IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (i) QUALIFIED INSTITUTIONAL BUYERS ("QIBs"), WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"); OR (ii) NON-U.S. PERSONS, WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, OUTSIDE THE U.S.

IMPORTANT: You must read the following before continuing. The following applies to the attached final offering memorandum and its annexes (the "Offering Memorandum") following this page and you are advised to read this carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE LAWS OF OTHER JURISDICTIONS. THE OFFERING MEMORANDUM AND THE OFFER OF THE SECURITIES ARE ONLY ADDRESSED TO AND DIRECTED AT PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA WHO ARE "QUALIFIED INVESTORS" WITHIN THE MEANING OF ARTICLE 2(1)(E) OF THE PROSPECTUS DIRECTIVE (DIRECTIVE 2003/71/EC, AS AMENDED) AND RELATED IMPLEMENTATION MEASURES IN MEMBER STATES ("QUALIFIED INVESTORS"). IN ADDITION, IN THE UNITED KINGDOM THE OFFERING MEMORANDUM IS ONLY BEING DISTRIBUTED TO QUALIFIED INVESTORS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLES 19(5) AND 19(2)(A) TO (D) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AND OTHER PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER REFERRED TO AS "RELEVANT PERSONS"). ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS OFFERING MEMORANDUM RELATES IS AVAILABLE ONLY TO (i) IN THE UNITED KINGDOM, RELEVANT PERSONS; AND (ii) IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA OTHER THAN THE UNITED KINGDOM, QUALIFIED INVESTORS, AND WILL BE ENGAGED IN ONLY WITH SUCH PERSONS. IN ADDITION, NO PERSON MAY COMMUNICATE OR CAUSE TO BE COMMUNICATED ANY INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY, WITHIN THE MEANING OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (THE "FSMA"), RECEIVED BY IT IN CONNECTION WITH THE ISSUE OR SALE OF THE SECURITIES OTHER THAN IN CIRCUMSTANCES IN WHICH SECTION 21(1) OF THE FSMA DOES NOT APPLY TO US.

THE FOLLOWING OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: In order to be eligible to view this Offering Memorandum or make an investment decision with respect to the securities, investors must be either (i) QIBs; or (ii) non-U.S. persons (within the meaning of Regulation S under the Securities Act) outside the U.S. This Offering Memorandum is being sent at your request and by accepting the e-mail and accessing this Offering Memorandum you shall be deemed to have represented to us that (i) you and any customers you represent are either (a) QIBs or (b) non-U.S. persons (within the meaning of Regulation S under the Securities Act) and that the electronic mail address that you gave us and to which this Offering Memorandum has been delivered is not located in the U.S.; and (ii) that you consent to delivery of such Offering Memorandum by electronic transmission.

You are reminded that this Offering Memorandum has been delivered to you on the basis that you are a person into whose possession this Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this Offering Memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Initial Purchasers or any affiliate of the Initial Purchasers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Initial Purchasers or such affiliate on behalf of the issuer in such jurisdiction.

This Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently neither the Initial Purchasers, nor any person who controls them nor any of their directors, officers, employees nor any of their agents nor any affiliate of any such person, accept any liability or responsibility whatsoever in respect of any difference between this Offering Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Initial Purchasers.

US$500,000,000

Gol Finance

7.000% Senior Notes Due 2025
Unconditionally and Irrevocably Guaranteed by Gol Linhas Aéreas Inteligentes S.A. and Gol Linhas Aéreas S.A.

Gol Finance, or the Issuer, a public limited liability company (*société anonyme*) organized and established under the laws of the Grand Duchy of Luxembourg, or Luxembourg, is offering an aggregate principal amount of US$500,000,000 of 7.000% senior notes due 2025, or the notes. Interest on the notes will accrue at a rate of 7.000% per annum and will be payable semi-annually in arrears on January 31 and July 31, commencing on July 31, 2018. Unless previously redeemed or purchased and in each case cancelled, the notes will mature on January 31, 2025.

The notes will be the Issuer's senior, unsecured, general obligations and will rank *pari passu* in right of payment with all of its existing and future senior, unsecured, general obligations. Gol Linhas Aéreas Inteligentes S.A. and Gol Linhas Aéreas S.A., or the Guarantors, will unconditionally and irrevocably guarantee, on a senior unsecured basis, all of the Issuer's obligations pursuant to the notes and the indenture. The guarantees will rank *pari passu* in right of payment with the other senior unsecured indebtedness and guarantees of the Guarantors. The notes will be effectively subordinated to the Issuer's and the Guarantors' secured indebtedness to the extent of the assets and properties securing such secured indebtedness.

The Issuer may redeem the notes, in whole or in part, at any time on or after January 31, 2022 at the applicable redemption prices set forth in this offering memorandum together with accrued and unpaid interest, if any. The Issuer may redeem the notes, in whole but not in part, at any time upon the occurrence of specified events relating to applicable tax laws, as described under "Description of Notes—Redemption—Tax Redemption."

There is currently no market for the notes. The issuer will apply to the Singapore Exchange Securities Trading Limited, or the SGX-ST, for permission to list the notes on the main board of the SGX-ST. We cannot guarantee the listing will be obtained. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this offering memorandum. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the notes or the issuer.

An investment in the notes involves risks. See "Risk Factors" beginning on page 18 for a discussion of certain risks you should consider in connection with an investment in the notes.

Issue Price: 98.604% plus accrued and unpaid interest, if any, from December 11, 2017.

The notes (and guarantees) have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or the Securities Act, or the securities laws of any other jurisdiction. The Issuer is offering the notes only to (i) qualified institutional buyers (as defined in Rule 144A under the Securities Act); and (ii) outside the United States to non-U.S. persons pursuant to Regulation S under the Securities Act. Prospective purchasers that are qualified institutional buyers are hereby notified that the seller of the notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on the transfer of the notes, see "Transfer Restrictions."

We expect that the delivery of the notes will be made to investors in book-entry form only through the facilities of The Depository Trust Company, or DTC, and its direct and indirect participants, including Clearstream Banking S.A., or Clearstream Luxembourg, and Euroclear Bank S.A./N.V., as operator of the Euroclear Bank System, or Euroclear, against payment on or about December 11, 2017.

Global Coordinators

BofA Merrill Lynch | **Credit Suisse** | **Morgan Stanley**

Joint Bookrunners

BTG Pactual | **Evercore ISI** | **Santander**

BCP Securities | **Safra**

The date of this offering memorandum is December 6, 2017.

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You should only rely on the information contained in this offering memorandum. Neither we, the issuer nor the initial purchasers have authorized anyone to give any information or to represent anything not contained or incorporated by reference in this offering memorandum. If given or made, any such other information or representation shall not be relied upon as having been authorized by us or the initial purchasers. This document may only be used where it is legal to sell the notes. Our notes are being offered, and offers to purchase our notes are being sought, only in jurisdictions where offers and sales are permitted. The information contained or incorporated by reference in this offering memorandum is, as applicable, accurate only as of the date of this offering memorandum, regardless of the time of delivery of this offering memorandum or of any offer or sale of our notes. Our business, financial condition, results of operations and prospects may have changed since that date.

In this offering memorandum, we use the terms "Gol," "Company," "we," "us" and "our" to refer to Gol Linhas Aéreas Inteligentes S.A., or GLAI, and its consolidated subsidiaries together, except where the context requires otherwise. The term GLA refers to Gol Linhas Aéreas S.A., a wholly owned subsidiary of GLAI. All references to "Guarantors" refer to GLAI and GLA, collectively. The term "Issuer" refers to Gol Finance, a financing subsidiary of GLAI. References to the "initial purchasers" are to Credit Suisse Securities (USA) LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, Banco BTG Pactual S.A. – Cayman Branch, Evercore Group L.L.C., Santander Investment Securities Inc., BCP Securities, LLC and Banco Safra S.A., acting through its Cayman Islands Branch. References to "preferred shares" and "ADSs" refer to non-voting preferred shares of GLAI and American depositary shares representing those preferred shares, respectively, except where the context requires otherwise.

The term "Brazil" refers to the Federative Republic of Brazil. The phrase "Brazilian government" refers to the federal government of Brazil and the term "Central Bank" refers to the Central Bank of Brazil (*Banco Central do Brasil)*. The terms "U.S. dollar" and "U.S. dollars" and the symbol "US$" refer to the legal currency of the United States. The terms "*real*" and "*reais*" and the symbol "R$" refer to the legal currency of Brazil.

You are authorized to use this offering memorandum solely for the purpose of considering the purchase of the notes described in this offering memorandum. We and other sources identified herein have provided the information contained or incorporated by reference in this offering memorandum.

None of the initial purchasers named herein or any of their agents are making any representation or warranty, expressed or implied, as to the accuracy or completeness of such information, and nothing contained or incorporated by reference in this offering memorandum is, or shall be relied upon as, a promise or representation by the initial purchasers as to past, present or future. The initial purchasers accept no liability in relation to the information contained or incorporated by reference in this offering memorandum or any information included by us and the Issuer. The Bank of New York Mellon, or the trustee, assumes no responsibility for the accuracy or completeness of the information contained in this offering memorandum or the related documents or for any failure by us or any other party to disclose events that may have occurred and may affect the significance or accuracy of such information.

The Issuer is relying on exemptions from registration under the Securities Act for offers and sales of securities that do not involve a public offering. The notes offered are subject to restrictions on transferability and resale and may not be transferred or resold in the United States, except as permitted under the Securities Act and applicable U.S. state securities laws pursuant to registration or exemption from them. By purchasing the notes, you will be deemed to have made the acknowledgements, representations, warranties and agreements described under the heading "Transfer Restrictions." You should understand that you may be required to bear the financial risks of your investment in the notes for an indefinite period of time.

We and the Issuer have prepared this offering memorandum for use solely in connection with the proposed offering of the notes outside of Brazil. This offering memorandum is personal to the offeree to whom it has been delivered and does not constitute an offer to any other person or to the public in general to acquire the notes. Distribution of this offering memorandum to any person other than the offeree and those persons, if any, engaged to advise that offeree with respect thereto, is unauthorized, and any disclosure of any of its contents without our prior written consent is prohibited. You may not use any information herein for any purpose other than considering the purchase of the notes. You agree to the foregoing by accepting delivery of this offering memorandum.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY UNITED STATES FEDERAL, INCLUDING THE U.S. SECURITIES AND EXCHANGE COMMISSION, OR ANY OTHER STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Neither this offering memorandum, including any information incorporated by reference herein, nor any other information supplied in connection with the notes should be considered as a recommendation by us, the Issuer or any of the initial purchasers that any recipient of this offering memorandum should subscribe for or purchase any notes. Each investor contemplating subscribing for or purchasing any notes should make its own independent investigation of our and the Issuer's financial condition and affairs, and its own appraisal of our and the Issuer's creditworthiness. This offering memorandum does not constitute an offer of, or an invitation by or on behalf of, us, the Issuer, any initial purchaser or the trustee to subscribe or purchase any of the notes in any jurisdiction where such offer is not permitted. The distribution of this offering memorandum and the offering and sale of the notes in certain jurisdictions may be restricted by law. The Issuer and the initial purchasers require persons in whose possession this offering memorandum comes to inform themselves about and to observe any such restrictions. This offering memorandum does not constitute an offer of, or an invitation to purchase, any of the notes in any jurisdiction in which such offer or invitation would be unlawful. None of us, the Issuer, nor any initial purchaser represents that this offering memorandum may be lawfully distributed, or that any notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by us, the Issuer or any initial purchaser that is intended to permit a public offering of any notes or distribution of this offering memorandum in any jurisdiction where action for that purpose is required. Accordingly, no notes may be offered or sold, directly or indirectly, and neither this offering memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

We and the Issuer have prepared this offering memorandum solely for use in connection with the proposed offering of the notes outside of Brazil, and it may only be used for that purpose. The Issuer and the initial purchasers reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than all of the notes offered in this offering memorandum.

In making an investment decision, you must rely on your own examination of our business and the terms of this offering and the notes, including the merits and risks involved.

We, the Issuer and the initial purchasers are not making any representation to any purchaser of the notes regarding the legality of an investment in the notes under any investment law or similar laws or regulations. You should not consider any information included or incorporated by reference in this offering memorandum to be advice whether legal, business, accounting or tax. You should consult your own attorney or other professional for any legal, business, accounting or tax advice regarding an investment in the notes.

The Issuer will apply to the SGX-ST for permission to list the notes on the main board of the SGX-ST. We cannot guarantee the listing will be obtained. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained or incorporated by reference in this offering memorandum.

AVAILABLE INFORMATION

While any notes remain outstanding, we will make available, upon request, to any holder and any prospective purchaser of notes the information required pursuant to Rule 144A(d)(4)(i), during any period in which we are not subject to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, or the Exchange Act, or exempt under Rule 12g3-2(b) of the Exchange Act.

PRESENTATION OF FINANCIAL AND OTHER DATA

Financial Statements and Information

We maintain our books and records in *reais*, which is our functional currency as well as our reporting currency. The consolidated financial statements incorporated by reference in this offering memorandum have been prepared in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or the IASB, in *reais.*

Translation of *Reais* into U.S. Dollars

Solely for the convenience of the reader, we have translated some of the *real* amounts in this offering memorandum into U.S. dollars at the rate of R$3.1680 to US$1.00, which was the U.S. dollar selling rate in effect as of September 30, 2017, as reported by the Central Bank. The U.S. dollar equivalent information presented in this offering memorandum is provided solely for the convenience of investors and should not be construed as implying that the *real* amounts represent, or could have been or could be converted into, U.S. dollars at the above rate. See "Exchange Rates" for more detailed information regarding the Brazilian foreign exchange system and historical data on the exchange rate of the *real* against the U.S. dollar.

Market Information

We make statements in this offering memorandum about our competitive position and market share in, and the market size of, the Brazilian and international airline industry. We have made these statements on the basis of statistics and other information from third party sources, governmental agencies or industry or general publications that we believe are reliable. Although we have no reason to believe any of this information or these reports are inaccurate in any material respect, neither we nor the initial purchases have independently verified such information and cannot guarantee the accuracy or completeness of such information. All industry and market data contained or incorporated by reference in this offering memorandum are from the latest publicly available information.

Rounding

Certain figures included or incorporated by reference in this offering memorandum have been rounded. Accordingly, figures shown as totals in certain tables may not be an arithmetic sum of the figures that precede them.

