

## Press Release

# GMF Together with Garuda Indonesia Group Reaches Target of USD 2.4 Billion Contract on the Last Day of Singapore Airshow 2018

**Singapore, February 12, 2018** – PT Garuda Maintenance Facility Aero Asia Tbk. (GMF) together with Garuda Indonesia Group booked cooperation agreement worth USD 2.4 billion at Singapore Airshow 2018 which lasted for 6 days, February 6 to 11 2018. GMF President & CEO Iwan Joeniarso said that in the Singapore Airshow 2018, the target to establish several cooperation agreements with strategic partners in developing their business expansion plan has been successful. Iwan said that the portion of income earned worth USD 1.7 Billion comes from aircraft maintenance revenue from affiliated airlines and some partnership in accordance with what was presented in the prospectus when GMF was listed in stock exchange last October 2017, while the remaining USD 700 Million is a new contract. "As a public company, we strive to keep our promises. We have signed cooperation for expansion in the Middle East region and also Australia in this event. Partners have made an agreement with us and we will be discuss to prepare the operation," said Iwan. Iwan also added that the expansion area was chosen because it has a high potential market, especially in line maintenance.

Iwan also said through this strategic partnership GMF able to have a higher competitiveness compared to other world-class MRO companies. "By signing the cooperation, we hope to absorb even greater global aircraft maintenance market for greater revenue," he added.

For the expansion GMF also prepares the projected workforce to assist GMF project in its international footprint. Medan State Polytechnic, Suryadharma University, Malang State Polytechnic, Sriwijaya State Polytechnic, Batam State Polytechnic and Sekolah Tinggi Teknik Adisucipto with GMF is committed to create high-quality graduates from each educational institution. This commitment is also confirmed in the event of Singapore Airshow 2018. "After graduation, students will be ready to work, have basic license and be able to work immediately," added Iwan.

Support comes not only from educational institutions, but also from government represented by the Ministry of State Secretariat who signed the maintenance agreement of Presidential aircraft at GMF. The Indonesian Air Force represented by the Air Force Chief of Staff also entrusted the maintenance of their 737 aircraft at GMF. In line with that, the Ministry of State Owned Enterprises, Ministry of Transportation, Ministry of Industry also support GMF participation in the most prestigious aviation event in Asia. Minister of State Owned Enterprises Rini M Soemarno, who attended the Singapore Airshow 2018, said that the MRO industry has become a strategic domestic industry. Quality of GMF must be brought and able to compete internationally. "GMF should be able to get closer to the customer, so that we can be even stronger in offering services that we have," said Rini. Meanwhile, Director General of Air Transportation, Agus Santoso said that the Indonesian aerospace industry has shown significant progress. "We can prove that Indonesia can compete in the aviation world. GMF as a key player in domestic aircraft maintenance contributed to these advances through efforts to maintain the safety & quality of the airline that they taken care of," said Agus. He added that his side will continue to support the development of GMF by evaluating the GMF from the side of regulation and operation so that GMF's existing quality standards are maintained.

### **Market Penetration**

Moreover, in addition to partnership and expansion cooperation, GMF completes numbers of business activities at the Singapore Airshow 2018 by penetrating the market. This is marked by the signing of aircraft maintenance cooperation with more than 25 airlines both from local and international. Among the airlines that agreed on the cooperations are Garuda Indonesia, Citilink, Airfast Indonesia, Sriwijaya Air, Nam Air, Air Asia Indonesia, Air Asia Berhad (Malaysia), Cebu Air, Air Atlanta, Aerovista, Eastar Jet, Jeju Air and others. Furthermore, the aircraft manufacturing company which is a joint venture of GE and Safran Aircraft Services, CFM International also has long-term cooperation with GMF. Related to this, Iwan said that GMF will continue to strive to increase the brand value of the company he leads in the world. He added that with integrated solution owned by GMF, flexibility, and competitive price is the superiority in playing in an aggressive market competition. "In the era of MRO Global competition, providing efficiency without reducing the quality & safety aspects is an added value for us to be able to capture new customers outside the affiliation," Iwan closed.

Garuda Indonesia Group also made various cooperation agreements in of Singapore Airshow 2018. Garuda Indonesia agreed on cooperation agreement with STELIA, Thales, Bucher and AirPlanner. This



prestigious event has also incised achievements as Garuda Indonesia Group awardee by Skytrax as 5 stars for Garuda Indonesia for the third time, and Skytrax for 4 star LCC for Citilink for the first time.

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