

Gol Intelligent Airlines Inc.  
Form 6-K  
February 28, 2019

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**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

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**FORM 6-K**

**REPORT OF FOREIGN ISSUER**  
**PURSUANT TO RULE 13a-16 OR 15d-16 OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

**For the month of February, 2019**  
**(Commission File No. 001-32221) ,**

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**GOL LINHAS AÉREAS INTELIGENTES S.A.**  
*(Exact name of registrant as specified in its charter)*

**GOL INTELLIGENT AIRLINES INC.**  
*(Translation of Registrant's name into English)*

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**Praça Comandante Linneu Gomes, Portaria 3, Prédio 24**  
**Jd. Aeroporto**  
**04630-000 São Paulo, São Paulo**  
**Federative Republic of Brazil**  
*(Address of Registrant's principal executive offices)*

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Indicate by check mark whether the registrant files or will file  
annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether the registrant by furnishing the  
information contained in this Form is also thereby furnishing the  
information to the Commission pursuant to Rule 12g3-2(b) under  
the Securities Exchange Act of 1934.

Yes  No

If "Yes" is marked, indicated below the file number assigned to the  
registrant in connection with Rule 12g3-2(b):

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(Free translation into English from original previously issued in Portuguese)

**Individual and consolidated**

**Financial Statements**

**GOL Linhas Aéreas Inteligentes S.A.**

December 31, 2018

with review report of independent auditors

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**Gol Linhas Aéreas Inteligentes S.A.**

**Individual and consolidated financial statements**

**December 31, 2018**

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## Management report

On January 15, 2019, GOL completed 18 years of operation and, since its foundation, the Company has transported over 450 million passengers on over 3.8 million flights to destinations in Brazil, Latin America, the Caribbean and the U.S. During these 18 years GOL has constantly evolved and achieved significant results, consolidating itself as Brazil's main domestic airline, becoming the leader in the corporate segment and in the domestic market, with a market share of 36%. The pioneers solutions brought by the Company have simplified the process of air travel. We continue to work and innovate even more to offer the best service, with low cost and completely focused on our Client's satisfaction. Today the Company already offers Wi-Fi on board in 90% of the fleet, and plans to offer Wi-Fi on all our aircraft by April 2019. GOL will be the first airline in the world with high speed internet on board all flights

The arrival of the MAX 8 aircraft into our standardized fleet improves our competitive advantage with the lowest cost structure and highest operational efficiency in the Brazilian airline market. GOL continues its focus on modernization by replacing NGs for MAX 8 aircraft. In addition to providing us lower operating expenses, such as approximately 15% reduction in fuel consumption per ASK, this new technology of the MAX 8 also extends the reach of our network, allowing us to serve new destinations. The renewal plan will allow GOL to finish 2019 and 2020 with 24 and 34 MAX aircraft in its fleet, while maintaining discipline in capacity management.

In line with the international expansion strategy towards new markets, during the last quarter of 2018 GOL started nonstop flights from Brasília and Fortaleza to Miami and Orlando, and additionally, opened regular operations from São Paulo to Quito, Ecuador, being the only airline to operate this route without stops. In the year of 2019, direct flights from Brasília to Cancun, Mexico, will be launched, as well as the new routes from Vitória to Buenos Aires, both in the first semester. GOL will also start regular operations from Recife to Santiago in Chile during the second half of this year. The MAX 8 will allow for the continuous international expansion of the network, with less overlap in relation to other airlines.

GOL is the only airline that offers flights from Congonhas (Metro São Paulo's downtown Airport) to the markets with the highest demand in the U.S. and Latin America, utilizing an efficient capacity and flight management system intelligently connecting the Company's network and offering the best flight experience and comfort to Clients.

The Company has followed a disciplined strategy of deleveraging its balance sheet and improving its liquidity profile, through the amortization of short and long-term debt using

funds from operating cash flow and new issues. We finalized a series of liability management initiatives throughout 2018: the repurchase of bonds maturing in 2018, 2020, 2021, 2023 and 2028, and the amortization of debentures. In 2019, we remain focused on the deleveraging and on February 1, we concluded a tender offer for the acquisition of our Senior Notes due 2022. The participation in the tender offer of holders representing around 15% of the 2022 Notes showed that the market is very comfortable with GOL's risk, as well as has a very positive perception regarding the Company's future developments.

In 2018 the Real once again depreciated against the US Dollar and the average prices of Jet Fuel increased in comparison to the previous year, which led to significant cost pressures. Despite this challenging scenario, GOL posted results consistent with guidance. In 4Q18, we achieved the tenth consecutive quarter with positive operating results and the highest operating margin since 2006: operating income of R\$672.4 million and EBIT margin of 21.0%. GOL is hedged for approximately 59% of its fuel consumption for the remainder of 2019, at an average cost of US\$60.5. This quarter's solid result reflects GOL's success in managing its business portfolio through the cycle.

For 2019, Brazil's GDP is expected to grow 2.5% (according to the Central Bank FOCUS Report), while industry demand is estimated to grow between 6% and 7% (according to ABEAR). In addition, the Company, by accelerating the incorporation of new MAX 8 aircraft, is structured and prepared to serve additional demand.