Special Note Regarding Non-GAAP Financial Measures

We disclose certain non-GAAP financial measures, which are not defined under Brazilian GAAP or IFRS, specifically "EBITDA," "EBITDA margin," "EBITDAR," "operating margin," "recurring operating margin," "total liquidity," "total adjusted debt," "total net debt" and "total adjusted net debt." Non-GAAP financial measures do not have standardized meanings and may not be directly comparable to similarly-titled measures adopted by other companies. We believe the non-GAAP financial measures that we use help to understand our profitability and indebtedness. Potential investors should not rely on information not defined under Brazilian GAAP or IFRS as a substitute for the IFRS measures of earnings, cash flows or net income (loss) in making an investment decision.

EBITDA and EBITDAR

We calculate EBITDA as net income (loss) plus financial income (expense), net, income taxes and depreciation and amortization. We calculate EBITDAR as EBITDA plus aircraft rent expenses. EBITDA and EBITDAR are not measures of financial performance recognized under Brazilian GAAP or IFRS and they should not be considered as alternatives to net income (loss) as measures of operating performance, or as alternatives to operating cash flows, or as measures of liquidity. EBITDA and EBITDAR are not calculated using a standard methodology and may not be comparable to the definition of EBITDA or EBITDAR or similarly titled measures used by other companies. As financial income (expense) net, income taxes and depreciation and amortization are not considered in our calculation of EBITDA and EBITDAR, we believe our EBITDA and EBITDAR provides an indication of our general economic performance, without giving effect to interest rate or exchange rate fluctuations, changes in income and social contribution tax rates or depreciation and amortization. In addition, we believe EBITDAR provides a better understanding of our operating performance as it excludes aircraft rent expenses. We usually present EBITDAR because aircraft leasing represents a significant operating expense of our business, and we believe the impact of this expense should be considered in addition to the impact of depreciation and amortization. A substantial amount of our aircraft are leased, representing a material cost item. EBITDAR therefore indicates the capacity to cover such costs, as well as facilitating comparisons with other companies in the sector.

EBITDA margin

We calculate EBITDA margin as EBITDA divided by operating revenue for the relevant period.

Operating margin

We calculate operating margin as income (loss) before financial income (expense), net and income taxes divided by operating revenue for the relevant period.

Recurring operating margin

We calculate recurring operating margin as income (loss) before financial income (expense), net and income taxes, less the impact in our statement of operations of non-recurring events, which include tax regularization expenses and the return of aircraft under financial leases and sale-leaseback transactions, divided by operating revenue for the relevant period.

Total liquidity

We calculate total liquidity as the sum of cash and cash equivalents, restricted cash, short-term investments and trade receivables for the relevant period.

Total adjusted debt

We calculate total adjusted debt as short and long-term debt, including financial leases, plus seven times the last twelve months' aircraft rent expenses.

Total net debt

We calculate total net debt as short and long-term debt, including financial leases, less cash and cash equivalents, restricted cash and short-term investments.

Total adjusted net debt

We calculate total adjusted net debt as short and long-term debt, including financial leases, less cash and cash equivalents, restricted cash and short-term investments, plus seven times the last twelve months' aircraft rent expenses.

Certain Definitions

This offering memorandum contains terms relating to operating performance in the airline industry that are defined as follows:

- "Aircraft utilization" represents the average number of block-hours operated per day per aircraft for the total aircraft fleet.
- "Available seat kilometers" or "ASK" represents the aircraft seating capacity multiplied by the number of kilometers flown.
- "Average stage length" represents the average number of kilometers flown per flight.
- "Block-hours" refers to the elapsed time between an aircraft's leaving an airport gate and arriving at an airport gate.
- "Breakeven load factor" is the passenger load factor that will result in passenger revenues equaling operating expenses.
- "Load factor" represents the percentage of aircraft seating capacity that is actually utilized (calculated by dividing revenue passenger kilometers by available seat kilometers).
- "Low-cost carrier" refers to airlines with a business model focused on a single fleet type, low-cost distribution channels and a highly efficient flight network.
- "Operating expense per available seat kilometer" or "CASK" represents operating expenses divided by available seat kilometers, which is the generally accepted industry metric to measure operational cost efficiency.
- "Operating expense excluding fuel expense per available seat kilometer" or "CASK - ex fuel" represents operating expenses less fuel expense, divided by available seat kilometers.

- “Operating revenue per available seat kilometer” or “RASK” represents operating revenue divided by available seat kilometers.
- “Passenger revenue per available seat kilometer” or “PRASK” represents passenger revenue divided by available seat kilometers.
- “Revenue passengers” represents the total number of paying passengers flown on all flight segments.
- “Revenue passenger kilometers” or “RPK” represents the numbers of kilometers flown by revenue passengers.
- “Yield per passenger kilometer” or “yield” represents the average amount one passenger pays to fly one kilometer.

WHERE YOU CAN FIND MORE INFORMATION

We are a reporting company under Section 13 or Section 15(d) of the Exchange Act and file periodic reports with the U.S. Securities and Exchange Commission, or the SEC. However, if at any time we cease to be a reporting company under Section 13 or Section 15(d) of the Exchange Act, or are not exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, we will be required to furnish to any holder of a note which is a "restricted security" (within the meaning of Rule 144 under the Securities Act), or to any prospective purchaser thereof designated by such holder, upon the request of such holder or prospective purchaser, in connection with a transfer or proposed transfer of any such note pursuant to Rule 144A under the Securities Act or otherwise, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

We are subject to the informational requirements of the Exchange Act and, in accordance therewith, file reports and other information with the SEC. Such reports and other information can be inspected and copied at the public references facilities of the SEC at Room 1580, 100 F Street N.E., Washington, D.C. 20549. Copies of such material can also be obtained at prescribed rates by writing to the Public Reference Section of the SEC at 100 F Street N.E., Washington, D.C. 20549. We file materials with, and furnish material to, the SEC electronically using the EDGAR System. The SEC maintains an Internet site that contains these materials at *www.sec.gov*. In addition, such reports and other information concerning us can be inspected at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005, on which our equity securities are listed.

As a foreign private issuer, we are not subject to the same disclosure requirements as a domestic U.S. registrant under the Exchange Act. For example, we are not required to prepare and issue quarterly reports, and we are exempt from the Exchange Act rules regarding the provision and control of proxy statements and regarding short-swing profit reporting and liability. However, we furnish our shareholders with annual reports containing consolidated financial statements audited by our independent auditors and make available to our shareholders free translations of our quarterly reports (Form ITR as filed with the Brazilian Securities Commission (*Comissão de Valores Mobiliários*), or the CVM) containing unaudited consolidated financial data for the first three quarters of each fiscal year, which are furnished to the SEC under Form 6-K. We furnish quarterly consolidated financial statements with the SEC within two months of the end of each of the first three quarters of our fiscal year, and we file annual reports on Form 20-F within the time period required by the SEC.

INCORPORATION BY REFERENCE

We are allowed to "incorporate by reference" information into this offering memorandum, which means that we can disclose important information to you without actually including the specific information in this offering memorandum and by referring you to other documents filed separately with the SEC. We incorporate herein by reference the documents listed below that we have filed and/or submitted to the SEC:

- Our Annual Report on Form 20-F for the year ended December 31, 2016, as filed with the SEC on May 1, 2017, or 2016 Annual Report, except for the columns relating to the fiscal years 2012 and 2013 in Item 3 of our 2016 Annual Report and Item 3. Key Information – "D. Risk Factors;" and
- Our Report on Form 6-K furnished to the SEC on November 8, 2017 (Acc-no: 0001292814-17-002777 (34 Act)), relating to our consolidated financial statements as of September 30, 2017 and for the three and nine-month periods ended September 30, 2017 and 2016, except for (i) the sections "Management Report," "Report of the Statutory Audit Committee (CAE)" and "Declaration of the officers on the quarterly financial information;" and (ii) information in the columns "Parent Company" and "Three-month period ended."
- Our Report on Form 6-K furnished to the SEC on November 13, 2017 (Acc-no: 0001292814-17-002837 (34 Act)), relating to preliminary air traffic figures for the month of October 2017.

You may obtain a copy of these filings at no cost by writing us at the following address or calling us at the number below:

Gol Linhas Aéreas Inteligentes S.A.
Praça Comandante Linneu Gomes, S/N, Portaria 3
CEP: 04626-020, São Paulo, SP, Brazil
Telephone +55 11 2128-4000

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes hereof to the extent that a statement contained herein or in any other subsequently

filed document that also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this offering memorandum.

Information contained on our website is not incorporated by reference in, and shall not be considered a part of, this offering memorandum.

FORWARD-LOOKING STATEMENTS

This offering memorandum includes forward-looking statements, principally under the captions "Risk Factors," "Item 4.B—Business Overview," and "Item 5—Operating and Financial Review and Prospects" in our 2016 Annual Report, which is incorporated by reference in this offering memorandum. We have based these forward-looking statements largely on our current beliefs, expectations and projections about future events and financial trends affecting us. Although we believe these estimates and forward-looking statements are based on reasonable assumptions, these estimates and statements are subject to several risks and uncertainties and are made in light of the information currently available to us. Many important factors, in addition to those discussed elsewhere in this offering memorandum, could cause our actual results to differ substantially from those anticipated in our forward-looking statements, including, among others:

- general economic, political and business conditions in Brazil, South America and the Caribbean;
- the effects of global financial markets and economic crises;
- management's expectations and estimates concerning our financial performance and financing plans and programs;
- our level of fixed obligations;
- our capital expenditure plans;
- our ability to obtain financing on acceptable terms;
- our ability to service debt;
- inflation and fluctuations in the exchange rate of the *real*;
- changes to existing and future governmental regulations, including air traffic capacity controls;
- fluctuations in crude oil prices and its effect on fuel costs;
- increases in fuel costs, maintenance costs and insurance premiums;
- changes in market prices, customer demand and preferences and competitive conditions;
- cyclical and seasonal fluctuations in our operating results;
- defects or mechanical problems with our aircraft;
- our ability to successfully implement our strategy;
- developments in the Brazilian civil aviation infrastructure, including air traffic control, airspace and airport infrastructure;
- future terrorism incidents, cyber-security threats or related activities affecting the airline industry; and
- the risk factors discussed under the caption "Risk Factors."

We caution you that the foregoing list of significant factors may not contain all of the material factors that are important to you. The words "believe," "may," "will," "aim," "estimate," "continue," "anticipate," "intend," "expect" and similar words are intended to identify forward-looking statements. Forward-looking statements include information concerning our possible or assumed results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, the effects of regulation and the effects of competition.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they were made. We undertake no obligation to update publicly or to revise any forward-looking statements after we distribute this offering memorandum because of new information, events or other factors. In light of the risks and uncertainties described above, the forward-looking events and circumstances discussed in this offering memorandum might not occur and are not guarantees of future performance.

SUMMARY

This summary highlights information presented in greater detail elsewhere in this offering memorandum. This summary is not complete and does not contain all the information you should consider before investing in the notes. You should carefully read this entire offering memorandum before investing, including "Risk Factors" and our 2016 Annual Report, which is incorporated by reference in this offering memorandum and includes our audited consolidated financial statements and related notes, and our unaudited interim consolidated financial information as of September 30, 2017 and for the nine-month periods ended September 30, 2017 and 2016, also incorporated by reference herein. See "Presentation of Financial and Other Data" and "Item 3.A. Selected Financial Data–Exchange Rates" in our 2016 Annual Report for information regarding our consolidated financial statements, exchange rates, definitions of technical terms and other introductory matters.

Overview

We are Brazil's leading airline based on our size, low operating costs, network reach, management team and customer experience. We are a low-cost carrier focused on offering low fares with high-quality customer experience to business and leisure passengers. We believe that we operate the only true low-cost carrier business model in Brazil. For the nine-month period ended September 30, 2017 we:

- Had the lowest operating costs of any Brazilian airline, with a CASK ex-fuel of R$14.30 cents, and one of the lowest among airlines globally;
- Were the largest Brazilian airline with 33 million annual passengers transported and a domestic market share of 36%;
- Operated the most flights at Brazil's busiest airports;
- Were the most on-time airline in Brazil;
- Own the airline loyalty program in Brazil with the highest market valuation, Smiles, with 13 million members as of September 30, 2017;
- Had one of Brazil's largest e-commerce platforms and were a leader in digital solutions for clients; and
- Are among the five largest low-cost carriers globally based on annual revenue.

As of September 30, 2017, we operated a single fleet of 116 Boeing 737-NG aircraft to offer approximately 700 daily flights across 63 destinations in Brazil, South America and the Caribbean. For the nine-month period ended September 30, 2017, we generated net operating revenue of R$7.6 billion with an operating margin of 7.9% (and recurring operating margin of 9.3%), the highest in the last 5 years.

Gol was founded in 2000, when entrepreneur Constantino de Oliveira Junior pioneered the low-cost carrier concept in Brazil. We believe that our superior value proposition for customers and our reliable and quality service offering have helped us create a premier brand and led to the rapid increase in our passenger market share. From Gol's launch in 2001 until today, Gol has been a major driver behind passenger growth in Brazil. Between 2001 and 2016, Brazil's domestic passenger market grew 2.9 times, from 30.8 million passengers per year in 2001 to 88.7 million passengers per year in 2016, while Brazil's international passenger market increased from 3.8 million passengers in 2001 to 7.5 million passengers in 2016, excluding international carriers. At the same time, our passenger market share in the domestic air transportation market increased from 5% in 2001 to 36% in 2016. We refer to this growth of air transportation and passenger market share as the "Gol effect." We have transported over 410 million passengers since we began our operations.

We have a unique business model that permits a flexible and versatile operation, avoiding over and under capacity as the Brazilian market evolves. Our focus on business traffic in key markets in Brazil, short-term sublease agreements, tailored crew scheduling and a flexible hub-based network have helped us ensure the versatility of our business model and drive our operating margins. To strengthen our global connectivity we began cooperation with international carriers in 2009 and currently have 78 interline agreements and 12 code-share partnerships. In addition, we have two of the world's biggest airlines, Delta Air Lines, Inc., or Delta, and Air France KLM, as our strategic shareholders, with combined ownership of 10.7% as of September 30, 2017.

We reward our repeat customers through Smiles, our loyalty program. Smiles generates over R$1.5 billion in annual revenues, has more than 13 million members and is the most valuable loyalty program in Brazil in terms of market valuation with a market capitalization as of October 31, 2017 of R$10.6 billion. Smiles has over 40 partnerships including with some of Brazil and South America's largest banks and credit card companies. Smiles plays an important role for Gol, as it brings consistency to our core business: (i) miles usage increases load factor with low yield impacts; and (ii) the Smiles brand strengthens value perception.

