

SMILES S.A.

1Q17 RESULTS
PRESENTATION

April 28th 2017



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Financial and operational highlights - 1Q17

Net Income

R\$
156.3
million

1Q17

▲ + **32.1 %** (1Q17/1Q16)
Margin: **35.3 %**

EBITDA

R\$
182.7
million

1Q17

▲ + **45.7 %** (1Q17/1Q16)
Margin: **41.2 %**

Net Income

R\$
443.3
million

1Q17

▲ + **26.4 %** (1Q17/1Q16)

- **Miles Redeemed:** ▲ + **36.6 %** (1Q17/1Q16)
16.0 billion in the quarter
- **Miles Accrued (ex-GOL and S&M Gol):** ▲ + **25.4 %** (1Q17/1Q16)
13.1 billion in the quarter
- **Gross Billings Total (ex-Gol):** ▲ + **8.0%** (1Q17/1Q16)
totalized R\$ 418.5 in the quarter
- **Financial Result:** ▲ + **2.9%** (1Q16/1Q15)
R\$ 59.1 million in the quarter

“Viaje Fácil” product



**QUE TAL VIAJAR
SEM TER MILHAS?
NA SMILES VOCÊ PODE!**



The customer issue an air ticket and guarantees the ticket price **without the balance of miles in his Smiles account**



The balance can be paid up to 60 days before the flight date



The tickets can be acquire in all **airlines partners, including Gol** (from July on)

Miles redemption on Shell gas stations POSs machines





Smiles

- ✓ Launch of the automatic redemption, in which Smiles customers will be able to **pay for their gas with miles**
- ✓ **Until the end of May**, all Shell gas stations will be accepting Smiles miles as a mean of payment

New co-branded cards



 Partnership renewal with **Banco do Brasil and Bradesco** to the co-branded card issuance

