan memperbaharui jumlah fasilitas kredit menjadi sebesar USD 21,5 Juta.

Fasilitas semua pinjaman ini dijamin dengan aset yang dibiayai melalui fasilitas ini (Catatan 14).

Tanpa persetujuan tertulis dari Bank dan IIF, GMFAA tidak diperkenankan antara lain: merger; mengajukan permohonan pailit; melakukan investasi; melakukan kegiatan usaha pihak lain; membuka usaha baru; mengikatkan diri sebagai penjamin, menjaminkan aset kepada pihak lain; dan mengubah anggaran dasar. GMFAA diharuskan memberitahukan secara tertulis kepada Bank antara lain: mengubah bentuk; membayar utang kepada pemegang saham; membagikan dividen; memberikan pinjaman; menerima pinjaman; melakukan transaksi sewa dengan perusahaan leasing; akuisisi aset pihak ketiga; dan mengubah susunan pengurus, Direksi dan Komisaris. Selain itu GMFAA juga diwajibkan memenuhi rasio keuangan: (a) rasio lancar minimal 1:1; (b) rasio utang dengan modal maksimal 2,5 kali; (c) rasio kemampuan membayar utang 100%.

Pada tanggal 31 December 2016, GMFAA telah memenuhi seluruh rasio keuangan yang dipersyaratkan dalam perjanjian pinjaman tersebut.

Pada tanggal 31 Desember 2016 dan 2015, saldo pinjaman masing-masing sebesar USD 16.190.019 dan USD 20.237.524.

PT Indonesia Infrastructure Finance

On July 16, 2014, GMFAA obtained an investment credit facility from PT Indonesia Infrastructure Finance (IIF), maximum amount of USD 30 million with maturity date until December 16, 2020. The loan has floating interest rate. This facility can be used to purchase tools and spareparts.

On June 30, 2015, GMFAA amended the terms of the investment credit facility and renewed the credit facilities amounting to USD 21.5 Million.

All the loan facility are secured with assets financed by this facility (Note 14).

Without written consent from the Bank and IIF, the GMFAA is restricted to, among other things: undertake merger; propose a bankruptcy; invest; engages in other operational activities; opens new operations; acts as guarantor; pledges the assets to other party; and changes its articles of association. GMFAA should inform the Bank in writing, when among other things GMFAA: changes its legal form; pays loan to shareholder; distributes dividends; grants loan; obtains loan; enters into a lease transaction with a leasing company; acquires a third party asset; and changes its management composition. Further, GMFAA has to comply with the following financial ratios: (a) minimum current ratio of 1:1; (b) maximum debt to equity ratio of 2.5; (c) debt service coverage ratio of 100%.

As of December 31, 2016, GMFAA has complied with all financial ratios required on the loan agreement.

As of December 31, 2016 and 2015, outstanding loan balance amounted USD 16,190,019 and USD 20,237,524, respectively.

Bank CIMB Niaga

a. PT Aero Wisata (AWS)

Pada 6 Oktober 2009, AWS, memperoleh fasilitas kredit 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.

Pada tanggal 31 Desember 2016 dan 2015, saldo pinjaman masing-masing berjumlah Rp 730.692.306 (setara dengan USD 54.383) dan Rp 3.653.461.574 (setara dengan USD 264.840).

b. PT Aerotrans Service (ATS)

Pada tanggal 22 Oktober 2013, ATS memperoleh fasilitas kredit investasi khusus 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 ATS dalam melakukan pembagian dividen dan merubah struktur organisasi tanpa ada pemberitahuan secara tertulis kepada pihak bank.

ATS juga 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. Pinjaman ini dijamin dengan deposito berjangka.

Pada tanggal 24 Juni 2010, ATS 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.

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.

Bank CIMB Niaga

a. PT Aero Wisata (AWS)

On October 6, 2009, AWS, obtained on investment credit 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.

As of December 31, 2016 and 2015, outstanding loan balance amounted Rp 730,692,306 (equivalent to USD 54,383), and Rp 3,653,461,574 (equivalent to USD 264,840), respectively.

b. PT Aerotrans Service (ATS)

On October 22, 2013, ATS obtained special investment credit facility from Bank CIMB Niaga to finance the purchase of new vehicle for operations with term of 3 to 4 years.

Such loan agreement includes certain terms and conditions that restrict ATS to distribute dividends and change its organizational structure without written notification to the bank.

ATS also 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. This loan is secured by time deposit.

On June 24, 2010, ATS 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. 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.

Fasilitas ini memiliki jangka waktu 36 bulan sampai 42 bulan.

Utang bank dijamin dan diikat secara fidusia dengan kendaraan bermotor yang dibeli dengan total nilai minimum sebesar Rp 88.969.352.250 per 31 Desember 2015 dan penyerahan/pengelolaan *escrow account* serta *comfort letter* dari AWS.

Pada tanggal 31 Desember 2016 dan 2015, saldo pinjaman masing-masing berjumlah Rp 11.614.772.023 (atau setara dengan USD 864.451), dan Rp 24.200.779.513 (atau setara dengan USD 1.754.315).

Pada tanggal 23 Januari 2017, pinjaman ini telah dilunasi.

These facilities have a term of 36 months to 42 months.

The bank loan is secured by related vehicles purchased with a minimum amount of Rp 88,969,352,250 as of December 31, 2015 and opening of escrow account and a comfort letter from AWS.

As of December 31, 2016 and 2015, outstanding loan balances amounted Rp 11,614,772,023 (equivalent with USD 864,451) and Rp 24,200,779,513 (equivalent with USD 1,754,315), respectively.

On January 23, 2017, this loan has been settled.

PT BCA Finance

Pada Oktober 2016, ATS memperoleh pinjaman atas pembelian 8 unit kendaraan dengan jangka waktu 48 bulan dengan tingkat suku bunga tetap.

Pada tanggal 31 Desember 2016, saldo pinjaman adalah sebesar Rp 6.027.400.775 (atau setara dengan USD 448.601).

PT BCA Finance

In October 2016, ATS obtained loan for the purchase of 8 vehicles with term of 48 months with fixed interest rate.

As of December 31, 2016, outstanding loan balance amounted to Rp 6,027,400,775 (equivalent with USD 448,601).

Bank Pan Indonesia

Pada tanggal 2 Agustus 2013, Perusahaan menandatangani perjanjian pinjaman komersial dengan Bank Pan Indonesia. Jumlah fasilitas pinjaman yang diberikan kepada Perusahaan sebesar USD 75 juta dengan jangka waktu 36 bulan.

Dana pinjaman telah dicairkan seluruhnya oleh Perusahaan pada tanggal 14 Agustus 2013. Dana pinjaman ini digunakan untuk keperluan umum Perusahaan.

Pembatasan-pembatasan penting dalam perjanjian ini antara lain menjaga rasio keuangan sebagai berikut:

- *Debt-to-equity ratio* Grup tidak melebihi 2,5 kali.
- *Kas* dan setara kas berbanding pendapatan usaha Grup tidak kurang dari 5%.
- Jumlah ekuitas Grup tidak kurang dari USD 800.000.000.

Per 31 Desember 2016 pinjaman tersebut telah lunas.

Bank Pan Indonesia

On August 2, 2013, the Company entered into a commercial loan agreement with Bank Pan Indonesia. The total loan facility amounted to USD 75 million with term of 36 months.

The funds have been drawn by the Company on August 14, 2013. This facility is used for general purpose.

The major covenants include maintaining certain financial covenants as follow:

- Debt-to-equity ratio not to exceed 2.5 times.
- Minimum cash percentage shall not be less than 5% of the Group operating revenues.
- Group equity shall not be less than USD 800,000,000.

As of December 31, 2016, the loan has been settled.

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.

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.

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.

Per 31 Desember 2016 pinjaman tersebut telah lunas.

Commonwealth Bank

Pada tanggal 14 Oktober 2014, GOHA memperoleh fasilitas pinjaman dari Commonwealth Bank of Australia yang digunakan untuk membiayai perolehan gedung kantor dan properti investasi yang berlokasi di 263 Clarance Street, Sydney, NSW, 2000 dengan plafon pinjaman sebesar AUD 1.300.000. Jatuh tempo pinjaman adalah 5 (lima) tahun dan dapat dilunasi sebagian atau seluruhnya pada tanggal-tanggal yang telah ditentukan. Beban bunga dan beban lain-lain terkait pinjaman terdiri dari:

- Beban bunga sebesar suku bunga pasar yang berlaku dan ditagihkan setiap tiga bulan.
- *Line fee* sebesar 0,93% per tahun dari nilai plafon dan ditagihkan pada hari pertama setiap bulannya dan pada saat pembatalan pinjaman.
- *Usage fee* sebesar 1,20% per tahun dari saldo pinjaman dan ditagihkan pada hari pertama setiap bulan dan pada saat pembatalan pinjaman.
- *Liquidity fee* sebesar 0,1% per tahun dari saldo pinjaman dan ditagihkan pada tanggal yang ditentukan atau pada saat pelunasan pinjaman.
- *Rollover fee* sebesar AUD 150 ditagihkan pada tanggal-tanggal yang telah ditentukan.

Pada tanggal 15 Januari 2016, GOHA melakukan pelunasan pokok pinjaman jangka panjang ke Commonwealth Bank sebesar AUD 1.300.000.

PT Mandiri Tunas Finance

Merupakan pinjaman ATS, entitas anak AWS, atas pembelian 27 unit kendaraan dengan jangka waktu pinjaman selama 36 bulan. Pinjaman ini dijamin secara fidusia dengan kendaraan bermotor yang dibiayai.

Per 31 Desember 2016 pinjaman tersebut telah lunas.

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.

As of December 31, 2016 the loan has been settled.

Commonwealth Bank

On October 14, 2014, GOHA obtained a loan facility from the Commonwealth Bank of Australia used to finance the acquisition of office buildings and investment property located at 263 Clarance Street, Sydney, NSW, 2000 with a loan limit of AUD 1,300,000. The maturity of the loan is 5 (five) years and can be repaid in part or in whole on the dates specified in the agreement. Interest rate and other expenses of loans consist of:

- The interest rate used is the variable market rate and will be charged every three months.
- Line fee of 0.93% per annum calculated on the facility limit and payable on the first day of each month and on cancellation of limit.
- Usage fee of 1.20% per annum calculated on the total drawn balance of facility and payable on the first day of each month and on cancellation of limit.
- Liquidity fee of 0.1% per annum calculated on the drawn balance of market rate loan and will be charge on reset date or on full prepayment of the loan.
- Rollover fee of AUD 150 will be charged on each reset date.

On January 15, 2016, GOHA fully paid the principal of long-term loans to the Commonwealth Bank amounting to AUD 1,300,000.

PT Mandiri Tunas Finance

This loan was obtained by ATS, a subsidiary of AWS, for the purchase of 27 vehicles with term of 36 months. This loan is secured by the financed vehicles.

As of December 31, 2016, the loan has been settled.

24. LIABILITAS SEWA PEMBIAYAAN

Grup melakukan transaksi sewa pesawat yang dibiayai oleh Export Development Canada (EDC) untuk sewa pesawat CRJ1000 dengan masa sewa keseluruhan adalah 2012 – 2024.

24. LEASE LIABILITIES

The Group entered into lease transaction which were financed by Export Development Canada (EDC) for lease of aircraft CRJ1000 with the whole lease period of 2012 – 2024.

Grup juga melakukan transaksi sewa perangkat keras dan lunak, peralatan GSE dan kendaraan.

The Group also entered into lease agreement for the lease of software and hardware, GSE Equipment and vehicle.

Pembayaran minimum sewa berdasarkan perjanjian sewa adalah sebagai berikut:

The minimum lease payments based on the lease agreements are as follows:

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
	USD	USD	
Dalam satu tahun	27.179.778	18.531.931	Within one year
Lebih dari satu tahun tapi tidak lebih dari lima tahun	111.529.989	71.859.548	Over one year but not longer than five years
Lebih dari lima tahun	53.350.128	47.272.149	Over five years
Jumlah pembayaran sewa masa depan	192.059.895	137.663.628	Total future lease payment
Dikurangi beban keuangan di masa depan	31.160.449	16.482.435	Less future finance charges
Nilai kini pembayaran minimum sewa	160.899.446	121.181.193	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	22.311.219	15.125.233	Current maturities
Jangka panjang	138.588.227	106.055.960	Non current maturities
Jumlah	160.899.446	121.181.193	Total

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 yang berlaku sampai dengan 30 November 2014. Sampai dengan 31 Desember 2014, Perusahaan telah menggunakan seluruh plafonnya.

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*.

Perusahaan diminta untuk memberikan konfirmasi terlebih dahulu mengenai jenis tingkat bunga yang akan diaplikasikan pada saat pengiriman pesawat.

Pada saat eksekusi Pinjaman, tingkat suku bunga yang direalisasikan adalah:

1. Perusahaan memilih pembayaran bunga tetap untuk pembiayaan atas PK-GRA. Pembayaran dilakukan setiap kuartal dimulai pada tanggal 5 Januari 2013.
2. Perusahaan memilih pembayaran bunga tetap untuk pembiayaan atas PK-GRC. Pembayaran dilakukan setiap kuartal dimulai pada tanggal 30 Januari 2013.

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 valid until November 30, 2014. At December 31, 2014, the Company has used all this facility.

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.

The Company is required to confirm in advance the applicable interest rate to be used upon delivery of the aircraft.

Upon execution of financing agreement, the interest rate is realized as follows:

1. The Company elected fixed interest payment for the loan tied to PK-GRA. Payments are madeeach quarter beginning on January 5, 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. 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 November 2013.

6. Perusahaan memilih pembayaran bunga mengambang untuk pembiayaan atas PK-GRQ. Pembayaran dilakukan setiap kuartal dimulai pada tanggal 20 September 2014.

Pembatasan-pembatasan penting dalam fasilitas pinjaman ini adalah:

1. *Debt Ratio* Grup tidak lebih atau sama dengan 2,5 kali.

2. Kas dan setara kas berbanding pendapatan usaha Grup tidak kurang dari 5%.

3. Jumlah ekuitas Grup tidak kurang dari USD 800.000.000.

Pada tanggal 31 Desember 2016, Perusahaan telah memenuhi seluruh rasio keuangan yang dipersyaratkan dalam perjanjian tersebut.

Jangka waktu pembiayaan adalah 10 tahun dengan tanggal jatuh tempo sebagai berikut:

1. CRJ1000 PK-GRA jatuh tempo tanggal 5 setiap kuartal. Pembayaran pertama tanggal 5 Januari 2013, sedangkan jatuh tempo terakhir pada tanggal 5 Oktober 2022.

2. CRJ1000 PK-GRC jatuh tempo tanggal 30 setiap kuartal. Pembayaran pertama tanggal 30 Januari 2013, sedangkan jatuh tempo terakhir pada tanggal 30 Oktober 2022.

3. CRJ1000 PK-GRE jatuh tempo tanggal 9 setiap kuartal. Pembayaran pertama tanggal 5 Pebruari 2013, sedangkan jatuh tempo terakhir pada tanggal 9 November 2022.

4. CRJ1000 PK-GRM jatuh tempo tanggal 25 setiap kuartal. Pembayaran pertama tanggal 25 September 2013, sedangkan jatuh tempo terakhir pada tanggal 25 Juni 2023.

5. CRJ1000 PK-GRN jatuh tempo tanggal 29 setiap kuartal. Pembayaran pertama tanggal 29 November 2013, sedangkan jatuh tempo terakhir pada tanggal 29 Agustus 2023.

6. CRJ1000 PK-GRQ jatuh tempo tanggal 20 setiap kuartal. Pembayaran pertama tanggal 20 September 2014, sedangkan jatuh tempo terakhir pada tanggal 20 Juni 2024.

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.

6. The Company elected floating interest payment for the loan tied to PK-GRQ. Payments are made each quarter beginning on September 20, 2014.

Significant covenants of the financing facility is as follow:

1. Debt ratio of the Group shall not be equal to or more than 2.5 times.

2. Minimum cash percentage shall not be less than 5% of the Group operating revenues.

3. Group equity shall not be less than USD 800,000,000.

As of December 31, 2016, the Company has complied with all financial ratio required on the loan agreement.

Financing period is10 years with maturity as follows:

1. CRJ1000 PK-GRA will be due every 5th of each quarter. The first installment date is on January 5, 2013, with final maturity on October 5, 2022.

2. CRJ1000 PK-GRC will be due every 30th of each quarter. The first installment date is on January 30, 2013, with final maturity on October 30, 2022.

3. CRJ1000 PK-GRE will be due every 9th of each quarter. The first installment date is on February 5, 2013, with final maturity on November 9, 2022.

4. CRJ1000 PK-GRM will be due on 25th of each quarter. The first installment date is on September 25, 2013, with final maturity on June 25, 2023.

5. CRJ1000 PK-GRN will be due on 29th of each quarter. The first installment date is on November 29, 2013, with final maturity on August 29, 2023.

6. CRJ1000 PK-GRQ will be due on 20th of each quarter. The first installment date is on September 20, 2014, with final maturity on June 20, 2024.

Tidak ada uang jaminan atas pembiayaan ini. Pada tanggal 31 Desember 2016 dan 2015, saldo utang sewa pembiayaan EDC masing-masing sebesar USD 92.912.405 dan USD 105.420.196.

No security deposit is issued for this financing. As of December 31, 2016 and 2015, the outstanding balance of EDC financing amounted to USD 92,912,405 and USD 105,420,196, respectively.

PT Hewlett-Packard Finance Indonesia dan PT Century Tokyo Leasing Indonesia

PT Hewlett-Packard Finance Indonesia and PT Century Tokyo Indonesia

Merupakan utang pembelian perangkat keras dan perangkat lunak dengan jangka waktu sewa adalah 36 bulan dengan tingkat bunga efektif sebesar 5,34% - 8% untuk USD dan 10%-12,25% untuk IDR.

The loan is related to the purchase of hardware and software with the lease has term of 36 months and effective interest rate per annum at 5.34% - 8% for USD and 10%- 12.25% for IDR.

Pada tanggal 31 Desember 2016 dan 31 Desember 2015 saldo utang sewa pembiayaan masing-masing sebesar USD 241.007 dan USD 761.537.

As of December 31, 2016 and December 31, 2015, the outstanding balance amounted to USD 241,007 and USD 761,537, respectively.

Mitsui Leasing Capital

Mitsui Leasing Capital

Pada tahun 2015, ATS melakukan perjanjian sewa pembiayaan pembelian 33 kendaraaan dengan Mitsui Leasing Capital dengan jangka waktu 36 bulan dan tingkat suku bunga tetap sebesar 10,21% - 11,29%.

In 2015, ATS entered into a finance lease agreement with Mitsui Capital Leasing for the purchase of 33 vehicles with term of 36 months and interest fixed rate 10.21% - 11.29%.

Pada bulan Januari sampai April 2016, ATS melakukan penambahan pinjaman perjanjian sewa pembiayaan atas 38 kendaraan dengan jangka waktu 36-48 bulan.

In January to April 2016, ATS entered into finance lease agreement for purchase of 38 vehicles with term of 34-48 months.

Pada tanggal 31 Desember 2016 dan 2015, besarnya saldo masing-masing adalah sebesar Rp 5.922.952.356 (setara dengan USD 440.827) dan Rp 4.639.345.684 (setara dengan USD 336.306).

As of December 31, 2016 and 2015, the outstanding balance amounted to Rp 5,922,952,356 (equivalent to USD 440,827) and Rp 4,639,345,684 (equivalent to USD 336,306), respectively.

Thompson Robbins Maintenance Pte Ltd.

Thompson Robbins Maintenance Pte Ltd.

Pada tanggal 1 Juni 2015 PT Gapura Angkasa melakukan transaksi sewa alat Ground Service Equipment (GSE) dengan Thompson Robbins Maintenance Pte Ltd dengan jangka waktu 120 bulan dan tingkat suku bunga sebesar 5,06%. Pada tanggal 31 Desember 2016 dan 2015 saldo utang sewa pembiayaan sebesar USD 66.622.924 dan USD 14.663.154.

On June 1, 2015, PT Gapura Angkasa entered into lease ground service equipment (GSE) with Thompson Robbins Maintenance Pte Ltd with term of 120 months and interest rate 5.06%. As of December 31, 2016 and 2015, the outstanding balance amounted to USD 66,622,924 and USD 14,663,154.

IBVJ Finance

IBVJ Finance

Pada Oktober 2016, ATS melakukan pembiayaan pembelian 50 kendaraaan dengan IBVJ Finance dengan jangka waktu 48 bulan dan tingkat suku bunga tetap 9,75%.

On October, 2016, ATS entered into lease financing for the purchase of 50 vehicles with IBVJ Finance with term of 48 months and interest rate 9.75%.

Pada tanggal 31 Desember 2016, besarnya saldo adalah sebesar Rp 9.167.156.029 (setara dengan USD 682.283)

As of December 31, 2016, the outstanding balance amounted to Rp 9,167,156,029 (equivalent to USD 682,283).

25. LIABILITAS ESTIMASI BIAYA PENGEMBALIAN DAN PEMELIHARAAN PESAWAT

25. ESTIMATED LIABILITY FOR AIRCRAFT RETURN AND MAINTENANCE COST

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Saldo awal periode	122.604.616	112.788.440	Balance at beginning of year
Penambahan tahun berjalan	16.268.446	15.604.831	Provision during the year
Jumlah digunakan	(32.675.055)	(10.212.378)	Amount utilized
Amortisasi diskonto	7.672.304	4.423.723	Amortized discount
Saldo akhir tahun	113.870.311	122.604.616	Balance at end of year
Penyajian			Presentation
Jatuh tempo dalam satu tahun	27.319.726	53.155.762	Current maturities
Jangka panjang	86.550.585	69.448.854	Non current maturities
Jumlah	113.870.311	122.604.616	Total

26. UTANG OBLIGASI

Obligasi Garuda Indonesia Berkelanjutan 1

Pada 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 USD 200.724.972 (setara dengan Rp 2.000.000.000.000). 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. Pada saat diterbitkan, Obligasi tersebut mendapatkan IdA *fitch rating* dan tercatat pada Bursa Efek Indonesia pada 8 Juli 2013. Obligasi tidak dijamin oleh apapun atau siapapun.

Pada tanggal 12 Agustus 2016, Rapat Umum Pemegang Obligasi (RUPO) menyetujui penggantian Wali Amanat Obligasi dari PT CIMB Niaga Tbk menjadi PT Bank Tabungan Negara (Persero) Tbk yang berlaku efektif tanggal 12 Agustus 2016

Pada tanggal 1 Februari 2017, rating obligasi Perusahaan dari PEFINDO adalah BBB+.

Pembatasan-pembatasan penting yang diatur dalam perjanjian adalah:

1. *Coverage ratio* Grup tidak kurang dari 1 kali, dan
2. *Debt ratio* Grup tidak boleh melebihi 7 kali.