We maintained the lowest operating costs (on a CASK basis) of any Brazilian airline in every year since we began operating in 2001. For the nine-month period ended September 30, 2017, our CASK (ex-fuel) was R$14.30 cents, which is the lowest in Brazil, one of the lowest globally and 38.1% lower than Azul's CASK (ex-fuel) of R$19.75 cents, our only publicly listed peer in Brazil. We believe we are well-positioned to maintain our relatively low unit operating costs through ongoing initiatives, including continuing our cost optimization efforts and by operating a single fleet type of Boeing 737-700/800, which allows us to maximize aircraft utilization and dilute our fixed costs. We have been constantly renewing our fleet and expect the first delivery of 21 Boeing 737 Max aircraft by 2020 out of a total order book of 120, which will deliver lower operating costs compared to prior generation aircraft.

In addition to low unit costs, Gol has established the premier airline brand in Brazil, most recently recognized by the "Top of Mind 2017" award and "Brands of Trust Award 2017" by the Datafolha institute, attracting business and leisure customers with low fares and garnering repeat business by delivering a high-quality customer experience. We are the first airline in Brazil to provide Wi-Fi internet and other on-board entertainment, including live television. We provide a comfortable flight experience with the most seats with the largest seat pitch available. Lastly, we are the market leader in punctuality. For the nine-month period ended September 30, 2017, we had a punctuality rate of 95.4%, which is higher than that of our Brazilian competitors. In 2016, we were recognized as Brazil's most punctual airline by the Official Airline Guide, or the OAG, as well as placed second among all low-cost carriers worldwide.

We are the leader in domestic air transportation of business and leisure passengers in Brazil. According to the Brazilian Association of Corporate Travel (*Associação Brasileira de Agências de Viagens Corporativas*), or ABRACORP, we had a 32.3% share of business travelers within Brazil in 2016. Business passengers are particularly attractive as they are less price sensitive, purchase tickets closer to the flight date at higher fares and often purchase other ancillary products that we offer. Our low-cost carrier business model permits effective segmentation, allowing us to attract a high share of the demand-inelastic but price conscious Brazilian business passengers, while providing attractive fares to demand-elastic and very price sensitive leisure travelers.

We are the leading airline operating at Brazil's busiest and most important airports, including Congonhas and Guarulhos in São Paulo and Santos Dumont in Rio de Janeiro, where we have a domestic passenger market share of 45.3%, 34.2% and 39.3%, respectively, for the nine-month period ended September 30, 2017. Considering this market share, we believe we are best-positioned to capitalize on Brazil's economic growth as São Paulo and Rio de Janeiro, collectively, represented over 40% of Brazil's gross domestic product, or GDP, in 2016.

Brazil is geographically similar in size to the continental United States and is currently the fourth largest domestic airline market in the world, with International Air Transport Association, or IATA, estimating that the market will continue to grow 5.4% per year over the next two decades. In addition, the Brazilian aviation market has significant untapped potential as flights per capita totaled approximately 0.5 per year in 2015, significantly below that of more established markets such as Australia (2.4) or the United States (2.1).

During the sharp economic slowdown of the Brazilian economy and the political turmoil that occurred in 2014 through 2016, with an aggregate GDP contraction of approximately 7%, high inflation, increased interest rates and a strong depreciation of the *real*, our management team embarked on a comprehensive operational and financial repositioning, including (i) fleet reduction from 141 operating aircraft at the beginning of 2014 to 121 operating aircraft at year-end 2016; (ii) a complete network redesign focusing on the most profitable routes and business traffic; and (iii) a significant reduction of our operating costs, which, combined with improved yields, have resulted in increased operating margins and operating cash flow. Since 2015, we have decreased our total adjusted debt by approximately R$5.3 billion, achieving a total net debt (excluding perpetual notes) to EBITDA ratio of 3.4x and a total adjusted net debt (excluding perpetual notes) to EBITDAR ratio of 4.8x for the twelve months ended September 30, 2017, compared to 10.5x as of December 31, 2015. We also increased our operating margin from negative 1.9% in 2015 to positive 7.9%, and positive recurring operating margin of 9.3%, in the nine-month period ended September 30, 2017. For the nine-month period ended September 30, 2017, we recorded an operating result of R$601.7 million, compared to R$498.3 million during the same period in 2016.

We believe we are best-positioned to benefit from the expected growth cycle in the Brazilian economy based on our strong network of slots and flights between the most attractive Brazilian airports, our higher market share in the business segment and our expected highly efficient aircraft fleet of new Boeing 737 Max aircraft. These competitive advantages are key to our strategy and we believe they cannot be replicated by any of our competitors.

Our Competitive Strengths

We Have the Lowest Operating Costs of Any Brazilian Airline and One of the Lowest Globally. Our operating expense per available seat kilometer (CASK), ex-fuel, has been the lowest of any Brazilian airline since we began our operations in

2001. For the nine-month period ended September 30, 2017, our CASK (ex-fuel) was R$14.30 cents, which is 38.1% lower than that of Azul. Our low-cost structure is mainly driven by the following factors:

- *High Aircraft Utilization.* We have the highest aircraft utilization in Brazil, which for the nine-month and three-month periods ended September 30, 2017 was 12.0 and 12.3 hours per day, respectively, against 10.3 and 10.3 hours per day, respectively, for Azul.
- *Modern Fleet and Attractive Order Book.* We operate a modern fleet composed solely of Boeing 737 family aircraft, which are recognized as having high reliability and low operating costs. A standardized fleet reduces inventory costs, as it requires fewer spare parts, eliminates the need to train our pilots to operate different aircraft types, simplifies our maintenance and operations processes and provides enhanced flexibility in network planning. In addition, we have an attractive order book of 120 brand new, fuel-efficient Boeing 737 Max to partially replace and increase our fleet. As a result of our order book, we believe that the average age of our fleet will be reduced to approximately 6.8 years by 2022, leading to lower maintenance costs and fuel consumption.
- *Fuel Efficient Fleet.* We continue to reduce fuel consumption and improve efficiency through fleet modernization and other fuel initiatives. We have the lowest fuel consumption among airline carriers in Brazil. Furthermore, the Boeing 737 Max aircraft that we will begin to place in service are estimated to deliver approximately 15% improved fuel efficiency compared to the prior generation of Boeing 737 aircraft.
- *High Capacity Fleet.* We have one of the highest seat densities in Brazil, with an average seat capacity of 168 per aircraft as of September 2017. With the delivery of the Boeing 737 Max, we expect to increase our average seat capacity to 178 per aircraft by 2020.
- *Low Cost Distribution Model.* We have a robust operating platform that features advanced technology. Our effective use of technology helps to keep our costs low and our operations highly scalable and efficient. Our distribution channels are streamlined and convenient, allowing our customers to interact with us online. In 2016, we booked approximately 80% of our ticket sales through a combination of our website and Applications Programming Interface, or API, systems.
- *Highly Productive Workforce.* We have a highly productive workforce resulting in a ratio of 2,138 passengers on board per fulltime equivalent employee for the 12 months ended December 31, 2016, which is significantly higher than that of Azul at 1,769 passengers on board per fulltime equivalent employee and LATAM at 1,458 passengers on board per fulltime equivalent employee.

Our Route Network Focuses on the Busiest Airports by Passenger Traffic. We hold the leading position in Brazil's primary cities and busiest airports, and our route network closely mirrors the country's GDP income distribution. Several Brazilian airports have limited their number of slots due to capacity restrictions, especially the busiest airports in the country. Routes between these airports are among the most profitable routes in our markets, with high yields mostly derived from business travelers. Our leading position in Brazil's main airports permits us to add connections, either through our own flights or through our partner airlines, to additional destinations with attractive demand characteristics. We are the market leader in Brazilian business travel and, according to ABRACORP, in 2016 maintained a 32.3% market share of the business traveler segment. For the nine-month period ended September 30, 2017, we had a leading domestic market share by RPK of 35.9%, whereas our competitors had market shares of 32.6% for LATAM, 18.1% for Azul and 12.9% for Avianca. We are also the largest player in six of the ten busiest airports in Brazil, with an average market share in excess of 40%.

The following table demonstrates our leading market share in the most economically important states and our market share in terms of number of flights and domestic passengers at the busiest airports in Brazil:

Main Brazilian Airports (by passengers)[1]	**State**	**State Share of Brazilian GDP[2]**	**Gol's Share of Airport's Total Flights[3]**	**Domestic Passengers[1]** *(in thousands)*		
				Total	**Gol**	**Gol's Share**
São Paulo (CGH)	São Paulo	32.1%	44.0%	15,622	7,080	45.3%
São Paulo (GRU)			28.3%	17,079	5,845	34.2%
Campinas (VCP)			1.4%	6,319	166	2.6%
Rio de Janeiro (GIG)	Rio de Janeiro	11.8%	42.8%	8,661	4,388	50.7%
Rio de Janeiro (SDU)			33.6%	6,663	2,618	39.3%
Belo Horizonte (CNF)	Minas Gerais	9.2%	19.7%	6,918	1,687	24.4%
Porto Alegre (POA)	Rio Grande do Sul	6.2%	30.1%	5,369	1,858	34.6%
Salvador (SSA)	Bahia	3.8%	26.3%	5,317	1,596	30.0%
Brasília (BSB)	Distrito Federal	3.3%	31.0%	11,839	3,817	32.2%
Recife (REC)	Pernambuco	2.7%	22.4%	5,256	1,359	25.9%
Main Airports		**69.1%**	**29.5%**	**89,043**	**30,413**	**34.2%**

1. According to the National Civil Aviation Agency (*Agência Nacional de Aviação Civil*), or ANAC, information from January to September 2017 for departures and arrivals.
2. According to the Brazilian Institute of Geography and Statistics (*Instituto Brasileiro de Geografia e Estatística*), or IBGE, for 2013.
3. Our market share in total number of domestic and international flights.

We Have the Premier Airline Brand in Brazil with High-Quality Customer Experience. We believe we provide the best overall experience to our customers, and we provide them with (i) the best on-time performance among all Brazilian airline companies; (ii) the best customer service; (iii) the most seats with the largest seat pitch available; (iv) on-board Wi-Fi; and (v) ancillary products and services, among others. Our business model is based on innovation, best value proposition and application of low-cost carrier best practices. We had the highest on-time performance rate in the Brazilian market in 2016 and recorded the second highest on-time performance rate among low-cost carriers in the world, based on the OAG. Our market-leading on-time performance is critical to maintaining high customer satisfaction levels. We operate a customer-friendly digital platform that includes our website and mobile app, which makes booking and travel easy and more enjoyable for our customers. In 2016, we received the award for "*Best customer service*" in the Brazilian airline industry by *Exame*, a leading business magazine in Brazil. We provide our customers the most seats with the largest seat pitch available, according to ANAC. In October 2016, we became the first airline in South America to offer Wi-Fi on board. In order to improve this customer experience we were the first company in the world to develop an online check-in with facial recognition. Moreover, our customers also count with support of our proprietary Geolocation toll that informs customers how many hours (based on their location) it would take them to arrive at the airport. The geolocation toll has already helped 12 million passengers to not miss their flights. We believe this high-quality customer experience to be a key factor in our leadership with business clients, the most profitable client segment.

We believe that the Gol brand has become synonymous with innovation and value in the airline industry. We were the first low-cost carrier in Latin America and have since brought to market innovative services and solutions including kiosk usage in airports, food menus on board, inflight Wi-Fi, and geolocation and "selfie check-in" as referenced above. Gol and Smiles are well-recognized brands that stand for best value proposition and consistent execution of industry best practices, as well as innovative marketing and advertisement techniques with low costs that focus on social media. Also, brand and product diversification from Gollog and Gol+Conforto products enhance our brand recognition across a diverse set of customers in various business segments and represent important customer satisfaction improvements for us. For the nine-month period ended September 30, 2017, ancillary products and services accounted for 13.4% of our operating revenue.

Strong Network Management and International Alliances. We have a disciplined and methodical approach to our route selection, which includes significant flexibility to not only remove underperforming routes, but also allows Gol to quickly

adjust to changing market conditions. Our operating model is based on a highly integrated route network that is a combination of the point-to-point, hub and spoke and multiple-stop models. We believe the use of this hybrid model increases the reach of our network while maintaining a low-cost structure and improves aircraft and crew scheduling efficiency. The high level of integration of flights at selected airports allows us to offer frequent, non-stop flights at competitive fares between Brazil's most important cities. Our robust network also allows us to increase our load factors on our strongest city pair routes by using the airports in those cities to connect our customers to their final destinations. Lastly, our operating model allows us to build our flight routes to add destinations to cities that would not, individually, be feasible to serve in the traditional point-to-point model, but that can be served when simply added as additional points on our multiple-stop flights.

In 2018, we will increase our operations in the Northeast with a new hub in Fortaleza that will allow our network to reach and connect main Northeast cities within the Brazilian Southeast, North and Midwest regions with improved elapsed times. It will also allow us to reach international destinations in the U.S., Europe and Africa with the new 737 Max aircraft.

We have a strategic partnership with Delta, which holds 9.5% of our share capital and has become a strong operational and financial partner for us as a maintenance provider and codeshare partner. We believe this important partnership will also help us grow our international revenues further by seamlessly providing additional connecting traffic. In addition, our international alliance reach is broad, with partner airlines offering flights covering America, Europe, Africa and Asia. We have partnership programs with some of the most important international carriers, such as Air France KLM, which holds 1.2% of our share capital, as well as Aerolíneas Argentinas, AeroMexico, Air Canada, Alitalia, Copa Airlines, Emirates, Etihad Airways, Korean Air, Qatar Airways and TAP. As of September 30, 2017 our global network included 78 interlines agreements and 12 codeshare programs. These alliances allow us to serve more than 160 destinations throughout the globe through codeshare agreements. We will be able to increase our international revenue, which provides a natural hedge for us, without investing in wide-body aircraft, by benefiting from the codeshare and network these partners present.