## Operating and Financial Indicators

<b>RPK GOL – Total</b>	<b>10,244</b>	9,896	3.5%	<b>38,423</b>	37,231	3.2%
RPK GOL – Domestic	<b>9,037</b>	8,879	1.8%	<b>34,266</b>	33,250	3.1%
RPK GOL – International	<b>1,207</b>	1,017	18.7%	<b>4,158</b>	3,981	4.4%
<b>ASK GOL – Total</b>	<b>12,506</b>	12,214	2.4%	<b>48,058</b>	46,695	2.9%
ASK GOL – Domestic	<b>10,901</b>	10,863	0.4%	<b>42,428</b>	41,463	2.3%
ASK GOL – International	<b>1,605</b>	1,351	18.8%	<b>5,630</b>	5,232	7.6%
<b>GOL Load Factor – Total</b>	<b>81.9%</b>	81.0%	0.9 p.p	<b>80.0%</b>	79.7%	0.3 p.p
GOL Load Factor – Domestic	<b>82.9%</b>	81.7%	1.2 p.p	<b>80.8%</b>	80.2%	0.6 p.p
GOL Load Factor – International	<b>75.2%</b>	75.3%	-0.1 p.p	<b>73.9%</b>	76.1%	-2.2 p.p
Average Fare (R\$)	<b>334</b>	313	6.7%	<b>318</b>	294	8.1%
Revenue Passengers - Pax on board ('000)	<b>8,944</b>	8,652	3.4%	<b>33,446</b>	32,507	2.9%
Aircraft Utilization (block hours/day)	<b>11.5</b>	12.4	-7.0%	<b>11.8</b>	12.1	-2.5%
Departures	<b>63,431</b>	64,910	-2.3%	<b>250,040</b>	250,654	-0.2%
Total Seats ('000)	<b>11,079</b>	10,872	1.9%	<b>42,968</b>	41,953	2.4%
Average Stage Length (km)	<b>1,108</b>	1,103	0.4%	<b>1,098</b>	1,094	0.3%
Fuel Consumption (mm liters)	<b>365</b>	364	0.4%	<b>1,403</b>	1,379	1.8%
Full-time Employees (at period end)	<b>15,294</b>	14,532	5.2%	<b>15,294</b>	14,532	5.2%
Average Operating Fleet <sup>6</sup>	<b>116</b>	111	5.1%	<b>112</b>	109	2.7%
On-time Departures	<b>87.5%</b>	92.5%	-5.0 p.p	<b>91.8%</b>	94.7%	-2.9 p.p
Flight Completion	<b>98.6%</b>	98.8%	-0.2 p.p	<b>98.5%</b>	98.5%	0.0 p.p
Passenger Complaints (per 1000 pax)	<b>1.31</b>	1.62	-19.3%	<b>1.75</b>	1.45	20.9%
Lost Baggage (per 1000 pax)	<b>2.19</b>	2.09	5.0%	<b>2.03</b>	2.06	-1.3%
Net YIELD (R\$ cents)	<b>29.14</b>	27.35	6.6%	<b>27.67</b>	25.69	7.7%
Net PRASK (R\$ cents)	<b>23.87</b>	22.16	7.7%	<b>22.13</b>	20.48	8.0%
Net RASK (R\$ cents)	<b>25.59</b>	23.80	7.5%	<b>23.75</b>	22.12	7.3%
CASK (R\$ cents)	<b>20.22</b>	20.64	-2.0%	<b>20.83</b>	20.00	4.2%
CASK ex-fuel (R\$ cents)	<b>11.20</b>	13.90	-19.4%	<b>12.78</b>	13.82	-7.5%
CASK ex-fuel <sup>4</sup> (R\$ cents)	<b>16.28</b>	13.90	17.1%	<b>14.69</b>	13.82	6.3%
CASK ex-fuel <sup>5</sup> (R\$ cents)	<b>14.45</b>	13.90	3.9%	<b>14.14</b>	13.82	2.4%
Breakeven Load Factor	<b>64.7%</b>	70.3%	-5.6 p.p	<b>70.1%</b>	72.1%	-2.0 p.p
Average Exchange Rate <sup>1</sup>	<b>3.8084</b>	3.2466	17.3%	<b>3.6558</b>	3.1925	14.5%
End of period Exchange Rate <sup>1</sup>	<b>3.8748</b>	3.3080	17.1%	<b>3.8748</b>	3.3080	17.1%
WTI (avg. per barrel. US\$) <sup>2</sup>	<b>59.34</b>	55.30	7.3%	<b>64.90</b>	50.85	27.6%
Price per liter Fuel (R\$) <sup>3</sup>	<b>3.28</b>	2.34	40.3%	<b>2.91</b>	2.15	35.2%
Gulf Coast Jet Fuel (avg. per liter. US\$) <sup>2</sup>	<b>0.52</b>	0.46	13.5%	<b>0.47</b>	0.41	15.0%

1. Source: Brazilian Central Bank; 2. Source: Bloomberg; 3. Fuel expenses excluding hedge results and PIS/COFINS credits/liters consumed; 4. Excluding gains results of sale and sale-leaseback transactions; 5. Excluding gains results of sale and sale-leaseback transactions, and costs from maintenance of aircraft to the execution of the fleet renewal

plan; 6. Average operating fleet excluding aircraft in sub-leasing and MRO. \*4Q17 and 12M17 results have been restated based on IFRS 15. Certain calculations may not match with the information in the quarterly financials due to rounding.

### **Domestic market – GOL**

GOL's domestic supply increased by 0.4%, and demand increased by 1.8% in 4Q18. As a result, the Company's domestic load factor reached 82.9%, an increase of 1.2 p.p. when compared to 4Q17. GOL transported 8.4 million domestic passengers in the quarter, an increase of 3.2%, when compared with the same period in 2017. The Company is the leader in transported passengers in Brazil's domestic airline market.

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**International market - GOL**

GOL's international supply increased by 18.8%, and international demand increased 18.7% in 4Q18 compared to 4Q17. The Company's international load factor in 4Q18 was 75.2%, reducing 0.1 p.p. over 4Q17. During the quarter, GOL transported 0.5 million passengers in the international market, a decrease of 0.9% when compared to the fourth quarter of 2017.

**Volume of Departures and Total seats - GOL**

The total volume of GOL departures was 63,431, a decrease of 2.3% in 4Q18 over 4Q17. The total number of seats available to the market was 11.0 million in the fourth quarter of 2018, increase of 1.9% quarter-over-quarter.

**PRASK, Yield and RASK**

Net PRASK increased by 7.7% in the quarter when compared to 4Q17, reaching 23.87 cents (R\$), driven by a growth in net passenger revenue of 10.3% in the quarter. GOL's Net RASK was 25.59 cents in (R\$) 4Q18, an increase of 7.5% over 4Q17. Net yield increased by 6.6% in 4Q18 over 4Q17, reaching 29.14 cents (R\$), consequence of a 6.7% increase in GOL's average fare.

For reference, below is a comparison of passenger and ancillary (cargo and other) revenue for the quarterly periods in 2017 and 2018 in accordance with IFRS15.

Passenger	<b>2018</b>	22.53	20.11	21.70	23.87
	<b>2017</b>	20.21	18.63	20.66	22.16
Cargo and Other	<b>2018</b>	1.33	1.95	1.52	1.72
	<b>2017</b>	1.35	2.04	1.57	1.64

## Operating result

Operating income (EBIT) in the fourth quarter was R\$672.4 million, increase of 74.0% compared to the same period in 2017. 4Q18 operating margin was 21.0%, increase of 7.7 p.p. in relation to 4Q17. On a per available seat-kilometer basis, EBIT was 5.38 cents (R\$) in 4Q18, compared to 3.16 cents (R\$) in 4Q17 (increase of 70.2%).

EBITDA in 4Q18 totaled R\$851.0 million in the period, increase of 60.6% over 4Q17. The impact of the increase in RASK of 1.79 cent (R\$) and the decrease in CASK ex-depreciation of 0.67 cent (R\$) resulted in an EBITDA per available seat-kilometer of 6.80 cents (R\$) in 4Q18, increase of 2.47 cents (R\$) compared to 4Q17.

EBITDAR in 4Q18 totaled R\$1,162.9 million in the period, increase of 53.6% over 4Q17. On a per available seat-kilometer basis, EBITDAR was 9.30 cents (R\$) in 4Q18, compared to 6.19 cents (R\$) in 4Q17 (increase of 50.1%).

Net Revenues	<b>25.59</b>	23.80	7.5%	<b>23.75</b>	22.12	7.3%
Operating Expenses	<b>(20.22)</b>	(20.64)	-2.0%	<b>(20.83)</b>	(20.00)	4.2%
EBIT	<b>5.38</b>	3.16	70.2%	<b>2.91</b>	2.12	37.5%
Depreciation and Amortization	<b>(1.43)</b>	(1.18)	21.6%	<b>(1.39)</b>	(1.08)	28.5%
<b>EBITDA</b>	<b>6.80</b>	4.33	57.0%	<b>4.30</b>	3.20	34.5%
<b>EBITDA Margin</b>	<b>26.6%</b>	18.2%	8.4 p.p	<b>18.1%</b>	14.5%	3.6 p.p
Aircraft Rent	<b>(2.49)</b>	(1.86)	34.1%	<b>(2.32)</b>	(2.01)	15.1%
<b>EBITDAR</b>	<b>9.30</b>	6.19	50.1%	<b>6.62</b>	5.21	27.0%
<b>EBITDAR Margin</b>	<b>36.3%</b>	26.0%	10.3 p.p	<b>27.9%</b>	23.6%	4.3 p.p

\*4Q17 and 12M17 results have been restated based on IFRS 15. Certain calculations may not match with the information in the quarterly financials due to rounding.