26. BONDS PAYABLE

Garuda Indonesia Sustainable Bond 1

In July 2013, the Company issued 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 USD 200,724,972 (equivalent to Rp 2,000,000,000,000). 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. On issuance date, 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.

On August 12, 2016 Annual Meeting Obligation Holder (RUPO) approve the changing for The Trustee Obligation from PT CIMB Niaga Tbk become PT Bank Tabungan Negara (Persero) Tbk. with effective date on August 12, 2016.

PEFINDO issued the Company's bond rating for February 1, 2017 is BBB+.

The major covenants include maintaining certain financial covenants as follow:

1. Coverage ratio not less than 1 time, and
2. Debt ratio not to exceed 7 times.

Pada tanggal 5 Maret 2015 Rapat Umum Pemegang Obligasi telah dilakukan, dimana pemegang obligasi menyetujui perubahan pembatasan financial covenant dalam perjanjian perwaliamanatan.

Perubahaan pembatasan fasilitas pinjaman adalah sebagai berikut:

1. *Debt ratio* Grup tidak boleh melebihi 2,5 kali;
2. Kas dan setara kas berbanding pendapatan usaha Grup tidak kurang dari 5%; dan
3. Jumlah ekuitas Grup tidak kurang dari USD 800.000.000.

Saldo per 31 Desember 2016 dan 2015 masing-masing sebesar Rp 1.992.532.263.900 (setara dengan USD 148.298.025) dan Rp 1.989.026.864.904 (setara dengan USD 144.184.622).

On Mach 5, 2015, a General Meeting of Bondholders was held wherein the bondholders agreed to the changes in the financial covenant of the underwriting agreement.

The revised financial covenants are as follow:

1. Group Debt ratio not to exceed 2.5 times;
2. Minimum cash percentage shall not be less than 5% of the Group revenues; and
3. Group total equity should not be less than USD 800,000,000.

Balance as of December 31, 2016 and 2015 amounted to Rp 1,992,532,263,900 (equivalent to USD 148,298,025) and Rp 1,989,026,864,904 (equivalent to USD 144,184,622), respectively.

Garuda Indonesia Global Sukuk Limited

Pada tanggal 3 Juni 2015, Perusahan melakukan perjanjian dengan Garuda Indonesia Global Sukuk Limited untuk menerbitkan *Trust Certificates* sebesar USD 500.000.000 ("Sertifikat-Sertifikat"). Hasil yang diperoleh akan digunakan untuk *reprofiling* portofolio jangka panjang Perusahaan.

Pembayaran Sertifikat-Sertifikat dilakukan secara penuh *(bullet payment)* pada saat jatuh tempo, dan menawarkan peringkat laba tetap sebesar 5,95% per tahun, dibayar setiap 6 bulanan yang dimulai pada tanggal 3 Desember 2015 sampai dengan 3 Juni 2020.

The Hongkong and Shanghai Banking Corporation Limited bertindak sebagai Penerima Delegasi, Agen Pembayar Utama, Pencatat Agen Pembayar dan Agen Pemindahtanganan. Sertifikat-Sertifikat tersebut tidak diperingkat dan tercatat pada Singapore Exchange (SGX-ST).

Sertifikat diterbitkan berdasarkan hak untuk perjalanan (*the rights to travel*) dan skema keagenan untuk memenuhi ketentuan penawaran Syariah. Sertifikat tidak dijamin dengan jaminan dan tidak dijamin oleh pihak ketiga.

Pembatasan-pembatasan penting keuangan adalah sebagai berikut:

1. Ekuitas Grup tidak kurang dari USD 800.000.000;
2. Debt-to-equity ratio Grup tidak boleh melebihi 2.5 kali; dan
3. Kas dan setara kas berbanding pendapatan usaha Grup tidak kurang dari 5%.

Saldo per 31 Desember 2016 dan 2015 masing-masing sebesar USD 492.743.140 dan USD 491.762.820.

Garuda Indonesia Global Sukuk Limited

At June 3, 2015, the Company entered into agreement with Garuda Indonesia Global Sukuk Limited to issue Trust Certificates amounting to USD 500,000,000 (the "Certificates"). The proceeds were used to reprofile the Company's existing debt portfolio.

The Certificates is to be settled at bullet payment on maturity, and it offers fixed profit rate at 5.95% per annum, to be distributed every six months starting on December 3, 2015 to June 3, 2020.

The Hongkong and Shanghai Banking Corporation Limited acts as Delegate, Principal Paying Agent, Paying Agent Registrar, and Transfer Agent of the Certificate. The Certificates is not rated, and listed in the Singapore Exchange (SGX-ST).

The Certificates is issued based on the rights to travel and agency scheme to constitute a Sharia compliance offering. The Certificates is not secured by any collateral and is not guaranteed by any third-party.

The major covenants include maintaining certain financial covenants as follows:

1. The Group equity shall not be less than USD 800,000,000;
2. Debt-to-equity ratio not to exceed 2.5 times; and
3. Minimum cash percentage shall not be less than 5% of the Group operating revenues.

Balance as of December 31, 2016 and 2015 amounted to USD 492,743,140 and USD 491,762,820, respectively.

27. LIABILITAS TIDAK LANCAR LAINNYA / 27. OTHER NONCURRENT LIABILITIES

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Pendapatan ditangguhkan atas jual dan sewa balik (Catatan 48)	45.765.466	38.879.106	Deferred income from sale and leaseback (Note 48)
Uang muka agen	811.755	855.601	Advances from agent
Lain-lain	855.270	48.036	Others
Jumlah	47.432.491	39.782.743	Total

28. LIABILITAS IMBALAN PASCA KERJA / 28. POST-EMPLOYMENT BENEFITS OBLIGATION

Grup menyelenggarakan program iuran pasti, manfaat pasti dan imbalan kerja jangka panjang lainnya untuk semua karyawan yang memenuhi persyaratan.

The Group provides a defined contribution plan, defined benefit plan and other long term benefit covering all their qualified employees.

Pada tahun 2016, Perusahaan dan GMFAA melakukan amandemen Perjanjian Kerja Bersama dan ASI melakukan amendemen Peraturan Perusahaan. Amendemen tersebut mengatur perubahan skema imbalan pensiun, Perubahan skema tersebut hanya berlaku untuk karyawan tetap yang diangkat dalam periode tertentu sesuai dengan perubahan skema di masing-masing entitas.

In 2016, the Company and GMFAA amended its Collective Employeement Agreements (CEA) and ASI amended it's Company's Regulation. Such amendment change the structure of their pension benefit scheme. The change of the scheme only applicable for permanent employees which were appointed in certain period in accordance with the scheme change in each entity.

a. Imbalan Pasca-kerja / a. Post-employment Benefits

Program Iuran Pasti / Defined Contribution Plan

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 November 1999. Iuran dana pensiun masing-masing berjumlah 7,5% dari gaji dasar karyawan dimana sebesar 2% ditanggung karyawan dan sisanya ditanggung Perusahaan dan GMFAA.

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 salary wherein 2% are assumed by the employee and the difference is assumed by the Company and GMFAA.

Berdasarkan hasil Rapat Umum Pemegang Saham Tahunan (RUPST) Perusahaan tanggal 26 April 2013, disetujui 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.

Based on the Company's Annual General Shareholder Meeting (RUPST) dated April 26, 2013, the shareholders 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 employee was changed from 2% to become 3% with the remaining portion borne by the Company.

Selanjutnya, pada Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) Perusahaan tanggal 12 Desember 2014, Pemegang saham menyetujui dan menetapkan perubahan iuran yang ditanggung karyawan dari sebesar 3% menjadi 4% sedangkan iuran yang ditanggung perusahaan tetap 7%.

Furthermore, based on the Company's Extra Ordinary General Shareholder Meeting (RUPSLB) on December 12, 2014, the shareholders agreed and approved the changes in contribution ratio as borne by an employee was changed from 3% to become 4% while the portion borne by the Company is remain 7%.

Tahun 2014, Perusahaan mengubah program persiapan pensiun, dimana karyawan tidak dapat memanfaatkan opsi untuk tidak aktif bekerja selama satu tahun sebelum usia pensiun normal. Dibawah "Perjanjian Kerja Bersama" (PKB) terbaru seluruh karyawan harus aktif bekerja hingga usia pensiun normal.

In 2014, the Company amended its pension preparation program, where employees can no longer avail of the option to be inactive one year before their normal retirement age. Under the new "Collective Employment Agreements" (CEA) all employee must be actively working until his normal retirement age.

Sesuai dengan amendemen PKB di tahun 2016, Perusahaan dan GMFAA juga menyelenggarakan tambahan program pensiun iuran pasti dengan melakukan perjanjian kerjasama dengan Dana Pensiun Lembaga keuangan Bank Rakyat Indonesia (DPLK BRI) dan Dana Pensiun Lembanga Keuangan PT Bank Negara Indonesia (Persero) Tbk. (DPLK BNI). Perusahaan dan GMFAA membayar kontribusi iuran masing-maslng sebesar 3%.

In accordance with the amendements to the CEA in 2016, the Company and GMFAA also provide additional defined contribution pension plan with Dana Pensiun Lembaga keuangan Bank Rakyat Indonesia (DPLK BRI) and Dana Pensiun Lembanga Keuangan PT Bank Negara Indonesia (Persero) Tbk. (DPLK BNI). The Company and GMFAA pay contribution fee of 3%.

PT Sabre Travel Network Indonesia (STNI), dahulu dikenal dengan nama PT Abacus Distribution System (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.

PT Sabre Travel Network Indonesia (STNI), formerly known as 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 participant latest salary. 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 salary, respectively.

Pada tahun 2014, PT Aero Systems Indonesia (ASI), anak perusahaan, melakukan amandemen Perjanjian Kerja Bersama. Perubahan perhitungan skema imbalan pasca kerja untuk pensiun normal dengan pembayaran berkabung tambahan untuk karyawan yang meninggal dunia sebelum usia pensiun normal. ASI juga merubah *benefit* untuk karyawan yang telah bekerja untuk perusahaan selama 10 hingga 20 tahun.

In 2014, PT Aero Systems Indonesia (ASI), a subsidiary, amended its CEA. The amendments change the calculation of post-employment benefit scheme for normal retirement with additional bereavement payment for employee who dies before his normal retirement age. ASI also amended its long-service awards benefit for employees who have worked for 10 years and 20 years.

Beban iuran pasti untuk tahun yang berakhir 31 Desember 2016 dan 2015 masing-masing sebesar USD 9.930.008 dan USD 7.611.652.

Pension expense recorded as part of operating expense for the years ended December 31, 2016 and 2015 amounted to USD 9,930,008 and USD 7,611,652, respectively.

Program Imbalan Pasti

Defined Benefit Plan

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.

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 employee gross salary. At retirement age, the employees will obtain benefit of 2.5% times working period times basic pension income.

GMFAA, STNI, ASI, AWS, GA, dan CT 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.

GMFAA, STNI, ASI, AWS, GA, and CT 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.

Sesuai dengan amendemen PKB dan PP di tahun 2016, Perusahaan, GMFAAA dan ASI memperhitungkan akumulasi atas iuran yang telah dibayarkan kepada DPGA sebagai pengurang kewajiban program imbalan pasti yang telah dicadangkan sesuai dengan kebijakan Perusahaan dan GMFAA yang didasarkan pada Undang-Undang Ketenagakerjaan No. 13 than 2003. Dampak dan perubahan skema tersebut telah tercermin dalam biaya jasa lalu yang dilaporkan dalam laporan laba rugi konsolidasian. Sehingga Perusahaan, GMFAA dan ASI hanya mengakui imbalan pasca-kerja tanpa pendanaan atas kekurangan antara imbalan yang tersedia dalam DPGA dan imbalan pasca-kerja sesuai dengan Undang-Undang No. 13/2013.

Based on the amendments to the CEA and PP in 2016, the Company, GMFAA and ASI treat the accumulation of contributions that have been paid to DPGA as deduction to the defined benefit plan obligations in accordance with Company and GMFAA policies, based on Labor Laws No. 13 year 2003. The impact of the changes to the scheme is reflected in the past service costs stated in consolidated statement of income. The Company, GMFAA and ASI only recognize unfunded post-employment benefits over the shortage between benefits available in DPGA and post-employment benefits based on Labor Law No. 13/2013.

b. Imbalan Kerja Jangka Panjang Lain

GMFAA, STNI, AWS, dan GA 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.

Berdasarkan Surat Keputusan Direksi ASI No. 011/FHR-ASYST-DIR/SKEPDIR/XI/16, terhitung sejak 26 Februari 2016 ASI tidak lagi memberikan program manfaat Penghargaan Masa Bakti. Dampak perubahan ini diakui seluruhnya di komponen biaya jasa lalu dalam laba atau rugi.

Pada 31 Desember 2016 dan 31 Desember 2015, perhitungan imbalan kerja program imbalan pasti dan imbalan kerja jangka panjang lainnya dihitung oleh PT Padma Radya Aktuaria, aktuaris independen, dengan menggunakan asumsi utama sebagai berikut:

b. Other Long-term Benefit

The GMFAA, STNI, AWS, and GA also 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.

Based on the ASI Board of Directors Decision No. 011/FHR-ASYST-DIR/SKEPDIR/XI/16, effective as of February 26, 2016, ASI terminated the Employee Award Benefit program. The impact of change is recognized as past service costs in profit or loss.

At December 31, 2016 and December 31, 2015 the cost of providing defined benefit plan and other long-term benefits is calculated by PT. Padma Radya Aktuaria, an independent actuary, using the following key assumptions:

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
Tingkat diskonto	8.25 - 9%	9% - 9,25%	Discount rate
Tingkat kenaikan gaji	5% - 8%	3% - 8%	Future salary increment rate
Tingkat kematian	TMI3	TMI3	Mortality rate
Tingkat cacat	5% dari tingkat kematian/ *5% of mortality rate*	5% dari tingkat kematian/ *5% of mortality rate*	Disability rate
Tingkat pengunduran diri	5% usia 25 tahun menurun secara garis lurus sampai 0% di usia pensiun normal/ *5% at age 25 and decreasing linearly to 0% at normal pension age*	5% usia 25 tahun menurun secara garis lurus sampai 0% di usia pensiun normal/ *5% at age 25 and decreasing linearly to 0% at normal pension age*	Resignation rate
Tingkat pensiun normal	36, 46, 56, 60 tahun/ *36, 46, 56, 60 years*	36, 46, 56, 60 tahun/ *36, 46, 56, 60 years*	Normal retirement rate
Tingkat kenaikan biaya kesehatan - untuk kesehatan	6,1% sampai tahun ke lima kemudian flat 5%/ *6,1% until fifth year then 5% flat rate*	6,1% sampai tahun 2018 kemudian flat 5%/ *6,1% until year 2018 then 5% flat rate*	Medical cost increment rate - for healthcare

Program pensiun imbalan pasti memberikan eksposur Grup terhadap risiko aktuarial seperti risiko investasi, risiko tingkat bunga, dan risiko gaji

The defined benefit pension plan typically expose the Group to actuarial risks such as: investment risk, interest rate risk and salary risk.

Risiko Investasi

Nilai kini kewajiban imbalan pasti pensiun kesehatan dihitung menggunakan tingkat diskonto yang ditetapkan dengan mengacu padai imbal hasil obligasi korporasi berkualitas tinggi; jika pengembalian aset program di bawah tingkat tersebut, hal itu akan mengakibatkan defisit program. Saat ini program tersebut memiliki investasi yang relatif seimbang pada efek reksadana dan saham, instrumen utang dan lainnya. Karena sifat jangka panjang dari liabilitas program, dewan dana pensiun perlu menetapkan bahwa bagian wajar dari aset program harus diinvestasikan pada efek reksadana dan saham dan obligasi untuk meningkatkan imbal hasil yang dihasilkan oleh dana.

Investment risk

The present value of the defined benefit health care plan liability is calculated using a discount rate determined by reference to high quality corporate bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently, the plan has a relatively balanced investment in mutual fund and equity securities, and debt instruments and others. Due to the long-term nature of the plan liabilities, the board of the pension fund considers it appropriate that a reasonable portion of the plan assets should be invested in mutual funds and equity securities and in debt instruments to leverage the return generated by the fund.

Risiko Tingkat Bunga

Penurunan suku bunga obligasi akan meningkatkan liabilitas program; namun, sebagian akan di offset (saling hapus) oleh peningkatan imbal hasil atas investasi instrumen utang.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Risiko Gaji

Nilai kini kewajiban imbalan pasti dihitung dengan mengacu pada gaji masa depan peserta program. Dengan demikian, kenaikan gaji peserta program akan meningkatkan liabilitas program itu.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Beban imbalan selain program tabungan karyawan yang diakui di laba rugi dan penghasilan komprehensif lain adalah:

Employee benefit expense other than employee saving plan recognized in profit or loss and other comprehensive income are as follows:

	31 Desember/ December *31,* 2016				
	Imbalan pasca kerja/ *Post-employment benefit*				
	Program imbalan pasti/ *Define benefit plan*	Pensiun kesehatan/ *Health care*	Penghargaan masa bakti/ *Long service award*	Jumlah/ *Total*	
	USD	USD	USD	USD	
Diakui pada laba (rugi)					Recognized in profit (loss)
Biaya jasa kini	10.182.396	90.890	714.919	10.988.205	Current service cost
Biaya jasa lalu	(89.994.095)	-	66.481	(89.927.614)	Past service cost
Beban Bunga	15.425.163	(1.394.649)	467.527	14.498.041	Interest costs
Kerugian aktuaria	-	-	883.413	883.413	Actuarial loss
	(64.386.536)	(1.303.759)	2.132.340	(63.557.955)	
Diakui pada penghasilan komprehensif lainnya:					Recognized in other comprehensive income:
Pengukuran kembali liabilitas imbalan pasti neto:					Remeasurement on the net defined benefit liability :
Kerugian aktuaria	9.094.153	3.693.727	-	12.787.880	Actuarial losses
Imbal hasil atas aset program	923.216	525.175	-	1.448.391	Return on plan asset
	10.017.369	4.218.902	-	14.236.271	
Jumlah	(54.369.167)	2.915.143	2.132.340	(49.321.684)	Total

	31 Desember/ *December 31,* 2015				
	Imbalan pasca kerja/ *Post-employment benefit*				
	Program imbalan pasti/ *Define benefit plan*	Pensiun kesehatan/ *Health care*	Penghargaan masa bakti/ *Long service award*	Jumlah/ *Total*	
	USD	USD	USD	USD	
Diakui pada laba (rugi):					Recognized in profit (loss):
Biaya jasa kini	9.566.142	86.082	684.685	10.336.909	Current service cost
Biaya jasa lalu	(721.919)	434.887	(2.609.178)	(2.896.210)	Past service cost
Beban Bunga	13.295.460	(1.280.412)	434.097	12.449.145	Interest costs
Keuntungan aktuaria	-	-	(185.243)	(185.243)	Actuarial gain
	22.139.683	(759.443)	(1.675.639)	19.704.601	
Diakui pada penghasilan komprehensif lainnya:					Recognized in other comprehensive income:
Pengukuran kembali liabilitas (aset) imbalan pasti neto:					Remeasurement on the net defined benefit liability (asset):
(Keuntungan) kerugian aktuaria	2.822.984	(1.778.773)	-	1.044.211	Actuarial (gain) losses
Imbal hasil atas aset program	220.101	2.164.351	-	2.384.452	Return on plan asset
	3.043.085	385.578	-	3.428.663	
Jumlah	25.182.768	(373.865)	(1.675.639)	23.133.264	Total

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:

	31 Desember/December 31, 2016				
	Program imbalan pasti/ *Defined benefit plan*	Pensiun kesehatan/ *Health care*	Penghargaan masa bakti/ *Long service award*	Jumlah/ *Total*	
	USD	USD	USD	USD	
Nilai kini kewajiban imbalan pasti	110.567.255	35.563.695	6.166.239	152.297.189	Present value of obligation
Nilai wajar aset	(8.724.512)	(41.271.847)	-	(49.996.359)	Fair value of plan assets
Liabilitas Bersih	101.842.743	(5.708.152)	6.166.239	102.300.830	Net liability
Liabilitas imbalan kerja	101.842.743	8.000.826	6.166.239	116.009.808	Employee benefit obligations
Aset program	-	(13.708.978)	-	(13.708.978)	Plan assets

	31 Desember/ *December 31,* 2015				
	Program imbalan pasti/ *Defined benefit plan*	Pensiun kesehatan/ *Health care*	Penghargaan masa bakti/ *Long service award*	Jumlah/ *Total*	
	USD	USD	USD	USD	
Nilai kini kewajiban imbalan pasti	177.374.386	30.662.596	4.971.163	213.008.145	Present value of obligation
Nilai wajar aset	(8.690.425)	(38.695.991)	-	(47.386.416)	Fair value of plan assets
Liabilitas Bersih	168.683.961	(8.033.395)	4.971.163	165.621.729	Net liability
Liabilitas imbalan kerja	168.683.961	3.864.100	4.971.163	177.519.224	Employee benefit obligations
Aset program	-	(11.897.495)	-	(11.897.495)	Plan assets

Mutasi nilai kini kewajiban adalah sebagai berikut:

Movements in the present value obligation are as follows:

	31 Desember/ December 31, 2016				
	Liabilitas imbalan pasca kerja/ *Employee benefit obligations*				
	Program imbalan pasti/ *Defined benefit plan*	Pensiun kesehatan/ *Health care*	Penghargaan masa bakti/ *Long service award*	Jumlah/ *Total*	
	USD	USD	USD	USD	
Nilai kini kewajiban imbalan pasti - awal tahun	177.374.386	30.662.596	4.971.163	213.008.145	Present value obligation - beginning balance
Biaya jasa kini	10.182.396	90.890	714.919	10.988.205	Current service cost
Beban bunga	16.234.535	2.289.570	467.527	18.991.632	Interest expense
Biaya jasa lalu	(89.994.095)	-	66.481	(89.927.614)	Past service cost
Imbalan yang dibayarkan	(17.919.841)	(1.959.861)	(1.247.345)	(21.127.047)	Benefit payment
Pengukuran kembali liabilitas (aset) imbalan pasti neto:					Remeasurement on the net defined benefit (aset) liability:
Kerugian aktuaria yang timbul dari penyesuaian	(197.943)	(473.556)	123.540	(547.959)	Actuarial losses from experience adjustment
Keuntungan aktuaria yang timbul dari perubahan asumsi keuangan	9.292.096	4.167.283	759.873	14.219.252	Actuarial gain from change in financial assumption
Dampak perubahan kurs valuta asing	5.595.721	786.773	310.081	6.692.575	Foreign exchage differential
Nilai kini kewajiban imbalan pasti - periode berjalan	110.567.255	35.563.695	6.166.239	152.297.189	Present value obligation - ending balance