 Launch of a **new family of products** with an upscale segment

 **Non exclusive agreement**

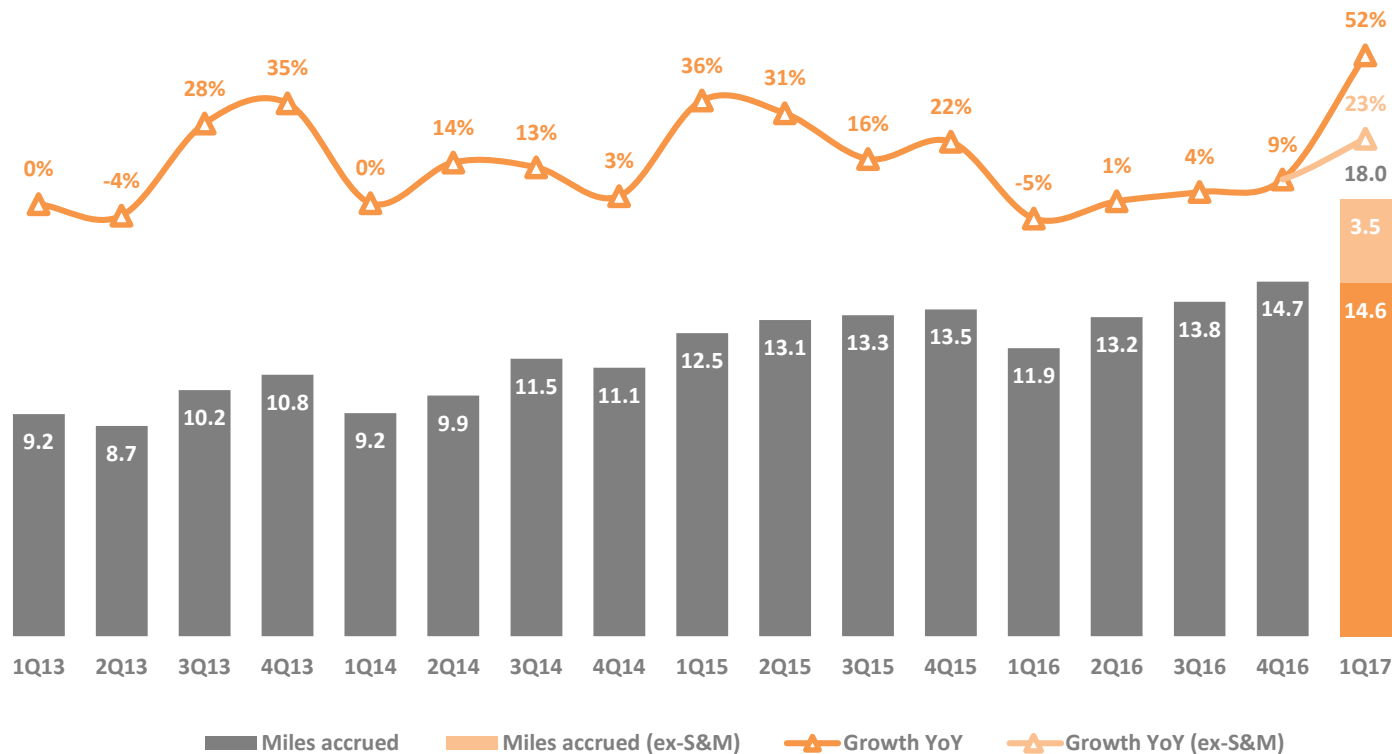
New partnership with Polishop



- ✓ Polishop offers exclusive solutions with high quality to consumers
- ✓ Customers could redeem products with miles and collect miles in purchases made on partnership's website

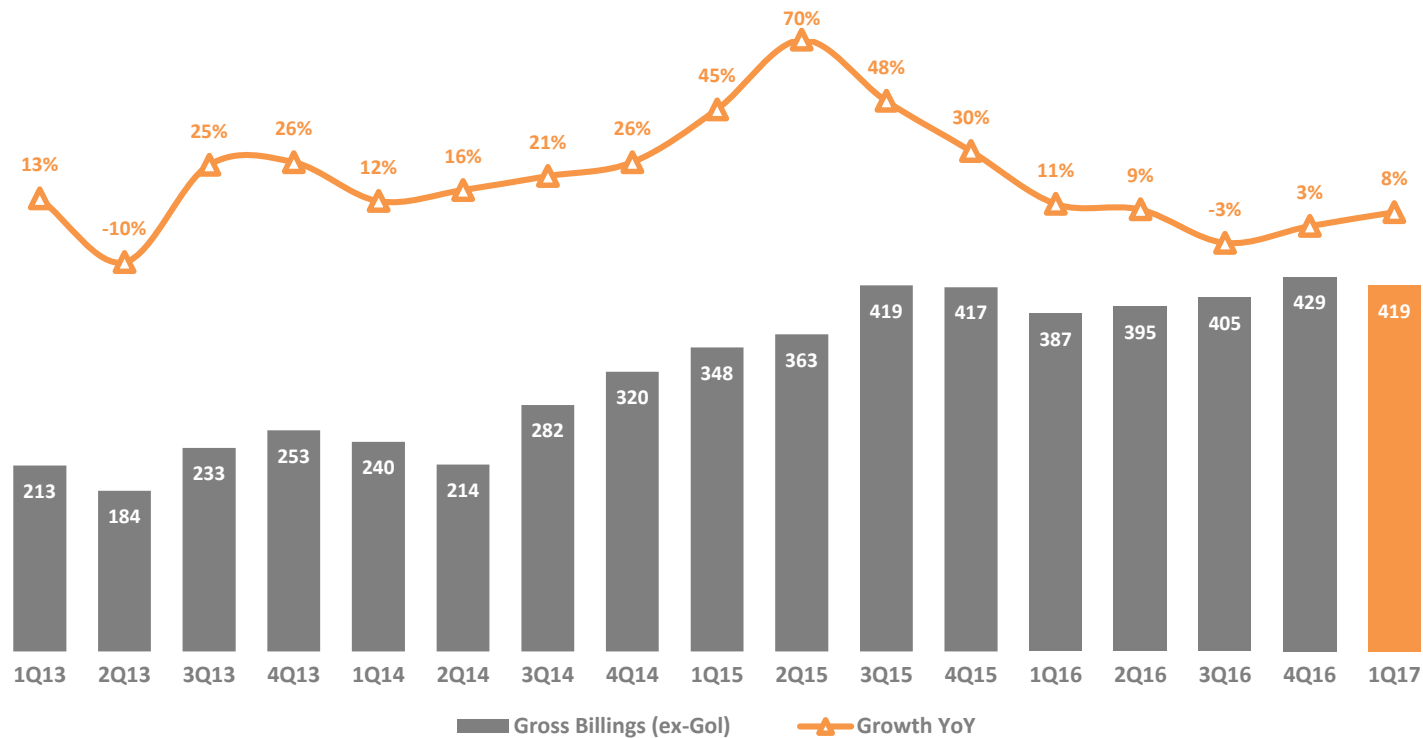
Evolution of accrued miles

(billion miles)