<b>EBIT</b>	<b>672.4</b>	386.3	74.0%	<b>1,400.0</b>	989.4	41.5%
<b>EBIT Margin</b>	<b>21.0%</b>	13.3%	7.7 p.p	<b>12.3%</b>	9.6%	2.7 p.p
<b>EBITDA</b>	<b>851.0</b>	529.9	60.6%	<b>2,068.5</b>	1,494.8	38.4%
<b>EBITDA Margin</b>	<b>26.6%</b>	18.2%	8.4 p.p	<b>18.1%</b>	14.5%	3.6 p.p
<b>EBITDAR</b>	<b>1,162.9</b>	757.0	53.6%	<b>3,181.3</b>	2,434.5	30.7%
<b>EBITDAR Margin</b>	<b>36.3%</b>	26.0%	10.3 p.p	<b>27.9%</b>	23.6%	4.3 p.p

\*4Q17 and 12M17 results have been restated based on IFRS 15. Certain calculations may not match with the information in the quarterly financials due to rounding.

<b>Net income (loss)<sup>1</sup></b>	<b>580.2</b>	62.2	832.8%	<b>(779.7)</b>	377.8	NM
(-) Income taxes	<b>(74.6)</b>	98.5	NM	<b>(297.1)</b>	307.2	NM
(-) Net financial result	<b>(17.6)</b>	(422.6)	-95.8%	<b>(1,882.6)</b>	(918.8)	104.9%
<b>EBIT</b>	<b>672.4</b>	386.3	74.0%	<b>1,400.0</b>	989.4	41.5%
(-) Depreciation and amortization	<b>(178.7)</b>	(143.6)	24.5%	<b>(668.5)</b>	(505.4)	32.3%
<b>EBITDA</b>	<b>851.0</b>	529.9	60.6%	<b>2,068.5</b>	1,494.8	38.4%
(-) Aircraft rent	<b>(311.9)</b>	(227.1)	37.3%	<b>(1,112.8)</b>	(939.7)	18.4%
<b>EBITDAR</b>	<b>1,162.9</b>	757.0	53.6%	<b>3,181.3</b>	2,434.5	30.7%

\*In accordance with CVM Instruction 527, the Company presents the reconciliation of EBIT and EBITDA, whereby: EBIT = net income (loss) plus income and social contribution taxes and net financial result; and EBITDA = net income (loss) plus income and social contribution taxes, net financial result, and depreciation and amortization. GOL also shows the reconciliation of EBITDAR, given its importance as a specific aviation industry indicator, whereby: EBITDAR = net income (loss) plus income and social contribution taxes, the net financial result, depreciation and amortization, and aircraft operating lease expenses;

\*4Q17 and 12M17 results has been restated based on IFRS 15. Certain calculations may not match with the information in the quarterly financials due to rounding.

<sup>1</sup> Net income (loss) before minority interest

## Fleet

<b>Boeing 737s</b>	121	119	<b>+2</b>	120	<b>+1</b>
800 NG	91	92	<b>-1</b>	92	<b>-1</b>
700 NG	24	27	<b>-3</b>	26	<b>-2</b>
MAX 8	6	0	<b>+6</b>	2	<b>+4</b>
Financial Leases	11	31	<b>-20</b>	25	<b>-14</b>
Operating Leases	110	88	<b>+22</b>	95	<b>+15</b>

<sup>1</sup>Considers 13 aircraft in sale and leaseback operation

At the end of 4Q18, GOL's total fleet was 121 Boeing 737 aircraft with all 121 aircraft in operation, including six aircraft MAX 8. At the end of December 2017, GOL's total fleet was 119 Boeing 737 aircraft with all of them in operation on the Company's routes.

GOL has 110 aircraft under operating leasing arrangements and 11 aircraft under financial leases, with a purchase option at the end of their lease contracts.

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The average age of the fleet was 9.5 years at the end of 4Q18. On December 31, the Company had 130 firm Boeing 737 MAX orders, comprised of 100 737 MAX 8 orders and 30 737 MAX 10 orders.

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On December 26, 2018, GOL announced its plan to accelerate the modernization of its fleet with sale and leaseback agreements for 13 737 NG aircraft that will be exchanged for Boeing 737 MAX 8 aircraft in the fleet between 2019 and 2021.

<b>Operating Fleet (End of the year)</b>	121	126	130		
Aircraft Commitments (R\$ million)*	-	1,791.7	5,047.0	56,397.0	63,235.7
Pre-Delivery Payments (R\$ million)	-	283.6	816.8	7,726.9	8,827.3

\* Considers aircraft list price.

### Relationship with Independent Auditors

When hiring services that are not related to external auditing from its independent auditors, Smiles bases its conduct on principles that preserve the auditor's independence. Pursuant to internationally accepted standards, these principles consist of: (a) the auditors must not audit their own work, (b) the auditors must not execute managing functions for their clients and (c) the auditors must not represent their clients' legal interests.

Based on the subparagraph III, article 2 of the CVM Instruction 381/2003, the Company adopts a formal procedure to hire services other than external auditing from our auditors. The procedure consists of consulting its Audit Committee to ensure that those services shall not affect the independence and the objectivity, required for the independent audit performance. Additionally, formal statements are required from the auditors regarding their independence while providing such services.

The Company informs that its independent auditor for the period, Ernst & Young Auditores Independentes ("EY") did not provide additional services not related to auditing in the 2018 fiscal year.

## Glossary of industry terms

- | **AIRCRAFT LEASING:** an agreement through which a company (the lessor), acquires a resource chosen by its client (the lessee) for subsequent rental to the latter for a determined period.
- | **AIRCRAFT UTILIZATION:** the average number of hours operated per day by the aircraft.
- | **AVAILABLE SEAT KILOMETERS (ASK):** the aircraft seating capacity multiplied by the number of kilometers flown.
- | **AVAILaBLE FREIGHT TONNE KILOMETER (AFTK):** cargo capacity in tonnes multiplied by number of kilometers flown.
- | **AVERAGE STAGE LENGTH:** the average number of kilometers flown per flight.
- | **BLOCK HOURS:** the time an aircraft is in flight plus taxiing time.
- | **BREAKEVEN LOAD FACTOR:** the passenger load factor that will result in passenger revenues being equal to operating expenses.
- | **BRENT:** oil produced in the North Sea, traded on the London Stock Exchange and used as a reference in the European and Asian derivatives markets.
- | **CHARTER:** a flight operated by an airline outside its normal or regular operations.
- | **EBITDAR:** earnings before interest, taxes, depreciation, amortization and rent. Airlines normally present EBITDAR, since aircraft leasing represents a significant operating expense for their business.
- | **FREIGHT LOAD FACTOR (FLF):** percentage of cargo capacity that is actually utilized (calculated dividing FTK by AFTK)
- | **FREIGHT TONNE KILOMETERS (FTK):** weight of revenue cargo in tonnes multiplied by number of kilometers flown by such tonnes.
- | **LESSOR:** the party renting a property or other asset to another party, the lessee.
- | **LOAD FACTOR:** the percentage of aircraft seating capacity that is actually utilized (calculated by dividing RPK by ASK).
- | **LONG-HAUL FLIGHTS:** long-distance flights (in GOL's case. flights of more than four hours' duration).
- | **OPERATING COST PER AVAILABLE SEAT KILOMETER (CASK):** operating expenses divided by the total number of available seat kilometers.
- | **OPERATING COST PER AVAILABLE SEAT KILOMETER EX-FUEL (CASK EX-FUEL):** operating cost divided by the total number of available seat kilometers excluding fuel expenses.
- | **OPERATING REVENUE PER AVAILABLE SEAT KILOMETER (RASK):** total operating revenue divided by the total number of available seat kilometers.