Our Loyalty Program, Smiles, is the Most Valuable Loyalty Program in Brazil, with More Than 13 Million Members. Our Smiles loyalty program continues to be the fastest growing loyalty program among its publicly traded peers and is a strong relationship-building tool that represents a significant competitive advantage for us. Smiles has partnerships with, among others, hotel chains, car rental companies, restaurants, insurance companies, publishers and schools. Additionally, Smiles maintains partnerships with some of Brazil and South America's largest banks and credit card companies given its status as one of the leading frequent flyer programs in South America. We acquired Smiles in 2007 when we acquired VRG, a company formed from assets of the former Varig group. In 2013, we established Smiles S.A., which merged into Smiles Fidelidade S.A. in July 2017, as a separate subsidiary to create focus and innovation with a dedicated team. In 2013, we completed this subsidiary's initial public offering to unlock value for us and to create greater focus. Since then, Smiles has become the most valuable airline loyalty program in Brazil in terms of market valuation, with a market capitalization of R$10.6 billion as of October 31, 2017. In addition to the substantial loyalty-building component of the program, Smiles also provides us with enhanced flexibility, including funding sources (including advanced ticket sales), increased load factors with low impact on yields and dilution of fixed costs and expenses.

Our Strategies

Our goal is to offer the most attractive option for air travel to our customers, with a compelling combination of value, product and service, and, in so doing, to grow profitably and maintain our position as the leading airline in Brazil. Through the key elements of our business strategy, we seek to achieve:

Low Unit Cost. We aim to maintain our cost advantage as the lowest cost airline in Brazil and one of the lowest globally, by:

- Maintaining the high aircraft utilization levels we achieved in the nine-month and three-month periods ended September 30, 2017 of 12.0 and 12.3 block hours per day, respectively.
- Utilizing new generation, fuel-efficient aircraft that deliver lower operating costs compared to prior generation aircraft.
- Increasing the average size and seat capacity of the aircraft in our fleet through the continued introduction and operation of the new Boeing 737 Max.
- Taking a disciplined approach to our operational performance in order to reduce disruption and maximize utilization and profitability.

Offer the Best Service and Value to Our Customers. We intend to further increase our focus on customer satisfaction

and loyalty by providing competitive low fares with dependable, reliable and on-time customer service. Essential to achieving this goal is continuing to be the most on-time airline in Brazil, having the most seats with the largest seat pitch available and convenient schedules to attractive destinations. We are the first Latin American airline to offer onboard Wi-Fi access via satellite, as well as television channels, program streaming with movies, cartoons, games, pay-per-view content, music and flight maps. All online and offline content is conveniently and easily accessed through passengers' mobile devices (cell phone, tablet or notebook). In addition, we will continue to use our Smiles loyalty program to increase our customer satisfaction by offering additional benefits, such as higher mileage multipliers for premium fares, upgrades and access to our recently remodeled airport lounges. We intend to further leverage our technological innovations and allow customers to perform more activities themselves by implementing our digital strategy.

Capitalize on Our Strong Market Position in Brazil and South America. We intend to increase penetration across all traveler segments by capitalizing on our competitive strengths. Since 2008, the number of domestic airline passengers carried in Brazil has increased by more than 70% to 88.7 million in 2016, according to ANAC. Despite its economic slowdown in the recent past, Brazil is among the five largest domestic airline passenger markets worldwide and IATA estimates that it will grow 5.4% per year in the next two decades by 170 million, reaching a total market size of 272 million passengers. By 2034, according to IATA's forecast, the five fastest-growing passenger markets in terms of additional passengers will be China (856 million new passengers), the United States (559 million), India (266 million), Indonesia (183 million) and Brazil (170 million).

We will remain focused on our Brazilian operations and selected South American and Caribbean destinations. We believe that the Brazilian airline industry may experience further consolidation and that strengthening our existing strategic partnerships will be a key factor in our success. In this environment, we intend to play a leading role in the South American airline industry and to strengthen our position as a leading player. In Brazil, we also seek to stimulate demand in markets that are currently only served by high-fare alternatives, including Campinas (VCP) in São Paulo.

Our Boeing 737 aircraft provide us a significant strategic advantage, with their low operating costs and large seat capacity. They have allowed us to build a leading market position by increasing the supply of low-cost seats in Brazil, serving the most relevant destinations in South America and allowing us to add attractive markets for Brazilians to travel internationally.

Improve our Balance Sheet and Capital Structure. We continuously focus on strengthening our balance sheet and have significantly reduced our leverage and improved our balance sheet and capital structure since 2016. We intend to further strengthen our financial position through several initiatives, including strict discipline in our fleet planning, liquidity position, further reduction of our operating costs and the extension of the average maturity profile of our debt. Since 2015, we have decreased our total adjusted debt by approximately R$5.3 billion, achieving a total net debt (excluding perpetual notes) to EBITDA ratio of 3.4x and total adjusted net debt (excluding perpetual notes) to EBITDAR ratio of 4.8x for the twelve months ended September 30, 2017, compared to 10.5x as of December 31, 2015. We also increased our operating margin from negative 1.9% in 2015 to positive 7.9%, and positive recurring operating margin of 9.3%, in the nine-month period ended September 30, 2017. For the nine-month period ended September 30, 2017, we recorded an operating result of R$601.7 million, compared to R$498.3 million during the same period in 2016.

Financial and Operating Data Highlights

Operating Data	Year Ended December 31,			Nine-month Period Ended September 30,	
	2014	2015	2016	2016	2017
Load factor (%)	76.9%	77.2%	77.5%	77.5%	79.3%
Aircraft utilization (block hours per day)	11.5	11.3	11.2	11.0	12.0
Average number of operating aircraft[(1)]	126	129	117	119	109
Operating revenue per ASK (cents)	20.3	19.7	21.3	20.86	22.03
Operating expense per ASK (R$ cents)	19.3	20.0	19.8	19.40	20.29

Financial Data	Year Ended December 31,			Nine-month Period Ended September 30,	
	2014	2015	2016	2016	2017
				(unaudited)	
	(in millions of *reais*, except where stated otherwise)				
Total operating revenue	10,066.2	9,778.0	9,867.3	7,203.3	7,597.8
Income (loss) before income taxes	(952,7)	(3,447.1)	1,361.4	1,326.8	105.6
Net income (loss)	(1,117.3)	(4,291.2)	1,102.4	1,132.5	314.3
Non-GAAP Measures					
EBITDA[(2)]	968.2	235.9	1,144.2	824.1	963.6
EBITDA margin[(3)]	9.6%	2.4%	11.6%	11.4%	12.7%
Operating margin[(4)]	5.0%	(1.9)%	7.1%	6.9%	7.9%
Liquidity[(5)]	2,879.4	2,762.1	1,922.4	1,828.7	2,118.1

(1) Average operating fleet excluding subleased aircraft and those under maintenance, repair and overhaul, or MRO.

(2) We calculate EBITDA as net income (loss) plus financial income (expense), net, income taxes and depreciation and amortization. EBITDA is not a measure of financial performance recognized under Brazilian GAAP or IFRS and should not be considered as an alternative to net income (loss) as a measure of operating performance, or as an alternative to operating cash flows, or as a measure of liquidity. EBITDA is not calculated using a standard methodology and may not be comparable to the definition of EBITDA or similarly titled measures used by other companies. As financial income (expense) net, income taxes, and depreciation and amortization are not considered in our calculation of EBITDA, we believe our EBITDA provides an indication of our general economic performance, without giving effect to interest rate or exchange rate fluctuations, changes in income and social contribution tax rates or depreciation and amortization.

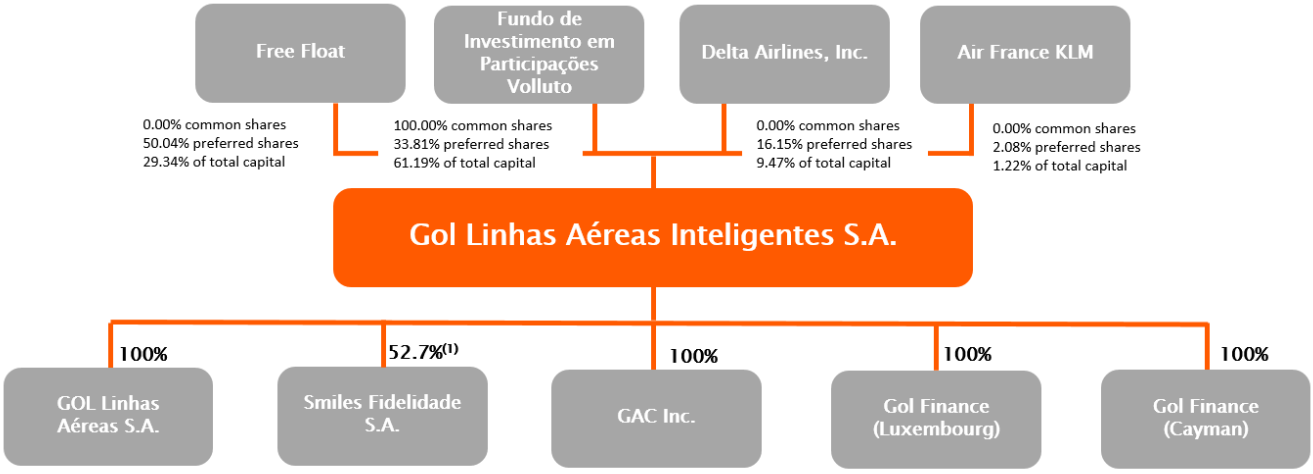
(3) We calculate EBITDA margin as EBITDA divided by operating revenue for the relevant period.

(4) We calculate operating margin as income (loss) before financial income (expense), net and income taxes divided by operating revenue for the relevant period.

(5) We calculate total liquidity as the sum of cash and cash equivalents, restricted cash, short-term investments and trade receivables for the relevant period.

Corporate Structure

The following chart summarizes our corporate structure:



(1) Gol Linhas Aéreas S.A. holds 0.001% of Smiles Fidelidade S.A.

Our principal executive offices are located at Brazil's largest domestic airport, the Congonhas airport, at Praça Comandante Linneu Gomes, S/N, Portaria 3, Jardim Aeroporto, CEP: 04626-020, São Paulo, SP, Brazil and the telephone number of our investor relations department is +55 11 2128-4700. Our website is *www.voegol.com.br* and investor information may be found on our website under *www.voegol.com.br/ir*. Information contained on our website is not incorporated by reference, and is not to be considered a part of, this offering memorandum.

The Issuer

The Issuer, Gol Finance, is a public limited liability company (*société anonyme*), incorporated under the laws of Luxembourg on June 21, 2013, having its registered office at 6, rue Guillaume Schneider L-2522 Luxembourg, registered with the Luxembourg Register of Commerce and Companies (*R.C.S. Luxembourg*) under number B 178497, and is a financing subsidiary of GLAI. The Issuer has a share capital of $60,000 divided into 60,000 shares with $1.00 par value, all of which have been issued and fully paid-up, with 59,999 shares held by GLAI and one share held by GLA.

THE OFFERING

The following is a brief summary of some of the terms of this offering. For a more complete description of the terms of the notes, see "Description of Notes" in this offering memorandum. You should carefully read this entire offering memorandum including the documents incorporated by reference herein before investing in the notes. This summary is not complete and does not contain all the information you should consider before investing in the notes.

Issuer	Gol Finance (formerly known as "Gol LuxCo S.A."), a public limited liability company (*société anonyme*) organized and established under the laws of the Grand Duchy of Luxembourg ("Luxembourg") having its registered office at 6, rue Guillaume Schneider, L-2522 Luxembourg and registered with the Luxembourg Register of Commerce and Companies (*R.C.S. Luxembourg*) under number B 178497.
Notes offered	US$500,000,000 aggregate principal amount of 7.000% senior notes due 2025.
Guarantors	Gol Linhas Aéreas Inteligentes S.A. and Gol Linhas Aéreas S.A.
Guarantees	The Guarantors will unconditionally and irrevocably guarantee on an unsecured unsubordinated basis all of the Issuer's obligations pursuant to the notes and the indenture under which they are issued. See "Description of Notes—Guarantees."
Issue price	98.604% plus accrued and unpaid interest, if any, from December 11, 2017.
Issue date	December 11, 2017.
Maturity date	January 31, 2025.
Interest	The notes will bear interest from December 11, 2017 at the annual rate of 7.000%, payable semi-annually in arrears on each interest payment date.
Interest payment dates	January 31 and July 31 of each year, commencing on July 31, 2018.
Ranking of the notes and the guarantees	The notes will be unsecured and will rank equally in right of payment with the other existing and future unsecured indebtedness the Issuer may incur. The guarantees will rank equally in right of payment with the other senior unsecured indebtedness and guarantees of the Guarantors. The notes will be effectively subordinated to the Issuer's and the Guarantors' secured indebtedness to the extent of the assets and properties securing such secured indebtedness. Under Brazilian law, holders of the notes will not have any claim whatsoever against the Guarantors' non-guarantor subsidiaries. As of September 30, 2017, we had R$5,335.0 million (US$1,684.0 million) of consolidated long-term indebtedness, of which R$547.8 million (US$172.9 million) was secured

	indebtedness (which does not include finance leases).
Optional redemption	The Issuer may redeem the notes, in whole or in part, at any time on or after January 31, 2022 at the applicable redemption prices set forth in this offering memorandum together with accrued and unpaid interest, if any. See "Description of Notes—Redemption—Optional Redemption."
Tax redemption.....	The Issuer may redeem the notes, in whole but not in part, at 100% of their principal amount, together with accrued and unpaid interest, at any time upon the occurrence of specified events relating to applicable tax laws as described under "Description of Notes—Redemption—Tax Redemption."
Additional amounts	Payments of interest on the notes will be made after withholding and deduction for any Luxembourg or Brazilian taxes as set forth under "Taxation." The Issuer, in respect of the notes, and the Guarantors, in respect of the guarantees, will pay such additional amounts as will result in receipt by the holders of notes of such amounts as would have been received by them had no such withholding or deduction for Luxembourg or Brazilian taxes been required, subject to certain exceptions set forth under "Description of Notes—Additional Amounts."
Covenants	The terms of the notes do not contain any restrictive covenants or other provisions designed to protect holders of the notes in the event that the Issuer or the Guarantors or any other of the Guarantors' present or future subsidiaries participate in a highly leveraged transaction. The terms of the notes do not permit the Issuer and the Guarantors to consolidate or merge with, or transfer all or substantially all of their respective assets to, another person, or to enter into transactions with affiliates, unless the Issuer or the Guarantors, as the case may be, complies with certain requirements. See "Description of Notes—Covenants." Also, see "Risk Factors—Risks Relating to the Notes and the Guarantees—There are no financial covenants in the notes or the guarantees."
Change of control offer.....	Upon the occurrence of a change of control that results in a ratings decline, you will have the right, as a holder of the notes, subject to certain exceptions, to require the Issuer to repurchase some or all of your notes at 101% of their principal amount, plus accrued and unpaid interest, if any, on the repurchase date. See "Description of Notes—Repurchase of Notes upon a Change of Control."
Events of default	The notes and the indenture will contain certain events of default, consisting of, among others, the following:

- failure to pay the principal when due or failure to pay interest in respect of the notes within 30 days of the due date for an interest payment;
- failure to comply with the Issuer's and the Guarantors' covenants with such failure continuing for 60 days after written notice has been delivered to the Issuer and the Guarantors;
- any indebtedness of the Issuer, the Guarantors or any of the significant subsidiaries of GLAI exceeding US$50 million that is not paid when due or is accelerated; and
- specified events of bankruptcy, liquidation or insolvency of ours or of any of our subsidiaries.

