



Linhas aéreas inteligentes

Investor Update

São Paulo, October 8, 2018 - GOL Linhas Aéreas Inteligentes S.A. (NYSE: GOL and B3: GOLL4), Brazil's #1 airline, provides its **Investor Update**. The information below for the quarter ended in September 2018 is preliminary and unaudited.

Overall Commentary¹

- GOL expects an operating margin for the quarter ended in September of 5.0%-5.5%, approximately 7 p.p. down in relation to the quarter ended in September 2017 (12.2%), mainly due to the appreciation of the U.S. dollar and higher jet fuel prices in the period. Operating cash flow in the September quarter is expected to be R\$450-500 million.
- Passenger unit revenue (PRASK)² for the third quarter is expected to be up 4.5%-5.0% year over year, as GOL's capacity discipline and revenue management strategies continue to benefit results. For the quarter ended in September, GOL expects unit revenue (RASK) to increase 4.0%-4.5%.
- Non-fuel unit costs (CASK ex-fuel), are expected to reduce by approximately 2.5% in relation to the third quarter 2017.
- GOL expects its financial leverage, as measured by the Net Debt³/LTM EBITDA ratio, to be approximately 3.3x at the end of the September 2018 quarter. Total liquidity at the end of the quarter is expected to be at R\$3.1 billion, versus R\$3.0 billion at the end of the previous quarter.

Preliminary and Unaudited Projection

	<u>September Quarter 2018</u>
EBITDA Margin	11.0% - 11.5%
EBIT Margin	5.0% - 5.5%
Ancillary Revenue (cargo and other) ⁴	6.5% - 7.0% of total net revenues
Aircraft Rent	~ R\$300 million
Average fuel price per liter	R\$3.05 - R\$3.10
Average exchange rate	R\$3.95
	<u>September Quarter 2018</u> <u>vs. September Quarter 2017</u>
Passenger unit revenue (PRASK) ²	Up 4.5% - 5.0%
CASK Ex-fuel	Down ~2.5%
Total Capacity – ASK	Up ~4%
Total Capacity – Seats	Up ~5%

1. 3Q17 results adjusted in accordance with IFRS 15.

2. Considering IFRS 15, 3Q17 PRASK was R\$20.66 cents.

3. Excluding perpetual notes.

4. Considering IFRS 15, 3Q17 Ancillary Revenue was 6.6% of total net revenues.



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Investor Update

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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 135 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.
