

Press Release

GMF Earned Revenue of 334.7 MUSD In the Third Quarter of 2018

Tangerang, October 31 2018 – PT Garuda Maintenance Facility AeroAsia Tbk (GMF) recorded revenue of 334.7 MUSD or increase of 7.8% in the same quarter of previous year. This revenue was followed by the recorded net profit of 27 MUSD. This revenue was supported by Repair & Overhaul sector which increased by 14.1%, where a shift in business concentration was started by GMF. GMF President & CEO, Iwan Joeniarto said in the third quarter, the number of aircraft engine maintenance event had increased significantly by 24% to 102 events. "The shifting in the business focus has an influence on the position of business margin that affects to the net profit," Iwan said. Furthermore, GMF achieved maximum result from the operational side. GMF's Turn Around Time reached 100%, Fulfillment of Service Level to its customers reached almost perfect numbers of 99.6% and the number of maintenance events increased 18% from the same quarter of 2017. On the other hand, GMF managed to increase revenue from non-group affiliates with the ratio of 43.3% compared to 56.7%, while the ratio of the previous year was 34.7%: 65.3%.

Strategic Initiatives & Investment Realization

In the third quarter, GMF strived to continue to grow more rapidly to prepare for market challenges in the upcoming year. The strategic initiatives launched at the beginning of the year began to show positive development. In the third quarter of 2018, GMF signed a Strategic Partnership Cooperation with Air France Industry KLM E&M. This strategic partnership includes the development of capacity and capability, as well as increased market absorption in the Asia Region. Beside the partnership program, GMF also inaugurated Landing Gear maintenance facility which is also strategic initiatives. Moreover, GMF also launched the 'Engine Total Solutions' maintenance program to improve the absorption of aircraft engine maintenance event.

In terms of investment realization, GMF has also realized an investment of 32.7 MUSD for business development namely the development of CFM56-5B Engine capabilities, development of Landing Gear capability, and development of line maintenance for Airbus



A320 NEO aircraft, Boeing 737 Max and 787. Furthermore, 3.8 MUSD was invested in Operational need such as purchasing tools and other infrastructure. Iwan Joeniarto said, GMF continues to strive for business development to absorb even bigger market. "Being the Top 10 MRO in the world is in sight. We continue to aggressively develop and invest in business development to be able to compete globally and prove the quality of GMF services to the world," Iwan concluded.

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