- | **PASSENGER REVENUE PER AVAILABLE SEAT KILOMETER (PRASK):**total passenger revenue divided by the total number of available seat kilometers.
- | **REVENUE PASSENGERS:** the total number of passengers on board who have paid more than 25% of the full flight fare.
- | **REVENUE PASSENGER KILOMETERS (RPK):** the sum of the products of the number of paying passengers on a given flight and the length of the flight.
- | **SALE-LEASEBACK:** a financial transaction whereby a resource is sold and then leased back, enabling use of the resource without owning it.
- | **SLOT:** the right of an aircraft to take off or land at a given airport for a determined period of time.
- | **SUB-LEASE:** an arrangement whereby a lessor in a rent agreement leases the item rented to a fourth party.
- | **TOTAL CASH:**the sum of cash, financial investments and short and long-term restricted cash.
- | **WTI Barrel:** West Texas Intermediate – the West Texas region, where US oil exploration is concentrated. Serves as a reference for the US petroleum byproduct markets.
- | **YieldpEr PASSENGER KILOMETER:**the average value paid by a passenger to fly one kilometer.

## About GOL Linhas Aéreas Inteligentes S.A. (“GOL”)

**GOL** serves more than 30 million passengers annually. With Brazil's largest network, GOL offers customers more than 700 daily flights to 69 destinations in Brazil and in South America, the Caribbean and the United States. **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 15 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 130 Boeing 737 MAX on order, delivering Brazil's top on-time performance and an industry leading 18 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](http://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, as well as the expected impact of the recently issued, but not yet adopted, accounting standard IFRS 16. These are merely estimates and 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 and estimates regarding the impact of recently issued, but not yet adopted, accounting standard IFRS 16 were not reviewed by the independent auditors.

## Non-GAAP Measures

To be consistent with industry practice, GOL discloses 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”. The Company's management believes that disclosure of non-GAAP measures provides useful information to investors, financial analysts and the public in their review of its operating performance and their comparison of its 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.

## Contacts

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### Comments on business projection trends

The Company's financial perspectives are detailed below:

Total fleet (average)	122 to 125	122 to 125	125 to 128	125 to 128
Total operational fleet (average)	~117	117	~120	120
ASKs, System (% change)	6 to 10	6 to 10	7 to 10	7 to 10
- Domestic	2 to 4	2 to 4	3 to 5	3 to 5
- International	35 to 45	35 to 45	10 to 20	10 to 20
Seats, System (% change)	3 to 4	3 to 4	1 to 3	1 to 3
Departures, System (% change)	3 to 5	3 to 5	1 to 3	1 to 3
Average load factor (%)	79 to 81	79 to 81	79 to 81	79 to 81
Ancillary revenues, net <sup>2</sup> (R\$ bn)	~ 1.0	~ 1.0	~ 1.1	~ 1.1
Total net revenues (R\$ billion)	~ 12.9	~ 12.9	~ 14.2	~ 14.2
Non-fuel CASK (R\$ cents)	~ 13	~ 13	~ 13	~ 13
Fuel liters consumed (mm)	~ 1,420	~ 1,420	~ 1,480	~ 1,480
Fuel price (R\$/liter)	~ 2.9	~ 2.8	~ 3.0	~ 2.9
EBITDA margin (%)	~ 27	~ 28	~ 28	~ 29
EBIT margin (%)	~ 17	~ 18	~ 18	~ 19
Net financial expense <sup>3</sup> (R\$ billion)	~ 1.2	~ 1.2	~ 1.2	~ 1.2
Pre-tax margin <sup>3</sup> (%)	~ 9	~ 10	~ 11	~ 12
Effective income tax rate (%)	~ 20	~ 20	~ 20	~ 20
Minority interest <sup>4</sup> (R\$ mm)	~ 300	~ 300	~ 330	~ 330
Capex, net (R\$ mm)	~ 650	~ 650	~ 600	~ 600
Net Debt <sup>5</sup> / EBITDA (x)	~ 3.0x	~ 2.9x	~ 2.5x	~ 2.4x
<i>Fully-diluted shares out. (million)</i>	<i>348.7</i>	<i>349.9</i>	<i>348.7</i>	<i>349.9</i>
EPS, fully diluted (R\$)	2.20 to 2.60	2.40 to 2.80	2.60 to 3.10	2.80 to 3.30
<i>Fully-diluted ADS out. (million)</i>	<i>174.4</i>	<i>174.9</i>	<i>174.4</i>	<i>174.9</i>
EPADS, fully diluted (US\$)	1.20 to 1.40	1.30 to 1.50	1.60 to 1.90	1.70 to 2.00

(1) Considers adoption of IFRS 16; (2) Net revenue of cargo, loyalty, buy-on-board and other ancillary revenues; (3) Excluding currency gains and losses; (4) Source: average of analyst estimates reported on Bloomberg; (5) Excluding perpetual bonds.

## Report of the Statutory Audit Committee (CAE)

### General Information and Responsibilities

The Statutory Audit Committee (CAE) is a statutory body linked to the Board of Directors of Gol Linhas Aéreas Inteligentes S.A. (“Company”), which is composed of three independent members of the Board of Directors, who are elected by the Board members on annual basis, one of whom must be qualified as a Financial Expert. Pursuant to its internal regulations, the CAE is responsible for overseeing the quality and integrity of financial reports and statements; compliance with legal, regulatory and statutory standards; the suitability of risk management processes, internal control policies and procedures; internal audit activities. It is also responsible for overseeing the independent auditors’ work, including their independence and the quality and appropriateness of the services provided, as well as any differences of opinion with management. It determines the registration and exercise of the independent audit within the scope of the Brazilian Securities and Exchange Commission (CVM) and performs the function of an Audit Committee, in compliance with the Sarbanes Oxley Act, to which the Company is subject to, since it is registered at the Securities and Exchange Commission – SEC. The CAE is also responsible for overseeing related-party transactions and operating the complaints channel.

**CAE’s Activities in 2018:** In order to discuss the matters related to the year ended December 31, 2018, the CAE met eight times and, within its scope, carried out the following activities:

- Its coordinator established the agendas and presided over the meetings;
- It assessed the annual work plan and discussed the results of the activities performed by the independent auditors in 2017;
- It supervised the activities and performance of the Company’s internal audit, analyzing the annual work plan, discussing the result of the activities and reviews. Any issues raised by the internal audit about improvements in the internal control environment are discussed with the respective managers/officers in order to implement continuous improvements. It supervised and analyzed the effectiveness, quality and integrity of internal control mechanisms in order to, among others, monitor compliance with the provisions related to the integrity of the financial statements, including quarterly financial information and other interim financial statements;
- It supervised, together with management and the internal audit, the different agreements entered into between the Company or its subsidiaries, on the one hand, and the controlling shareholder, on the other hand, in order to verify compliance with the Company’s policies and controls regarding related-party transactions;

- It met with the independent auditors, Ernst & Young, and addressed the following topics: the relationship and communication between the CAE and the external auditors, the scope of the auditors' work, and the findings based on the implementation of the independent auditor's work plan, among others; and
- It prepared the CAE's activities and operation report in 2018, in accordance with good corporate governance practices and the applicable regulation.