	31 Desember/ *December 31,* 2015				
	Liabilitas imbalan pasca kerja/ *Employee benefit obligations*				
	Program imbalan pasti/ *Defined benefit plan*	Pensiun kesehatan/ *Health care*	Penghargaan masa bakti/ *Long service award*	Jumlah/ *Total*	
	USD	USD	USD	USD	
Nilai kini kewajiban imbalan pasti - awal tahun	186.608.453	34.941.201	9.379.688	230.929.342	Present value obligation - beginning balance
Biaya jasa kini	9.566.142	86.082	684.685	10.336.909	Current service cost
Beban bunga	14.000.537	2.110.121	434.097	16.544.755	Interest expense
Biaya jasa lalu	(721.919)	434.887	(2.609.178)	(2.896.210)	Past service cost
Imbalan yang dibayarkan	(16.513.374)	(1.720.084)	(1.917.542)	(20.151.000)	Benefit payment
Pengukuran kembali liabilitas (aset) imbalan pasti neto:					Remeasurement on the net defined benefit (aset) liability:
Kerugian aktuaria yang timbul dari penyesuaian	6.415.739	389.778	129.973	6.935.490	Actuarial losses from experience adjustment
Keuntungan aktuaria yang timbul dari perubahan asumsi keuangan	(3.592.755)	(2.168.551)	(315.216)	(6.076.522)	Actuarial gain from change in financial assumption
Dampak perubahan kurs valuta asing	(18.388.437)	(3.410.838)	(815.344)	(22.614.619)	Foreign exchage differential
Nilai kini kewajiban imbalan pasti - periode berjalan	177.374.386	30.662.596	4.971.163	213.008.145	Present value obligation - ending balance

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-tern benefit are as follows:

	31 Desember/ December 31, 2016				
	Liabilitas imbalan pasca kerja/ *Employee benefit obligations*				
	Program imbalan pasti/ *Defined benefit plan*	Pensiun kesehatan/ *Health care*	Penghargaan masa bakti/ *Long service award*	Jumlah/ *Total*	
	USD	USD	USD	USD	
Saldo awal tahun	168.683.961	(8.033.395)	4.971.163	165.621.729	Balance of beginning of year
Biaya diakui pada laporan laba rugi	(64.386.536)	(1.303.759)	2.132.340	(63.557.955)	Expense recognized in profit loss
Biaya diakui pada penghasilan komprehensif lain	10.017.369	4.218.902	-	14.236.271	Expense recognized in other comprehensive income
Selisih kurs	5.302.624	(234.893)	310.081	5.377.812	Foreign exchange differential
Pembayaran manfaat pada periode berjalan	(17.774.675)	(355.007)	(1.247.345)	(19.377.027)	Payments of benefits
Saldo periode berjalan	101.842.743	(5.708.152)	6.166.239	102.300.830	Balance of end of year
Liabiitas imbalan kerja	101.842.743	8.000.826	6.166.239	116.009.808	Employee benefit obligation
Aset progam	-	(13.708.978)	-	(13.708.978)	Plan asset

	31 Desember/ *December 31,* 2015				
	Liabilitas imbalan pasca kerja/ *Employee benefit obligations*				
	Program imbalan pasti/ *Defined benefit plan*	Pensiun kesehatan/ *Health care*	Penghargaan masa bakti/ *Long service award*	Jumlah/ *Total*	
	USD	USD	USD	USD	
Saldo awal tahun	177.090.442	(8.210.281)	9.379.688	178.259.849	Balance of beginning of year
Biaya diakui pada laporan laba rugi	22.139.683	(759.443)	(1.675.639)	19.704.601	Expense recognized in profit loss
Biaya diakui pada penghasilan komprehensif lain	3.043.085	385.578	-	3.428.663	Expense recognized in other comprehensive income
Selisih kurs	(17.698.945)	822.233	(815.344)	(17.692.056)	Foreign exchange differential
Kontribusi Perusahaan	(199.248)	-	-	(199.248)	Employer's contribution
Pembayaran manfaat pada periode berjalan	(15.691.056)	(271.482)	(1.917.542)	(17.880.080)	Payments of benefits
Saldo periode berjalan	168.683.961	(8.033.395)	4.971.163	165.621.729	Balance of current period
Liabiitas imbalan kerja	168.683.961	3.864.100	4.971.163	177.519.224	Employee benefit obligation
Aset progam	-	(11.897.495)	-	(11.897.495)	Plan asset

Perusahaan telah menghentikan imbalan kesehatan atas karyawan yang pensiun pada periode tertentu.

The Company has discontinued the healthcare plan program for employees who have retired for certain period.

Mutasi nilai wajar aset program kesehatan adalah sebagai berikut:

Movements in the present value of health care plan assets are as follows:

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
	USD	USD	
Nilai wajar aset program - awal tahun	47.386.416	52.669.493	Fair value of plan assets - beginning balance
Imbal hasil ekspektasian aset program	4.493.591	4.095.610	Expected return on plan assets
Pengukuran kembali liabilitas (aset) imbalan pasti neto			Remeasurement on the net defined benefit liability
Imbal hasil aset program	(1.448.391)	(2.384.452)	Return on plan asset
Kontribusi pemberi kerja	348.904	199.248	Employer's contribution
Pembayaran manfaat	(2.039.653)	(2.270.920)	Benefit payment
Dampak perubahan kurs valuta asing	1.255.493	(4.922.563)	Foreign exchange differential
Nilai wajar aset program - periode berjalan	49.996.360	47.386.416	Fair value of plan assets - ending balance

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/ *Expected return*		Nilai wajar aset program/ *Fair value of plan assets*		
	31 Desember/ *December 31,* 2016	31 Desember/ *December 31,* 2015	31 Desember/ *December 31,* 2016	31 Desember/ *December 31,* 2015	
	%	%	USD	USD	
Instrumen reksadana, ekuitas dan utang	42,08%	44,35%	21.039.371	21.015.072	Mutual fund, equity and debt instruments
Deposito dan lainnya	48,93%	47,01%	24.463.398	22.275.734	Time deposits and others
Imbalan hasil ekspektasian rata-rata	8,99%	8,64%	4.493.591	4.095.610	Investment result expected average
Nilai wajar aset program - periode berjalan	100,00%	100,00%	49.996.360	47.386.416	Fair value of plan assets - ending balance

Nilai wajar instrumen reksadana, ekuitas dan utang di atas ditentukan berdasarkan harga pasar kuotasian di pasar aktif. Kebijakan ini telah dilaksanakan selama tahun berjalan dan sebelumnya.

The fair value of the above mutual fund, equity and debt instruments are determined based on quoted market prices in active markets. This policy has been implemented during the current and prior years.

Asumsi aktuarial yang signifikan untuk penentuan kewajiban imbalan pasti adalah tingkat diskonto dan kenaikan gaji yang diharapkan. Sensitivitas analisis di bawah ini ditentukan berdasarkan masing-masing perubahan asumsi yang mungkin terjadi pada akhir periode pelaporan, dengan semua asumsi lain konstan.

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	31 Desember/ *December 31,* 2016			
	Program imbalan pasti/ *Defined benefit plan*	Pensiun kesehatan/ *Health care*	Penghargaan masa bakti/ *Long service award*	
	USD	USD	USD	
Tingkat diskonto				Initial discount rate
Tingkat diskonto +1%	(6.710.141)	(1.340.424)	(480.424)	Discount rate +1%
Tingkat diskonto -1%	6.819.036	4.745.752	469.489	Discount rate -1%
Tingkat kenaikan gaji				Future salary increment rate
Tingkat kenaikan gaji +1%	7.017.212	-	237.640	Salary increment rate +1%
Tingkat kenaikan gaji -1%	(6.916.005)	-	(599.581)	Salary increment rate -1%

	31 Desember/ *December 31,* 2015			
	Program imbalan pasti/ *Defined benefit plan*	Pensiun kesehatan/ *Health care*	Penghargaan masa bakti/ *Long service award*	
	USD	USD	USD	
Tingkat diskonto				Initial discount rate
Tingkat diskonto +1%	(9.426.537)	(2.436.861)	(344.072)	Discount rate +1%
Tingkat diskonto -1%	13.196.297	2.863.658	327.983	Discount rate -1%
Tingkat kenaikan gaji				Future salary increment rate
Tingkat kenaikan gaji +1%	13.971.073	-	105.846	Salary increment rate +1%
Tingkat kenaikan gaji -1%	(10.029.413)	-	(491.482)	Salary increment rate -1%

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 analis 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 4.493.591 untuk tahun yang berakhir 31 Desember 2016 dan USD 4.095.610 untuk tahun yang berakhir 31 Desember 2015.

The actual return on plan assets was USD 4,493,591 for the year ended December 31, 2016 and USD 4,095,610 for the year ended December 31, 2015, respectively.

29. MODAL SAHAM / 29. CAPITAL STOCK

	31 Desember/*December 31, 2016*			
	Jumlah saham/ *Number of shares*	Persentase kepemilikan/ *Percentage of ownership*	Jumlah modal disetor/ *Total paid-up capital*	
		%	USD	
Saham seri A Dwiwarna:				Series A Dwiwarna share:
Pemerintah Negara Republik Indonesia	1	0,0000%	0,05	Government of the Republic of Indonesia
Saham biasa seri B:				Series B share:
Pemerintah Negara Republik Indonesia	15.653.127.999	60,5094%	792.323.087	Government of the Republic of Indonesia
Credit Suisse AG Singapore TC AR CL PT Trans Airways	6.370.697.372	24,6268%	322.484.701	Credit Suisse AG Singapore TC AR CL PT Trans Airways
Direktur:				Directors:
Muhammad Arif Wibowo	148.120	0,0006%	7.497	Muhammad Arif Wibowo
Novianto Herupratomo	123.816	0,0005%	6.267	Novianto Herupratomo
Nicodemus Panarung Lampe	373.893	0,0014%	18.926	Nicodemus Panarung Lampe
Masyarakat (kepemilikan di bawah 2%)	3.844.455.432	14,8613%	194.593.091	Public (each holding below 2%)
Jumlah	25.868.926.633	100,0000%	1.309.433.569	Total

	31 Desember/*December 31, 2015*			
	Jumlah saham/ *Number of shares*	Persentase kepemilikan/ *Percentage of ownership*	Jumlah modal disetor/ *Total paid-up capital*	
		%	USD	
Saham seri A Dwiwarna:				Series A Dwiwarna share:
Pemerintah Negara Republik Indonesia	1	0,0000%	0,05	Government of the Republic of Indonesia
Saham biasa seri B:				Series B share:
Pemerintah Negara Republik Indonesia	15.653.127.999	60,5094%	792.323.087	Government of the Republic of Indonesia
Credit Suisse AG Singapore TC AR CL PT Trans Airways	6.370.697.372	24,6268%	322.484.701	Credit Suisse AG Singapore TC AR CL PT Trans Airways
Direktur:				Directors:
Muhammad Arif Wibowo	148.120	0,0006%	7.497	Muhammad Arif Wibowo
Heriyanto Agung Putra	181.829	0,0007%	9.204	Heriyanto Agung Putra
Novianto Herupratomo	123.816	0,0005%	6.267	Novianto Herupratomo
Nicodemus Panarung Lampe	373.893	0,0014%	18.926	Nicodemus Panarung Lampe
Masyarakat (kepemilikan di bawah 2%)	3.844.273.603	14,8606%	194.583.887	Public (each holding below 2%)
Jumlah	25.868.926.633	100,0000%	1.309.433.569	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.

"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.

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 kuasireorganisasi, 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 Dolar Amerika Serikat sebagai mata uang penyajian.

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.

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:

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. 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.

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.

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.

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.

Berdasarkan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) pada tanggal 24 Maret 2014, pemegang saham setuju untuk menerbitkan 3.227.930.633 saham seri B atau 12,48% dari total saham diterbitkan dan dimandatkan kepada dewan komisaris untuk menetapkan realisasi perubahan modal sehubungan dengan penerbitan saham. Total saham sesudah penerbitan saham sebanyak 25.868.926.633. Perusahaan menawarkan saham "Seri B" pada saat penerbitan saham dengan maksimum dana diterima sebanyak Rp 1.484.848.091.180 (setara dengan USD 130.204.652) dengan harga jual Rp 460 per lembar saham. Total tambahan modal sebanyak Rp 1.481.620.160.547 (setara dengan USD 163.401.680) dengan nilai par Rp 456 per lembar saham.

Based on Extraordinary Shareholder Meeting (RUPSLB) dated March 24, 2014, the shareholder agreed to issue 3,227,930,633 Series B shares or 12.48% from total issued shares and mandated to board of commissioner to define the realization of changes in capital stock in relation with rights issue. The total issued shares after rights issue are 25,868,926,633 shares. The Company offered B Series shares on that rights issue with maximum fund received of Rp 1,484,848,091,180 (equivalent to USD 130,204,652) at sale price of Rp 460 per share. Total additional capital stock is amounting to Rp 1,481,620,160,547 (equivalent to USD 163,401,680) with par value Rp 456 per share.

Selisih antara nilai nominal mata uang asing sesuai dengan Anggaran Dasar Perusahaan dan nilai nominal dan mata uang asing pada saat Perusahaan menerima pembayaran atas penerbitan saham diakui sebagai tambahan modal disetor (Catatan 30).

The differences between the par value at the exchanges rate set in the Company's Articles of Association and the par value at the exchange rate prevailing when the Company received payment for rights issue is recorded as additional paid in capital (Note 30).

30. TAMBAHAN MODAL DISETOR / 30. ADDITIONAL PAID-IN CAPITAL

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* 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 year 2000
PMP atas *jet engine test cell* 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 penawaran umum perdana	(12.474.286)	(12.474.286)	Share issuance cost of initial public offering
Eliminasi defisit dalam rangka kuasi reorganisasi	(108.518.998)	(108.518.998)	Elimination of deficit in connection with quasi-reorganization
Pengeluaran saham melalui Penawaran Umum Terbatas I kepada masyarakat	283.152	283.152	Issuance of shares through Rights Issue
Biaya emisi efek Penawaran Umum Terbatas I	(3.075.606)	(3.075.606)	Share issuance cost of Rights Issue
Selisih kurs setoran modal Penawaran Umum Terbatas	(33.197.028)	(33.197.028)	Exchange rate differences on Rights Issue
Selisih transaksi restrukturisasi entitas sepengendali	(2.507.044)	(2.507.044)	Differences in restructuring transaction under common control
Jumlah	(33.948.489)	(33.948.489)	Total

PMP atas Jet Engine Test Cell / GEP on Jet Engine Test Cell

Penyertaan Modal Pemerintah (PMP) sebesar Rp 8.401.219.715 (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 (equivalent to USD 4,088,185) was presented as additional paid-in capital since the Company has not yet increased its paid-up capital.

Pada tanggal 30 November 2016 Perusahaan mendapat persetujuan dari PT Bursa Efek Indonesia melalui surat No. S-07414/BEI.PP2/11-2016 yaitu pencatatan saham hasil penambahan modal tanpa Hak Memesan Efek terlebih dahulu.

On November 30, 2016, the Company received approval from Indonesia Stock Exchange through letter S-07414/BEI.PP2/11-2016, namely the listing of shares as result of the capital increase without rights issue in advance.

Jumlah saham yang dicatatkan adalah jumlah saham sebesar 17.649.621 saham dengan nilai nominal saham Rp 459 per saham dan harga pelaksanaan Rp 476 per saham dengan tanggal pencatatan 9 Desember 2016.

The number of shares listed totaled to 17,649,621 shares with nominal value of share of Rp 459 per share and exercise price of Rp 476 per share at the listing date of December 9, 2016.

Pencatatan penambahan modal tanpa hak memesan efek terlebih dahulu dalam akta akan dilakukan setelah mendapat persetujuan dalam Rapat Umum Pemegang Saham.

The registration of the capital increase without rights issue in advance in Notarial Deed will apply after obtaining the approval of the General Meeting of Shareholder.

Pengeluaran Saham melalui Penawan Umum Perdana kepada Masyarakat

Issuance of Shares through Public Offering

Agio saham tercatat sebesar Rp 3.227.930.633 (setara dengan USD 283.152), timbul dari penerbitan saham penawaran umum terbatas yang dilakukan Perusahaan di tahun 2014. Nilai pasar saham sebesar Rp 460/lembar dan nilai nominal sebesar Rp 459/lembar.

Share premium recorded amounting to Rp 3,227,930,633 (equivalent to USD 283,152) arise from rights issue held by the Company in 2014. The market value of share amounted to Rp 460/share and nominal value amounted to Rp 459/share.

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 to Rp 1,100,000,000,000 (equivalent to USD 121,453,020).

Selisih transaksi restrukturisasi entitas sepengendali

Differences in restructuring transaction under common control

Pada tanggal 10 Desember 2014, Perusahaan melakukan pembelian saham GA yang dimiliki oleh PT Angkasa Pura I. Jumlah lembar saham yang diperoleh dalam transaksi tersebut sebesar 456.960 lembar saham atau sebesar 21,25% dari jumlah modal saham ditempatkan dan disetor GA dengan rincian sebagai berikut:

On December 10, 2014, the Company acquired additional shares of GA owned by PT Angkasa Pura I. The total number of shares acquired in this transaction is 456,960 or 21.25% of the total issued and paid up share capital of GA with details as follows:

	31 Desember 2014/ *December 31, 2014*
	USD
Nilai Aset Bersih GA per 10 Desember 2014/ *Net Assets of GA as of December 31, 2014*	28.703.595
Jumlah prosentase transaksi pembelian saham/ *Percentage of shares acquired*	21,25%
Nilai Aset Bersih GA yang dibeli/ *Net Assets of GA acquired*	6.099.514
Harga beli/ *Investment proceed*	8.606.558
Selisih Transaksi Restrukturisasi Entitas Sepengendali/ *Differences Restructuring Transactions Entities Under Common Control*	(2.507.044)

Transaksi pembelian saham ini dicatat sesuai standar akuntansi keuangan PSAK 38. Selisih antara harga pembelian dan jumlah penambahan kepemilikan atas saham GA dicatat pada akun selisih transaksi antar entitas sepengendali dalam kelompok tambahan modal disetor.

This share acquisition is recorded in accordance with PSAK 38. The difference between the purchase price and the amount of additional ownership of GA's shares is recorded as transaction between entities under common control in additional paid-in capital.

Jumlah persentase kepemilikan saham Perusahaan di GA setelah transaksi tersebut adalah sebesar 58,75% atau setara dengan 1.263.360 lembar saham.

Total percentage of the Company's shareholding in GA after acquisition amounted to 58.75% or equivalent to 1,263,360 shares.

Eliminasi Defisit dalam Rangka Kuasi Reorganisasi

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 (Catatan 53).

Elimination of Deficit in Connection with Quasi Reorganization

The adjustment in additional paid in capital of USD 108,518,998 was made in connection with quasi-reorganization to eliminate opening deficit balance of the Company as of January 1, 2012 (Note 53).

31. PENGHASILAN KOMPREHENSIF LAINNYA / OTHER COMPREHENSIVE INCOME

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
	USD	USD	
Surplus revaluasi			Revaluation surplus
Saldo awal	123.954.471	99.066.192	Beginning balance
Peningkatan	52.435.429	26.847.140	Additions
Penurunan	(4.417.528)	(34.590)	Deductions
Dampak pajak tangguhan dan pajak final	(11.591.459)	(1.936.731)	Deferred tax effect and final tax
Kepentingan non pengendali	(75.987)	12.460	Non controlling interest
Sub jumlah	160.304.926	123.954.471	Sub total
Keuntungan (kerugian) instrumen keuangan atas transaksi lindung nilai	2.416.865	(10.738.051)	Unrealized gain (loss) on cash flow hedge transaction
Akumulasi selisih kurs penjabaran laporan keuangan			Cumulative translation adjustments
Pemilik entitas induk	(247.177.948)	(256.729.174)	Owner of the parent company
Kepentingan non pengendali	13.993.924	12.741.986	Non controlling interest
Jumlah	(70.462.233)	(130.770.768)	Total

Cadangan surplus revaluasi timbul dari revaluasi tanah, bangunan dan pesawat. Ketika tanah, bangunan dan pesawat yang telah dinilai kembali tersebut dijual, porsi cadangan revaluasi yang terkait dengan aset dipindahkan langsung ke saldo laba. Bagian penghasilan komprehensif lain yang termasuk dalam cadangan revaluasi aset selanjutnya tidak akan direklasifikasi ke laba rugi.

The revaluastion surplus reserve arises on the revaluation of land, buildings and aircraft. When revalued land, building and aircraft are sold, the portion of the revaluation reserve that related to that assets is transferred directly to retained earnings. Items of other comprehensive income included in the properties revaluation reserve will not be reclassified subsequently to profit or loss.

32. OPSI SAHAM / 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 (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 (equivalent to 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 Purbajaga 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 2016 dan 2015 sebesar USD 2.770.970.

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, 2016 and 2015 amounted to USD 2,770,970.

The fair values of stock options are valued by Towers Watson Purbajaga 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.

33. APPROPRIATED RETAINED EARNINGS

Under Indonesian Company Law, the Company is 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.

Saldo laba dicadangkan Perusahaan pada tanggal 31 Desember 2016 dan 2015 adalah sebesar USD 6.081.861 atau sebesar 0,66% dari modal ditempatkan dan disetor penuh.

The balance of the Company's appropriated retained earnings as of December 31, 2016 and 2015 amounted to USD 6,081,861 or 0.66% of the Company's issued and paid up capital on each year.