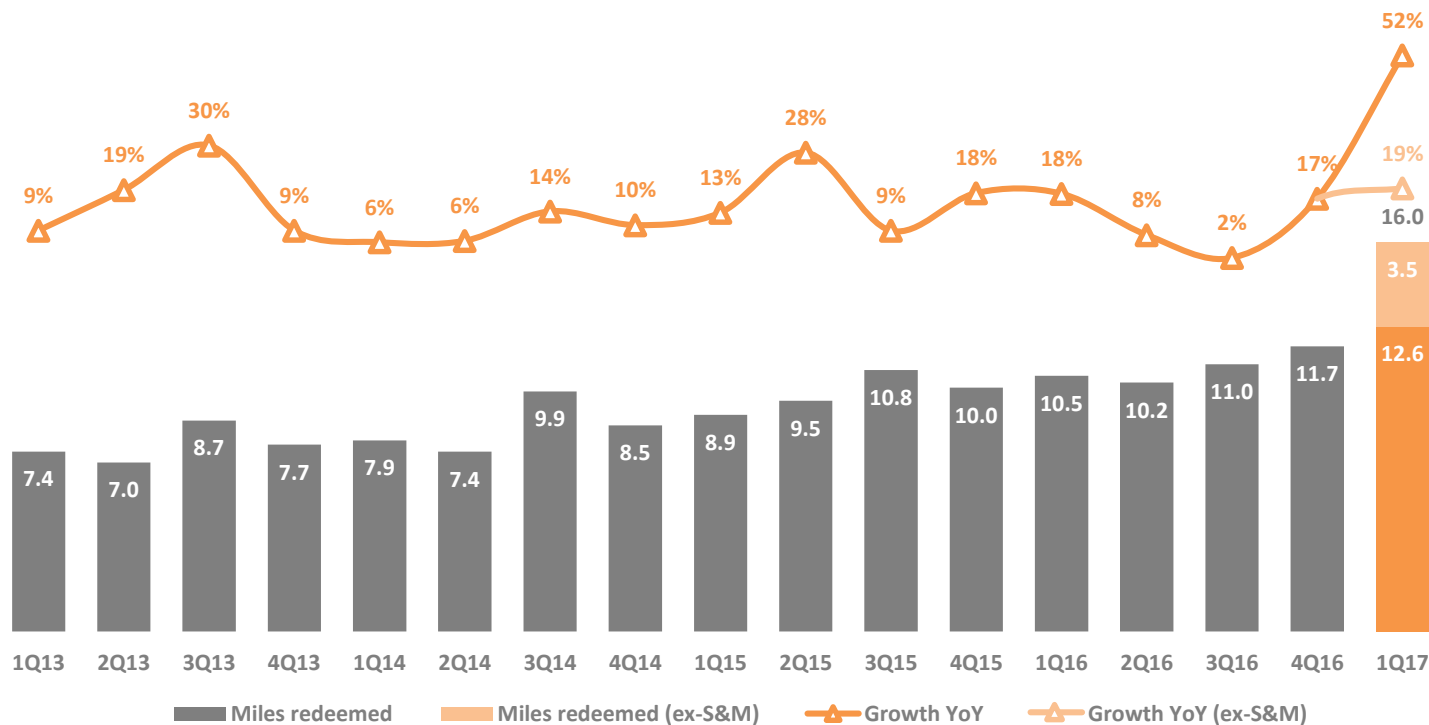
Evolution of total gross billings (ex-Gol)

(R\$ million)