### **Internal Control Systems**

Based on the agenda defined for 2018, the CAE addressed the main topics related to the Company's internal controls, assessing risk mitigation initiatives and the senior management's commitment to its continuous improvement. As a result of the meetings with the Company's internal areas, the Statutory Audit Committee had the opportunity to make suggestions to the Board of Directors for improvements in the processes, overseeing the results already obtained in 2018.

Based on the work developed during 2018, the CAE considers the internal control system of the Company and its subsidiaries to be suitable for the size and complexity of their businesses and structured in order to ensure the efficiency of their operations and the systems that generate the financial reports, as well as compliance with applicable internal and external regulations.

### **Corporate Risk Management**

CAE members, in the exercise of their duties and legal responsibilities, received information from the Company's Administration about the relevant corporate risks, including the continuity risks, making evaluations and recommendations to increase the effectiveness of the risk management processes directly at Board of Directors' meetings, contributing to and ratifying the initiatives implemented in 2018.

### **Conclusion**

The CAE considers that the facts that have been presented to it, based on the works carried out and described in this Report, to be appropriate, and recommended, in its report, the approval of the Company's audited financial statements

for the year ended December 31, 2018.

São Paulo, February 27, 2018.

André Béla Jánszky

Member of the Statutory Audit Committee

Antônio Kandir

Member of the Statutory Audit Committee

Francis James Leahy Meaney

Member of the Statutory Audit Committee

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## **Fiscal Council's Report**

The Fiscal Council of Gol Linhas Aéreas Inteligentes S.A., in the exercise of their legal and statutory duties and having reviewed the Company's Management Report, Statement of Financial Position, Statement of Income, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity, Statement of Value Added and respective Notes, individual and consolidated, for the fiscal year ended December 31, 2018, together with the Independent Auditors' report, believes that they duly reflect the Company's equity situation and financial and economic position as of December 31, 2018, recognizing that they are fit to be approved by the Annual Shareholders' Meeting.

São Paulo, February 27, 2019.

**Marcelo Moraes**

Chairman of the Fiscal Council

**Marcelo Curti**

Member of the Fiscal Council

**Marcela de Paiva**

Member of the Fiscal Council

## **Declaration of the officers on the financial statements**

In compliance with CVM Instruction No. 480/09, the Executive officers declare that they have discussed, reviewed and approved the financial statements for the year ended December 31, 2018.

São Paulo, February 27, 2019.

Paulo S. Kakinoff

President and Chief Executive Officer

Richard F. Lark Jr.

Executive Vice President and Chief Financial Officer





## **Declaration of the officers on the report of independent auditors on the interim financial information**

In compliance with CVM Instruction No. 480/09, the Executive officers declare that they have discussed, reviewed and approved the opinions expressed in the review report of independent auditors, Ernst & Young Auditores Independentes S.S., on the individual and consolidated financial statements for the year ended December 31, 2018.

São Paulo, February 27, 2019.

Paulo S. Kakinoff

President and Chief Executive Officer

Richard F. Lark Jr.

Executive Vice President and Chief Financial Officer



## **Independent Auditors' report on the individual and consolidated financial statements**

To the shareholders and Board members and Officers of

Gol Linhas Aéreas Inteligentes S.A.

São Paulo - SP

### **Opinion**

We have audited the individual and consolidated financial statements of GOL Linhas Aéreas Inteligentes S.A. (the "Company"), identified as Parent and Consolidated, respectively, which comprise the balance sheets as at December 31, 2018, and the statements of operations, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of the Company as at December 31, 2018, and of its individual and consolidated financial performance and cash flows for the year then ended in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

### **Basis for opinion**

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the individual and consolidated financial statements* section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants and the professional standards issued by the Brazil's National Association of State Boards of Accountancy (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the individual and consolidated financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Revenue recognition from passenger transportation

Revenue recognition from passenger transportation is highly dependent on information technology (IT) systems and their internal controls for the revenue recognition from passenger transportation when the air transportation service is provided. This process also takes into consideration other complex aspects that may affect the proper revenue recognition, such as recording of tickets sold but not used, unused tickets recorded as credits to passengers, and subject to expiration, in addition to agreements with other airline companies, interline and codeshare agreements with other airline companies. Revenues recognized by the Company are disclosed in Note 24, the recognition criteria are described in Note 4.17.1.

This subject was considered significant to our audit due to the complexity of the technology environment and its respective controls related to revenue recognition, including ticket prices in different currencies, as well as, the acquisition of tickets through miles programs.

How our audit addressed this matter:

Our audit procedures included, among others, the involvement of systems specialists to support us in assessing the operational design and effectiveness of IT controls and internal controls that comprise the process of ticket sales, registration, execution of passenger transportation and revenue recognition; the execution of audit tests with the purpose of assessing the integrity of the data in the IT systems involved in the revenue recognition process, through selection of tickets samples for each revenue group and tests on tickets used and unused; other passenger revenues, and passenger no-show, rebooking and cancellation charges; tests of internal controls on the tickets sales process and revenue recognition; discussion with Management the assessment of the audit differences identified, review of the audit differences recorded by the Company, as well as, the assessment on the internal controls impacted by the audit differences identified.

Based on the results of our audit procedures performed on the revenue recognition for passenger transportation, we consider acceptable the assumptions and criteria related to the revenue recognition process prepared by Management, and the related disclosures, in the context of the financial statement taken as a whole.

Breakage revenue

The Company's revenues take into consideration the estimated number of tickets and miles that are not expected to be used or redeemed up to their expiration date, and are recognized as breakage revenue based on a calculation of tickets and miles with high potential for expiration due to their expiration or no use. The analyses and assumptions for the revenue recognition of breakage is reviewed annually by the Company's Management to take into consideration the historical trend of tickets and miles expired, as well, as those with high potential to expire.

This matter was considered significant to our audit, considering the subjectivity involved in this analysis and the high level of judgment adopted by Management to determine the assumptions used to determine the expected number of tickets and miles that will expire.

How our audit addressed this matter:

Our audit procedures included, among others, the assessment of the design and operational effectiveness of controls implemented by Management for the revenue recognition of breakage; assessment of the reasonableness of assumptions related to the tickets and miles expected to expire, based on the historical data of tickets and miles expired; tests on a sampling based of miles earned, redeemed and expired; and analysis of the reasonableness of the other assumptions and methodology adopted by Management to determine the breakage rate used to recognize revenue.

Additionally, we assessed the adequacy of disclosures made by the Company on this matter, included in Notes 4.17.1 and 4.17.2 to the financial statements.

Based on the results of the audit procedures performed on the recognition of breakage revenue, which is consistent with Management's assessment, re acceptable, in the context of the financial statement taken as a whole.

## **Other matters**

### *Statements of value added*

The individual and consolidated statements of value added (SVA) for year ended December 31, 2018, prepared under the responsibility of Company management, and presented as supplementary information for purposes of IFRS, were submitted to audit procedures conducted together with the audit of the Company's financial statements. To form our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined by CPC 09 – Statement of Value Added. In our opinion, these statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in abovementioned accounting pronouncement, and are consistent in relation to the overall individual and consolidated financial statements.