For a full description of the Events of Default, see "Description of Notes—Events of Default."

Further issuances ..... The Issuer may from time to time without notice to or consent of the holders of notes create and issue an unlimited principal amount of additional notes of the same series as the notes initially issued in this offering, having the same terms and conditions of the notes in all respects. Any such issue will be consolidated with the notes sold in this offering, and will be treated as a single class for all purposes of the indenture, including waivers and amendments. See "Description of Notes—Further Issuances."

Concurrent Tender Offer..... Concurrently with this offering, on November 27, 2017 the Issuer commenced a cash tender offer, or the Concurrent Tender Offer, for any and all of the Issuer's outstanding 8.875% Senior Notes due 2022 issued on September 24, 2014, or the 2022 Notes. The expected expiration date for the Concurrent Tender Offer is December 6, 2017. The Concurrent Tender Offer is subject to certain terms and conditions, including the completion of this offering.

Use of proceeds..... We estimate the net proceeds from the sale of the notes will be approximately US$482.8 million, after deducting discounts and commissions to the initial purchasers and estimated offering expenses payable by us. We intend to use these net proceeds (i) to purchase notes that are tendered in connection with the Concurrent Tender Offer, subject to the terms and conditions of the Concurrent Tender Offer; and (ii) for general corporate purposes. See "Use of Proceeds."

Form and denomination; book-entry system; settlement..... The notes will be in fully registered form without interest coupons attached, in minimum denominations of US$10,000 and in integral multiples of US$1,000 in excess thereof.

The notes will be issued in book-entry form through

	the facilities of DTC, for the accounts of its direct and indirect participants, including Euroclear Bank S.A./N.V., as the operator of Euroclear, and Clearstream Luxembourg and will trade in DTC's same-day funds settlement system. Beneficial interests in notes held in book-entry form will not be entitled to receive physical delivery of certificated notes, except in certain limited circumstances. For a description of certain factors relating to clearance and settlement, see "Form of Notes."
	We expect to deliver the notes against payment for the notes on or about the date specified in the last paragraph of the cover page of this offering memorandum, which will be the third business day following the date of the pricing of the notes. Because trades in the secondary market generally settle in two business days, purchasers who wish to trade notes on the date of pricing may be required, by virtue of the fact that the notes initially are expected to settle on or about December 11, 2017, to specify alternative settlement arrangements to prevent a failed settlement.
Transfer restrictions	The notes have not been registered under the Securities Act and are subject to certain restrictions on transfer. See "Transfer Restrictions."
Listings	The issuer will apply to the SGX-ST for permission to list the notes on the main board of the SGX-ST, where the notes will be traded in a minimum board lot size of US$200,000 (or its equivalent in foreign currencies). The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the notes or the issuer.
Governing law	The indenture, the guarantees and the notes will be governed by the laws of the State of New York.
Initial Purchasers	Credit Suisse Securities (USA) LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, Banco BTG Pactual S.A. – Cayman Branch, Evercore Group L.L.C., Santander Investment Securities Inc., BCP Securities, LLC and Banco Safra S.A., acting through its Cayman Islands Branch.
Trustee, transfer agent, registrar and paying agent	The Bank of New York Mellon.
Selling restrictions	There are restrictions on persons to whom notes can be sold, and on the distribution of this offering memorandum, as described in "Plan of Distribution."
Risk factors	See "Risk Factors" and the other information in this offering memorandum before investing in our notes.

SUMMARY FINANCIAL AND OTHER INFORMATION

The following table presents a summary of our historical consolidated financial and operating data for each of the periods indicated. You should read this information in conjunction with our consolidated financial statements and related notes and the information under "Item 5—Operating and Financial Review and Prospects" in our 2016 Annual Report, as well as our unaudited interim consolidated financial information as of September 30, 2017 and for the nine-month periods ended September 30, 2017 and 2016, incorporated by reference in this offering memorandum. Our results of operations for the nine-month period ended September 30, 2017 are not necessarily indicative of the results to be expected for the fiscal year ending December 31, 2017 or any future reporting period. Our consolidated financial statements were prepared in accordance with IFRS, as issued by the IASB.

Solely for the convenience of the reader, we have translated some of the *real* amounts in this offering memorandum into U.S. dollars at the rate of R$3.1680 to US$1.00, which was the U.S. dollar selling rate in effect as of September 30, 2017, as reported by the Central Bank, and should not be construed as implying that the criteria used followed the criteria established in International Financial Reporting Standard IAS No. 21, "The Effects of Changes in Foreign Exchange Rates."

Summary Financial and Operating Data

	Year Ended December 31,				Nine-month Period Ended September 30,		
	2014	2015	2016	2016[1]	2016	2017	2017
						(unaudited)	
Statements of Operations	(in thousands of R$, except per share/ADS information)			(in thousands of US$)	(in thousands of R$, except per share/ADS information)		(in thousands of US$)
Operating revenue:							
Passenger	9,045,831	8,583,388	8,671,442	2,737,198	6,329,157	6,577,636	2,076,274
Cargo and other	1,020,383	1,194,619	1,195,893	377,491	874,144	1,020,136	322,013
Total operating revenue	**10,066,214**	**9,778,007**	**9,867,335**	**3,114,689**	**7,203,301**	**7,597,772**	**2,398,287**
Operating expenses:							
Salaries	(1,374,096)	(1,580,531)	(1,656,785)	(522,975)	(1,176,510)	(1,274,894)	(402,429)
Aircraft fuel	(3,842,276)	(3,301,368)	(2,695,390)	(850,818)	(2,016,678)	(2,064,800)	(651,768)
Aircraft rent	(844,571)	(1,100,086)	(996,945)	(314,692)	(876,529)	(712,609)	(224,940)
Sales and marketing	(667,372)	(617,403)	(555,984)	(175,500)	(387,478)	(404,714)	(127,751)
Landing fees	(613,153)	(681,378)	(687,366)	(216,972)	(516,699)	(487,963)	(154,029)
Aircraft, traffic and mileage servicing	(747,447)	(1,019,833)	(1,068,175)	(337,176)	(914,888)	(934,777)	(295,068)
Maintenance, materials and repairs	(511,045)	(603,925)	(593,090)	(187,213)	(389,750)	(310,605)	(98,045)
Depreciation and amortization	(463,296)	(419,691)	(447,668)	(141,309)	(325,758)	(361,871)	(114,227)
Other operating expenses	(495,526)	(633,628)	(468,107)	(147,761)	(95,964)	(444,053)	(140,168)
Total operating expenses	**(9,558,782)**	**(9,957,843)**	**(9,169,510)**	**(2,894,416)**	**(6,700,254)**	**(6,996,286)**	**(2,208,424)**
Equity results	(2,490)	(3,941)	(1,280)	(404)	(4,715)	260	82
Income (loss) before financial income (expense), net and income taxes	**504,942**	**(183,777)**	**696,545**	**219,869**	**498,332**	**601,746**	**189,945**
Financial income (expense), net	(1,457,622)	(3,263,323)	664,877	209,873	828,435	(496,156)	(156,615)
Income (loss) before income taxes	**(952,680)**	**(3,447,100)**	**1,361,422**	**429,742**	**1,326,767**	**105,590**	**33,330**
Income taxes	(164,601)	(844,140)	(259,058)	(81,773)	(194,220)	208,752	65,894
Net income (loss)	**(1,117,281)**	**(4,291,240)**	**1,102,364**	**347,968**	**1,132,547**	**314,342**	**99,224**
Attributable to non-controlling interests	128,888	169,643	252,745	79,781	178,151	300,895	94,979
Attributable to equity holders of GLAI	**(1,246,169)**	**(4,460,883)**	**849,619**	**268,188**	**954,396**	**13,447**	**4,245**

	Year Ended December 31,				Nine-month Period Ended September 30,	
	2014	2015	2016	2016[1]	2017	2017
					(unaudited)	
	(in thousands of R$)			(in thousands of US$)	(in thousands of R$)	(in thousands of US$)
Balance Sheet Data						
Cash and cash equivalents	1,898,773	1,072,332	562,207	177,464	602,205	190,090
Restricted cash	331,550	735,404	168,769	53,273	256,079	80,833
Short-term investments	296,824	491,720	431,233	136,122	298,010	94,069
Trade receivables	352,284	462,620	760,237	239,974	961,756	303,585
Sub-total	2,879,431	2,762,077	1,922,446	606,833	2,118,050	668,576
Deposits	793,508	1,020,074	1,188,992	375,313	1,126,986	355,741
Total current and non-current assets	9,976,647	10,368,397	8,404,355	2,652,890	8,890,034	2,806,198
Short-term debt	1,110,734	1,396,623	835,290	263,665	585,827	184,920
Long-term debt	5,124,505	7,908,303	5,543,930	1,749,978	5,335,010	1,684,031
Total deficit	(332,974)	(4,322,440)	(3,356,751)	(1,059,580)	(3,135,328)	(989,687)
Capital stock	2,618,748	3,080,110	3,080,110	972,257	3,081,287	972,628

	Year Ended December 31,				Nine-month Period Ended September 30,		
	2014	2015	2016	2016[1]	2016	2017	2017
						(unaudited)	
Earnings per Share and Other Information		(in R$)		(in US$)	(in R$)		(in US$)
Basic income (loss) per preferred share [2]	(4.48)	(14.76)	2.46	0.78	2.76	0.04	0.01
Basic income (loss) per common share [2]	(0.13)	(0.42)	0.07	0.02	0.08	0.00	0.00
Basic income (loss) per share[3]	(4.48)	(14.76)	2.45	0.77	2.76	0.04	0.01
Basic income (loss) per ADS [2][4]	(22.40)	(73.80)	12.28	3.88	13.79	0.19	0.06
Diluted income (loss) per preferred share[2]	(4.48)	(14.76)	2.45	0.77	2.76	0.04	0.01
Diluted income (loss) per common share[2]	(0.13)	(0.42)	0.07	0.02	0.08	0.00	0.00
Diluted income (loss) per share[3]	(4.48)	(14.76)	2.45	0.77	2.76	0.04	0.01
Diluted income (loss) per ADS[2][4]	(22.40)	(73.80)	12.28	3.88	13.79	0.19	0.06
Weighted average number of outstanding shares in relation to basic income (loss) per preferred share (in thousands)[2]	134,151	158,285	202,261	202,261	202,184	202,978	202,978
Weighted average number of outstanding shares in relation to basic income (loss) per common share (in thousands)(2)	5,035,037	5,035,037	5,035,037	5,035,037	5,035,037	5,035,037	5,035,037
Weighted average number of outstanding shares in relation to basic income (loss) per share (in thousands)(3)	278,009	302,143	346,119	346,119	346,042	346,836	346,836
Weighted average number of outstanding ADSs in relation to basic income (loss) per share (in thousands)(3)(4)	55,602	60,428	69,224	69,224	69,208	69,367	69,367
Weighted average number of outstanding shares in relation to diluted income (loss) per preferred share (in thousands)(2)	134,151	158,285	202,607	202,607	202,184	205,315	205,315
Weighted average number of outstanding shares in relation to diluted income (loss) per common share (in thousands)(2)	5,035,037	5,035,037	5,035,037	5,035,037	5,035,037	5,035,037	5,035,037
Weighted average number of outstanding shares in relation to diluted income (loss) per share (in thousands)(3)	278,009	302,143	346,465	346,465	346,042	349,173	349,173
Weighted average number of outstanding ADSs in relation to diluted income (loss) per share (in thousands)(3)(4)	55,602	60,428	69,294	69,294	69,208	69,835	69,835
Dividends declared per preferred share (net of withheld income taxes)	0	0	0	0	0	0	0

	Year Ended December 31,				Nine-month Period Ended September 30,		
	2014	2015	2016	2016[1]	2016	2017	2017
						(unaudited)	
	(in thousands of R$ except percentages)			(in thousands of US$)	(in thousands of R$ except percentages)		(in thousands of US$)
Other Financial Data							
EBITDA[5]	968,238	235,914	1,144,213	361,178	824,090	963,617	304,172
EBITDA margin[6]	9.6%	2.4%	11.6%	11.6%	11.4%	12.7%	12.7%
Operating margin[7]	5.0%	(1.9)%	7.1%	7.1%	6.90%	7.9%	7.9%
Total liquidity[8]	2,879,431	2,762,077	1,922,446	606,833	1,828,720	2,118,050	668,576
Net cash provided by (used in) operating activities	1,129,192	(599,467)	(21,067)	(6,650)	(384,124)	1,148,483	362,526
Net cash provided by (used in) investing activities	(431,610)	(1,259,157)	592,089	186,897	796,029	(668,380)	(210,979)
Net cash provided by (used in) financing activities	(309,584)	750,190	(1,062,783)	(335,474)	(983,127)	(442,162)	(139,571)

Summary Operational Data

	Year Ended December 31,			Nine-month Period Ended September 30,	
	2014	2015	2016	2016	2017
Operating Data					
Operating aircraft at period end	139	142	121	116	116
Total aircraft at period end	144	144	130	135	120
Revenue passengers carried (in thousands)	39,749	38,868	32,623	24,517	23,774
Revenue passenger kilometers (RPKs) (in millions)[9]	38,085	38,410	35,928	26,766	27,334
Available seat kilometers (ASKs) (in millions)[9]	49,503	49,742	46,329	34,529	34,481
Load-factor	76.9%	77.2%	77.5%	77.5%	79.3%
Break-even load-factor	73.1%	78.6%	72.1%	72.1%	73.0%
Aircraft utilization (block hours per day)	11.5	11.3	11.2	11.0	12.0
Average fare (R$)	228	221	265	258	277
Passenger revenue yield per RPK (R$ cents)	23.8	22.4	24.1	23.7	24.1
Passenger revenue per ASK (R$ cents)	18.3	17.3	18.7	18.3	19.1
Operating revenue per ASK (R$ cents)	20.3	19.7	21.3	20.9	22.0
Operating expense per ASK (R$ cents)	19.3	20.0	19.8	19.4	20.3
Operating expense less fuel expense per ASK (R$ cents)	11.6	13.4	14.0	13.6	14.3
Departures	317,594	315,902	261,514	197,654	185,744
Departures per day	870	866	717	724	683
Destinations served	71	68	63	63	63
Average stage length (kilometers)	912	933	1,043	1,030	1,090
Active full-time equivalent employees at period end	16,875	16.472	15,261	15,136	15,277
Fuel liters consumed (in millions)	1,538	1,551	1,391	1,038	1,015
Average fuel expense per liter	2.5	2.1	1.9	1.9	2.0
Percentage of sales through website during period[10]	83.1%	80.7%	79.8%	79.4%	79.7%
Percentage of sales through website and call center during period	87.3%	84.5%	83.3%	82.9%	83.9%

(1) Translated solely for the convenience of the reader using the U.S. dollar exchange rate as reported by the Central Bank of R$3.1680 to US$1.00 as of September 30, 2017. See "Exchange Rates."

