



Linhas aéreas inteligentes

Investor Update

São Paulo, July 5, 2017 - 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 June 2017 is preliminary and unaudited.

Overall Commentary

- GOL expects an operating margin for the quarter ended in June of 1.5-2.0%, an increase of approximately 1000 b.p. over the quarter ended in June 2016 of -8.2%, excluding non-recurring expenses.
- Passenger unit revenue (PRASK) for the second quarter was up 7.5-8.0% year over year, as GOL's capacity discipline and revenue management strategies continue to benefit results. For the quarter ended in June, GOL expects unit revenue (RASK) to increase 8.5-9.0%.
- Non-fuel unit costs (CASK ex-fuel), excluding non-recurring expenses, are expected to be reduced approximately 4% for the second quarter 2017 versus same quarter of the prior year.
- GOL reduced its total debt, including financial and operating leasing, by approximately R\$100 million in the quarter, totaling more than R\$4.8 billion debt reduction in the last 18 months.

Preliminary and Unaudited Projection

	<u>June Quarter 2017</u>
EBITDA Margin (excluding non-recurring)	6.5-7.0%
EBIT Margin (excluding non-recurring)	1.5-2.0%
Ancillary Revenue (cargo and other)	14.5-15.0% of total net revenues
Aircraft Rent	~ R\$240 million
Average fuel price per liter	R\$2.04-R\$2.07
Average exchange rate	R\$3.21
Non-recurring expenses	R\$11-R\$15 million
	<u>June Quarter 2017</u>
	<u>vs. June Quarter 2016</u>
Passenger unit revenue (PRASK)	Up 7.5-8.0%
CASK Ex-fuel (excluding non-recurring expenses)	Down ~4%
Capacity - ASK	Down 3.2%
Capacity - Seats	Down 5.2%



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About GOL Linhas Aéreas Inteligentes S.A.

Brazil's largest airline group with three main businesses: passenger transportation, cargo transportation and coalition loyalty program. **GOL** is Brazil's largest airline, carrying 33 million passengers annually on more than 700 daily flights to 63 destinations, 52 in Brazil and 11 in South America and the Caribbean, on a fleet of 120 Boeing 737 aircraft, with a further 120 Boeing 737s on order. **GOLLOG** is a leading cargo transportation and logistics business serving more than 2,200 Brazilian municipalities and, through partners, 205 international destinations in 95 countries. **SMILES** is one of the largest coalition loyalty programs in Latin America, with over 12 million registered participants, allowing clients to accumulate miles and redeem tickets for more than 700 locations worldwide. GOL has a team of more than 15,000 highly skilled aviation professionals delivering Brazil's top on-time performance, and an industry leading 16 year safety record. GOL's shares are traded on the NYSE (GOL) and the B3 (GOLL4).

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.