## **Emphasis**

### **Restatement of corresponding values**

Declaration of the officers on the report of independent auditors on the interim financial information

As mentioned in Note 24.17.1, as a result of the adoption of the new accounting standards, CPC 47 and IFRS 15 – Revenue from Contracts with Customers, the individual and consolidated corresponding amounts related to the financial position as of December 31, 2017 and related to the statements of operations, comprehensive income, the statements of changes in equity, cash flows and value added for the year ended December 31, 2017 presented for comparison purposes have been adjusted and are being restated as provided for in CPC 23 - Accounting Policies, Change in Estimate and Correction of Error and CPC 26 (R1) - Presentation of Financial Statements. Our conclusion does not contain a modification in relation to this matter.



**Other information accompanying the individual and consolidated financial statements and the auditor's report**

Management is responsible for such other information, which comprise the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of management and those charged with governance for the individual and consolidated financial statements**

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

**Auditor's responsibilities for the audit of the individual and consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements, including applicable independence requirements, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, February 27, 2018

ERNST & YOUNG

Auditores Independentes S.S.

CRC- 2SP034519/O-6

Vanessa Martins Bernardi

Accountant CRC-1SP244569/O-3

**Current assets**

Cash and cash equivalents	5	282,465	103,727	826,187	1,026,862
Short-term investments	6	92,015	730,900	478,364	955,589
Restricted cash	7	-	-	133,391	-
Trade receivables	8	-	-	853,328	936,478
Inventories	9	-	-	180,141	178,491
Recoverable taxes	10.1	5,279	19,446	360,796	83,210
Derivatives	29	-	-	-	40,647
Other current assets		425,913	55,563	478,628	123,721
<b>Total current assets</b>		<b>805,672</b>	<b>909,636</b>	<b>3,310,835</b>	<b>3,344,998</b>

**Noncurrent assets**

Deposits	11	108,386	64,736	1,612,295	1,163,759
Restricted cash	7	39,784	38,432	688,741	268,047
Recoverable taxes	10.1	24,789	6,163	95,873	7,045
Deferred taxes	10.2	24,209	27,703	73,822	276,514
Related parties	12	2,294,143	1,570,591	-	-
Investments	13	437,875	388,235	1,177	1,333
Property, plant and equipment	14	202,698	323,013	2,818,057	3,195,767
Intangible assets	15	-	-	1,777,466	1,747,285
<b>Total noncurrent assets</b>		<b>3,131,884</b>	<b>2,418,873</b>	<b>7,067,431</b>	<b>6,659,750</b>

<b>Total</b>		<b>3,937,556</b>	<b>3,328,509</b>	<b>10,378,266</b>	<b>10,004,748</b>
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The accompanying notes are an integral part of the individual and consolidated financial statements.



			(Restated)		(Restated)
<b>Current liabilities</b>					
Short-term debt	16	123,873	95,027	1,223,324	1,162,872
Suppliers		10,765	13,473	1,403,815	1,249,124
Suppliers - Forfeiting	17	-	-	365,696	78,416
Salaries		478	311	368,764	305,454
Taxes payable	18	8,944	7,856	111,702	134,951
Landing fees		-	-	556,300	365,651
Advance ticket sales	19	-	-	1,673,987	1,476,514
Mileage program		-	-	826,284	765,114
Advances from customers		-	-	169,967	21,718
Provisions	20	-	-	70,396	46,561
Derivatives	29	-	-	195,444	34,457
Operating leases	28	-	-	135,799	28,387
Other current liabilities		5,263	2,357	99,078	100,401
<b>Total current liabilities</b>		<b>149,323</b>	<b>119,024</b>	<b>7,200,556</b>	<b>5,769,620</b>
<b>Noncurrent liabilities</b>					
Long-term debt	16	4,535,229	3,939,948	5,861,143	5,942,795
Suppliers		-	-	120,137	222,026
Provisions	20	-	-	829,198	562,628
Mileage program		-	-	192,569	188,204
Deferred taxes	10.2	-	-	227,290	188,005
Taxes payable	18	7,794	14,678	54,659	66,196
Related companies	12	-	135,010	-	-
Derivatives	29	-	-	214,218	-
Provision for loss on investment	13	4,200,243	2,610,078	-	-
Operating leases	28	-	-	135,686	110,723
Other noncurrent liabilities		30,379	10,305	48,161	43,072
<b>Total noncurrent liabilities</b>		<b>8,773,645</b>	<b>6,710,019</b>	<b>7,683,061</b>	<b>7,323,649</b>
<b>Equity</b>					
Capital stock	21.1	3,055,940	3,040,512	2,942,612	2,927,184
Advance for future capital increase	21.1	2,818	-	2,818	-
Treasury shares	21.2	(126)	(4,168)	(126)	(4,168)
Capital reserves		88,476	88,762	88,476	88,762
Equity valuation adjustments		(500,022)	(79,316)	(500,022)	(79,316)
Share-based payments reserve	23	117,413	119,308	117,413	119,308



Gains on change in investment	759,984	760,545	759,984	760,545
Accumulated losses	(8,509,895)	(7,426,177)	(8,396,567)	(7,312,849)
<b>Deficit attributable to equity holders of the parent</b>	<b>(4,985,412)</b>	<b>(3,500,534)</b>	<b>(4,985,412)</b>	<b>(3,500,534)</b>
Non-controlling interests from Smiles	-	-	480,061	412,013
<b>Total equity (deficit)</b>	<b>(4,985,412)</b>	<b>(3,500,534)</b>	<b>(4,505,351)</b>	<b>(3,088,521)</b>
<b>Total liabilities and deficit</b>	<b>3,937,556</b>	<b>3,328,509</b>	<b>10,378,266</b>	<b>10,004,748</b>

The accompanying notes are an integral part of the individual and consolidated financial statements.

			(Restated)		(Restated)
<b>Net revenue</b>					
Passenger		-	-	10,633,488	9,564,041
Cargo and other		-	-	777,866	764,993
<b>Total net revenue</b>	24	-	-	<b>11,411,354</b>	<b>10,329,034</b>
Cost of services provided	25	-	-	(9,135,311)	(7,434,780)
<b>Gross profit</b>		-	-	<b>2,276,043</b>	<b>2,894,254</b>
<b>Operating income (expenses)</b>					
Selling expenses	25	-	-	(761,926)	(922,298)
Administrative expenses	25	(25,551)	(25,996)	(1,028,709)	(976,065)
Other operating (expenses) income, net	25	562,571	(12,768)	914,167	(7,072)
<b>Total operating (expenses) income</b>		<b>537,020</b>	<b>(38,764)</b>	<b>(876,468)</b>	<b>(1,905,435)</b>
Equity results	13	(852,866)	365,545	387	544
<b>Income (loss) before financial result, net and income taxes</b>		<b>(315,846)</b>	<b>326,781</b>	<b>1,399,962</b>	<b>989,363</b>
<b>Financial result</b>					
Financial income		108,969	89,153	259,728	213,446
Financial expenses		(440,119)	(389,509)	(1,061,089)	(1,050,461)
Exchange rate variation, net		(433,239)	(24,612)	(1,081,197)	(81,744)
<b>Total financial result</b>	26	<b>(764,389)</b>	<b>(324,968)</b>	<b>(1,882,558)</b>	<b>(918,759)</b>
<b>Income (loss) before income taxes</b>		<b>(1,080,235)</b>	<b>1,813</b>	<b>(482,596)</b>	<b>70,604</b>
<b>Income and social contribution taxes</b>					
Current		(1,664)	-	(52,139)	(239,846)
Deferred		(3,494)	16,979	(244,989)	547,059
<b>Total income and social contribution taxes</b>	10.2	<b>(5,158)</b>	<b>16,979</b>	<b>(297,128)</b>	<b>307,213</b>
<b>Net income (loss) for the year before non-controlling interests</b>		<b>(1,085,393)</b>	<b>18,792</b>	<b>(779,724)</b>	<b>377,817</b>