34. KEPENTINGAN NON PENGENDALI / NON CONTROLLING INTEREST

	Kepentingan non pengendali atas aset bersih/ *Non controlling interests in net assets*		Kepentingan non pengendali atas (laba) rugi bersih/ *Net (income) loss attributable to non controlling interests*	
	31 Desember 2016/ *December 31,2016*	31 Desember 2015/ *December 31,2015*	2016	2015
	USD	USD	USD	USD
PT Abacus Distribution Systems Indonesia	361.594	305.281	47.305	30.133
PT Aero Wisata dan entitas anak/ *and its subsidiaries*	532.749	628.585	103.792	(132.131)
PT Gapura Angkasa	16.196.928	16.268.563	1.144.396	1.595.923
Jumlah/ *Total*	17.091.271	17.202.429	1.295.493	1.493.925

Ringkasan informasi keuangan terkait kepentingan non pengendali adalah sebagai berikut:

Summarized financial information in respect of material non-controlling interest is set out below:

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
	GA	GA	
	USD	USD	
Aset	131.497.166	72.589.135	Assets
Liabilitas	102.582.355	43.500.631	Liabilities
Modal yang diatribusikan kepada pemilik entitas induk	16.987.451	17.089.496	Equity attributable to owners of the Company
Kepentingan non pengendali	11.927.360	11.999.008	Non-controling interest
Jumlah	131.497.166	72.589.135	Total
Pendapatan	112.345.975	98.550.496	Revenue
Beban	109.571.681	94.681.592	Expenses
Laba	2.774.294	3.868.904	Profit
Laba yang dapat diatribusikan kepada:			Profit attributable to:
Pemilik entitas induk	1.629.898	2.272.981	Owner of the company
Kepentingan non pengendali	1.144.396	1.595.923	the non-controlling of the Company
Jumlah laba tahun berjalan	2.774.294	3.868.904	Profit for the current period
Laba komprehensif lain yang dapat diatribusikan kepada:			Other comprehensive income attributable to:
Pemilik entitas induk	(1.731.924)	(454.494)	Owner of the Company
Kepentingan non pengendali	(1.216.031)	(319.113)	Non-controlling of the Company
Jumlah laba komprehensif lain tahun berjalan	(173.661)	3.095.297	Total comprehensive income for the current period
Jumlah arus kas masuk	984.886	1.784.393	Net cash inflow

35. PENDAPATAN USAHA / 35. OPERATING REVENUE

	2016 USD	2015 USD	
Penerbangan berjadwal			Scheduled airline services
Penumpang	3.039.347.159	3.002.777.941	Passenger
Kargo	219.149.213	187.861.891	Cargo
Kelebihan bagasi	11.394.544	9.810.315	Excess baggage
Surat dan dokumen	9.915.846	8.019.586	Mail and document
Sub jumlah	3.279.806.762	3.208.469.733	Sub total
Penerbangan tidak berjadwal			Non-scheduled airline services
Haji	150.933.872	178.795.362	Hajj
Charter	41.211.976	83.103.776	Charter
Sub jumlah	192.145.848	261.899.138	Sub total
Lain-lain			Others
Pemeliharaan dan perbaikan pesawat	114.301.915	78.627.738	Aircraft maintenance and overhaul
Pelayanan penerbangan	63.864.766	64.882.612	Airline related
Biro perjalanan	63.837.440	59.013.456	Travel agent
Jasa boga	52.540.747	52.930.165	Catering
Groundhandling	38.593.280	36.364.751	Groundhandling
Fasilitas	19.961.047	20.288.685	Facilities
Hotel	17.949.634	17.722.908	Hotel
Teknologi informasi	11.741.078	7.126.702	Information technology
Transportasi	3.336.799	3.860.963	Transportation
Pelatihan	3.103.143	1.009.149	Training service
Kesehatan	2.299.072	2.210.056	Healthcare service
Lain-lain	440.034	583.689	Others
Sub jumlah	391.968.955	344.620.874	Sub total
Jumlah	3.863.921.565	3.814.989.745	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 / 36. FLIGHT OPERATIONS EXPENSES

	2016 USD	2015 USD	
Sewa dan charter pesawat	1.011.777.155	904.774.771	Aircraft rental and charter
Bahan bakar	924.651.861	1.049.819.787	Fuel
Gaji dan tunjangan	186.474.941	143.469.883	Salaries and allowances
Beban penyusutan	61.580.422	67.655.821	Depreciation expenses
Asuransi	13.367.140	16.368.474	Insurance
Beban imbalan kerja	(12.531.805)	5.448.103	Employee benefit expenses
Lain-lain	1.996.549	3.070.443	Others
Jumlah	2.187.316.263	2.190.607.282	Total

Untuk tahun-tahun yang berakhir 31 Desember 2016 dan 2015, jumlah biaya operasional yang berkaitan dengan pembelian bahan bakar yang dilakukan dengan pihak berelasi masing-masing sebesar 36% dan 37% (Catatan 45).

For the years ended December 31, 2016 and 2015, purchases of fuel from related party represents 36% and 37% of total flight operations expense (Note 45).

37. BEBAN PEMELIHARAAN DAN PERBAIKAN / 37. MAINTENANCE AND OVERHAUL EXPENSES

	2016 USD	2015 USD	
Pemeliharaan dan perbaikan	134.062.106	136.121.654	Maintenance and overhaul
Suku cadang	100.073.234	77.816.176	Spareparts
Beban penyusutan	81.189.075	84.930.777	Depreciation expenses
Gaji dan tunjangan	78.052.289	61.677.238	Salaries and allowances
Sewa	13.920.493	5.746.599	Rental
Asuransi	1.421.081	1.123.329	Insurance
Bahan bakar	1.383.397	1.187.064	Fuel
Beban imbalan kerja	(18.599.295)	6.061.895	Employee benefit expenses
Lain-lain	1.806.078	1.836.229	Others
Jumlah	393.308.458	376.500.961	Total

38. BEBAN BANDARA / 38. USER CHARGE AND STATION EXPENSES

	2016 USD	2015 USD	
Pelayanan pesawat dan penerbangan	205.526.225	183.801.835	Aircraft and flight services
Groundhandling	85.454.193	82.610.804	Groundhandling
Gaji dan tunjangan	22.733.054	17.044.850	Salaries and allowances
Sewa	18.416.521	12.536.393	Rental
Beban penyusutan	2.124.666	2.009.723	Depreciation expenses
Beban imbalan kerja	(3.736.233)	306.641	Employee benefit expenses
Lain-lain	3.528.781	3.570.576	Others
Jumlah	334.047.207	301.880.822	Total

39. BEBAN TIKET, PENJUALAN DAN PROMOSI / 39. TICKETING, SALES AND PROMOTION EXPENSES

	2016 USD	2015 USD	
Komisi	131.535.334	127.979.180	Commissions
Reservasi	109.447.446	96.596.550	Reservations
Gaji dan tunjangan	49.475.801	42.304.171	Salaries and allowances
Iuran keanggotaan	2.172.393	1.871.080	Membership dues and subcription
Promosi	18.263.320	27.107.399	Promotions
Sewa	2.311.290	8.615.576	Rental
Beban imbalan kerja	(5.751.370)	1.190.206	Employee benefit expenses
Lain-lain	2.733.518	3.944.119	Others
Jumlah	310.187.732	309.608.281	Total

40. BEBAN PELAYANAN PENUMPANG / 40. PASSENGER SERVICE EXPENSES

	2016 USD	2015 USD	
Pelayanan penumpang	175.304.944	175.727.444	Passenger services
Gaji dan tunjangan	113.038.839	87.546.996	Salaries and allowances
Pemakaian persediaan umum	1.796.960	2.581.516	General inventories consumption
Jasa profesional dan pelatihan	265.188	273.995	Professional services and training
Beban imbalan kerja	(7.218.736)	2.366.513	Employee benefit expenses
Lain-lain	3.102.571	2.253.620	Others
Jumlah	286.289.766	270.750.084	Total

41. BEBAN ADMINISTRASI DAN UMUM / 41. GENERAL AND ADMINISTRATIVE EXPENSES

	2016 USD	2015 USD	
Gaji dan tunjangan	100.874.993	84.625.005	Salaries and allowances
Sewa	35.244.117	24.914.072	Rental
Pajak	22.021.979	26.339.647	Taxes
Beban penyusutan	19.087.636	20.684.396	Depreciation expenses
Pemeliharaan dan perbaikan	13.646.193	13.806.953	Maintenance and repairs
Asuransi	11.431.868	9.557.631	Insurances
Utilitas	10.274.644	13.823.400	Utilities
Jasa profesional dan pelatihan	8.150.991	11.762.399	Professional services and training
Perlengkapan kantor	2.666.306	3.827.881	Office supplies
Kesehatan	3.204.819	1.180.766	Healthcare services
Iuran keanggotaan	1.010.505	1.095.328	Membership dues and subscription
Beban imbalan kerja	(15.720.516)	4.331.242	Employee benefit expenses
Lain-lain	14.904.390	8.958.391	Others
Jumlah	226.797.925	224.907.111	Total

42. PENDAPATAN (BEBAN) LAIN-LAIN – BERSIH / 42. OTHER INCOME (CHARGES) – NET

	2016 USD	2015 USD	
Keuntungan jual dan sewa balik	46.066.303	29.097.083	Gain sale and leaseback
Pemulihan dari nilai aset (Catatan 14 dan 17)	17.857.268	5.413.720	Recovery from losses (Notes 14 and 17)
Klaim asuransi	4.873.817	3.376.928	Insurance claim
Keuntungan revaluasi properti investasi (Catatan 15)	314.849	28.665.833	Gain on revaluation of investment property (Note 15)
Pendapatan deviden	291.628	10.787.232	Dividend income
Premi instrumen derivatif (Catatan 7)	-	(10.119.813)	Premium on derivative instrument (Note 7)
Keuntungan (kerugian) penjualan aset tetap dan aset tidak produktif (Catatan 14 dan 17)	(593.382)	123.851	Gain (loss) on sale of property and equipment and non productive asset (Notes 14 and 17)
Dana Perawatan Pesawat yang tidak dapat ditagihkan	(18.232.193)	(576.801)	Unrecoverable Maintenance Deposit
Lain-lain - bersih	(297.561)	3.559.605	Others - net
Jumlah	50.280.729	70.327.638	Total

43. BEBAN KEUANGAN / 43. FINANCE COST

	2016 USD	2015 USD	
Beban bunga			Interest expense
Utang obligasi	34.427.723	23.209.439	Bonds payable
Utang bank	27.135.948	7.639.857	Bank loans
Pinjaman jangka panjang	15.130.027	23.595.191	Long-term loans
Sewa pembiayaan	4.047.659	4.273.714	Leases
Lain-lain	8.036.216	5.669.608	Others
Sub jumlah	88.777.573	64.387.809	Sub total
Beban keuangan lainnya	(498.909)	4.196.708	Other finance cost
Jumlah beban bunga	88.278.664	68.584.517	Total finance cost

44. 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:

44. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing income atributtable 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:

	2016 USD	2015 USD	
Laba yang dapat diatribusikan kepada pemilik entitas induk	8.069.365	76.480.236	Profit atributable to owner of the Company
Jumlah rata-rata tertimbang saham untuk tujuan perhitungan laba per saham dasar	25.868.926.633	25.868.926.633	Weighted average number of share for calculation of basic earning per share
Laba per saham - dasar	0,00031	0,00296	Earnings per share - basic

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 BERELASI

i) 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.

PT Bank Mega dan PT Bank Mega Syariah adalah perusahaan yang mempunyai pemegang saham yang sama dengan Perusahaan

Komisaris dan direksi merupakan manajemen kunci.

ii) Transaksi dengan Pihak Berelasi

Dalam kegiatan usahanya, Grup melakukan transaksi tertentu dengan pihak berelasi.

45. NATURE OF RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES

i) 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 including entities where the Ministry of Finance Republic of Indonesia have significant influence.

PT Bank Mega and PT Bank Mega Syariah are entities who have the same shareholder with Company.

Commissioners and directors are key management personnel.

ii) Transactions with Related Parties

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*	
	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*
	USD	USD	USD	USD
Kas dan setara kas (Catatan 5)/ *Cash and cash equivalents (Note 5)*				
Bank Rakyat Indonesia	191.650.814	126.861.211		
Bank Negara Indonesia	99.173.369	26.124.753		
Bank Mandiri	40.085.918	23.563.756		
Bank Mega	18.572.335	90.960.650		
Bank Negara Indonesia Syariah	3.077.529	3.230.055		
Bank Mega Syariah	2.158.380	-		
Bank Syariah Mandiri	1.629.035	2.013.201		
Bank Exim Indonesia	295.549	295.364		
Bank Rakyat Indonesia Syariah	12.547	-		
Jumlah/ *Total*	356.655.476	273.048.990	9,54%	8,25%
Piutang usaha (Catatan 6)/ *Trade accounts receivable (Note 6)*				
PT Jiwasraya	578.037	710.006		
PT Abacus International Ltd	534.151	544.607		
PT Bukit Asam (Persero) Tbk	372.255	135.069		
PT Pos Indonesia	371.126	572.383		
PT Angkasa Pura II	171.134	256.939		
Lain-lain/ Others	1.689.728	99.584		
Jumlah/ *Total*	3.716.431	2.318.588	0,10%	0,07%
Piutang lain-lain (Catatan 7)/ *Other receivables (Note 7)*				
PT Asuransi Jasa Indonesia (Persero)	6.537.331	6.784.871	0,17%	0,20%
Utang bank (Catatan 18)/ *Bank loans (Note 18)*				
Bank Rakyat Indonesia	168.755.720	115.515.087		
Bank Negara Indonesia	131.455.725	1.436.609		
Bank Mandiri	11.164.037	-		
Jumlah/ *Total*	311.375.482	116.951.696	11,42%	4,96%
Utang usaha (Catatan 19)/ *Trade accounts payable (Note 19)*				
PT Pertamina (Persero)	80.810.262	33.961.968		
PT Angkasa Pura II (Persero)	5.341.541	1.896.574		
PT Angkasa Pura I (Persero)	2.507.793	1.677.897		
PT Jasa Raharja	1.016.555	584.596		
Perum LPPNPI	811.695	5.701.917		
PT Telekomunikasi Indonesia (Persero) Tbk	246.686	716.130		
Lain-lain/ *Others*	678.423	424.354		
Jumlah/ *Total*	91.412.955	44.963.436	3,35%	1,91%
Liabilitas jangka panjang (Catatan 23) *Long term liabilities (Note 23)*				
Bank Negara Indonesia	91.219.153	44.342.757		
Indonesia Eximbank	8.265.989	24.131.875		
Bank Rakyat Indonesia	1.999.107	1.939.833		
PT Pertamina (Persero)	-	14.379.163		
PT Angkasa Pura II (Persero)	-	10.315.531		
PT Angkasa Pura I (Persero)	-	3.281.668		
Jumlah/ *Total*	101.484.249	98.390.827	3,72%	4,17%

b. 23,08% dan 29,49% dari jumlah beban usaha masing-masing pada tahun-tahun yang berakhir 31 Desember 2016 dan 2015, merupakan beban usaha dari pihak berelasi. Pada tanggal pelaporan, utang atas beban tersebut dicatat sebagai bagian dari utang usaha, yang meliputi 3,35% dan 1,91% dari jumlah liabilitas masing-masing pada tanggal 31 Desember 2016 dan 2015.

Rincian beban usaha dari pihak berelasi sebagai berikut:

b. Operating expenses from related parties constituted 23.08% and 29.49% of the total operating expenses for the years ended December 31, 2016 and 2015, respectively. At reporting date, the liabilities for these expenses were presented as trade accounts payable which constituted 3.35% and 1.91%, respectively, of the total liabilities as of December 31, 2016 and 2015.

The details of operating expenses from related parties are as follows:

	2016 USD	2015 USD	
PT Pertamina (Persero)	794.721.500	926.804.444	PT Pertamina (Persero)
PT Angkasa Pura II (Persero)	22.755.595	31.318.741	PT Angkasa Pura II (Persero)
PT Angkasa Pura I (Persero)	22.426.276	20.043.077	PT Angkasa Pura I (Persero)
Perum LPPNPI	37.531.235	16.015.234	Perum LPPNPI
Jumlah	877.434.606	994.181.496	Total
Prosentase terhadap:			Percentage of:
Total beban usaha	23,08%	29,49%	Total operating expense

c. Transaksi dengan PT Pertamina (Persero) berupa transaksi pembelian bahan bakar pesawat khususnya rute domestik dan beberapa rute internasional sedangkan PT Angkasa Pura I (Persero) dan PT Angkasa Pura II (Persero) berkaitan dengan jasa kebandaraan.

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 Angkasa Pura I (Persero) and PT Angkasa Pura II (Persero) are related to airport operation and ground handling.

d. Transaksi dengan PT Asuransi Jasa Indonesia dan PT Tugu Pratama Indonesia berkaitan dengan jasa asuransi aset Perusahaan.

d. The transaction with PT Asuransi Jasa Indonesia and PT Tugu Pratama Indonesia are related to assets insurance.

e. Kompensasi Komisaris dan Direksi

e. Renumeration of Commissioners and Directors

	2016 USD	2015 USD	
Komisaris			Commisioners
Imbalan kerja jangka pendek	951.818	525.130	Short term benefits
Imbalan kerja pasca kerja	90.630	97.967	Post employment benefits
	1.042.448	623.097	
Direksi			Directors
Imbalan kerja jangka pendek	2.708.814	1.136.019	Short term benefits
Imbalan kerja pasca kerja	267.312	192.352	Post employment benefits
	2.976.126	1.328.371	

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.

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.

Struktur modal Grup terdiri dari pinjaman seperti diungkapkan dalam Catatan 18, 23, 24 dan 26, kas dan setara kas, dan ekuitas yang terdiri dari modal saham, tambahan modal disetor, laba ditahan (defisit) dan kepentingan non pengendali.

The capital structure of the Group consists of debt as disclosed in Notes 18, 23, 24 and 26, cash and cash equivalents, and total equity comprising issued capital, additional paid-in capital, retained earnings (deficit) and non-controlling interest.

Gearing ratio adalah sebagai berikut:

The gearing ratio are as follows:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Pinjaman			Debt
Utang bank dan lembaga keuangan	698.011.118	361.254.270	Loan from banks and financial institution
Pinjaman jangka panjang	194.115.207	236.958.539	Long-term loans
Obligasi	641.041.165	635.947.442	Bonds payable
Liabilitas sewa pembiayaan	160.899.446	121.181.193	Lease liabilities
Jumlah pinjaman	1.694.066.936	1.355.341.444	Total debt
Kas dan setara kas	578.702.739	519.972.655	Cash and cash equivalents
Pinjaman bersih	1.115.364.197	835.368.789	Net debt
Ekuitas	1.009.897.219	950.723.185	Equity
Rasio pinjaman bersih terhadap ekuitas	110%	88%	Net debt to equity ratio
Rasio pinjaman terhadap ekuitas	1,7	1,4	Debt to equity

Dewan Komisaris dan Direksi secara berkala melakukan reviu performa keuangan Grup. Sebagai bagian dari reviu ini, Dewan Komisaris dan Direksi mempertimbangkan eksposur risiko keuangan.

The Boards of Commissioners and Directors periodically review the Groups' financial performance. As part of this review, the Board of Commissioners and Directors consider the Groups' financial risk exposure.

B. Kategori instrumen keuangan

B. Categories of financial instruments

Klasifikasi aset keuangan dan liabilitas keuangan Grup adalah sebagai berikut:

Classification of the Groups' financial assets and liabilities are as follows:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Aset Keuangan			Financial Assets
Aset keuangan, tersedia untuk dijual			Financial assets, Available for sale
Aset lain-lain	4.317.783	4.032.565	Other assets
Aset keuangan, pada nilai wajar melalui laba rugi	1.043.700	-	Financial aset, at fair value through profit loss
Pinjaman dan piutang			Loan and receivables
Kas dan setara kas	578.702.739	519.972.655	Cash and cash equivalents
Piutang usaha	191.295.565	121.527.641	Trade accounts receivables
Piutang lain-lain	20.129.030	17.581.553	Other receivables
Dana perawatan pesawat dan uang jaminan	1.241.870.703	1.012.753.651	Maintenance reserve fund and security deposits
Aset lain-lain	8.014.091	12.141.045	Other assets
Jumlah	2.045.373.611	1.688.009.110	Total
Liabilitas keuangan			Financial liabilities
Liabilitas keuangan, pada nilai wajar melalui laba rugi	11.372.690	26.718.283	Financial liabilities, at fair value through profit loss
Biaya perolehan diamortisasi			Amortized cost
Utang bank dan lembaga keuangan	698.011.118	361.254.270	Bank loans and financial institution
Utang usaha	205.121.958	149.355.767	Trade payables
Utang lain-lain	24.211.019	23.183.667	Other payable
Beban akrual	197.983.396	181.042.507	Accrued expenses
Pinjaman jangka panjang	194.115.207	236.958.539	Long-term loans
Liabilitas sewa pembiayaan	160.899.446	121.181.193	Lease liabilities
Utang obligasi	641.041.165	635.947.442	Bonds payable
Jumlah	2.132.755.998	1.735.641.668	Total

Grup tidak memiliki instrumen keuangan yang diklasifikasikan sebagai investasi dimiliki hingga jatuh tempo.

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.

Setiap kebijakan manajemen risiko keuangan yang dibuat harus senantiasa diarahkan kepada tujuan:

- 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 ditoleransi.

Direksi telah menelaah kebijakan manajemen risiko keuangan secara berkala.

Manajemen risiko pasar

Grup memiliki eksposur terhadap risiko pasar yaitu diantaranya risiko harga bahan bakar pesawat, risiko nilai tukar mata uang, dan risiko tingkat bunga.

(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 20% - 30% dari rata-rata biaya operasional Perusahaan.

The Group does not have financial assets classified as Held-to-Maturity.

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.

All financial risk management policies must constantly adhere to the following objectives:

- 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.

The Directors review the financial risk management policies periodically.

Market risk management

The Group is exposed to market risk in particular aircraft fuel price risk, currency exchange rate risk and interest rate.

(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 20% - 30% of the Company's overall operational expense.

Strategi untuk meminimalisasi risiko fluktuasi kenaikan harga yang dilakukan oleh Perusahaan pada saat ini adalah dengan melakukan lindung nilai arus kas dengan instrumen lindung nilai "*plain vanila call option"*, khusus untuk penerbangan haji. Risiko tersebut diantisipasi dengan mengukur harga *Mark to Market* yang dihasilkan setiap bulan saat jatuh tempo transaksi.

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.

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.

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.

Analisis 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.

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 fuel price risk analysis is based on regular and hajj flight contracts that are still outstanding at reporting date.

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 yang berakhir 31 Desember 2016 dan 2015 akan mengalami kenaikan (penurunan) sebesar USD 8.358.721 dan USD 6.995.579.

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 year ended December 31, 2016 and 2015 would increased (decreased) by USD 8,358,721 and USD 6,995,579.

(ii) Risiko nilai tukar mata uang non-fungsional

(ii) Non-functional currency exchange rate risk

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.

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.

Paparan risiko dan strategi

Risk exposure and strategy

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.

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.

Kebijakan berkaitan dengan risiko nilai tukar yang saat ini dijalankan adalah secara natural dan lindung nilai yaitu:

The policy currently applied in connection with exchange rate risk is natural hedging, as follows:

- Grup melakukan transaksi *cross currency swap* (CCS) untuk meminimalkan kemungkinan risiko melemahnya nilai mata uang fungsional.

- The Group entered cross currency swap (CCS) transaction to minimize the possible risk of weakening value of the functional currency.

- 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 terekspos terhadap resiko nilai tukar diungkapkan pada Catatan 53.

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 2016 dan 2015, dengan variabel lain konstan terhadap laba setelah pajak Grup. 100 basis poin 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 tahun untuk perubahan 100 basis point dalam nilai tukar mata uang asing.

- 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 or 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 53.

The 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, 2016 and 2015, 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 year end for a 100 basis point change in foreign currency rates.