Evolution of miles redeemed

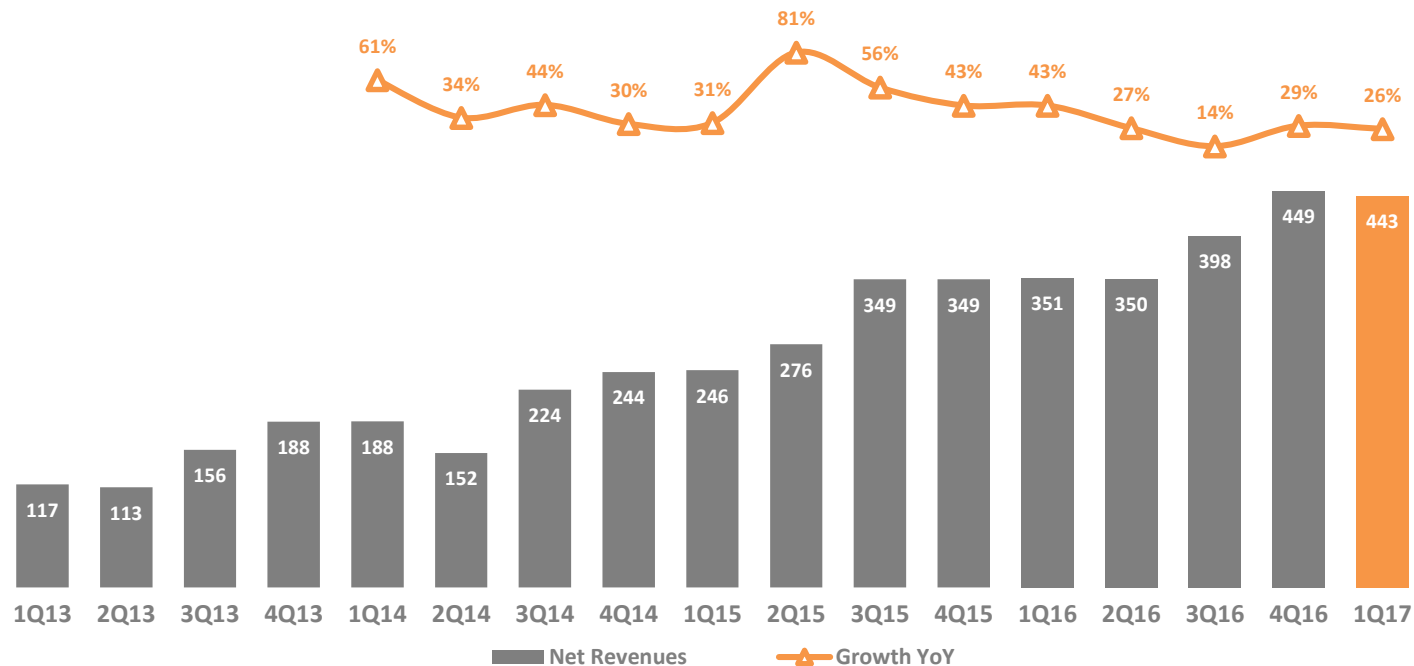
(billion miles)¹



1. Redemption miles values represent redemptions of new and legacy miles.

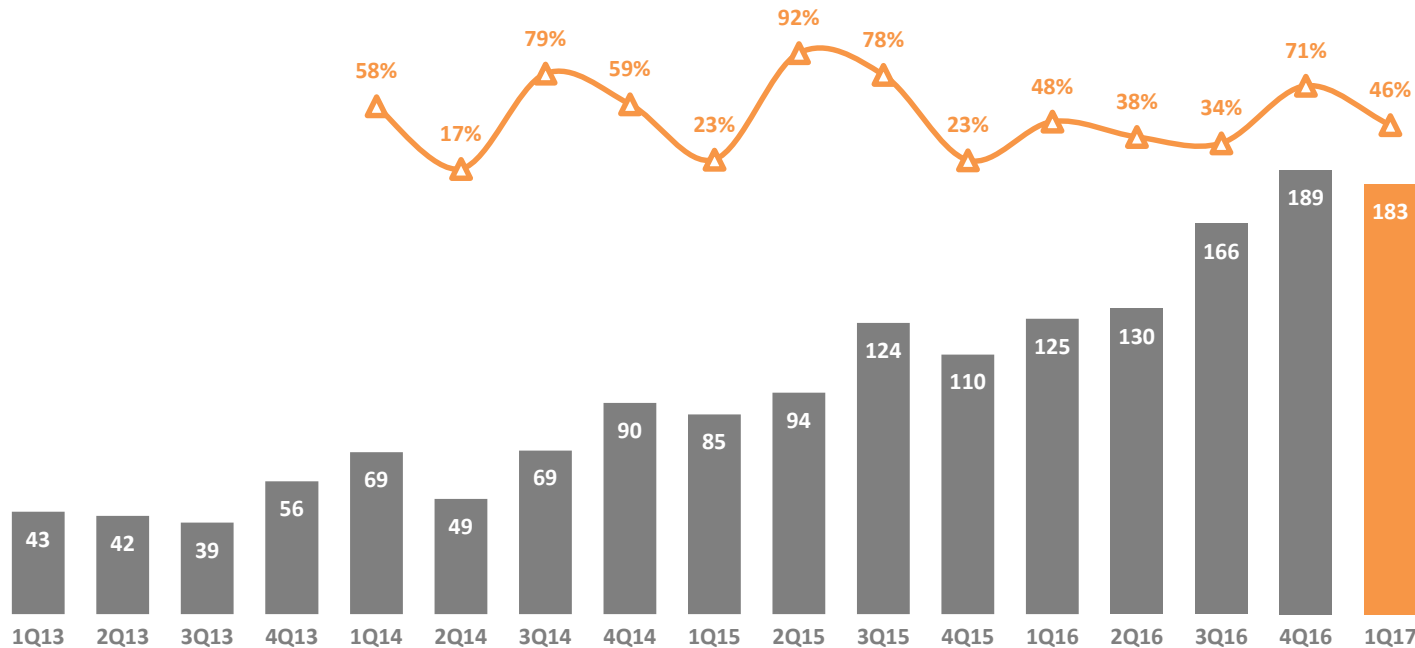
Evolution of net revenues

(R\$ million)



Evolution of EBITDA

(R\$ million)

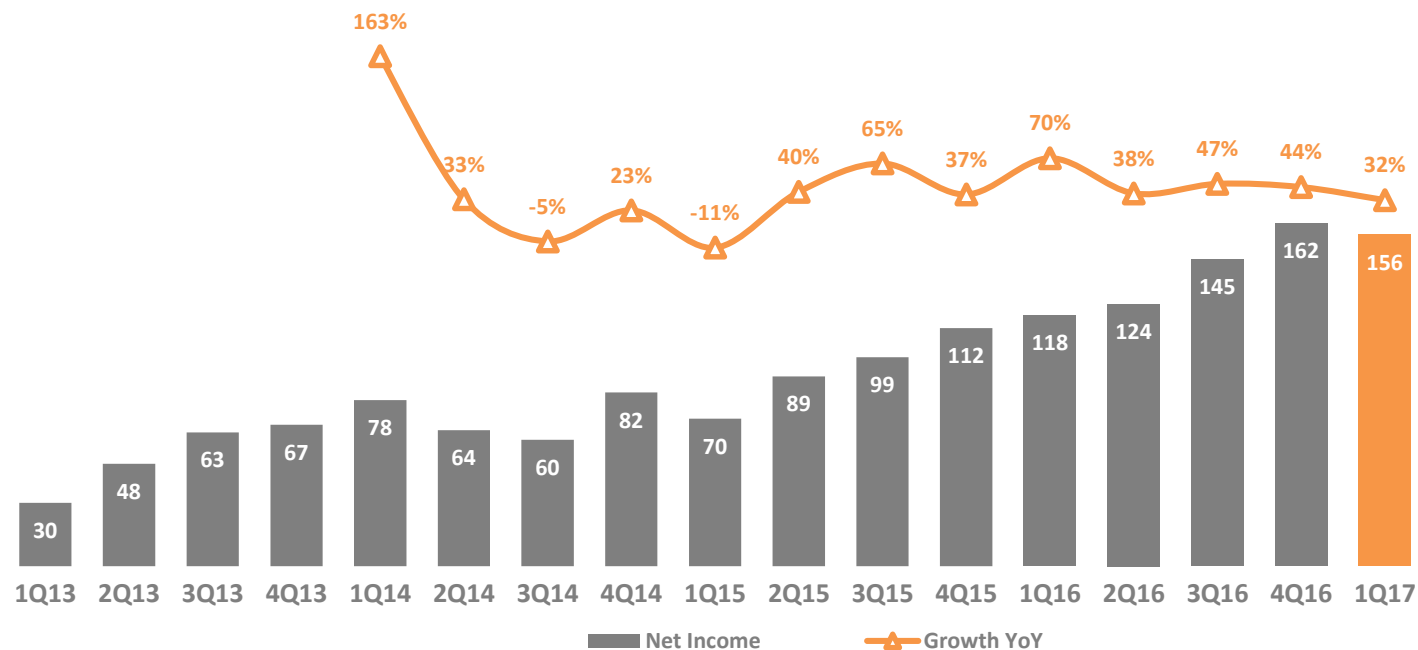


Margin %

37%	37%	25%	30%	37%	32%	31%	37%	34%	34%	35%	32%	36%	37%	42%	42%	41%
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Evolution of net income

(R\$ million)



Margin %

26%	43%	40%	36%	42%	42%	27%	34%	28%	32%	28%	32%	34%	35%	36%	36%	35%
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