(2) Adjusted to reflect the one to 35 stock split of our common shares on March 23, 2015 and that, since that date, our preferred shares are entitled to receive dividends per share in an amount 35 times the amount of dividends per share paid to holders of our common shares in order to account for the split of our common shares. Our preferred shares are not entitled to any fixed dividend preferences. For further details, see "Item 9. The Offer and Listing–C. Markets–Corporate Governance Practices" of our 2016 Annual Report, which is incorporated by reference in this offering memorandum.

(3) Common shares multiplied by 35 to calculate earnings (loss) per share and divided by 35 to calculate weighted average number of shares, to reflect the ratio of 35 common shares for each preferred share. This is not a measure of financial performance recognized under Brazilian GAAP or IFRS, nor should it be considered as alternatives to numbers calculated per preferred share and per common share. We believe that calculations per share provide useful information as they equalize the common share economic rights and number of shares to those of our preferred shares.

(4) Adjusted to reflect the ratio of our ADSs to preferred shares of one ADS to five preferred shares. See "Item 12. Description of Securities other than Equity Securities–A. American Depositary Shares" of our 2016 Annual Report, which is incorporated by reference in this offering memorandum. Not adjusted to reflect the change in our ratio of ADSs to preferred shares as of November 21, 2017, so that one ADS will now represent two preferred shares.

(5) We calculate EBITDA as net income (loss) plus financial income (expense), net, income taxes and depreciation and amortization. EBITDA is not a measure of financial performance recognized under Brazilian GAAP or IFRS and should not be considered as an alternative to net income (loss) as a measure of operating performance, or as an alternative to operating cash flows, or as a measure of liquidity. EBITDA is not calculated using a standard methodology and may not be comparable to the definition of EBITDA or similarly titled measures used by other companies. As financial income (expense) net, income taxes, and depreciation and amortization are not considered in our calculation of EBITDA, we believe our EBITDA provides an indication of our general economic performance, without giving effect to interest rate or exchange rate fluctuations, changes in income and social contribution tax rates or depreciation and amortization.

(6) We calculate EBITDA margin as EBITDA divided by operating revenue for the relevant period.

(7) We calculate operating margin as income (loss) before financial income (expense), net and income taxes divided by operating revenue for the relevant period.

(8) We calculate total liquidity as the sum of cash and cash equivalents, restricted cash, short-term investments and trade receivables for the relevant period.

(9) Source: ANAC.

(10) Considering sales through our website and API systems.

	Year Ended December 31,				Nine-month Period Ended September 30,		
	2014	2015	2016	2016[1]	2016	2017	2017
						(unaudited)	
Reconciliation of Net Income (Loss) to EBITDA	(in thousands of R$ except as otherwise indicated)			(in thousands of US$)	(in thousands of R$ except as otherwise indicated)		(in thousands of US$)
Net income (loss)	(1,117,281)	(4,291,240)	1,102,364	347,968	1,132,547	314,342	99,224
(+) Income taxes	164,601	844,140	259,058	81,773	194,220	(208,752)	(65,894)
(+) Financial income (expense), net	1,457,622	3,263,323	(664,877)	(209,873)	(828,435)	496,156	156,615
(+) Depreciation and amortization	463,296	419,691	447,668	141,309	325,758	361,871	114,227
EBITDA[2]	968,238	235,914	1,144,213	361,178	824,090	963,617	304,172
Aircraft rent	844,571	1,100,086	996,945	314,692	876,529	712,609	224,940

(1) Translated solely for the convenience of the reader using the U.S. dollar exchange rate as reported by the Central Bank of R$3.1680 to US$1.00 as of September 30, 2017. See "Exchange Rates."

(2) We calculate EBITDA as net income (loss) plus financial income (expense), net, income taxes and depreciation and amortization. EBITDA is not a measure of financial performance recognized under Brazilian GAAP or IFRS and should not be considered as an alternative to net income (loss) as a measure of operating performance, or as an alternative to operating cash flows, or as a measure of liquidity. EBITDA is not calculated using a standard methodology and may not be comparable to the definition of EBITDA or similarly titled measures used by other companies. As financial income (expense) net, income taxes, and depreciation and amortization are not considered in our calculation of EBITDA, we believe our EBITDA provides an indication of our general economic performance, without giving effect to interest rate or exchange rate fluctuations, changes in income and social contribution tax rates or depreciation and amortization.

RISK FACTORS

Investment in our notes involves a high degree of risk. Prospective purchasers of our notes should carefully consider the risks described below, as well as the other information in this offering memorandum, before making an investment decision. Our business, results of operations, financial condition or prospects could be adversely affected if any of these risks occurs and, as a result, the trading price of the notes could decline and you could lose all or part of your investment.

Risks Relating to Brazil

The Brazilian government has exercised, and continues to exercise, significant influence over the Brazilian economy, and such involvement, along with general political and economic conditions, could adversely affect us.

The Brazilian federal government has frequently intervened in the Brazilian economy and has occasionally made drastic changes in policy and regulations. The Brazilian federal government's actions to control inflation and affect other policies and regulations have involved, among other measures, increases in interest rates, changes in tax and social security policies, price controls, currency exchange and remittance controls, devaluations, capital controls and limits on imports. Our business, financial condition, results of operations and the trading price of our notes, preferred shares and ADSs may be adversely affected by changes in policy or regulations at the federal, state or municipal level involving or affecting factors such as:

- interest rates;
- currency fluctuations;
- monetary policies;
- inflation;
- liquidity of capital and lending markets;
- tax and social security policies;
- labor regulations;
- energy and water shortages and rationing; and
- other political, social and economic developments in or affecting Brazil.

Uncertainty over whether the Brazilian federal government will implement changes in policy or regulation affecting these or other factors may contribute to economic uncertainty in Brazil and to heightened volatility in the Brazilian securities markets and securities issued abroad by Brazilian companies.

Since 2011, Brazil's economy has stagnated. The gross domestic product, or GDP, contraction rates were (3.6)% in 2016 and (3.8)% in 2015, and GDP growth was 0.1% in 2014, 2.7% in 2013, 1.8% in 2012 and 3.9% in 2011, compared to GDP growth of 7.5% in 2010. The Brazilian government projects the Brazilian GDP will grow by 0.7% in 2017.

Our results of operations and financial condition have been, and will continue to be, affected by contraction or weak growth of the Brazilian GDP. Developments in the Brazilian economy, as well as governmental policies, may adversely affect Brazil's growth rates and, consequently, the use of our products and services, our results of operations and the trading price of our notes.

Political instability may adversely affect our business and results of operations and the price of our preferred shares and our debt instruments.

Brazilian markets have been experiencing heightened volatility due to uncertainties derived from the ongoing *Lava Jato* investigation, which is being conducted by the Federal Prosecutor's Office, and its impact on the Brazilian economy and political environment. Numerous members of the Brazilian government and of the legislative branch, as well as senior officers of large state-owned and private companies have been convicted of political corruption of officials accepting bribes by means of kickbacks on contracts granted by the government to several infrastructure, oil and gas and construction companies. Profits from these kickbacks financed the political campaigns of political parties that were unaccounted for or not publicly disclosed, and served to further the personal enrichment of the recipients of the bribery scheme. As a result, a number of senior politicians, including congressmen and officers of the major state-owned and private companies in Brazil, resigned or have been arrested.

The ultimate outcome of these investigations is uncertain, but they have already had an adverse impact on the image and reputation of the implicated companies, and on the general market perception of the Brazilian economy. The development of those unethical conduct cases has and may continue to adversely affect our business, financial condition and results of operations and the trading price of our notes, preferred shares and ADSs.

In addition, the Brazilian economy continues to be subject to the effects of the impeachment of President Dilma Rousseff on August 31, 2016. Vice-President Michel Temer was sworn in as the new President of Brazil until the next presidential election in 2018, but political uncertainty has remained. We cannot predict the effects of these recent developments and the current ongoing political uncertainties on the Brazilian economy.

Developments and the perception of risk in other countries may adversely affect the market price of Brazilian securities, including our ADSs, our preferred shares and our debt instruments.

The market value of securities of Brazilian issuers is affected by economic and market conditions in other countries. Although economic conditions in those countries may differ significantly from economic conditions in Brazil, investors' reactions to developments in other countries may have an adverse effect on the market value of securities of Brazilian issuers. Crises in the United States, the European Union or emerging market countries may diminish investor interest in securities of Brazilian issuers, including ours. This could adversely affect the trading price of our securities, and could also make it more difficult for us to gain access to the capital markets and finance our operations on acceptable terms, or at all.

Recently, the Brazilian market experienced heightened volatility due to, among other factors, uncertainty as to the implication of U.S. elections, U.S. monetary policy, Great Britain's exit from the European Union, increased aversion to risk in emerging countries and uncertainties regarding macroeconomic and political conditions.

Government efforts to combat inflation may hinder the growth of the Brazilian economy and materially and adversely affect us.

Historically, Brazil has experienced high inflation rates. Inflation and certain actions taken by the Central Bank to curb it have had significant negative effects on the Brazilian economy. After the implementation of the *Plano Real* in 1994, the annual rate of inflation in Brazil decreased significantly, as measured by the National Broad Consumer Price Index (*Índice Nacional de Preços ao Consumidor Amplo*), or IPCA. Inflation measured by the IPCA index was 6.4%, 10.7% and 6.3% in 2014, 2015 and 2016, respectively. The Brazilian government projects that inflation in Brazil will be 3.1% in 2017.

Between 2004 and 2010, the base interest rate for the Brazilian banking system varied between 19.8% and 8.6%. This rate is the Central Bank's Special System for Settlement and Custody (*Sistema Especial de Liquidação e Custódia*) rate, or SELIC rate. On December 31, 2014, 2015 and 2016, the SELIC rate was 11.75%, 14.25% and 13.65%, respectively. As of October 25, 2017, the most recent date for which the SELIC rate has been published, the rate was 7.5%.

Inflation and the Brazilian government's measures to fight it, principally the Central Bank's monetary policy, have had and may have significant effects on the Brazilian economy and us. Tight monetary policies with high interest rates have restricted and may restrict Brazil's growth and the availability of credit. Conversely, more lenient government and Central Bank policies and interest rate decreases have triggered and may trigger increases in inflation, and, consequently, growth volatility and the need for sudden and significant interest rate increases, which could negatively affect us and increase the payments on our indebtedness. In addition, we may not be able to adjust the fares we charge our customers to offset the effects of inflation on our cost structure.

Any further downgrading of Brazil's credit rating could adversely affect the trading price of our preferred shares, ADSs and notes.

Credit ratings affect investors' perceptions of risk and, as a result, the yields required on debt issuances in the financial markets. Rating agencies regularly evaluate Brazil and its sovereign ratings, taking into account a number of factors including macroeconomic trends, fiscal and budgetary conditions, indebtedness and the prospect of change in these factors.

In September 2015, Standard & Poor's lowered Brazil's sovereign credit rating to below investment grade, from BBB-minus to BB-plus, citing, among other reasons, general instability in the Brazilian market caused by the Brazilian government's interference in the economy and budgetary difficulties. Standard & Poor's again downgraded Brazil's credit rating in February 2016, from BB-plus to BB, and maintained its negative outlook on the rating, citing a worsening credit situation from the time of the September 2015 downgrade. In December 2015, Moody's placed Brazil's Baa3 ratings on review for a downgrade, citing negative macroeconomic trends and a deterioration of the government's fiscal conditions.

Subsequently, in February 2016, Moody's downgraded Brazil's ratings to below investment grade, to Ba2 with a negative outlook, citing the prospect for further deterioration in Brazil's debt service in a negative or low growth environment, in addition to challenging political dynamics. Fitch also downgraded Brazil's credit rating to BB-plus with a negative outlook, citing the country's rapidly expanding budget deficit and the worse-than-expected recession. As a result, the trading prices of debt and equity securities of Brazilian issuers were negatively affected. Prolongment of Brazil's recession could lead to further ratings downgrades, which could heighten investors' perception of risk and, as a result, increase the cost of debt issuances and adversely affect the trading price of our securities.

Events and the perception of risk in other countries, especially the United States and emerging market countries, may adversely affect the Brazilian economy and, as a result, the market price of Brazilian securities, including the notes.

The Brazilian economy and the market price of securities of Brazilian companies is affected to varying degrees by economic and market conditions in other countries, including other Latin American and emerging market countries. Investors' reactions to developments in certain countries may have an adverse effect on the market value of securities of Brazilian issuers. For example, recent developments in the sovereign debt markets relating to countries in the European Union have led to increased uncertainty. Crises in other emerging market countries may diminish investor interest in securities of Brazilian issuers, including ours, which could negatively affect the market price of the notes.

In the past, the development of adverse economic conditions in other emerging market countries resulted, in general, in the outflow of funds from Brazil and, consequently, the reduction of external funds invested in Brazil. The financial crisis that originated in the United States in the third quarter of 2008 resulted in a global recession, with various effects that, directly or indirectly, adversely affected financial markets and the Brazilian economy.

Any of these factors may negatively affect the market price of the notes and make it more difficult for us to access the capital markets and finance our operations in the future on acceptable terms or at all.

Risks Relating to Us and the Brazilian Airline Industry

Exchange rate instability may materially and adversely affect us and the market price of the ADSs, our preferred shares and our debt instruments.