	Perubahan kurs/ *Changes in currency rate*	Dampak terhadap laba setelah pajak/ *Effect on profit after tax*		
		2016	2015	
		USD	USD	
Mata uang selain fungsional				Other functional currency rates
Penguatan (pelemahan)				Strenghthening (weakening)
Rupiah	100 bp	1.123.956	2.964.297	Rupiah
Yen	100 bp	(58.015)	(55.727)	Yen
AUD	100 bp	(54.994)	(48.894)	AUD

(iii) Risiko suku bunga

Risiko suku bunga didefinisikan sebagai penurunan nilai aset/pendapatan atau peningkatan nilai liabilitas/pengeluaran yang disebabkan perubahan tingkat suku bunga.

(iii) Interest rate risk

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.

Paparan risiko dan strategi

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.

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.

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 2016 telah berjalan dengan interest swap atas beberapa transaksi.

Instrumen keuangan Grup tersebut yang terekspos terhadap risiko tingkat bunga seperti diungkapkan pada table likuiditas seksi iv dibawah ini.

Berikut ini analisis sensitivitas, ditentukan berdasarkan eksposur suku bunga terhadap liabilitas keuangan yang menggunakan suku bunga mengambang pada tanggal 31 Desember 2016 dan 2015. Analisis ini disajikan dengan asumsi liabilitas keuangan pada akhir periode pelaporan masih beredar sepanjang periode, dengan variabel lain konstan terhadap laba setelah pajak Grup.

Risk exposure and strategy

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.

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.

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, 2016, the Company uses interest rate swap in several transaction.

The Group's financial liabilities that are exposed to interest rate risk are included in the liquidity table in section iv below.

The sensitivity analysis below had been determined based on the exposure of the financial liabilities to floating interest rates as of December 31, 2016 and 2015. 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/ *Changes in interest rate*	Dampak terhadap laba setelah pajak/ *Effect on profit after tax*		
		2016	2015	
		USD	USD	
Suku bunga				Interest rate
Penguatan (pelemahan)				Strenghthening (weakening)
LIBOR	1%	26.407	213.844	LIBOR
SBI	0,5%	22.084	279.718	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.

(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.

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.

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.

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.

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.

Tabel berikut ini merupakan analisis likuiditas instrumen keuangan pada 31 Desember 2016 dan 2015 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:

The following table represents the liquidity analysis of financial instruments as of December 31, 2016 and 2015 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:

	31 Desember/ *December 31,* 2016					
	Tingkat bunga efektif rata-rata tertimbang/ *Weighted average effective interest rate*	Dalam satu tahun/ *Within one year*	Lebih dari satu tahun tetapi tidak lebih dari lima tahun/ *Over one year but longer than five years*	Lebih dari lima tahun/ *Over than five years*	Jumlah/ *Total*	
	%	**USD**	**USD**	**USD**	**USD**	
Aset Keuangan						**Financial Assets**
Tanpa bunga						Non-interest bearing
Kas dan setara kas	-	15.288.110	-	-	15.288.110	Cash and cash equivalents
Piutang usaha	-	191.295.565	-	-	191.295.565	Account receivables
Piutang lain-lain	-	20.129.030	-	-	20.129.030	Others receivables
Dana perawatan pesawat dan uang jaminan	-	189.112.314	687.784.054	364.974.335	1.241.870.703	Maintenance reserved fund and security deposits
Tingkat bunga variabel						Variable interest rate
Kas dan setara kas	0,05% - 2,00%	315.876.140	-	-	315.876.140	Cash and cash equivalents
Tingkat bunga tetap						Fixed interest rate
Kas dan setara kas	0,75% - 9,25%	248.738.613	-	-	248.738.613	Cash and cash equivalents
Jumlah		980.439.772	687.784.054	364.974.335	2.033.198.161	Total
Liabilitas Keuangan						**Financial Liabilities**
Tanpa bunga						Non-interest bearing
Utang usaha	-	220.431.958	-	-	220.431.958	Trade payables
Utang lain-lain	-	24.211.019	-	-	24.211.019	Other payables
Beban akrual	-	197.983.396	-	-	197.983.396	Accrued expenses
Tingkat bunga variabel						Variable interest rate
Pinjaman jangka panjang	8,75% - 13,00%	62.827.287	126.311.533	15.158.403	204.297.223	Long-term loans
Liabilitas sewa pembiayaan	3,09% - 3,28%	5.414.556	21.326.788	11.069.869	37.811.213	Lease liabilities
Utang bank dan lembaga keuangan	2,5% - 13,00%	36.034.736	-	-	36.034.736	Loans from banks and financial institution
Tingkat bunga tetap						Fixed interest rate
Pinjaman jangka panjang	6,00% - 8,75%	9.565.036	3.510.234	2.822.010	15.897.280	Long-term loans
Liabilitas sewa pembiayaan	4,22% - 12,25%	21.238.897	84.889.933	33.758.637	139.887.467	Lease liabilities
Utang bank dan lembaga keuangan	2,36% - 8,50%	673.699.131	-	-	673.699.131	Loans from banks and financial institution
Obligasi	5,95% - 9,25%	43.518.979	725.742.899	-	769.261.878	Bonds
Jumlah		1.294.924.995	961.781.387	62.808.919	2.319.515.301	Total

	31 Desember/ *December 31,* 2015					
	Tingkat bunga efektif rata-rata tertimbang/ *Weighted average effective interest rate*	Dalam satu tahun/ *Within one year*	Lebih dari satu tahun tetapi tidak lebih dari lima tahun/ *Over one year but longer than five years*	Lebih dari lima tahun/ *Over than five years*	Jumlah/ *Total*	
	%	USD	USD	USD	USD	
Aset Keuangan						**Financial Assets**
Tanpa bunga						Non-interest bearing
Kas dan setara kas	-	2.240.267	-	-	2.240.267	Cash and cash equivalents
Piutang usaha	-	121.527.641	-	-	121.527.641	Account receivables
Piutang lain-lain	-	16.749.926	-	-	16.749.926	Others receivables
Dana perawatan pesawat dan uang jaminan	-	117.923.352	583.934.720	310.895.579	1.012.753.651	Maintenance reserved fund and security deposits
Tingkat bunga variabel						Variable interest rate
Kas dan setara kas	0,1% - 9,5%	351.075.550	-	-	351.075.550	Cash and cash equivalents
Piutang lain-lain	0,1% - 11%	831.627	-	-	831.627	Others receivables
Tingkat bunga tetap						Fixed interest rate
Kas dan setara kas	0,75% - 10,25%	180.944.250	-	-	180.944.250	Cash and cash equivalents
Jumlah		791.292.613	583.934.720	310.895.579	1.686.122.912	Total
Liabilitas Keuangan						**Financial Liabilities**
Tanpa bunga						Non-interest bearing
Utang usaha	-	149.355.768	-	-	149.355.768	Trade payables
Utang lain-lain	-	49.901.950	-	-	49.901.950	Other payables
Beban akrual	-	181.042.507	-	-	181.042.507	Accrued expenses
Tingkat bunga variabel						Variable interest rate
Pinjaman jangka panjang	1,14% - 14,25%	101.618.742	129.085.531	22.153.530	252.857.803	Long-term loans
Liabilitas sewa pembiayaan	2,66% - 2,67%	5.307.518	21.072.556	16.244.250	42.624.324	Lease liabilities
Utang bank dan lembaga keuangan	2,32% - 13%	132.655.877	-	-	132.655.877	Loans from banks and financial institution
Tingkat bunga tetap						Fixed interest rate
Pinjaman jangka panjang	5% - 13%	21.209.642	8.331.187	-	29.540.829	Long-term loans
Liabilitas sewa pembiayaan	4,22% - 11,25%	13.463.904	52.409.186	33.224.391	99.097.481	Lease liabilities
Utang bank dan lembaga keuangan	2,25% - 11,30%	234.494.156	-	-	234.494.156	Loans from banks and financial institution
Obligasi	5,95% - 9,25%	43.160.656	763.541.090	-	806.701.746	Bonds
Jumlah		932.210.720	974.439.550	71.622.171	1.978.272.441	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:

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:

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
	USD	USD	
Fasilitas pembiayaan tanpa jaminan:			Unsecured financing facilities:
- Jumlah yang digunakan	1.595.039.344	1.284.051.629	- Amount used
- Jumlah yang tidak digunakan	242.386.367	1.640.862.077	- Amount unused
Jumlah	1.837.425.711	2.924.913.706	Total
Fasilitas utang dengan jaminan dan tanggal jatuh tempo yang berbeda mulai tahun 2016 yang diperpanjang dengan perjanjian bersama:			Secured bank facilities with various maturity dated through 2016 and which maybe extended:
- Jumlah yang digunakan	99.027.592	71.289.812	- Amount used
- Jumlah yang tidak digunakan	12.069.406	40.898.909	- Amount unused
Jumlah	111.096.998	112.188.721	Total

(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.

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.

(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.

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.

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:

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:

	31 Desember 2016/ *December 31, 2016* USD	31 Desember 2015/ *December 31, 2015* USD	
Kas dan setara kas	578.702.739	519.972.655	Cash and cash equivalents
Piutang usaha	191.295.565	121.527.641	Trade receivable
Piutang lain-lain	21.172.730	17.581.553	Other receivable
Dana perawatan pesawat dan uang jaminan	1.241.870.703	1.012.753.651	Maintenance reserve fund and security deposits
Aset lain-lain	8.014.091	12.141.045	Other assets
Jumlah	2.041.055.828	1.683.976.545	Total

Resiko kredit pada dana likuid terbatas karena *counterparty* adalah bank dengan peringkat kredit tinggi yang dinilai oleh lembaga pemeringkat kredit.

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.

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.

	31 Desember 2016/ *December 31, 2016*		31 Desember 2015/ *December 31, 2015*		
	Nilai tercatat/ *Carrying amount* USD	Nilai wajar/ *Fair value* USD	Nilai tercatat/ *Carrying amount* USD	Nilai wajar/ *Fair value* USD	
Dana perawatan pesawat dan uang jaminan	1.241.870.703	1.206.703.120	1.012.753.651	1.052.168.920	Maintenance reserve fund and security deposit
Pinjaman jangka panjang	194.115.207	192.491.191	236.958.539	234.103.290	Long-term loans
Liabilitas sewa pembiayaan	160.899.446	154.655.221	121.181.193	120.338.230	Lease liabilities
Utang obligasi	641.041.165	650.006.715	635.947.442	617.160.706	Bonds payable

	Hirarki Nilai Wajar per 31 Desember 2016/ *Fair value hierarchy as of December 31, 2016*			
	Tingkat 1/ Level 1	Tingkat 2/ Level 2	Tingkat 3/ Level 3	
Dana perawatan pesawat dan uang jaminan	-	✔	-	Maintenance reserve fund and security deposits
Pinjaman jangka panjang	-	✔	-	Long-term loans
Liabilitas sewa pembiayaan	-	✔	-	Lease liabilities
Utang obligasi	-	✔	-	Bonds payable

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 instrumen derivatif dihitung menggunakan harga kuotasi. Bila harga tersebut tidak tersedia, analisis arus kas diskonto dilakukan dengan menggunakan kurva hasil yang dapat berlaku selama instrumen untuk non-opsional derivatif, dan model harga opsi untuk derivatif opsional. Kontrak valuta berjangka mata uang asing diukur dengan menggunakan kurs kuotasi dan kurva yield yang berasal dari suku bunga kuotasi mencocokkan jatuh tempo kontrak. Swap suku bunga diukur pada nilai kini dari arus kas masa depan yang diestimasi dan didiskontokan berdasarkan kurva hasil yang berasal dari suku bunga kuotasi.

- 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:

Dana Perawatan Pesawat dan Uang Jaminan

Nilai wajar dari dana perawatan pesawat dan uang jaminan pada 31 Desember 2016 dan 2015 diperkirakan masing-masing sebesar USD 1.206.703.120 dan USD 1.052.168.920 dengan menggunakan tingkat bunga pasar dari Reuters 0,65% - 2,70%.

Pinjaman jangka panjang

Nilai wajar dari pinjaman jangka panjang pada 31 Desember 2016 dan 2015 diperkirakan masing-masing sebesar USD 192.491.191 dan USD 234.103.290, dengan tingkat suku bunga diskonto periode 2016 sebesar 7,46% - 12,35% untuk USD dan 6,00% - 10,96% untuk Rupiah.

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 derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

- 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:

Maintenance Reserve Fund and Securities Deposit

The fair value of maintenance reserve of fund and securities deposit as of December 31, 2016 and 2015, are estimated to be USD 1,206,703,120 and USD 1,052,168,920, respectively, using market rate estimated at 0.65% - 2.70% by Reuters.

Long-term loan

The fair value of long-term loan as at December 31, 2016 and 2015 are estimated to be USD 192,491,191 and USD 234,103,290, respectively, using the discount rate in 2016 are estimated at 7.46% - 12.35% in USD and 6.00% - 10.96% in Rupiah.

Liabilitas sewa pembiayaan

Nilai wajar dari liabilitas sewa pembiayaan pada 31 Desember 2016 dan 2015 diperkirakan masing-masing sebesar USD 154.655.221 dan USD 120.338.230 dengan tingkat diskonto 3,09% - 12,35% dan berdasarkan tingkat bunga LIBOR 3 bulan.

Utang obligasi

Nilai wajar dari utang obligasi pada 31 Desember 2016 dan 2015 diperkirakan masing-masing sebesar USD 650.006.715 dan USD 617.160.706 dengan menggunakan tingkat bunga pasar 9,61% berdasarkan Indonesia Government Bond Yield Curve dan 5,31% berdasarkan Bloomberg.

Lease liabilities

The fair value of lease liabilities as at December 31, 2016 and 2015 are estimated to be USD 154,655,221 and USD 120,338,230, respectively, using 3.09% - 12.35% discount rates and interest Libor 3 months.

Bonds payable

The fair value of bonds payable as at December 31, 2016 and 2015 are estimated to be USD 650,006,715 and USD 617,160,706, respectively, using the market interest rate of 9.61% by Indonesian Government Bond Yield Curve and 5.31% by Bloomberg.

47. INSTRUMEN KEUANGAN DERIVATIF

Perusahaan menandatangani kontrak Cross Currency Swap (CCS) dengan beberapa bank di Indonesia. CCS tersebut dirancang untuk memitigasi perubahan mata uang fungsional setara arus kas terkait dengan pinjaman Indonesia Eximbank, utang obligasi serta sebagian pinjaman jangka pendek dalam mata uang rupiah akibat perubahan forward rates.

Selama masa efektif perjanjian, pada tiap tanggal pembayaran pokok dan bunga, Perusahaan akan menerima suku bunga tetap per tahun atas nilai nosional IDR dan membayar bunga suku bunga tetap per tahun atas nilai nosional USD.

Selain itu, Perusahaan juga melakukan lindung nilai arus kas untuk mengurangi risiko perubahan harga bahan bakar pada penerbangan reguler dan haji. Subyek lindung nilai adalah harga bahan bakar untuk penerbangan pada periode berjalan. Instrumen lindung nilai yang digunakan oleh Perusahaan adalah forward.

47. DERIVATIVE FINANCIAL INSTRUMENTS

The Company signed Cross Currency Swap (CCS) contracts with several banks in Indonesia. These CCS are designated to mitigate the variability in functional currency equivalent cash flows associated with Indonesia Eximbank loans, bond, and some short-term loans denominated in Rupiah currency due to changes in forward rates.

During the effective period of the contracts, on each date of payment of principal and interest, the Company will receive fixed interest rate per annum of the outstanding notional amount of IDR and pay fixed rate per annum on a notional amount of USD.

In addition, the Company also entered a cash flow hedge to mitigate the risk of fuel price fluctuation on regular and Hajj flights. The hedging subject is the jet fuel price during the period and the Hedging instruments used by the Company is forward.

	Jumlah/ *Amount* Nosional/ *Notional*		Suku bunga/ *Interest rate*		Periode/ *Period*		31 Desember 2016/ *December 31, 2016/* (Utang)/ *(Payables)*
	IDR	USD	IDR	USD	Awal/ *Start*	Akhir/ *End*	Piutang/ *Receivables*
Cross Currency Swap							
Bank Negara Indonesia	500.000.000.000	43.241.373	9,50%	2,58%	9 Mei 2014/ *May 9, 2014*	9 Mei 2017/ *May 9, 2017*	(1.308.471)
	250.000.000.000	19.828.680	9,25%	3,20%	13 Jan 2015/ *Jan 13, 2015*	5 Jul 2018/ *Jul 5, 2018*	(1.199.415)
Standard Chartered Bank	250.000.000.000	19.828.680	9,25%	3,20%	13 Jan 2015/ *Jan 13, 2015*	5 Jul 2018/ *Jul 5, 2018*	(1.114.589)
	150.000.000.000	11.538.462	9,25%	2,95%	5 Apr 2015/ *Apr 5, 2015*	5 Jul 2018/ *Jul 5, 2018*	(247.036)
	141.344.426.318	10.912.942	8,25%	2,10%	29 Sep 2016/ *Sep 29, 2016*	15 Mar 2017/ *Mar 15, 2017*	(212.147)
	166.099.099.252	12.824.205	8,25%	2,09%	29 Sep 2016/ *Sep 29, 2016*	24 Mar 2017/ *Mar 24, 2017*	(246.051)
	238.000.724.886	17.547.794	8,00%	2,10%	30 Nov 2016/ *Nov 30, 2016*	5 Apr 2017/ *Apr 5, 2017*	286.179
	248.641.613.325	18.332.346	8,00%	2,05%	30 Nov 2016/ *Nov 30, 2016*	19 Apr 2017/ *Apr 19, 2017*	301.304
	75.542.058.925	5.622.362	8,00%	2,52%	30 Des 2016/ *Dec 30, 2016*	*19 Mei 2017/ May 19, 2017*	(19.590)
	88.453.538.142	6.583.324	8,00%	2,50%	30 Des 2016/ *Dec 30, 2016*	*26 Mei 2017/ May 26, 2017*	(24.820)
	233.999.373.824	17.415.851	8,00%	2,50%	30 Des 2016/ *Dec 30, 2016*	*26 Mei 2017/ May 26, 2017*	(65.659)
CIMB Niaga	500.000.000.000	39.657.360	9,25%	2,89%	13 Jan 2015/ *Jan 13, 2015*	5 Jul 2018/ *Jul 5, 2018*	(1.994.124)
	285.930.777.743	22.076.187	8,25%	2,10%	29 Sep 2016/ *Sep 29, 2016*	24 Mar 2017/ *Mar 24, 2017*	(478.446)
	279.606.881.931	20.615.416	8,00%	2,00%	30 Nov 2016/ *Nov 30, 2016*	2 Mei 2017/ *May 2, 2017*	302.468
Bank Mega	300.000.000.000	23.076.923	9,25%	2,90%	5 Apr 2015/ *Apr 5, 2015*	5 Jul 2018/ *Jul 5, 2018*	(486.862)
	154.404.038.583	11.921.251	8,25%	2,17%	29 Sep 2016/ *Sep 29, 2016*	15 Feb 2017/ *Feb 15, 2017*	(285.806)
Maybank Indonesia (d/h/*formerly* Bank Internasional Indonesia)	400.000.000.000	30.769.231	9,25%	2,90%	5 Apr 2015/ *Apr 5, 2015*	5 Jul 2018/ *Jul 5, 2018*	(617.852)
ANZ Bank Indonesia	150.000.000.000	11.538.462	9,25%	2,94%	5 Apr 2015/ *Apr 5, 2015*	5 Jul 2018/ *Jul 5, 2018*	(221.769)
Bank Rakyat Indonesia	273.790.096.406	21.138.828	8,25%	2,09%	29 Sep 2016/ *Sep 29, 2016*	21 Jan 2017/ *Jan 21, 2017*	(820.174)
	100.841.169.956	7.785.761	8,25%	2,17%	29 Sep 2016/ *Sep 29, 2016*	23 Jan 2017/ *Jan 23, 2017*	(303.021)
	225.848.150.428	17.437.319	8,25%	2,22%	29 Sep 2016/ *Sep 29, 2016*	31 Jan 2017/ *Jan 31, 2017*	(682.483)
	266.949.992.244	20.610.716	8,25%	2,23%	29 Sep 2016/ *Sep 29, 2016*	4 Feb 2017/ *Feb 4, 2017*	(808.513)
	235.281.437.368	17.511.271	8,00%	2,51%	30 Des 2016/ *Dec 30, 2016*	12 Mei 2017 *May 12, 2017*	(80.012)
Bank Permata	83.474.109.328	6.154.546	8,25%	2,30%	30 Nov 2016/ *Nov 30, 2016*	24 Apr 2017/ *Apr 24, 2017*	88.247
	77.889.096.607	5.742.763	8,25%	3,05%	30 Nov 2016/ *Nov 30, 2016*	10 Jan 2017/ *Jan 10, 2017*	65.502
Jumlah/ *Total*							(10.173.140)

Cross Currency Swap		Jumlah/ *Amount* Nosional/ *Notional* IDR	Jumlah/ *Amount* Nosional/ *Notional* USD	Suku bunga/ *Interest rate* IDR	Suku bunga/ *Interest rate* USD	Periode/ *Period* Awal/ *Start*	Periode/ *Period* Akhir/ *End*	31 Desember 2015/ *December 31, 2015* (Utang)/ (*Payables*)
Bank Negara Indonesia	IDR	500.000.000.000	43.241.373	9,50%	2,58%	9 Mei 2014/ May 9, 2014	9 Mei 2017/ *May 9, 2017*	(5.201.246)
	IDR	250.000.000.000	19.828.680	9,25%	3,20%	13 Jan 2015/ *Jan 13, 2015*	5 Jul 2018/ *Jul 5, 2018*	(3.116.601)
Standard Chartered Bank	IDR	250.000.000.000	19.828.680	9,25%	3,20%	13 Jan 2015/ *Jan 13, 2015*	5 Jul 2018/ *Jul 5, 2018*	(3.116.601)
	IDR	150.000.000.000	11.538.462	9,25%	2,95%	5 Apr 2015/ *Apr 5, 2015*	5 Jul 2018/ *Jul 5, 2018*	(1.423.128)
CIMB Niaga	IDR	500.000.000.000	39.657.360	9,25%	2,89%	13 Jan 2015/ *Jan 13, 2015*	5 Jul 2018/ *Jul 5, 2018*	(5.928.827)
Bank Mega	IDR	300.000.000.000	23.076.923	9,25%	2,90%	5 Apr 2015/ *Apr 5, 2015*	5 Jul 2018/ *Jul 5, 2018*	(2.817.689)
Bank Internasional Indonesia	IDR	400.000.000.000	30.769.231	9,25%	2,90%	5 Apr 2015/ *Apr 5, 2015*	5 Jul 2018/ *Jul 5, 2018*	(3.756.919)
ANZ Bank Indonesia	IDR	150.000.000.000	11.538.462	9,25%	2,94%	5 Apr 2015/ *Apr 5, 2015*	5 Jul 2018/ *Jul 5, 2018*	(1.420.272)
Jumlah/ *Total*								(26.781.283)