**Net income (loss) attributable to:**

Equity holders of the parent		(1,085,393)	18,792	(1,085,393)	18,792
Non-controlling interests from Smiles		-	-	305,669	359,025

**Basic earnings (loss) per share**

Per common share	22	(0.089)	0.002	(0.089)	0.002
Per preferred share	22	(3.115)	0.054	(3.115)	0.054

**Diluted earnings (loss) per share**

Per common share	22	(0.089)	0.002	(0.089)	0.002
Per preferred share	22	(3.115)	0.053	(3.115)	0.053

The accompanying notes are an integral part of the individual and consolidated financial statements.

			<b>(Restated)</b>		<b>(Restated)</b>
<b>Net income (loss) for the year</b>		<b>(1,085,393)</b>	<b>18,792</b>	<b>(779,724)</b>	<b>377,817</b>
<b>Other comprehensive income reverted to income</b>					
Cash flow hedges	29	(420,706)	67,913	(420,706)	67,913
<b>Total comprehensive income for the year</b>		<b>(1,506,099)</b>	<b>86,705</b>	<b>(1,200,430)</b>	<b>445,730</b>
<b>Comprehensive income attributable to:</b>					
Equity holders of the parent		(1,506,099)	86,705	(1,506,099)	86,705
Non-controlling interests from Smiles		-	-	305,669	359,025

The accompanying notes are an integral part of the individual and consolidated financial statements.

<b>Balances as of December 31, 2016 (Restated)</b>	4.26.1	<b>3,037,820</b>	-	<b>(13,371)</b>	<b>20,420</b>	<b>70,979</b>	<b>(147,229)</b>	<b>113</b>
Stock options exercised		2,692	-	-	-	-	-	-
Other comprehensive income, net		-	-	-	-	-	67,913	-
Share-based payments	23	-	-	-	-	-	-	11
Gains on change in investment		-	-	-	-	-	-	-
Sale of interest in subsidiary		-	-	-	-	-	-	-
Treasury shares transferred		-	-	9,203	(2,637)	-	-	(6)
Net income for the year	4.26.1	-	-	-	-	-	-	-
<b>Balances as of December 31, 2017 (Restated)</b>	4.26.1	<b>3,040,512</b>	-	<b>(4,168)</b>	<b>17,783</b>	<b>70,979</b>	<b>(79,316)</b>	<b>119</b>
Initial adoption of accounting standard – CPC 48 (IFRS 9) (*)	4.26.2	-	-	-	-	-	-	-
Other comprehensive income, net		-	-	-	-	-	(420,706)	-

Stock options exercised	21.1	15,428	2,818	-	-	-	-	-
Share-based payments	23	-	-	-	-	-	-	17
Gains on change in investment	13	-	-	-	-	-	-	-
Treasury share buyback	21.2	-	-	(15,929)	-	-	-	-
Treasury shares transferred	21.2	-	-	19,971	(286)	-	-	(19)
Net loss for the year		-	-	-	-	-	-	-
<b>Balances as of December 31, 2018</b>		<b>3,055,940</b>	<b>2,818</b>	<b>(126)</b>	<b>17,497</b>	<b>70,979</b>	<b>(500,022)</b>	<b>117</b>

(\*) On January 1, 2018, the Company adopted IFRS 9 – “Financial instruments”, resulting in an initial adjustment to estimated losses with doubtful accounts. For further information, see Note 4.26.2.

The accompanying notes are an integral part of the individual and consolidated financial statements.

<b>Balances as of December 31, 2016 (Restated)</b>		<b>2,924,492</b>	<b>- (13,371)</b>	<b>20,420</b>	<b>70,979</b>	<b>(147,229)</b>	<b>113,913</b>
4.26.1							
Stock options exercised		2,692	-	-	-	-	-
Other comprehensive income (loss), net		-	-	-	-	-	67,913
Capital increase from exercise of stock option in subsidiary		-	-	-	-	-	-
Share issuance costs		-	-	-	-	-	-
Share-based payments	23	-	-	-	-	-	-
Gains on change in investment		-	-	-	-	-	-
Sale of interest in subsidiary		-	-	-	-	-	-
Treasury shares transferred		-	-	9,203	(2,637)	-	-
Net income for the year		-	-	-	-	-	-
4.26.1							
Interest on equity distributed by Smiles		-	-	-	-	-	-
Minimum dividends distributed by		-	-	-	-	-	-

Smiles								
Dividends distributed by Smiles		-	-	-	-	-	-	-
<b>Balances as of December 31, 2017 (Restated)</b>		<b>2,927,184</b>	<b>-</b>	<b>(4,168)</b>	<b>17,783</b>	<b>70,979</b>	<b>(79,316)</b>	<b>119,300</b>
Initial adoption of accounting standard – CPC 4.26.2 48 (IFRS 9) (*)	4.26.2	-	-	-	-	-	-	-
Other comprehensive income (loss), net		-	-	-	-	-	(420,706)	-
Stock options exercised	21.1	15,428	2,818	-	-	-	-	-
Capital increase from exercise of stock option in subsidiary		-	-	-	-	-	-	-
Share-based payments	23	-	-	-	-	-	-	17,790
Gains on change in investment	13	-	-	-	-	-	-	-
Treasury share buyback	21.2	-	-	(15,929)	-	-	-	-
Treasury shares transferred	21.2	-	-	19,971	(286)	-	-	(19,685)
Net loss for the year		-	-	-	-	-	-	-
Dividends and interest on equity paid by Smiles		-	-	-	-	-	-	-
Dividends and interest on equity distributed by Smiles		-	-	-	-	-	-	-
<b>Balances as of December 31, 2018</b>		<b>2,942,612</b>	<b>2,818</b>	<b>(126)</b>	<b>17,497</b>	<b>70,979</b>	<b>(500,022)</b>	<b>117,410</b>

(\*) On January 1, 2018, the Company adopted IFRS 9 – “Financial instruments”, resulting in an initial adjustment to estimated losses with doubtful accounts. For further information, see Note 4.27.2.



The accompanying notes are an integral part of the individual and consolidated financial statements.