The Brazilian currency has, during the last decades, experienced frequent and substantial variations in relation to the U.S. dollar and other foreign currencies. For example, the *real* was valued at R$1.67 per US$1.00 in August 2008. Following the onset of the crisis in the global financial markets, the *real* depreciated 31.9% against the U.S. dollar and reached R$2.34 per US$1.00 at the end of 2008. In 2010, the *real* appreciated against the U.S. dollar, reaching R$1.66 per US$1.00 at the end of 2010. Since 2011, the *real* depreciated against the U.S. dollar, reaching R$3.91 per US$1.00 at the end of 2015 with a 47.0% devaluation in 2015. In 2016, the *real* appreciated against the U.S. dollar, reaching R$3.26 per US$1.00 at December 31, 2016. For 2017, the Brazilian government projects the year-end exchange rate will be $3.20 per US$1.00. There can be no assurance that the *real* will not depreciate further against the U.S. dollar.

Nearly 88.7% of our passenger revenue and other revenue are denominated in *reais* and a significant part of our operating expenses, such as fuel, aircraft and engine maintenance services, aircraft rent and aircraft insurance, are denominated in, or linked to, U.S. dollars. For the year ended December 31, 2016, 47.2% of our operating expenses were either denominated in or linked to the U.S. dollar. The purchase price of Boeing 737 aircraft is denominated in U.S. dollars. At September 30, 2017, R$4,910.2 million (or 82.9%) of our indebtedness was denominated in U.S. dollars and we had a total of R$5,133.1 million in non-cancelable U.S. dollar-denominated future operating lease payments.

We are also required to maintain U.S. dollar-denominated deposits and maintenance reserve deposits under the terms of some of our aircraft operating leases. We may incur substantial additional amounts of U.S. dollar-denominated operating leases or financial obligations and U.S. dollar-denominated indebtedness and be subject to fuel cost increases linked to the U.S. dollar. While in the past we have generally adjusted our fares in response to, and to alleviate the effect of, depreciation of the *real* and increases in the price of jet fuel (which is priced in U.S. dollars) and have entered into hedging arrangements to protect us against the short-term effects of such developments, there can be no assurance we will be able to continue to do so. In addition, there is no economically viable hedging alternative for medium- and long-term depreciation of the *real*.

Depreciation of the *real* against the U.S. dollar creates inflationary pressures in Brazil and causes increases in interest rates, which negatively affects the growth of the Brazilian economy as a whole, curtails access to foreign financial markets and may prompt government intervention, including recessionary governmental policies. Depreciation of the *real* against the

U.S. dollar has also, as in the context of an economic slowdown, led to decreased consumer spending, deflationary pressures and reduced growth of the economy as a whole. On the other hand, appreciation of the *real* relative to the U.S. dollar and other foreign currencies could lead to a deterioration of the Brazilian foreign exchange current accounts, as well as dampen export-driven growth. Depending on the circumstances, either depreciation or appreciation of the *real* could materially and adversely affect us.

We may not be able to maintain adequate liquidity and our cash flows from operations and financings may not be sufficient to meet our current obligations.

Our liquidity, cash flows from operations and financings have been and may be negatively affected by the exchange rate environment, fuel prices and economic conditions in Brazil on the demand for air travel. Recent cost cutting measures, such as capacity reduction and the liquidity improving measures we adopted in 2016 (see "Item, 4. Information on the Company—A. History and Development of the Company-Our Fleet Reduction and Network Redesign" and "—Improvement of our Capital Structure"), may not be sufficient to offset these effects.

Certain of our debt agreements contain covenants that require the maintenance of specified financial ratios. Our ability to meet these financial ratios and other restrictive covenants may be affected by events beyond our control and we cannot assure that we will meet those ratios. Failure to comply with any of these covenants could result in an event of default under these agreements and others, as a result of cross default provisions. If we were unable to comply with our debt covenants, we would be forced to seek waivers. We cannot guarantee that we will be successful in meeting our covenants, and if we are unable to meet our covenants, in obtaining or renewing any waivers.

As a result of significant losses from 2011 to 2015, our financial condition, and, consequently, our ability to obtain debt and equity financing has been materially weakened.

Significant losses have materially and negatively affected our financial condition. We had net losses of R$751.5 million in 2011, R$1,513 million in 2012, R$724.6 million in 2013, R$1,117.3 million in 2014, R$4,291.2 million in 2015 and a net income of R$1,102.4 million in 2016. The historical losses were principally due to factors we do not control, such as the effect of fluctuations in foreign exchange rates, which affects a significant part of our operating expenses and our debt service, as well as volatility in international fuel prices. Despite the net income in 2016 and in the nine-month period ended by September 30, 2017, we had a negative equity of R$3,135.3 million as of September 30, 2017, compared to R$3,356.8 million as of December 31, 2016 and R$4,322.4 million as of December 31, 2015.

Our indebtedness and our overall leverage during this period increased significantly, mainly due to the strong depreciation of the *real* against the U.S. dollar between 2012 and early 2016, while our reduced operating cash flow generation and EBITDAR in the period reduced our debt service coverage ratios and liquidity, resulting in decreases in our credit ratings. From the end of 2012 to 2016, Fitch Ratings, Moody's and S&P lowered our credit ratings from B, B3 and B, to CC, Caa3 and CCC-, respectively. In March 2017, Fitch Ratings upgraded our Long-Term Foreign and Local Currency Issuer Default Ratings (IDH) to CCC. In August 2017, S&P upgraded our credit ratings to CCC+, with a positive outlook. In November 2017, Fitch Ratings further upgraded our Long-Term Foreign and Local Currency Issuer Default Ratings (IDH) to B, with a stable outlook. Credit ratings affect the cost and other terms upon which we are able to obtain funding. Credit rating agencies regularly evaluate us and their ratings of our long-term debt are based on a number of factors, including our financial strength and capacity to generate cash flows and service our financial commitments.

Our current credit ratings, negative shareholders' equity and leverage ratio have materially reduced our ability to obtain debt and equity financing, which could make us more vulnerable to unexpected events or to the deterioration of the operating environment.

The airline industry is particularly sensitive to changes in economic conditions and continued negative economic conditions would likely continue to adversely affect us and our ability to obtain financing on acceptable terms.

Our operations and the airline industry in general are particularly sensitive to changes in economic conditions. Unfavorable economic conditions in Brazil, a constrained credit market and increased business operating costs have reduced spending on both leisure and business travel as well as cargo transportation. The slowdown in Brazilian economy and political instability has adversely affected industries with significant spending in travel, including government, oil and gas, mining and construction. In addition, reduced spending on business travel also affects the quality of demand, reducing the number of higher yield tickets we can sell, which negatively affected our results of operations in 2015 and 2016. Unfavorable economic conditions can also affect our ability to raise fares to counteract increased fuel, labor and other costs.

Any of these factors may negatively affect us.

Unfavorable economic conditions, a significant decline in demand for air travel or continued instability of the credit and capital markets could also result in pressure on our debt costs, operating results and financial condition and would affect our growth and investment plans. These factors could also negatively affect our ability to obtain financing on acceptable terms and our liquidity generally.

Substantial fluctuations in fuel costs would harm us.

Historically, international and local fuel prices have been subject to wide price fluctuations based on geopolitical issues and supply and demand. The price of West Texas Intermediate crude oil, a benchmark widely used for crude oil prices that is measured in barrels and quoted in U.S. dollars, which at times in 2007 and 2008 was at historically high levels, affects our fuel costs, and constitutes a significant portion of our total operating expenses. In 2014, the average price per barrel of West Texas Intermediate crude oil was US$93.04 and fuel costs represented 40% of our operating expenses. Prices have decreased since 2015 and fuel costs represented 33%, 29% and 30% of our operating expenses for the years ended December 31, 2015, 2016, and the nine-month period ended September 30, 2017, respectively. The high volatility in prices led to fuel hedge losses, principally in 2015, while the recent appreciation of the *real* against the U.S. dollar has positively affected our fuel costs in *reais*. Although we enter into hedging arrangements to reduce our exposure to fuel price fluctuations and have historically passed on the majority of fuel price increases by adjusting our fare structure, the price and availability of fuel cannot be predicted with any degree of certainty. Our hedging activities and fares adjustments may not be sufficient to protect us fully from fuel price increases.

Substantially all of our fuel is supplied by one source, Petrobras Distribuidora S.A., or Petrobras Distribuidora. If Petrobras Distribuidora is unable or unwilling to continue to supply fuel at the times and in the quantities that we require we may not be able to find a suitable replacement or to purchase fuel at the same cost, in which case we would be adversely affected. See “Item 4. Information on the Company-B. Business Overview-Airline Business-Fuel” of our 2016 Annual Report incorporated by reference in this offering memorandum.

Changes to the Brazilian civil aviation regulatory framework, including rules regarding slot distribution, fare restrictions and fees associated with civil aviation, may adversely affect us.

Brazilian aviation authorities monitor and influence the developments in Brazil’s airline market. For example, airport services are regulated by the ANAC, and in many cases still managed by the Brazilian Airport Infrastructure Company (*Empresa Brasileira de Infraestrutura Aeroportuária*), or INFRAERO, a government-owned corporation. ANAC addressed overcapacity in the system in 2014 by establishing strict criteria that must be met before new routes or additional flight frequencies are awarded. ANAC policies as well as those of other aviation supervisory authorities have in the past negatively affected our operations and these effects may reoccur. In July 2014, ANAC published new rules governing the allocation of slots in coordinated/slotted airports, such as Congonhas and Guarulhos in São Paulo and Brasilia in Distrito Federal, which consider operational efficiency (on-time performance and regularity) as the main criteria for the allocation of slots. Under these rules on-time performance and regularity are assessed twice per year, following the IATA summer and winter calendars, between April and September and between October and March. Minimum on-time performance and regularity targets for each series of slots in a season are 80% and 90%, respectively, at Congonhas airport (São Paulo) and 75% and 80%, respectively, for all other main airports. Airlines forfeit slots used below the minimum criteria in a season. Forfeited slots are redistributed 50% to new entrants, which includes airlines that operate fewer than five slots in the affected airport in the given weekday, and 50% to all airlines operating in that airport based on their share of slots. These and other changes to the Brazilian civil aviation regulatory framework could increase our costs and change the competitive dynamics of our industry and may adversely affect our operations, see “—We operate in a highly competitive industry.”

Technical and operational problems in the Brazilian civil aviation infrastructure, including air traffic control systems, airspace and airport infrastructure may have a material adverse effect on us.

We are dependent on improvements in the coordination and development of Brazilian airspace control and airport infrastructure, which, mainly due to the large growth in civil aviation in Brazil in recent years, require substantial improvements and government investments.

If the measures taken and investments made by the Brazilian government and regulatory authorities do not prove sufficient or effective, air traffic control, airspace management and sector coordination-related difficulties might reoccur or worsen, which might have a material adverse effect on us.

Slots at Congonhas airport in São Paulo, the most important airport for our operations and busiest one in Brazil, are fully utilized. The Santos-Dumont airport in Rio de Janeiro, a highly utilized airport with half-hourly shuttle flights between São Paulo and Rio de Janeiro also has certain slot restrictions. Several other Brazilian airports, for example, the Brasília, Campinas, Salvador, Confins and São Paulo (Guarulhos) international airports, have limited the number of slots per day due to infrastructural limitations at these airports. Any condition that would prevent or delay our access to airports or routes that are vital to our strategy or our inability to maintain our existing slots, and obtain additional slots, could materially adversely affect our operations. In addition, we cannot assure that any investments will be made by the Brazilian government in the Brazilian aviation infrastructure (by expanding additional or developing new airports) to permit our growth.

We have significant recurring aircraft rent expenses, and we will incur significantly more fixed costs that could hinder our ability to meet our strategic goals.

We have significant costs, relating primarily to leases for our aircraft and engines. As of September 30, 2017, we had commitments of R$44,948.1 million (US$14,188.1 million as of September 30, 2017) to purchase additional 120 Boeing aircraft through 2028, based on aircraft list prices, although the actual price payable by us for the aircraft should be lower due to supplier discounts. We expect that we will incur additional fixed obligations and debt as we take delivery of the new aircraft and other equipment to implement our strategy.

These significant fixed payment obligations:

- could limit our ability to obtain additional financing to support expansion plans and for working capital and other purposes;
- divert substantial cash flows from our operations to service our fixed obligations under aircraft operating leases and aircraft purchase commitments;
- if interest rates increase, require us to incur significantly more lease or interest expense than we currently do; and
- could limit our ability to react to changes in our business, the airline industry and general economic conditions.

Our ability to make scheduled payments on our fixed obligations will depend on our operating performance and cash flow, which will in turn depend on prevailing economic and political conditions and financial, competitive, regulatory, business and other factors, many of which are beyond our control. In addition, our ability to raise our fares to compensate for an increase in our fixed costs may be limited by competition and regulatory factors.

We operate in a highly competitive industry.

We face intense competition on all routes we operate from existing scheduled airlines, charter airlines and potential new entrants in our market. Competition from other airlines has a relatively greater impact on us when compared to our competitors because we have a greater proportion of flights connecting Brazil's busiest airports, where competition is more intense. In contrast, some of our competitors have a greater percentage of flights connecting less busy airports, where there is no or only reduced competition.

The Brazilian airline industry also faces competition from ground transportation alternatives, such as interstate buses. In addition, the Brazilian government and regulators could give preference to new entrants and existing competitors when granting new and current slots in Brazilian airports, to promote competition.

Existing and potential new competitors have in the past and may again undercut our fares or increase capacity on their routes in an effort to increase their market share of business traffic (high value-added customers). In any such event, we cannot assure you that our level of fares or passenger traffic would not be adversely affected.

Further consolidation in the Brazilian and global airline industry framework may adversely affect us.

As a result of the competitive environment there may be further consolidation in the Brazilian and global airline industry, whether by means of acquisitions, joint ventures, partnerships or strategic alliances. We cannot predict the effects of further consolidation on the industry. We may not be able to successfully integrate the business and operations of companies acquired, governmental approvals may be delayed, costs of integration and fleet renovation may be greater than anticipated, synergies may not meet our expectations, our costs may increase and our operational efficiency may be reduced, all of which would negatively affect us.

Under Brazilian law, the foreign ownership limit for Brazilian airlines is 20%, but there have been repeated discussions

by the Brazilian government and Congress to lift this restriction fully or partially, including most recently an announcement that the government intends to issue a new measure, subject to Congress approval, completely removing the foreign ownership limit. We cannot foresee if and how these restrictions may be changed and how any such change would affect us and the competitive environment in Brazil.