48. PERJANJIAN SEWA OPERASI

Grup mengadakan perjanjian sewa operasi antara lain:

1. Pesawat

Perusahaan sewa operasi/ *Lessors*	Aset Sewaan/ *Leased Assets*	Jatuh Tempo/ *Year of Maturity*
RISE Aviation 3 (Ireland) Limited	1 Boeing 737-800	2022
GECAS (France) SARL	3 Boeing 737-800	2023
	3 Boeing 737-800	2025
	3 Boeing 737-800	2026
GY Aviation Lease (France) SARL	2 Boeing 737-800	2022
Int'l Lease Finance Corporation (ILFC)	1 Boeing 737-800	2026
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
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
Constitution Aircraft Leasing (Ireland) Limited	2 Boeing 737-800	2017
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	1 Boeing 737-800	2022
FLY 30144 LEASING SARL	1 Boeing 737-800	2022
FLY 30145 LEASING SARL	1 Boeing 737-800	2022
PEMBROKE LEASE FRANCE SAS	1 Boeing 737-800	2023
	2 Boeing 737-800	2022
	4 Boeing 737-800	2020
	1 Boeing 737-800	2021

48. OPERATING LEASE AGREEMENTS

The Group entered into the following operating lease agreements:

1. Aircraft

Perusahaan sewa operasi/ *Lessors*	Aset Sewaan/ *Leased Assets*	Jatuh Tempo/ *Year of Maturity*
Fuyo Aviation France I SARL	1 Boeing 737-800	2022
Chishima Real Estate Co. Ltd.	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	1 Boeing 737-800	2023
MASC France SARL	1 Boeing 737-800	2023
ALC A332 1288, LCC	1 Airbus 330-200	2024
Jakarta Aircraft Leasing (Ireland) Limited	1 Airbus 330-200	2024
Nordic Aviation Leasing Seven Pte Ltd	2 Bombardier CRJ-1000	2024
	5 Bombardier CRJ-1000	2025
	2 Bombardier CRJ-1000	2026
	3 Bombardier CRJ-1000	2027
Nordic Aviation Leasing Eleven Pte.	2 ATR 72-600	2025
	5 ATR 72-600	2026
	1 ATR 72-600	2027
Nordic Aviation Leasing Sixteen Pte. Ltd	3 ATR 72-600	2027
NAC Aviation 8 Ltd	1 ATR 72-600	2028
Nordic Aviation Leasing Eighteen Pte Ltd.	1 ATR 72-600	2028
SMBC Aviation Capital Paris Leasing 1 SARL	1 Boeing 737-800	2025
	2 Boeing 737-800	2026
	2 Boeing 737-800	2027
Helice Leasing SAS	1 Boeing 737-800	2025
Atterissage Leasing SAS	1 Boeing 737-800	2025
ACG ACQUISITION 39891 LLC	1 Boeing 737-800	2026
ACG ACQUISITION 40547 LLC	1 Boeing 737-800	2026
Salwa Aircraft Leasing (One) Limited	2 Boeing 777-300	2025
Surabaya Aircraft Leasing (Ireland) Limited	1 Airbus 330-300	2025
Sailes 4, LLC	1 Boeing 777-300	2025
Sailes 4-2, LLC	1 Boeing 777-300	2025
ALC B738 41310, LLC	1 Boeing 737-800	2025
ALC B738 41312, LLC	1 Boeing 737-800	2025
Medan Aircraft Leasing (Ireland) Limited	1 Airbus 330-200	2025
Avolon Aerospace France 7 SAS	1 Boeing 737-800	2022
Avolon Aerospace (Ireland) AOE 42 Limited	1 Boeing 737-800	2023
Denpasar Aircraft Leasing (Ireland) Limited	1 Airbus 330-200	2025
Sky High XXIX Leasing Company Limited	2 Boeing 777-300	2026
Sky High XXX Leasing Company Limited	2 Boeing 777-300	2027
Sky High XXIX Leasing Company Limited	1 Boeing 777-300	2027
Sky High LVI Leasing Company Limited	1 Boeing 777-300	2028
GRENOBLE LOCATION S.A.R.L.	1 Boeing 737-800	2026
Avolon Aerospace AOE 86 Limited	1 Airbus 330-300	2026
Calais Location S.A.R.L.	1 Boeing 737-800	2026
Avolon Aerospace AOE 87 Limited	1 Airbus 330-300	2026
ALC B738 41322, LLC	1 Boeing 737-800	2026
Nancy Location S.A.R.L	1 Boeing 737-800	2026
JSA Aircraft 1577, LLC	1 Airbus 330-300	2026
Orix Aviation Systems Ltd.	1 Airbus 330-300	2026
Chishima Real Estate Co. Ltd.	1 Boeing 737-800	2025
Strasbourg Location S.A.R.L	1 Boeing 737-800	2021
Aercap	3 Boeing 737-800	2027

Perusahaan sewa operasi/ *Lessors*	Aset Sewaan/ *Leased Assets*	Jatuh Tempo/ *Year of Maturity*
HKAC Leasing 1654 (Ireland) Limited	1 Airbus 330-300	2027
HKAC Leasing 1671 (Ireland) Limited	1 Airbus 330-300	2027
ACG Aircraft Leasing Ireland Limited	2 Boeing 737-800	2022
Glide Aircraft 73B-41815 Ltd.	1 Boeing 737-800	2027
Avolon Aerospace AOE 124 Limited	1 Airbus 330-343	2028
Orix Aviation Systems Ltd.	1 Airbus 330-343	2028
JIN SHAN 9 IRELAND COMPANY LIMITED	2 Airbus 330-343	2034
Nordic Aviation Leasing Twenty Pte Ltd.	2 ATR 72-600	2028
NimbusFunding Ltd.	1 Boeing 737-800	2027
ALS FRANCE SARL	1 Airbus 320-200	2018
	2 Airbus 320-200	2019
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
MULHOUSE LOCATION S.A.R.L	1 Airbus 320-200	2018
BOC AVIATION (FRANCE) SARL	1 Airbus 320-200	2018
WHITNEY FRANCE LEASING SARL	1 Airbus 320-200	2019
CENTENNIAL AVIATION (FRANCE) 2 SARL	3 Airbus 320-200	2024
STAR RISING AVIATION FRANCE 2 SAS	1 Airbus 320-200	2025
AVOLON CAPITAL PARTNERS FRANCE 2 SARL	1 Airbus 320-200	2025
SMBC AVIATION CAPITAL LIMITED	2 Airbus 320-200	2024
	5 Airbus 320-200	2025
CELESTIAL AVIATION TRADING LIMITED	3 Airbus 320-200	2025
SKY HIGH XXXIII LEASING COMPANY LIMITED	6 Airbus 320-214	2026
ACG AIRCRAFT LEASING IRELAND LIMITED	2 Airbus 320-214	2026
KYOWA KISEN CO. LIMITED	1 Airbus 320-214	2027
M&T AVIATION FINANCE (IRELAND) LIMITED	2 Airbus 320-214	2027
JACKSON SQUARE AVIATION	1 Airbus 320-200	2027
	1 Airbus 320-200	2028
JI SHAN 9 IRELAND COMPANY LIMITED	4 Airbus 320-214	2028
SKY HIGH XXXIII LEASING COMPANY LIMITED	2 Airbus 320-214	2028
SKY HIGH LX LEASING COMPANY LIMITED	1 Airbus 320-214	2028

2. Mesin / 2. Engine

Perusahaan sewa operasi/ *Lessors*	Aset Sewaan/ *Leased Assets*	Jatuh Tempo/ *Year of Maturity*
Engine Lease Finance Corporation	3 Mesin/ *Engines* Boeing B737-800	2017
	2 Mesin/ *Engines* Boeing B737-800	2027
Celestial Aviation Trading 100 Limited	2 Mesin/ *Engines* Boeing B737-800	2021
	1 Mesin/ *Engine* Boeing B737-800	2022
	1 Mesin/ *Engine* Boeing B777-300	2020
Willis Lease Finance	1 Mesin/ *Engine* Boeing B747-400	2017
Magellan Aviation	1 Mesin/ *Engine* ATR 72-600	2017
Rolls Royce Leasing Limited	1 Mesin/ *Engine* Airbus A330	2025
Fan Engine Securitisation	1 Mesin/ *Engine* Boeing B747-400	2017
NAS Investments 75, INC.	1 Mesin/ *Engine* CRJ1000	2017
Engine Lease Finance Corporation	1 Mesin/ *Engine* Boeing B737-800	2023
MTU Maintenance Lease Services B.V.	1 Mesin/ *Engine* CRJ1000	2017
IHI CORPORATION	1 Mesin/ *Engine* Airbus A320	2017
ENGINE LEASE FINANCE CORPORATION	2 Mesin/ *Engines* Airbus A320	2023

Pembayaran Sewa Operasi

Total komitmen sewa adalah sebagai berikut:

Operating Rental Payments

Total rental commitments are as follows:

	Pembayaran sewa operasi masa depan/ *Future lease payments*		
	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
	USD	USD	
Dalam satu tahun	988.032.489	892.635.609	Within one year
Lebih dari satu tahun tapi tidak lebih dari lima tahun	3.701.193.569	2.673.638.275	Over one year but not longer than five years
Lebih dari lima tahun	3.459.330.449	4.170.354.642	Over five years
Jumlah	8.148.556.507	7.736.628.526	Total

Uang Jaminan

Grup diharuskan untuk membayar uang jaminan atas kewajiban Perusahaan dan CL terhadap pembayaran sewa. Pada tanggal 31 Desember 2016 dan 2015, saldo uang jaminan masing-masing sebesar USD 154.874.633 dan USD 186.134.731 (Catatan 11).

Security Deposits

The Group is required to pay security deposits that will serve as guarantee for the payment of the Company's and CL obligations. As of December 31, 2016 and 2015, the balance of the security deposits amounted to USD 154,874,633 and USD 186,134,731, respectively (Note 11).

Dana Perawatan Pesawat

Sesuai dengan perjanjian sewa operasi untuk pesawat, Perusahaan dan CL 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.

Maintenance Reserve Funds

Based on operating lease arrangements for aircrafts, the Company and CL are 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 2016 dan 2015, saldo dana perawatan pesawat masing-masing sebesar USD 1.086.996.070 dan USD 826.618.920 (Catatan 11).

As of December 31, 2016 and 2015, aircraft maintenance reserve funds amounted to USD 1,086,996,070 and USD 826,618,920, respectively (Note 11).

Jual dan sewa kembali

Perusahaan mencatat pendapatan ditangguhkan atas transaksi jual dan sewa kembali pesawat. Pada tanggal 31 Desember 2016 dan 2015, jumlah pendapatan ditangguhkan setelah dikurangi nilai amortisasi masing-masing sebesar USD 45.765.466 dan USD 38.879.106 (Catatan 27).

Sale and leaseback

The Company recognized deferred income from sale and leaseback of aircrafts. As of December 31, 2016 and 2015, the outstanding deferred income net of the related amortization amounted to USD 45,765,466 and USD 38,879,106, respectively (Note 27).

3. Sewa Operasi Non Pesawat

3. Non Aircraft Operating Lease

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 m^2 untuk digunakan dalam kegiatan usaha pemeliharaan pesawat di Bandara Udara Soekarno-Hatta, Cengkareng, Tangerang. Perjanjian ini berlaku untuk 5 tahun efektif dari 1 Januari 2012 sampai dengan 31 Desember 2016 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.

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 for 5 years effective until from January 1, 2012 until December 31, 2016, wherein 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 juga mengadakan perjanjian sewa operasi peralatan operasional, koneksi internet, dan lainnya dengan beberapa pihak.

b. GMFAA also entered into operating lease agreements of operational equipment, internet connection, and others with several parties.

c. Perusahaan mengadakan perjanjian pemanfaatan tanah di Bandara Soekarno-Hatta seluas 6.246 m^2 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 m^2 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 diatasnya diserahkan kepada PT Angkasa Pura II.

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. Pada tahun 2014, jangka waktu penyewaan telah ditentukan untuk periode 5 tahun sampai dengan 31 Desember 2016. Kompensasi untuk penggunaan tanah adalah Rp 1.500 per segi per bulan atau sejumlah Rp 247.113.000, yang menjadi subjek reviu setiap 2 tahun. Sampai dengan tanggal laporan keuangan konsolidasian, perpanjangan perjanjian tersebut masih dalam proses finalisasi.

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. In 2014, the terms of lease period has been amended for 5-year period until December 31, 2016. The compensation for the use of the land is Rp 1,500 per square meter per month or a total of Rp 247,113,000, which is subject for review every 2 years. As of the issuance date of the consolidated financial statements, the extension agreement is under finalization process.

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.

The operating lease agreements contain option to renew the lease term. The Company does not have an option to purchase the leased 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.

Jumlah komitmen sewa lainnya adalah sebagai berikut:

Total of other lease commitments is as follows:

	Pembayaran sewa operasi masa depan/ *Future lease payments*		
	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*	
	USD	USD	
Dalam satu tahun	6.194.575	4.459.373	Within one year
Lebih dari satu tahun tapi tidak lebih dari lima tahun	18.243.067	6.426.129	Over one year but not longer than five years
Lebih dari lima tahun	10.370.496	11.364.768	Over five years
Jumlah	34.808.138	22.250.270	Total

49. 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 (SA 4) tanggal 29 Desember 2005, Perusahaan mengadakan kontrak pembelian pesawat Boeing 777-200ER sebanyak 6 pesawat. Penyerahan direncanakan pada bulan Juni 2010 sampai dengan Agustus 2011.

Melalui Supplemental Agreement No. 5 (SA 5) atas Purchase Agreement No. 1938, Perusahaan menambah pembelian pesawat dari 6 pesawat Boeing 777-200 menjadi 10 pesawat Boeing 777-300ER.

49. 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 (SA 4) dated December 29, 2005, the Company entered into a contract to purchase 6 Boeing 777-200ER with Delivery scheduled within the period of June 2010 up to August 2011.

By submitting Supplemental Agreement No. 5 (SA 5) to Purchase Agreement No. 1938, the Company increase the number of aircrafts purchased from 6 Boeing 777-200 aircrafts into 10 Boeing 777-300ER aircrafts.

Melalui Supplemental Agreement No. 9 (SA 9) atas Purchase Agreement No. 1938, dilakukan perubahan jadwal pengiriman pesawat dari mulai Agustus 2012 menjadi mulai Mei 2013 sampai dengan Januari 2016.

Through Supplemental Agreement No. 9 (SA 9) to Purchase Agreement No. 1938, the schedule for aircraft delivery was revised from an original date starting of August 2012 to become May 2013 until January 2016.

Pada 23 April 2012, Perusahaan telah menandatangani Supplemental Agreement No. 10 (SA 10) atas Purchase Agreement No. 1938 dengan The Boeing Company sehubungan dengan penambahan row pada First Class seat pesawat Boeing 777 yang mengakibatkan perubahan jadwal pengiriman pesawat pertama Boeing 777 dari bulan Mei 2013 menjadi bulan Juni 2013.

On April 23, 2012, the Company signed Supplemental Agreement No. 10 (SA 10) to Purchase Agreement No. 1938 with The Boeing Company in relation with the additional rows in First Class seat on Boeing 777 aircrafts which caused a change in delivery schedule of the first Boeing 777 aircraft from May 2013 to June 2013.

Pada tanggal 23 Mei 2012, Perusahaan dan The Boeing Company menandatangani Supplemental Agreement No. 11 (SA 11) atas Purchase Agreement No. 1938 sehubungan dengan finalisasi konfigurasi pesawat B777.

On May 23, 2012, the Company and The Boeing Company executed Supplemental Agreement No. 11 (SA 11) to Purchase Agreement No. 1938 with regards to the finalisation of B777 aircraft configuration.

Pada tanggal 6 Juli 2012, Perusahaan dan The Boeing Company menandatangani Supplemental Agreement No. 12 (SA 12) atas Purchase Agreement No. 1938 sehubungan dengan percepatan pengiriman pesawat Boeing 777 dari Januari 2014 menjadi Oktober 2013, perubahan tabel harga serta perubahan formula penghitungan.

On July 6, 2012, the Company and The Boeing Company executed Supplemental Agreement No. 12 (SA 12) to Purchase Agreement No. 1938 with regard to the acceleration of the delivery of Boeing 777 aircraft from January 2014 to October 2013, revision of the pricing table and the change in calculation formula.

Sebagaimana diatur di SA 12, pada tahun 2014 Perusahaan memperoleh persetujuan dari the Boeing Company untuk memindahkan uang muka pesawat atas Boeing 777-300ER ke pesawat Boeing 737-800 MAX.

As stipulated in SA 12, in 2014 the Company obtained approval from the Boeing Company to transfer its advance payment for Boeing 777-300ER to Boeing 737-800 MAX.

Pada Desember 2014, Perusahaan dan the Boeing Company menandatangani Supplemental Agreement 13 (SA 13) terkait perubahan konfigurasi Boeing 777-300ER untuk 4 aircraft yang dijadwalkan datang pada Juni 2015 hingga Juni 2016.

In December 2014, the Company and The Boeing Company executed Supplemental Agreement No. 13 with regards to configuration changes in 4 Boeing 777-300ER aircrafts scheduled to be delivered in June 2015 until June 2016.

Sampai dengan 2016, sebanyak 10 unit pesawat Boeing 777-300 ER yang telah diikat dengan perjanjian jual dan sewa balik telah dikirim, dengan jangka waktu sewa 12 tahun dan diklasifikasikan sebagai sewa operasi dengan Alafco, Guggenheim Aviation Partners dan ICBC.

Until 2016, 10 of Boeing 777-300ER aircrafts under sale and leaseback agreement has been delivered, with 12 years lease period and classified as operating lease with Alafco, Guggenheim Aviation Partners and ICBC.

(ii). Pesawat Boeing 737-800 MAX

Pada tanggal 12 September 2014, Perusahaan menandatangani *Supplemental Agreement* 12 (SA 12) dimana Perusahaan sepakat untuk mengkonversi pembelian 4 Boeing 737-800 NG yang dijadwalkan untuk dikirimkan pada pada 2015 dan 2016 menjadi 50 Boeing 737-800 MAX dengan jadwal kedatangan pada tahun 2017 sampai dengan 2023.

SA 12 juga mengatur relokasi pembayaran *surplus* atas pembayaran uang muka untuk pesawat Boeing 777-300 ER sebagai uang muka pembelian pesawat Boeing 737-800 MAX.

(ii). Boeing 737-800 MAX Aircraft

On September 12, 2014, the Company signed Supplemental Agreement 12 (SA 12) whereas the Company agreed to convert the purchase of 4 Boeing 737-800 NG arriving in 2015 and 2016 into 50 Boeing 737-800 MAX which are scheduled to be delivered in 2017 until 2023.

SA 12 also stipulated the reallocation of surplus advance payments made for Boeing 777-300ER aircraft as advance for purchase of aircraft for Boeing 737-800.

(iii). Pesawat Airbus A-330-300

Pada tanggal 4 Nopember 1989, Perusahaan melakukan Purchase Agreement dengan Airbus untuk pembelian dan pengiriman 9 pesawat Airbus A330-300.

Berdasarkan Amandemen no. 2 tanggal 9 Nopember 2009, 3 unit pesawat Airbus A330-300 digantikan menjadi 3 unit pesawat A330-200 dan Perusahaan melakukan pembelian 3 pesawat A330-200 tambahan dengan jadwal pengiriman mulai Oktober 2012 sampai dengan Oktober 2014.

Pada bulan Juli 2011, Perusahaan dan Airbus menandatangani Amandemen No. 3 atas Perjanjian Pembelian pesawat sebelumnya. Melalui amandemen perjanjian ini, Perusahaan melakukan konversi atas 3 (tiga) pesawat A330-200 dari 6 (enam) A330-200 menjadi 3 (tiga) pesawat A330-300. Pelaksanaan konversi tersebut merupakan hak Perusahaan sebagaimana dimuat dalam Letter Agreement No. 3 atas Amandemen No.2 Perjanjian Pembelian pesawat. Selain itu, Perusahaan meng-eksekusi hak pembelian atas 4 (empat) pesawat A330-300 yang diatur dalam Letter Agreement No. 5 atas Amandemen No. 2 Perjanjian Pembelian. Perusahaan juga melakukan pembelian tambahan 1 (satu) pesawat A330-300.

Pada tanggal 19 Desember 2011, Perusahaan dan Airbus menandatangani Amendment No. 4, 5 dan 6.

Pada Amandment 5, Perusahaan sepakat untuk melakukan pembelian 11 (sebelas) Airbus tipe A330-300.

Pada Amandment 6, Perusahaan mengeksekusi hak untuk mengkonversi 3 (tiga) option aircraft A330-300 menjadi A330 Freighter.

(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.

Based on Amendment no. 2 dated November 9, 2009, the remaining 3 Airbus A330-300 was replaced with 3 units of A330-200 and additional 3 units of A330-200 aircrafts which are scheduled to be delivered starting in October 2012 until October 2014.

In July 2011, the Company and Airbus signed Amendment No. 3 related to this purchase agreement. Under this amendment agreement, the Company converted 3 (three) of the remaining 6 (six) Airbus A330-200 into A330-300 model. The conversion right is given to the Companys as stipulated in Letter Agreement No. 3 to Amendment Agreement No. 2 of the Purchase Agreement. The Company execute its right to purchase 4 (four) A330-300 as stipulated in Letter Agreement No. 5 to Amendment Agreement no. 2 of the Purchase Agreement. The Company also purchase 1 (one) additional A330-300.

On December 19, 2011, the Company and Airbus signed Amendment No. 4, 5 and 6.

In Amendment 5, the Company agreed to purchase 11 (eleven) A330-300.

In Amendment 6, the Company execute the right to convert 3 (three) A330-300 option aircraft to A330 Freighter.

Perusahaan menandatangani Amandemen No. 7 pada Oktober 2012. Amandemen tersebut mengatur pembelian 11 (sebelas) pesawat tipe A330-300.

Perusahaan mengadakan perjanjian jual dan sewa balik dengan Aircastle atas 4 pesawat yang dikirimkan 2012 dan 2013.

Pada Juli 2013, Perusahaan menandatangani Amandemen No. 8 terkait perubahan pembayaran uang muka pembelian pesawat.

Perusahaan mengadakan perjanjian jual dan sewa balik dengan Avolon atas 4 (empat) pesawat yang dikirimkan pada tahun 2014. Serta melakukan perjanjian jual dan sewa balik dengn HKAC atas 2 (dua) pesawat yang dikirimkan pada tahun 2015.