		(Restated)		(Restated)
Net income (loss) for the year	(1,085,393)	18,792	(779,724)	377,817
<b>Adjustment to reconcile net income (loss) to net cash provided by operating activities</b>				
Depreciation and amortization	-	-	668,516	505,425
Allowance (reversal) for doubtful accounts	-	-	(9,789)	24,913
Provision for legal proceedings	-	-	243,860	158,263
Provision for inventory obsolescence	-	-	5,023	3,059
Deferred taxes	3,494	(16,979)	244,989	(547,059)
Equity results	852,866	(365,545)	(387)	(544)
Share-based payments	17,790	-	18,572	14,849
Exchange and monetary variations, net	300,778	52,588	946,732	95,132
Interest on debt, financial lease and other liabilities	289,343	210,639	679,985	566,902
Unrealized hedge results	-	-	(13,239)	8,639
Provision for profit sharing	-	-	127,618	65,573
Write-off of property, plant and equipment and intangible assets	214,475	-	90,639	145,855
Other provisions	-	-	65,334	15,184
<b>Adjusted net income (loss)</b>	<b>593,353</b>	<b>(100,505)</b>	<b>2,288,129</b>	<b>1,434,008</b>
<b>Changes in operating assets and liabilities:</b>				
Trade receivables	-	-	95,844	(198,370)
Short-term investments	694,273	(730,851)	695,831	(353,231)
Inventories	-	-	(6,673)	1,038
Deposits	(41,166)	(22,500)	(402,495)	46,388
Suppliers	(2,787)	12,156	16,382	(202,462)
Suppliers – Forfeiting	-	-	267,502	76,157
Advance ticket sales	-	-	197,473	271,386
Mileage program	-	-	65,535	(47,714)
Advances from customers	-	-	148,249	4,895
Salaries	167	2	(64,308)	(43,641)
Landing fees	-	-	190,649	126,085
Taxes payable	(5,774)	25,099	127,663	460,980
Derivatives	-	-	8,385	(32,310)
Provisions	-	-	(236,882)	(270,970)
Operating leases	-	-	103,838	131,877
Other assets (liabilities)	(328,933)	21,361	(736,638)	18,157

Interest paid	(291,216)	(272,597)	(508,973)	(528,398)
Income tax paid	(2,532)	-	(167,642)	(221,122)
<b>Net cash flows (used in) from operating activities</b>	<b>615,385</b>	<b>(1,067,835)</b>	<b>2,081,869</b>	<b>672,753</b>
Sale of interest in subsidiary, net of taxes	-	68,163	-	68,163
Transactions with related parties	(379,223)	372,582	-	-
Short-term investments of Smiles Restricted cash	-	-	(163,218)	(171,174)
Capital increase in subsidiary and investee	(1,352)	(5,776)	(548,928)	(100,835)
Dividends and interest on shareholders' equity received	-	(451,610)	-	-
Advances for property, plant and equipment acquisition, net	245,178	293,651	543	1,249
Property, plant and equipment acquisition	(94,160)	-	(106,628)	68,679
Intangible assets acquisition	-	-	(686,946)	(370,438)
<b>Net cash flows (used in) from investing activities</b>	<b>(229,557)</b>	<b>277,010</b>	<b>(1,587,256)</b>	<b>(559,805)</b>

Loan funding, net of issuance costs	486,735	1,654,000	1,703,933	1,898,738
Loan funding and exchange offer costs	(8,578)	(56,950)	(39,926)	(65,628)
Loan payments	-	(166,752)	(1,318,349)	(274,480)
Early payment of Senior Notes	(630,988)	(707,142)	(630,989)	(707,142)
Finance lease payments	-	-	(251,557)	(239,092)
Treasury share buyback	(15,929)	-	(15,929)	-
Dividends and interest on equity paid to non-controlling interests of Smiles	-	-	(219,493)	(254,892)
Capital increase	15,428	2,692	15,428	2,692
Capital increase from non-controlling interests	-	-	875	-
Share issuance costs	-	-	-	(523)
Advance for future capital increase	2,818	-	2,818	-
Transactions with related parties	(136,420)	111,551	-	-
<b>Net cash flows (used in) from financing activities</b>	<b>(286,934)</b>	<b>837,399</b>	<b>(753,189)</b>	<b>359,673</b>
Foreign exchange variation on cash held in foreign currencies	79,844	(225)	57,901	(7,966)
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>178,738</b>	<b>46,349</b>	<b>(200,675)</b>	<b>464,655</b>
Cash and cash equivalents at the beginning of the year	103,727	57,378	1,026,862	562,207
Cash and cash equivalents at the end of the year	282,465	103,727	826,187	1,026,862
<b>Non-cash transactions:</b>				
Interest on shareholders' equity for distribution, net of taxes	9,651	55,343	(8,672)	(49,602)
Dividends	65,247	-	(58,632)	-
Costs on sale in subsidiary's interest	-	4,865	-	-
Escrow deposits on leasing agreements	-	10,307	-	10,307
Write-off of finance lease agreements	-	-	(805,081)	(15,334)
Provision for aircraft return	-	-	147,548	-
Property, plant and equipment acquisition through financing	-	-	193,506	63,066



		(Restated)		(Restated)
<b>Revenues</b>				
Passengers, cargo, mileage revenue and other	-	-	12,091,380	11,676,442
Other operating income	956,261	268	1,203,364	40,607
Allowance for doubtful accounts	-	-	24,804	(4,499)
	<b>956,261</b>	<b>268</b>	<b>13,319,548</b>	<b>11,712,550</b>
<b>Inputs acquired from third parties (including ICMS and IPI)</b>				
Suppliers of aircraft fuel	-	-	(3,958,158)	(2,930,442)
Material, electricity, third-party services and others	(415,129)	(32,795)	(2,952,394)	(3,256,072)
Aircraft insurance	-	-	(20,543)	(12,495)
Sales and marketing	(307)	(326)	(607,772)	(586,513)
<b>Gross value added (used)</b>	<b>540,825</b>	<b>(32,853)</b>	<b>5,780,681</b>	<b>4,927,028</b>
Depreciation and amortization	-	-	(668,516)	(505,442)
<b>Value added produced (used)</b>	<b>540,825</b>	<b>(32,853)</b>	<b>5,112,165</b>	<b>4,421,586</b>
<b>Value added received in transfer</b>				
Equity results	(852,866)	365,545	387	544
Financial income	35,983	88,451	2,143,254	1,032,894
<b>Value added for distribution (distributed)</b>	<b>(276,058)</b>	<b>421,143</b>	<b>7,255,806</b>	<b>5,455,024</b>
<b>Distribution of value added:</b>				
Salaries	3,439	5,152	1,516,591	1,338,986
Benefits	-	-	165,316	161,236
FGTS	(309)	-	103,354	104,888
<b>Personnel</b>	<b>3,130</b>	<b>5,152</b>	<b>1,785,261</b>	<b>1,605,110</b>
Federal taxes	11,991	10,907	1,035,625	531,404
State taxes	-	-	20,762	26,436
Municipal taxes	-	-	3,752	3,159
<b>Tax, charges and contributions</b>	<b>11,991</b>	<b>10,907</b>	<b>1,060,139</b>	<b>560,999</b>
Interest	794,173	371,823	4,007,639	1,893,183
Rent	-	-	1,182,325	1,003,296
Other	41	14,469	166	14,619
<b>Third-party capital remuneration</b>	<b>794,214</b>	<b>386,292</b>	<b>5,190,130</b>	<b>2,911,098</b>
Net income (loss) for the year	(1,085,393)	18,792	(1,085,393)	18,792

Net income (loss) for the period attributable to non-controlling interests of Smiles	-	-	305,669	359,025
<b>Remuneration of own capital</b>	<b>(1,085,393)</b>	<b>18,792</b>	<b>(779,724)</b>	<b>377,817</b>
<b>Value added distributed</b>	<b>(276,058)</b>	<b>421,143</b>	<b>7,255,806</b>	<b>5,455,024</b>

