



GOL Reviews Financial Outlook

São Paulo, November 1, 2018 - GOL Linhas Aéreas Inteligentes S.A. (“GOL” or “Company”), (NYSE: GOL and B3: GOLL4), Brazil’s #1 airline, reviews its financial outlook for 2018 and 2019. Guidance is adjusted to reflect competitor capacity movements, recent variations in oil prices, the appreciation of the USD versus the BRL, initial results of the introduction of 737 Max aircraft into the fleet, yield management activities and lower tax credit utilization.

The Company’s guidance highlights key metrics which impact financial results and drive long-term shareholder value. GOL provides forward-looking information that is focused on the main metrics the Company uses to measure business performance. These indicators are useful for investors and analysts who project GOL’s results.

Financial Outlook (Consolidated, IFRS)	2018E		2019E	
	Previous	Revised	Previous	Revised
Total fleet (average)	117	118	122 to 124	121 to 123
Total Operational fleet (average)	110	110	116	115
ASKs, System (% change)	1 to 2	1 to 2	5 to 10	5 to 10
- Domestic	0 to 2	0 to 2	1 to 3	1 to 3
- International	6 to 8	6 to 8	30 to 40	30 to 40
Seats, System (% change)	0 to 2	0 to 2	3 to 5	2 to 4
Departures, System (% change)	0 to 2	0 to 2	2 to 5	2 to 5
Average load factor (%)	79 to 80	79 to 80	79 to 81	79 to 81
Ancillary revenues ¹ (R\$ billion)	~ 1.0	~ 1.0	~ 1.3	~ 1.2
Total net revenues (R\$ billion)	~ 11.5	~ 11.5	~ 12.5	~ 12.8
Non-fuel CASK (R\$ cents)	~ 13.5	~ 13.5	~ 14	~ 14
Fuel liters consumed (mm)	~ 1,370	~ 1,370	~ 1,420	~ 1,420
Fuel price (R\$/liter)	~ 2.9	~ 2.9	~ 2.9	~ 2.9
EBITDA margin (%)	~ 16	~ 16	~ 17	~ 17
Operating (EBIT) margin (%)	~ 11	~ 11	~ 12	~ 12
Net financial expense ² (R\$ mm)	~ 800	~ 800	~ 500	~ 500
Pre-tax margin ² (%)	~ 4	~ 4	~ 8	~ 8
Effective income tax rate (%)	~ 23	~ 23	~ 10	~ 10
Minority interest ³ (R\$ mm)	~289	~ 280	*	*
Capital expenditures, net (R\$ mm)	~ 750	~ 750	~ 600	~ 600
Net Debt ⁴ / EBITDA (x)	~ 2.8x	~ 2.6x	~ 2.5x	~ 2.5x
Aircraft rent (R\$ mm)	~ 1,100	~ 1,100	~ 1,000	~ 1,000
Fully-diluted shares out. (million)	348.7	348.7	348.7	348.7
Earnings per share, fully diluted ² (R\$)	0.10 to 0.30	0.05 to 0.25	1.50 to 1.90	1.50 to 1.90
Earnings per share, fully diluted (R\$)	(1.20) to (1.00)	(2.00) to (1.80)	1.50 to 1.90	1.50 to 1.90
Fully-diluted ADS out. (million)	174.4	174.4	174.4	174.4
Earnings per ADS, fully diluted ² (US\$)	0.05 to 0.15	0.03 to 0.10	0.80 to 1.20	0.80 to 1.20
Earnings per ADS, fully diluted (US\$)	(0.60) to (0.50)	(1.10) to (1.00)	0.80 to 1.20	0.80 to 1.20

(1) Cargo, loyalty, buy-on-board and other ancillary revenues; (2) Excluding currency gains and losses; (3) Average of analyst estimates (Source: Bloomberg); (4) Excluding perpetual bonds; (*) Not provided.



The current guidance may be adjusted in order to incorporate the evolution of GOL's operating and financial performance and any eventual changes to the Brazilian economy and GOL's broader economic environment, including variations in economic growth, interest rates, exchange rates, and international oil price trends.

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About GOL Linhas Aéreas Inteligentes S.A.

GOL serves more than 30 million passengers annually. With Brazil's largest network, **GOL** offers customers more than 700 daily flights to 67 destinations in 10 countries in South America and the Caribbean. **GOLLOG** is a leading cargo transportation and logistics business serving more than 3,400 Brazilian municipalities and, through partners, more than 200 international destinations in 95 countries. **SMILES** is one of the largest coalition loyalty programs in Latin America, with over 14 million registered participants, allowing clients to accumulate miles and redeem tickets for more than 700 locations worldwide. Headquartered in São Paulo, **GOL** has a team of more than 15,000 highly skilled aviation professionals and operates a fleet of 120 Boeing 737 aircraft, with a further 133 Boeing 737 MAX on order, delivering Brazil's top on-time performance and an industry leading 17 year safety record. **GOL** has invested billions of Reais in facilities, products and services and technology to enhance the customer experience in the air and on the ground. GOL's shares are traded on the NYSE (GOL) and the B3 (GOLL4). For further information, visit www.voegol.com.br/ir.

Disclaimer

This release contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of GOL. These are merely projections and, as such, are based exclusively on the expectations of GOL's management. Such forward-looking statements depend, substantially, on external factors, in addition to the risks disclosed in GOL's filed disclosure documents and are, therefore, subject to change without prior notice. The Company's non-financial information was not reviewed by the independent auditors.

Non-GAAP Measures

To be consistent with industry practice, we disclose so-called non-GAAP financial measures which are not recognized under IFRS or U.S. GAAP, including "Net Debt", "Adjusted Net Debt", "total liquidity", "EBITDA" and "EBITDAR". Our management believes that disclosure of non-GAAP measures provides useful information to investors, financial analysts and the public in their review of our operating performance and their comparison of our operating performance to the operating performance of other companies in the same industry and other industries. However, these non-GAAP items do not have standardized meanings and may not be directly comparable to similarly-titled items adopted by other companies. Potential investors should not rely on information not recognized under IFRS as a substitute for the GAAP measures of earnings or liquidity in making an investment decision.