Berdasarkan Amandemen No. 9 pada Januari 2016, Perusahaan dan Airbus sepakat untuk melakukan konversi atas 7 (tujuh) A330-300 yang dijadwalkan untuk datang pada 2016 dan 2017 menjadi A330-900neo yang dijadwalkan akan datang mulai tahun 2019 hingga 2021. Uang muka yang telah dibayarkan untuk A330-300, A330 Freighter dan Option Aircraft direalokasi menjadi uang muka pembelian pesawat A330-900neo. Amandemen No. 9 juga mengatur jadwal pembayaran tambahan uang muka pembelian pesawat untuk A330-900neo.

The Company signed Amendment No. 7 in October 2012. Under the amendment, the Company purchase 11 (eleven) A330-300 aircraft type.

The Company entered into a sale and leaseback agreement with Aircastle for 4 aircrafts delivered in 2012 and 2013

In July 2013, the Company signed Amendment No. 8 regarding changes in advance payment for purchase aircrafts schedule.

The Company entered into a sale and leaseback agreement with Avolon for 4 (four) aircrafts delivered in 2014. The Company also entered into a sale and leaseback agreement for 2 (two) aircrafts with HKAC in 2015.

Based on Ammendment No. 9. In January 2016, the Company and Airbus agreed to convert 7 (seven) A330-300 which are scheduled to be delivered in 2016 and 2017 to A330-900neo to be delivered from 2019 to 2021. The amount of advance for aircrafts purchase which has been paid for A330-330, A330 Freighter and Option Aircraft was reallocated as advance payment for A330-900neo. Amendment No. 9 also set out the additional advance payment for purchase aircrafts for A330-900neo.

(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. 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.

Pada tahun 2014, sebanyak 2 (dua) pesawat Airbus A320-200 yang telah diikat dengan perjanjian jual sewa balik telah dikirim.

Pada tahun 2015, sebanyak 4 (empat) pesawat Airbus A320-200 yang telah diikat dengan perjanjian jual sewa balik telah dikirim.

(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. 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.

In 2014, 2 (two) aircraft Airbus A320-200 have been delivered which is under sale and leaseback agreements.

In 2015, 4 (four) aircraft Airbus A320-200 have been delivered which is under sale and leaseback agreements.

Berdasarkan Amandemen No. 9, uang muka yang telah dibayarkan untuk A320-200 direalokasi sebagai uang muka pembelian pesawat A330-900neo.

Pada tahun 2016, sebanyak 8 (delapan) pesawat Airbus A320-200 yang telah diikat dengan perjanjian jual sewa balik telah dikirim.

Pada tanggal 20 Desember 2012, CL dan Airbus menandatangani Perjanjian untuk Pembelian 25 Pesawat Airbus tipe A320-200. Jadual pengiriman mulai tahun 2019 hingga 2021.

Based on Amendment No. 9, the amount of advance for purchase of aircrafts that has been paid for A320-200 was reallocated as advance payment of A330-900neo.

In 2015, 8 (eight) aircraft Airbus A320-200 have been delivered which is under sale and leaseback agreements.

On December 20, 2012, CL and Airbus signed into an agreement for the purchase of 25 Airbus Aircraft type A320-200. Delivery schedule will begin in 2019 until 2021.

(v). Pembelian Pesawat ATR 72-600

Pada tanggal 7 Februari 2013, PT Citilink Indonesia ("CT") 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.

Pada tanggal 6 September 2013, CT, ATR Nordic Aviation Leasing Eleven Pte. Ltd. ("NAC") dan Perusahaan sepakat untuk melakukan pengalihan hak dan kewajiban CT kepada Perusahaan. Berdasarkan perjanjian, 20 firm aircraft akan dibeli oleh NAC untuk kemudian disewakan melalui mekanisme operating lease kepada Perusahaan. Perusahaan juga sepakat untuk melakukan pembelian 5 (lima) firm aircrafts dan 10 (sepuluh) option aircrafts ATR 72-600.

(v). Purchase of ATR 72-600 Aircrafts

On February 7, 2013, PT Citilink Indonesia ("CT") 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.

On September 6, 2013, CT, ATR, Nordic Aviation Leasing Eleven Pte. Ltd. ("NAC") and the Company agreed to transfer the rights and obligations of CT to the Company. Based on the agreement, 20 firm aircraft will be purchased by NAC for direct operating lease to the Company. The Company also agreed to purchase 5 (five) firm aircrafts and 10 (ten) option aircrafts ATR 72-600.

(vi). Pembelian mesin pesawat

Pada tanggal 24 Juli 2007, Perusahaan menandatangani General Terms Agreement ("GTA") CFM-06-0001 dengan CFM International, Inc. ("CFM") yang berisi general terms untuk pembelian spare engine, spare parts, engine modules, technical data dan peralatan terkait lainnya dari CFM.

Pada Februari 2008, Perusahaan menandatangani Letter Agreement No. 1 dimana Perusahaan setuju untuk melakukan pembelian dan delivery sekurangnya lima (5) spare engine CFM56-7B dari CFM. Spare engine tersebut dijadwalkan untuk dikirimkan mulai April 2009 hingga Januari 2012.

Perusahaan menandatangani Amandemen 1 atas Letter Agreement 1 pada Oktober 2010 yang berisi perubahan jadwal delivery spare engine no. 2 sampai dengan engine no.5 dari periode Januari 2010 hingga Januari 2012 menjadi Mei 2010 hingga Juni 2012.

(vi). Purchase aircraft engine

On July 24, 2007, the Company and CFM International, Inc. ("CFM") entered into General Terms Agreement CFM-06-0001 whereas the Company can purchase spare engine, spare parts, engine modules, technical data and support equipment from CFM.

In February 2008, the Company signed Letter Agreement No. 1 in which the Company agreed to purchase and take delivery of a minimum five (5) CFM56-7B26/3 spare engines direct from CFM. The spare engines are scheduled to be delivered starting April 2009 to January 2012.

The Company signed Ammendment to Letter Agreement No. 1 in October 2010 regarding the change of delivery schedule of spare engine no. 2 to no. 5 starting from January 2010 upto January 2012 to May 2010 upto June 2012.

Pada Desember 2011, Perusahaan menandatangani Amandemen 1 atas Letter Agreement 1 yang berisi penambahan pembelian dan delivery lima (5) spare engine CFM56-7B dari CFM dengan jadwal delivery mulai dari kuartal 2 tahun 2013 hingga kuartal 1 tahun 2017.

Pada Desember 2011, perusahaan juga menandatangani Letter Agreement No. 2. Berdasarkan Letter Agreement tersebut, Perusahaan setuju untuk melakukan pembelian dan delivery sekurangnya tiga (3) spare engine CFM56-5B4 dari CFM dengan jadwal delivery mulai dari Februari 2014 hingga Februari 2016.

Pada Desember 2011, Perusahaan menandatangani Letter Agreement No. 3. Melalui Letter Agreement tersebut, Perusahaan setuju untuk melakukan pembelian dan delivery sekurangnya dua (2) spare engine LEAP-X1A26 dari CFM dengan jadwal delivery mulai dari Februari 2017 hingga Februari 2018.

In December 2011, the Company signed Amendment No. 1 to Letter Agreement No. 1 in which the Company agreed to purchase and take delivery of five (5) additional CFM56-7B26/3 spare engines from CFM. The spare engines is scheduled to be delivered in the second quarter of 2013 upto first quarter of 2017.

In December 2011, the Company also signed Letter Agreement No. 2. Based on the Letter Agreement, the Company also agreed to purchase and take delivery of a minimum of three (3) CFM56-5B4 spare engines from CFM. The spare engines are scheduled to be delivered starting from February 2014 upto February 2016.

In December 2011, the Company signed Letter Agreement No. 3. Based on the Letter Agreement, the Company agreed to purchase and take delivery of a minimum od two (2) LEAP-X1A26 spare engines. The spare engines are scheduled to be delivered starting from February 2017 upto February 2018.

b. Perjanjian Pooling Komponen dengan 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.

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.

Perusahaan juga melakukan perjanjian *critical spare* untuk jenis pesawat Boeing 737-800 dengan SR Technics melalui *memorandum of understanding* tanggal 25 Pebruari 2011.

Perusahaan juga berhak meminta SR Technic untuk melakukan pengujian, perbaikan, *overhaul* dan modifikasi atas komponen-komponen tersebut.

b. Component Pooling Agreement with SR Technics Switzerland ("SR Technics")

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.

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 tarif applied to the components used.

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.

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

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.

c. Service Agreement for Passenger Service Systems

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

Pada bulan Oktober 2008, Perusahaan dan Rolls Royce menandatangani *Agreement For The Trent 700 Engine Powered Airbus A330-300 Aircraft* DEG 5496 tentang perawatan engine Trent 700 pesawat A330-300.

Pada bulan Juli 2012, Perusahaan dan Rolls Royce menandatangani *Amendment No. 1 to Agreement For The Trent 700 Engine Powered Airbus A330-300 Aircraft* DEG 5496 tentang penyesuaian tarif perawatan *engine*.

Pada bulan Juli 2012, Perusahaan dan Rolls Royce menandatangani beberapa perjanjian yaitu:

i. *Product Agreement* sehubungan dengan Trent 772B *engines* DEG 6159.
ii. *Supplementary Financial Assistance Agreement* untuk *Trent 772B engines DEG 6734.*
iii. *Total Care Service Agreement* terkait *Trent 772B engines DEG 6584.*

Perjanjian tersebut diatas terkait dengan perawatan *engine* dengan konsep *total care* untuk *engine* tipe TRENT 772B serta benefit atas pemilihan *engine* tipe TRENT 772B untuk 21 (dua puluh satu) pesawat A330.

Pada tahun 2015, Perusahaan dan Rolls Royce menandatangani *Amendment No. 3 to Agreement For The Trent 700 Engine Powered Airbus A330-300 Aircraft* DEG 5496 untuk memperpanjang periode perjanjian.

Pada tahun 2016, Perusahaan dan Rolls Royce menandatangani *Amendment No. 2 to Agreement For The Trent 700 Engine Powered Airbus A330-300 Aircraft* DEG 5496 tentang penyesuaian tarif perawatan *engine*.

Pada bulan Juni 2016, Perusahaan dan Rolls Royce menandatangani beberapa perjanjian yaitu:

i. *Total Care Service Agreement* Trent 7000 DEG 9510.
ii. Product Agreement Trent 7000 DEG 9509.
iii. *Supplementary Financial Assistance Agreement Trent 7000 DEG 9511.*

d. Agreements with Rolls Royce

In October 2008, the Company and Rolls Royce signed *Agreement For The Trent 700 Engine Powered Airbus A330-300 Aircraft* DEG 5496 regarding engine maintenance Trent 700 for aircraft A330-300.

In July 2012, the Company and Rolls Royce signed *Amendment No. 1 to Agreement For The Trent 700 Engine Powered Airbus A330-300 Aircraft* DEG 5496 with regards to engine shop visit rate adjustment matrix.

In July 2012, the Company and Rolls Royce executed the following agreements:

i. Product Agreement relating to Trent 772B and Trent 772C engines DEG 6159.
ii. Supplementary Financial Assistance Agreement for Trent 772B engines DEG 6734.
iii. Total Care Service Agreement for Trent 772B engines DEG 6584.

The above-mentioned agreements are related to engine maintenance with total care concept for TRENT 772B engine type and also the benefit of the appointment of TRENT 772B engine for 21 (twenty-one) A330 aircrafts.

In 2015, the Company and Rolls Royce signed *Amendment No. 3 to Agreement For The Trent 700 Engine Powered Airbus A330-300 Aircraft* DEG 5496 with regards to extend the period of cover.

In 2016, the Company and Rolls Royce signed *Amendment No. 2 to Agreement For The Trent 700 Engine Powered Airbus A330-300 Aircraft* DEG 5496 with regards to engine shop visit rate adjustment matrix.

In June 2016, the Company and Rolls Royce executed the following agreements:

i. *Total Care Service Agreement* Trent 7000 DEG 9510.
ii. Product Agreement Trent 7000 DEG 9509.
iii. Supplementary Financial Assistance Agreement Trent 7000 DEG 9511.

iv. Amandemen No. 2 terkait dengan *Supplementary Financial Assistance Agreement* dengan Rolls Royce terkait *Trent 772B engines DEG 6734.*
v. Amandemen 2 terkait dengan *Product Agreement* sehubungan dengan Trent 772B DEG 6159.

Perjanjian tersebut diatas terkait dengan perawatan *engine* dengan konsep *total care* untuk *engine* tipe TRENT 7000 serta benefit atas pembelian pesawat 14 (empat belas) pesawat A330 NEO.

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.

Pada tahun 2013, Perusahaan menandatangani perjanjian dengan BE Aerospace sehubungan dengan pemasangan seat dan galley insert pada pesawat Airbus 330-200 dan Airbus 330-300. Perjanjian untuk seat dan galley insert masing-masing senilai USD 2.684.907 dan USD 191.946 per pesawat. Perusahaan juga menandatangani perjanjian dengan Sell GmbH sehubungan dengan pemasangan galley monument dan galley insert pesawat Airbus 330-200 dan Airbus 330-300. Perjanjian untuk galley monument dan galley insert masing-masing senilai EUR 1.209.284 dan EUR 210.407 per pesawat.

Jangka waktu pemasangan seat dan galley insert pada A330-200 dan A330-300 adalah sampai dengan sebelum on dock date (ODD) seperti yang telah ditetapkan oleh Airbus yaitu tahun 2016.

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.

iv. Amendment No. 2 to Supplementary Financial Assistance Agreement with Rolls Royce regarding Trent 772B engines DEG 6734.
v. Amendment No. 2 to Product Agreement regarding Trent 772B DEG 6159.

The above-mentioned agreements are related to engine maintenance with total care concept for TRENT 7000 engine type and also the benefit to purchase of 14 (fourteen) A330 NEO aircrafts.

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.

In 2013, the Company entered into an agreement with BE Aerospace in connection with the installation of seat and galley inserts on Airbus 330-200 and Airbus 330-300. Agreement for the seat and galley insert each worth USD 2,684,907 and USD 191,946 per aircraft. The Company also signed an agreement with Sell GmbH in connection with the installation of galley monument and galley inserts on Airbus 330-200 and Airbus 330-300. Agreement for the galley monument and galley insert each worth EUR 1,209,284 and EUR 210,407 per aircraft.

Installation period of seat and galley insert on the A330-200 and A330-300 are up to before on dock date (ODD) as specified by Airbus in 2016.

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. Perjanjian *Sub-distribution* dengan Abacus International Pte., Ltd

STNI, entitas anak, mengadakan perjanjian sub-distribution dengan Sabre Asia Pacific Pte., Ltd. (d/h Abacus International Pte., Ltd.), Singapura, (Sabre APAC) yang efektif sejak tanggal 11 April 1995. Dalam perjanjian ini, Sabre APAC memberikan hak sub-lisensi eksklusif kepada STNI 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. Sabre APAC diwajibkan membayar imbalan jasa tertentu kepada STNI 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.

Efektif sejak tanggal 29 September 2015, Abacus International Pte., Ltd telah berganti nama menjadi Sabre Asia Pacific., Pte., Ltd. Sebagai entitas anak, PT. Abacus Distribution Systems Indonesia (ADSI) telah berganti nama menjadi PT. Sabre Travel Network Indonesia (STNI) efektif sejak tanggal 07 April 2016.

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, Yemen Airways, Gatewick Aviation Service, Avient, Nok Air, PT. Lion Mentari, PT. Cardig Air, PT. Indonesia AirAsia, PT. Airfast Indonesia, Also Private Ltd., Plane Business Ltd., Air Atlanta, GE Capital Aviation Services Ltd. (GECAS), Biman Bangladesh Airlines, Air China, China Airlines, China Southern, Virgin Blue, Malaysian Airlines, Orient Thai Airlines, Singapore Engineering Co. (SIAEC), Max Air, Kabo Air, U Airlines, United Airways, Midex Airline, Jet Airways, Jet Airways (India) Limited dan Aerospace. GMFAA memperoleh pendapatan atas jasa ini sesuai tarif yang disepakati dalam perjanjian.

g. The Sub-distribution Agreement with Abacus International Pte., Ltd

STNI, a subsidiary, entered into the sub-distribution agreement with Sabre Asia Pacific Pte., Ltd. (d/h Abacus International Pte., Ltd.), Singapore (Sabre APAC) effective since April 11, 1995. Under this agreement, Sabre APAC grants STNI 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, Sabre APAC shall pay a certain fee to STNI 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.

Effective from September 29, 2015, Abacus International, Pte., Ltd (AIPL) has changed its name to be Sabre Asia Pacific, Pte., Ltd (Sabre APAC). As a subsidiary, PT. Abacus Distribution Systems Indonesia (ADSI) has also changed its name to be PT. Sabre Travel Network Indonesia (STNI) effective from April 7, 2016.

h. GMFAA entered into a long-term contract for maintenance and repair of aircrafts

GMFAA entered into long-term agreements for aircrafts repair and maintenance with PT. Sriwijaya Air, Yemen Airways, Gatewick Aviation Service, Avient, Nok Air, PT. Lion Mentari, PT. Cardig Air, PT. Indonesia AirAsia, PT. Airfast Indonesia, Also Private Ltd., Plane Business Ltd., Air Atlanta, GE Capital Aviation Services Ltd. (GECAS), Biman Bangladesh Airlines, Air China, China Airlines, China Southern, Virgin Blue, Malaysian Airlines, Orient Thai Airlines, Singapore Engineering Co. (SIAEC), Max Air, Kabo Air, U Airlines, United Airways, Midex Airline, Jet Airways, Jet Airways (India) Limited, and Aerospace. GMFAA recognizes revenue from this service based on agreed tariff in the agreements.

i. GMFAA Melakukan Perjanjian Dengan PT Bank Syariah Mandiri

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. PT Bank International Indonesia ("BII")

Pada tanggal 23 Maret 2015, Perusahaan melakukan kemitraan dengan BII untuk pendanaan bisnis Haji dan Umroh, dimana setiap pihak masing-masing berkontribusi sebesar USD 1.000.000 dan USD 100.000.000. BII sebagai mitra pasif akan memperoleh *earning ratio* berdasarkan kegiatan yang berkaitan dengan Haji dan Umroh atau tipe jasa lainnya yang akan ditentukan kemudian oleh kedua belah pihak (bagi hasil). Kemitraan Haji dan Umroh dilakukan setelah tanggal Perjanjian *Line Facility* ditanda tangani dan akan berakhir pada 27 Maret 2017.

Perjanjian ini juga mensyaratkan persyaratan keuangan tertentu yang harus dipenuhi oleh Perusahaan seperti tertuang dalam perjanjian. Pada tahun 2015, seluruh pinjaman ini telah dilunasi oleh Perusahaan.

k. PT Merpati Nusantara Airlines (MNA)

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 klausal yang ingin ditambahkan Perusahaan dalam draft perjanjian tersebut.

i. GMFAA entered into an agreement with PT Bank Syariah Mandiri

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. PT Bank International Indonesia ("BII")

On March 23, 2015, the Company entered into a partnership with BII to finance business of Hajj and Umroh, wherein each party contributed funds amounting to USD 1,000,000 and USD 100,000,000. BII as a passive partner will get earnings ratio based on activities related to Hajj and Umroh or other types of businesses that are determined later by agreement of the Parties (revenue sharing). Partnership for Hajj and Umroh was conducted after the date of this Facility Line Agreement was signed and will expire on March 27, 2017.

The Company must meet certain financial covenants as stated in these agreements. In 2015, the Company has settled all outstanding loan.

k. PT Merpati Nusantara Airlines (MNA)

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 draft agreement.

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.

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 (SOE) 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 penjadwalan kembali pembayaran secara cicilan dimulai pada tahun 2016.

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.

Pada tanggal 14 Agustus 2014, Kementerian BUMN menugaskan PT Perusahaan Pengelolaan Aset (Persero) ("PT PPA") untuk mewakili BUMN dalam implementasi restrukturisasi dan/atau revitalisasi MNA dimana PT PPA akan memulai proses tender untuk mencari calon investor potensial berkaitan dengan Kerja Sama Operasi (KSO) dan Kerja Sama Usaha (KSU) antara MNA dan investor potensial sementara menunggu persetujuan dari Kementerian Keuangan.

On August 14, 2014, the Ministry of SOE approved the assignment of PT Perusahaan Pengelolaan Aset (Persero) ("PT PPA") to represent its agency in implementing the restructuring and/or revitalization of PT MNA wherein PT PPA can start the tender process to attract potential investors with regards to the joint operation (KSO) and joint cooperation (KSU) between PT MNA and potential investors while waiting approval from Ministry of Finance.

Pada tanggal 30 Maret 2015, Perusahaan dan MNA menandatangani Nota Kesepahaman untuk melakukan perpanjangan jangka waktu MOU sampai dengan saat ditandatanganinya Perjanjian Restrukturisasi Hutang atau ditandatanganinya Berita Acara Penyelesaian Hutang oleh para pihak, mana yang terjadi terlebih dahulu.

On March 30, 2015, the Company and MNA signed a Memorandum of Understanding to reschedule the term of MOU until the process of signing of Debt Restructuring or signing of the Minutes of Settlement of Debt by the parties, whichever occurs first.

50. KONTINJENSI

a. 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.

50. CONTINGENCIES

a. 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.

Proses hukum kasus ini di Pengadilan Federal New South Wales, Australia, dimulai sejak tanggal 22Oktober 2012 sampai 15 Mei 2013 dengan berbagai agenda termasuk revisi klaim dari ACCC, pembelaan dari Perusahaan, dan pengumpulan bukti dan saksi. Sidang terakhir digelar pada tanggal 15 Mei 2013 dengan penyampaian kesimpulan dari masing-masing pihak sebagai agenda.

Dalam sidang terakhir, Perusahaan telah menyampaikan pembelaan berdasarkan ketentuan dalam *Aviation Law*, *International Treaty Law* melalui *Air Service Agreement* (ASA) dan *International Competition Law* yang terkait dengan pasar bersangkutan.

Pada tanggal 31 Oktober 2014, Pengadilan Federal NSW Australia telah mengeluarkan putusan atas perkara dimaksud, yang menyatakan gugatan ACCC terhadap Perusahaan ditolak. Atas putusan tersebut, ACCC telah mengajukan banding ke pengadilan Full Court Australia pada tanggal 16 Desember 2014. Pada tanggal 19 Desember 2014, Perusahaan telah mengajukan permohonan penggantian biaya perkara kepada Federal Court karena dinyatakan menang. Sidang atas permohonan Penggantian biaya telah berlangsung pada 4 Pebruari 2015 dan keputusannya mengabulkan penggantian biaya sebesar 20% dari biaya yang ditanggung Perusahaan. Perusahaan mengajukan banding atas Putusan ini. Proses banding dari Perusahaan ini harus menunggu Putusan banding atas pokok perkara yang diajukan oleh ACCC terlebih dahulu.

Pada tanggal 21 Maret 2016, Full Court menjatuhkan putusan yang mengabulkan banding ACCC, sehingga Garuda dan Air New Zealand dinyatakan bersalah atas dugaan kartel yang dilakukan bersama dengan maskapai lain. Putusan Full Court belum berkekuatan hukum tetap, dan Garuda telah menggunakan haknya untuk mengajukan kasasi ke High Court Australia pada tanggal 13 Mei 2016. Saat ini sedang dalam proses kasasi di High Court Australia.

b. Pada tanggal 11 dan 13 April 2016, entitas anak PT Aerowisata bernama PT Belitung Inti Permai ("BIP") dan PT Aerowisata telah digugat oleh H. Eddy Sofyan atas klaim kepemilikan tanah milik BIP yang berada di Belitung dan meminta pembatalan sertifikat milik BIP tersebut di dalam dua perkara di Pengadilan Negeri Tanjung Pandan. H; Eddy Sofyan menggugat pembatalan sertifikat milik BIP tersebut. Saat ini sedang dalam proses sidang di Pengadilan Negeri Tanjung Pandan, Belitung.

The legal proceeding of this case in the Federal Court of New South Wales, Australia, commenced from October 22, 2012 until May 15, 2013 with various agenda including revision of the claim from ACCC,defense from the Company, collection of evidence and witnesses. Final hearing was held on May 15,2013 with delivery of conclusion from each party as the agenda.

In the final hearing, the Company has submitted a defense based on terms in the Aviation Laws,International Treaty Law through the Air Service Agreement (ASA) and International Competition Lawrelated to the relevant market.

On October 31, 2014, Federal Court of Australia, New South Wales District issued a decision that the lawsuitfrom ACCC against the Company is rejected. On this matter, ACCC submitted a statement of appeal to Full Court of Australia on December 16, 2014. On December 19, 2014, the Company also has applied for cost reimbursement of the case to the Federal Court since the Company has won the first step of the case. The hearing for cost reimbursement was held on February 4, 2015, and the decision stated to reimbursed only 20 % of the Company's cost, the Company has submitted a statement of appeal concerning this decision. The process of the Company's appeal has to wait for the decision of ACCC's appeal concerning the main case.

On March 21, 2016, the Full Court of Australia, New South Wales District issued a decision that the Appeal from ACCC was granted, so that Garuda and Air New Zealand were declared guilty of the alleged cartel conducted jointly with other airlines. Full Court's decision for now was still not final and binding and Garuda had submitted a special leave to appeal to the High Court of Australia on May 13, 2016. Currently, it is on hearing process at the High Court of Australia.

b. On April 11, 2016, and April 13, 2016, the subsidary of PT Aerowisata Company named PT Belitung Inti Permai ("BIP") and PT Aerowisata have been sued by H. Eddy Sofyan concerning claims of ownership of the land and ask for the cancelation of BIP's ownershp certificate in Belitung in two court cases in District Court Tanjung Pandan. Currently, it is on hearing process at the District Court Tanjung Pandan, Belitung.

c. 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. Pada tanggal 16 Maret 2015, Perusahaan telah menerima putusan dari Mahkamah Agung yang memenangkan Perusahaan.

Pada tanggal 26 September 2016, Perusahaan menerima Relaas Pemberitahuan Peninjauan Kembali dan Pennyerahan Memori Peninjauan Kembali dimana Tommy Suharto melalui kuasa hukumnya telah mengajukan Permohonan Peninjauan Kembali ("PK") atas putusan Kasasi Mahkamah Agung RI dan Perusahaan sudah mengajukan Kontra Peninjauan Kembali ke Mahkamah Agung. Saat ini proses perkara masih dalam pemeriksaan Mahkamah Agung Republik Indonesia.

c. 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. On March 16, 2015, the Company received the decision from the Supreme Court of the Republik Indonesia which was favor the Company.

On September 26, 2016, the Company received a Notice of judicial review and memo submission of judicial review from Tommy Suharto through his attorney submitted the judicial review (Peninjauan Kembali "PK") to the Supreme Court over its decision and Company has submitted a Robbutal Judicial Review to Supreme Court. Currently, the case is still being reviewed by the Supreme Court of Republic of Indonesia.

51. ASET DAN LIABILITAS MONETER DALAM MATA UANG ASING

Pada tanggal 31 Desember 2016 dan 2015, Grup mempunyai aset dan liabilitas moneter dalam mata uang asing (mata uang selain USD dinyatakan dalam setara USD) sebagai berikut:

51. MONETARY ASSETS AND LIABILITIES IN FOREIGN CURRENCY

At December 31, 2016 and 2015, 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, 2016		31 Desember/ December 31, 2015		
	Mata uang asing/ *Foreign currency*	Setara dengan/ Equivalent *in USD*	Mata uang asing/ *Foreign currency*	Setara dengan/ Equivalent *in USD*	
ASET					ASSETS
Kas dan setara kas					Cash and cash equivalents
IDR	2.423.234.936.960	180.353.895	2.216.720.363.077	160.690.131	IDR
CNY	429.612.706	61.930.609	324.748.875	50.010.620	CNY
AUD	20.603.039	14.911.457	16.496.770	12.035.240	AUD
JPY	1.068.147.817	9.174.564	992.495.556	8.239.562	JPY
EUR	4.505.631	4.748.937	4.374.894	4.779.139	EUR
SGD	5.404.692	3.740.531	3.796.105	2.683.330	SGD
SAR	14.641.815	3.903.293	16.561.998	4.413.595	SAR
GBP	1.664.807	2.045.386	992.358	1.471.173	GBP
KRW	3.918.447.449	3.250.305	2.477.130.414	2.104.528	KRW
HKD	8.026.754	1.034.989	10.550.057	1.361.168	HKD
Mata uang asing lainnya *)	4.027.496	4.027.496	4.665.861	4.665.861	Other foreign currencies *)
Piutang Usaha					Trade account receivable
IDR	997.404.262.542	74.233.720	720.693.826.605	52.243.119	IDR
JPY	582.931.386	5.006.930	639.956.598	5.312.832	JPY
KRW	2.533.877.205	2.101.821	6.876.324.910	5.842.010	KRW
EUR	4.053.375	4.272.259	2.579.959	2.818.350	EUR
AUD	2.812.580	2.035.606	2.864.882	2.090.078	AUD
SAR	9.138.905	2.436.298	15.057.914	4.012.773	SAR
CNY	12.461.619	1.796.399	20.911.432	3.220.315	CNY
MYR	6.694.087	1.492.720	16.884.654	3.928.512	MYR
SGD	1.646.458	1.139.496	1.349.380	953.828	SGD
Mata uang asing lainnya *)	8.698.437	8.698.437	10.703.936	10.703.936	Other foreign currencies *)
Piutang lain-lain					Other receivables
IDR	91.889.125.927	6.839.024	94.690.509.837	6.864.118	IDR
Mata uang asing lainnya *)	125.534	125.534	80.527	80.527	Other foreign currencies *)
Pajak dibayar dimuka					Prepaid taxes
IDR	310.782.123.544	23.130.554	349.200.118.760	25.313.528	IDR
Aset lain-lain					Other Assets
IDR	40.759.563.403	3.033.608	39.935.621.451	2.894.935	IDR
AUD	1.631.782	1.181.003	1.589.537	1.159.649	AUD
EUR	285.077	300.471	578.053	631.466	EUR
SGD	209.645	145.093	247.916	175.243	SGD
Mata uang asing lainnya *)	2.738.044	2.738.044	1.121.463	1.121.463	Other foreign currencies *)
Jumlah aset		429.828.479		381.821.029	Total Assets

	31 Desember/ December 31, 2016		31 Desember/ December 31, 2015		
	Mata uang asing/ *Foreign currency*	Setara dengan/ Equivalent *in USD*	Mata uang asing/ *Foreign currency*	Setara dengan/ Equivalent *in USD*	
LIABILITAS					LIABILITIES
Utang bank					Bank loan
IDR	(4.201.090.706.520)	(312.674.212)	(1.919.623.286.945)	(139.153.555)	IDR
Utang Usaha					Trade Accounts Payable
IDR	(1.814.925.694.847)	(135.079.316)	(1.075.505.277.093)	(77.963.413)	IDR
JPY	(168.356.134)	(1.446.049)	(183.908.965)	(1.526.787)	JPY
SAR	(3.307.298)	(881.677)	(7.917.772)	(2.110.002)	SAR
SGD	(4.921.460)	(3.406.091)	(3.441.290)	(2.432.525)	SGD
AUD	(1.338.817)	(968.969)	(1.351.987)	(986.344)	AUD
EUR	(1.124.222)	(1.184.931)	(2.164.390)	(2.364.382)	EUR
KRW	(11.127.347)	(9.230)	(1.564.085)	(1.329)	KRW
Mata uang asing lainnya *)	(2.415.880)	(2.415.880)	(3.817.354)	(3.817.354)	Other foreign currency *)
Utang lain-lain					Other Accounts Payable
IDR	(151.118.252.540)	(11.247.265)	(32.272.653.156)	(2.339.446)	IDR
EUR	(732.018)	(771.547)	(565.557)	(617.815)	EUR
Mata uang asing lainnya *)	(950.933)	(950.933)	(8.496.072)	(8.496.072)	Other foreign currency *)
Beban akrual					Accrued Expenses
IDR	(932.843.117.508)	(69.428.633)	(1.120.100.062.378)	(81.196.090)	IDR
JPY	(425.216.965)	(3.652.285)	(361.520.074)	(3.001.290)	JPY
AUD	(9.608.950)	(6.954.481)	(5.959.883)	(4.348.041)	AUD
EUR	(564.179)	(594.645)	(1.065.410)	(1.163.855)	EUR
MYR	(2.804.344)	(625.343)	(1.500.742)	(349.174)	MYR
SGD	(492.311)	(340.723)	-	-	SGD
Mata uang asing lainnya *)	(13.179.946)	(13.179.946)	(9.316.324)	(9.316.324)	Other foreign currency *)
Pinjaman jangka panjang					Long term loans
IDR	(1.223.238.768.865)	(91.041.885)	(2.132.904.875.957)	(154.614.344)	IDR
AUD	-	-	(1.300.000)	(948.417)	AUD
Utang obligasi					Bond Payable
IDR	(1.992.532.262.556)	(148.298.025)	(1.989.026.864.904)	(145.120.274)	IDR
Liabilitas Imbalan Pasca Kerja					Employment benefit obligation
IDR	(1.558.707.780.019)	(116.009.808)	(2.448.877.682.527)	(177.519.223)	IDR
Liabilitas tidak lancar lainnya					Other non-current liabilities
CNY	(4.000.000)	(576.618)	(4.430.000)	(682.210)	CNY
IDR	(2.336.061.167)	(173.866)	(2.456.631.281)	(178.081)	IDR
SGD	(10.000)	(6.921)	(10.000)	(7.069)	SGD
Mata uang asing lainnya *)	(34.671)	(34.671)	(25.703)	(25.703)	Other foreign currency *)
Jumlah liabilitas		(921.953.950)		(820.279.119)	Total Liabilities
Liabiitas - bersih		**(492.125.471)**		**(438.458.090)**	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 2016 dan 2015, kurs konversi yang digunakan Grup adalah:

The conversion rates used by the Group on December 31, 2016 and 2015, were as follows:

	31 Desember 2016/ *December 31, 2016*	31 Desember 2015/ *December 31, 2015*
	USD	USD
Mata uang/ *Currencies*		
IDR 1	0,0001	0,0001
EURO 1	1,0540	1,0924
YEN 100	0,8589	0,8302
SGD 1	0,6921	0,7069
AUD 1	0,7238	0,7296
GBP 1	1,2286	1,4825

52. SEGMEN OPERASI

Grup melaporkan segmen-segmen berdasarkan PSAK 5 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.

52. OPERATING SEGMENT

The Group's reportable segments under PSAK 5 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.

Ringkasan berikut menggambarkan bisnis utama dari setiap segmen yang dilaporkan Grup:

Operasi penerbangan

Angkutan udara niaga berjadwal dan tidak berjadwal untuk penumpang, barang dan pos dalam negeri dan luar negeri.

Jasa pemeliharaan pesawat

Reparasi dan pemeliharaan pesawat udara, baik untuk keperluan sendiri maupun untuk pihak ketiga.

Operasi lain-lain

Jasa penunjang operasional angkutan udara niaga, meliputi catering dan ground handling, jasa layanan, sistem informasi baik untuk keperluan sendiri maupun untuk pihak ketiga dan jasa lainnya yang terkait penunjang operasional angkutan udara niaga.

Pendapatan dan beban segmen meliputi transaksi antar segmen usaha.

The following summary describes the core businesses of each the Group's reportable segments:

Flight operation

Undertaking scheduled and non-scheduled commercial air transportation of domestic or international passengers, cargoes and mails.

Aircraft maintenance services

Providing aircraft repair and maintenance, to satisfy own needs and the needs of third party.

Other operations

Rendering support services for commercial air transportation operation, such as catering services and ground handling services, information system services to satisfy own needs and the needs of third party and other services related to support commercial air transportation services.

Income and expenses include the inter segment transaction.

	31 Desember/ *December 31,* 2016					
	Operasi penerbangan/ *Flight operation*	Jasa pemeliharaan pesawat/ *Aircraft maintenance services*	Operasi lain-lain/ *Other operations*	Jumlah sebelum eliminasi/ *Total before elimination*	Eliminasi/ *Elimination*	Jumlah/ *Total*
	USD	USD	USD	USD	USD	USD
Hasil segmen/ *Segment result*						
Pendapatan eksternal/ *External revenue*	3.562.852.676	114.301.916	186.766.973	3.863.921.565	-	3.863.921.565
Pendapatan antar segmen/ *Intersegment revenue*	7.207.203	274.573.277	757.964.765	1.039.745.245	(1.039.745.245)	-
Jumlah pendapatan/ *Net revenue*	3.570.059.879	388.875.193	944.731.738	4.903.666.810	(1.039.745.245)	3.863.921.565
Beban eksternal/ *External expense*	2.665.580.234	296.954.566	802.282.826	3.764.817.626	-	3.764.817.626
Beban antar segmen/ *Intersegment expense*	943.763.800	8.893.699	87.087.746	1.039.745.245	(1.039.745.245)	-
Jumlah beban/ *Net expense*	3.609.344.034	305.848.265	889.370.572	4.804.562.871	(1.039.745.245)	3.764.817.626
Hasil segmen/ *Segment result*	(39.284.155)	83.026.928	55.361.166	99.103.939	-	99.103.939
Pendapatan (beban) yang tidak dapat dialokasikan/ *Unallocated income (expenses)*						
Bagian laba bersih asosiasi/ *Equity in net income of associates*						(215.172)
Pendapatan keuangan/ *Finance income*						7.180.597
Beban keuangan/ *Finance cost*						(88.278.664)
Laba sebelum pajak/*Income before tax*						17.790.700
Beban pajak/*Tax expense*						(8.425.842)
Laba bersih tahun berjalan/ *Net profit for the year*						9.364.858
Jumlah laba komprehensif lain-lain/ *Total other comprehensive income*						49.809.176
Jumlah laba komprehensif/ *Total comprehensive income*						59.174.034
POSISI KEUANGAN/*FINANCIAL POSITION*						
Aset segmen/ *Segment assets*	3.601.506.052	439.985.264	937.444.295	4.978.935.611	(1.241.366.221)	3.737.569.390
Liabilitas segmen/ *Segment liabilities*	2.594.486.844	267.525.069	600.257.842	3.462.269.755	(734.597.584)	2.727.672.171
Penyusutan dan amortisasi segmen/ *Segment depreciation and amortization*	139.219.137	11.416.669	18.025.171	168.660.977	-	168.660.977

	31 Desember/ *December 31,* 2015					
	Operasi penerbangan/ *Flight operation*	Jasa pemeliharaan pesawat/ *Aircraft maintenance services*	Operasi lain-lain/ *Other operations*	Jumlah sebelum eliminasi/ *Total before elimination*	Eliminasi/ *Elimination*	Jumlah/ *Total*
	USD	USD	USD	USD	USD	USD
Hasil segmen/ *Segment result*						
Pendapatan eksternal/ *External revenue*	3.560.183.233	78.627.738	176.178.774	3.814.989.745	-	3.814.989.745
Pendapatan antar segmen/ *Intersegment revenue*	6.645.654	227.099.007	585.485.344	819.230.005	(819.230.005)	-
Jumlah pendapatan/ *Net revenue*	3.566.828.887	305.726.745	761.664.118	4.634.219.750	(819.230.005)	3.814.989.745
Beban eksternal/ *External expense*	2.706.361.709	247.935.438	691.947.157	3.646.244.304	-	3.646.244.304
Beban antar segmen/ *Intersegment expense*	761.173.701	7.399.910	50.656.394	819.230.005	(819.230.005)	-
Jumlah beban/ *Net expense*	3.467.535.410	255.335.348	742.603.551	4.465.474.309	(819.230.005)	3.646.244.304
Hasil segmen/ *Segment result*	99.293.477	50.391.397	19.060.567	168.745.441	-	168.745.441
Pendapatan (beban) yang tidak dapat dialokasikan/ *Unallocated income (expenses)*						
Bagian laba bersih asosiasi/ *Equity in net income of associates*						(98.259)
Pendapatan keuangan/ *Finance income*						6.597.482
Beban keuangan/ *Finance cost*						(68.584.517)
Laba sebelum pajak/*Income before tax*						106.660.147
Beban pajak/*Tax expense*						(28.685.986)
Laba bersih tahun berjalan/ *Net income for the year*						77.974.161
Jumlah laba komprehensif lain-lain/ *Total other comprehensive income*						(6.718.567)
Jumlah laba komprehensif/ *Total comprehensive income*						71.255.594
POSISI KEUANGAN/*FINANCIAL POSITION*						
Aset segmen/ *Segment assets*	3.203.922.182	312.994.597	507.857.307	4.024.774.086	(714.763.100)	3.310.010.986
Liabilitas segmen/ *Segment liabilities*	2.250.022.479	190.297.387	319.502.288	2.759.822.154	(400.534.353)	2.359.287.801
Penyusutan dan amortisasi segmen/ *Segment depreciation and amortization*	156.806.556	4.514.683	15.279.608	176.600.847	-	176.600.847

Berikut merupakan pendapatan segmen usaha tiap wilayah berdasarkan pusat region:

The following is the total operating revenue of each region based on its central region:

	2016	2015	
	USD	USD	
Pendapatan berdasarkan segmen geografis			Total revenue based on geographical segment
Domestik			Domestic
Jakarta	2.412.321.980	2.375.234.189	Jakarta
Surabaya	355.358.292	362.752.051	Surabaya
Makassar	231.196.946	265.545.078	Makassar
Medan	138.802.408	163.176.615	Medan
Internasional			International
Tokyo	309.946.247	288.830.395	Tokyo
Sydney	106.937.907	110.094.442	Sydney
Amsterdam	138.430.692	110.930.592	Amsterdam
Shanghai	112.885.822	80.785.287	Shanghai
Singapura	58.041.271	57.641.096	Singapore
Jumlah	3.863.921.565	3.814.989.745	Total

53. KUASI-REORGANISASI

Sebagai dampak memburuknya kondisi ekonomi di Indonesia sejak pertengahan tahun 1997 dan dampak negatif lainnya, Perusahaan memiliki akumulasi defisit sebesar USD 1.385.459.459.977. 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, S.H., 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:

54. 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 as of January 1, 2012. The Company stockholders' had approved to carry out a 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, S.H., 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:

	Penilai/ *Appraisal*	Kenaikan revaluasi/ *Revaluation increase*	
		USD	
Persediaan	KJJP Doli Siregar & Rekan	7.315.622	Inventories
Dana perawatan pesawat dan uang jaminan	KJJP Doli Siregar & Rekan	11.923.653	Maintenance reserve funds and
Investasi pada entitas assosiasi	KJJP Doli Siregar & Rekan	522.676	Investment in associates
Aset keuangan lain	KJJP Doli Siregar & Rekan	1.141.984	Other financial assets
Aset tetap	KJJP Doli Siregar & Rekan	23.989.249	Property and equipment
Aset lain-lain bersih	KJJP Doli Siregar & Rekan	70.201	Other assets - net
Jumlah		44.963.385	Total

Tidak terdapat penyesuaian atas nilai liabilitas pada tanggal 1 Januari 2012, karena jumlah tercatat sebelum kuasi-reorganisasi telah mencerminkan nilai wajarnya.

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.

Dengan kuasi-reorganisasi tersebut, Perusahaan mengeliminasi defisit per tanggal 1 Januari 2012 sebesar USD 1.385.459.977, dengan komponen ekuitas sebagai berikut:

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:

	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 (Catatan 31)	108.518.998	Additional paid-in capital (Note 31)
Modal ditempatkan dan disetor (Catatan 30)	1.145.905.003	Issued and paid-up capital (Note 30)
Jumlah	-	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.

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.

55. TRANSAKSI NON KAS

Pada tahun-tahun yang berakhir 31 Desember 2016 dan 2015, 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:

56. NON CASH TRANSACTIONS

For the years ended December 31, 2016 and 2015, 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:

	2016 USD	2015 USD	
AKTIVITAS INVESTASI DAN PENDANAAN YANG TIDAK MEMPENGARUHI ARUS KAS			NON CASH INVESTING AND FINANCING ACTIVITIES
Kenaikan aset tetap melalui liabilitas estimasi pengembalian dan pemeliharaan pesawat (Catatan 25)	16.268.446	43.730.137	Increase in property and equipment through estimated liability for aircraft return and maintenance cost (Note 25)
Penambahan aset tetap atas surplus revaluasi (Catatan 14)	66.614.905	32.226.270	Increase of property and equipment through revaluation surplus (Note 14)
Penambahan (penurunan) aset tetap atas selisih kurs penjabaran (Catatan 14)	11.969.097	(22.403.496)	Increase (decrease) in property and equipment due to translation adjustment (Note 14)
Penambahan aset tetap melalui utang usaha	302.395	214.078	Increase in property and equipment through accounts payable
Penambahan aset tetap melalui utang sewa	59.045.993	14.663.153	Increase in property and equipment through lease liabilities

57. TANGGUNG JAWAB MANAJEMEN DAN PERSETUJUAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN

Penyusunan dan penyajian wajar laporan keuangan konsolidasian dari halaman 1 sampai 144 merupakan tanggung jawab manajemen dan telah disetujui oleh Direksi untuk diterbitkan pada tanggal 10 Maret 2017.

58. MANAGEMENT RESPONSIBILITY AND APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The preparation and fair presentation of the consolidated financial statements on pages 1 to 144 were the responsibilities of management, which were approved by the Directors and authorized for issuance on March 10, 2017.

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