Consolidation in the airline industry and changes in international alliances will continue to affect the competitive landscape in the industry and may result in the formation of airlines and alliances with greater financial resources, more extensive global networks and lower cost structures than we can obtain.

We rely on one manufacturer for our aircraft and engines.

One of the key elements of our business strategy and a key element of the low-cost carrier business model is to reduce costs by operating a standardized aircraft fleet. After extensive research and analysis, we chose the Boeing 737-700/800 Next Generation aircraft and CFM 56-7B engines from CFM International. We expect to continue to rely on Boeing and CFM International for the foreseeable future and have made a purchase order for 120 Boeing 737 Max-7/8 aircraft (the newest generation of our current aircraft and still under development), to be delivered starting in 2018. If either Boeing or CFM International were unable to perform its contractual obligations, our operations would be materially affected.

We derive benefits from a fleet comprised of a single type of aircraft while still having the flexibility to match the capacity and range of the aircraft to the demands of each route. If we had to lease or purchase aircraft of another manufacturer, we could lose these benefits. We cannot assure you that any such replacement aircraft would have the same operating advantages as the Boeing aircraft or that we could lease or purchase engines that would be as reliable and efficient as the CFM engines. Our operations could also be disrupted by the failure or inability of Boeing or CFM International to provide sufficient parts or related support services on a timely basis.

In 2012, Boeing and CFM released new aircraft and engines, the Boeing 737 Max-7/8 and LEAP-1B, to replace the Boeing 737-700/800 Next Generation. Any project delays or operational difficulties with this new aircraft and engines could create an adverse perception about our fleet, therefore adversely affecting us.

In addition, when these aircraft and engines are delivered and operational, it could cause the market value of our other aircraft and engines to decrease, which would lower the value of our assets and could result in us recording impairment charges.

We rely on complex systems and technology, and operational or security inadequacy or interruption could materially affect our ability to effectively operate our business.

In the ordinary course of business, our systems and technology will continue to require modification and refinements to address growth and changing business requirements. Modifications and refinements to our systems have been and are expected to continue to be expensive to implement and may divert management's attention from other matters. In addition, our operations could be adversely affected, or we could face imposition of regulatory penalties, if we were unable to timely or effectively modify its systems as necessary.

We have occasionally experienced system interruptions and delays that make our websites and services unavailable or slow to respond, which could prevent us from efficiently processing customer transactions or providing services. This in turn could reduce our operating revenues and the attractiveness of our services. Our computer and communications systems and operations could be damaged or interrupted by catastrophic events such as fires, floods, earthquakes, tornadoes and hurricanes, power loss, computer and telecommunications failures, acts of war or terrorism, computer viruses, security breaches, and similar events or disruptions. Any of these events could cause system interruptions, delays, and loss of critical data, and could prevent us from processing customer transactions or providing services, which could make our business and services less attractive and subject us to liability. Any of these events could damage our reputation and be expensive to remedy.

We rely on maintaining a high daily aircraft utilization rate to increase our revenues and reduce our costs.

One of the key elements of our business strategy and an important element of the low-cost carrier business model is to maintain a high daily aircraft utilization rate. High daily aircraft utilization allows us to generate more revenue from our aircraft and dilute our fixed costs, and is achieved in part by operating with quick turnaround times at airports so we can fly more hours on average in a day. Our rate of aircraft utilization could be adversely affected by a number of different factors that are beyond our control, including, among others, air traffic and airport congestion, adverse weather conditions and

delays by third-party service providers relating to matters such as fueling and ground handling.

Our reputation, operations and financial results could be harmed by events out of our control.

Accidents or incidents involving our aircraft could involve significant claims by injured passengers and others, as well as significant costs related to the repair or replacement of a damaged aircraft and its temporary or permanent loss from service. We are required by ANAC and lessors of our aircraft under our operating lease agreements to carry liability insurance. Although we believe we currently maintain liability insurance in amounts and of the type generally consistent with industry practice, the amount of such coverage may not be adequate and we may be forced to bear substantial losses in the event of an accident. Substantial claims resulting from an accident in excess of our related insurance coverage would harm us. Moreover, any accident or incident involving our aircraft, even if fully insured, or an accident or incident involving Boeing 737 Next Generation aircraft or the aircraft of any major airline could cause negative public perceptions about us or the air transport system, which would harm us.

In addition, we can be negatively affected by other factors, such as unpredictable economic conditions, fuel costs or the outbreak of diseases.

Our controlling shareholder has the ability to direct our business and affairs and its interests could conflict with yours.

Our controlling shareholder has the power to, among other things, elect a majority of our directors and determine the outcome of any action requiring shareholder approval, including transactions with related parties, corporate reorganizations, dispositions, and the timing and payment of any future dividends. After the amendments to our by-laws on March 23, 2015, our controlling shareholder may continue to direct our business and affairs even after significantly reducing its ownership interest, which is currently equivalent to 61.3% of the economic interests in us. A difference in economic exposure may intensify conflicts of interests between our controlling shareholder and you. See "Item 9. The Offer and Listing—C. Markets—Corporate Governance Practices" of our 2016 Annual Report incorporated by reference in this offering memorandum.

Risks Relating to the Notes and the Guarantees

The Issuer's ability to make payments on the notes depends on its receipt of payments from the Guarantors.

The Issuer is a wholly-owned subsidiary of GLAI and is organized under the laws of Luxembourg. As a special purpose vehicle with no material assets or business operations, holders of the notes must rely solely on the cash flow from operations of the Guarantors to pay amounts due in connection with the notes. The ability of the Issuer to make payments of principal, interest and any other amounts due on the notes is contingent on its receipt from the Guarantors of amounts sufficient to make these payments and, in turn, on the Guarantors' ability to make these payments. In the event that the Guarantors are unable to make the payments for any reason, the Issuer will not have sufficient resources to satisfy its obligations under the indentures for the notes. For instance, see "—Changes in foreign exchange policies and regulations of Brazil may affect the Guarantors' ability to make payments outside Brazil in respect of the guarantees."

There are no financial covenants in the notes or the guarantees.

The Issuer, the Guarantors and their subsidiaries are not restricted from incurring additional debt or liabilities, including additional senior debt, under the notes, the guarantees or the indenture. If the Issuer or the Guarantors incur additional debt or liabilities, their ability to pay their obligations on the notes or the guarantees, as the case may be, could be adversely affected. The Issuer and the Guarantors expect from time to time to incur additional debt and other liabilities. In addition, the Issuer, the Guarantors and their subsidiaries are not restricted from creating liens on their assets, and the Guarantors are not restricted under the guarantees or the indenture from paying dividends or issuing or repurchasing securities.

Payments on the notes and the guarantees will be subordinated to any secured debt obligations of the Issuer and the Guarantors, as the case may be, and effectively subordinated to debt obligations of our non-guarantor subsidiaries.

The notes and the guarantees will constitute unsecured unsubordinated obligations of the Issuer and the Guarantors and will rank equal in right of payment with all of the other existing and future unsecured unsubordinated indebtedness of the Issuer and the Guarantors, respectively. Although the holders of the notes will have a direct, but unsecured claim on the assets and property of the Issuer, payment on the notes will be subordinated to any secured debt of the Issuer to the extent of the assets and property securing such debt. Payment on the notes will also be effectively subordinated to the payment of secured and unsecured debt and other creditors of the Guarantors' non-guarantor subsidiaries, including Smiles Fidelidade

S.A., for which the portion of dividends, if any, allocated to the non-controlling investors will not be available for distribution to the Guarantors. In addition, under Brazilian law, the obligations of the Issuer and the Guarantors under the notes and the guarantees are subordinated to certain statutory preferences, including claims for salaries, wages, secured obligations, social security, taxes, court fees, expenses and costs, as well as to other statutory claims specific to the aircraft industry. These statutory preferences will have priority in a liquidation over any other claims, including claims by any holder of the notes.

As of September 30, 2017, we had R$5,335.0 million (US$1,684.0 million) of consolidated long-term indebtedness, of which R$547.8 million (US$172.9 million) was secured indebtedness (which does not include finance leases).

Judgments of Brazilian courts enforcing the Issuer's and the Guarantors' obligations under the notes would be payable only in reais.

If proceedings were brought in the courts of Brazil seeking to enforce obligations of the Issuer and Guarantors under the notes or the guarantees, the Issuer and Guarantors would not be required to discharge such obligations in a currency other than *reais*. Any judgment obtained against the Issuer and the Guarantors in Brazilian courts in respect of any payment obligations under the notes or the guarantees will be expressed in *reais* equivalent to the U.S. dollar amount of such sum at the exchange rate in effect (i) on the date of actual payment; (ii) on the date on which such judgment is rendered; or (iii) on the date on which collection or enforcement proceedings are started against us. We cannot assure you that this exchange rate will afford you full compensation of the amount sought in any such litigation.

Changes in foreign exchange policies and regulations of Brazil may affect the Guarantors' ability to make payments outside Brazil in respect of the guarantees.

Under existing regulations, Brazilian companies are not required to obtain authorization from the Central Bank in order to make payments in U.S. dollars outside Brazil, such as to the holders of the notes. We cannot assure you that these regulations will continue to be in force at the time the Guarantors may be required to perform their payment obligations under the guarantees. If these regulations or their interpretation were to be amended and an authorization from the Central Bank were to become required, the Guarantors would be obligated to seek an authorization from the Central Bank to transfer the amounts under the guarantees out of Brazil or, alternatively, make such payments with funds held by them outside Brazil. We cannot assure you that such authorization, if required, will be obtained or that such funds will be available. If the Guarantors are unable to obtain the required approvals, if needed, for the payment of amounts they owe you through remittances from Brazil, we may have to seek other lawful mechanisms to effect payment of amounts due under the guarantees. However, we cannot assure you that other remittance mechanisms will be available in the future, and even if they are available in the future, we cannot assure you that payment on the notes would be possible through such mechanism.

The guarantees may not be enforceable if deemed fraudulent and declared void.

The guarantees may not be enforceable under Brazilian law. While Brazilian law does not prohibit the granting of guarantees, in the event that any of the Guarantors become subject to a reorganization or bankruptcy proceeding, all acts performed free of charge during the two years preceding the declaration of bankruptcy are ineffective with regard to the bankruptcy estate, whether or not the contracting party was aware of the debtor's economic and financial distress and whether or not the debtor intended to defraud creditors. Therefore, if the guarantees were granted up to two years before the declaration of bankruptcy, may be deemed to have been fraudulent and declared void, based upon the Guarantors being deemed not to have received fair consideration in exchange for the guarantees.

Brazilian bankruptcy laws may be less favorable to investors than bankruptcy and insolvency laws in other jurisdictions.

If we are unable to pay our indebtedness, including our obligations under the notes, we may become subject to a bankruptcy proceeding in Brazil. Brazilian bankruptcy laws currently in effect are significantly different from other jurisdictions and may be less favorable to creditors.

Any judgment against us in Brazilian courts due to any payment obligations under the guarantee, normally would be expressed in the *real* equivalent of the U.S. dollar amount of such sum at the exchange rate in effect (i) on the date of the payment; (ii) on the date on which such judgment is rendered; or (iii) on the date on which collection or enforcement proceedings are started against us. Consequently, in the event of our declaration of bankruptcy, all of our debt obligations, including the guarantee of the notes, which are denominated in foreign currency, will be converted into *reais* at the prevailing exchange rate on the date of declaration of our bankruptcy by the court. We cannot assure investors that such rate of exchange will afford full compensation of the amount invested in the notes plus accrued interest.

In addition, creditors of the Issuer and/or of the Guarantor may hold negotiable instruments or other instruments

governed by local law that grant rights to attach the assets of the Issuer and/or of the Guarantor at the inception of judicial proceedings in the relevant jurisdiction, which attachment is likely to result in priorities benefitting those creditors when compared to the rights of holders of the notes.

We cannot assure you that an active trading market for the notes will develop.

The notes constitute a new issue of securities, for which there is no existing market. Although we have applied to list the notes on the SGX-ST, we cannot provide you with any assurances that the application will be accepted. Further, no assurance can be provided regarding the development of a market for the notes, the ability of holders of the notes to sell their notes, or the price at which such holders may be able to sell their notes. Accordingly, we cannot assure you that an active trading market for the notes will develop or, if a trading market develops, that it will continue. The lack of an active trading market for the notes would have a material adverse effect on the market price and liquidity of the notes. Even if a market for the notes develops, the notes may trade at a discount from their initial offering price.

We cannot assure investors that a judgment of a court for liabilities under the securities laws of a jurisdiction outside Brazil or Luxembourg would be enforceable in Brazil, or that an original action can be brought in Luxembourg against the Issuer or in Brazil against the Guarantors, in each case, for liabilities under applicable securities laws.

The Issuer is organized under the laws of Luxembourg, and each of the Guarantors is incorporated under the laws of Brazil. Substantially all of the Guarantors' assets are located in Brazil. Most of the Issuer's directors and all of the Guarantors' executive officers and certain advisors named herein reside in Brazil. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or the Guarantors, or its or their respective directors, executive officers and advisors, or to enforce against the Issuer or the Guarantors, or its or their respective directors, executive officers and advisors, in U.S., Brazilian or Luxembourg courts any judgments predicated upon the civil liability provisions of applicable securities laws. In addition, it may not be possible to bring an original action in Brazil against the Guarantors for liabilities under applicable securities laws. See "Enforcement of Civil Liabilities."

We may be unable to purchase the notes upon a change of control.

Upon the occurrence of a change of control that results in a rating decline, you may require us to purchase all or a portion of your notes at 101% of their principal amount, plus accrued and unpaid interest and any additional amounts. If such a change of control were to occur, we may not have enough funds at the time to pay the purchase price for all tendered notes. Our future indebtedness may provide that a change of control constitutes an event of default which could result in the acceleration of maturity of such indebtedness and may prohibit the purchase of the notes upon a change of control that results in a ratings decline. If a change of control that results in a rating decline occurs at a time when we are prohibited from purchasing the notes, we could seek the consent of our lenders to purchase the notes or could attempt to refinance this debt. If we do not obtain a consent, we could not purchase the notes. Our failure to purchase any tendered notes would constitute an event of default under the applicable agreement. Our obligation to offer to purchase the notes upon a change of control that results in a rating decline would not necessarily afford you protection in the event of a highly leveraged transaction, reorganization, merger or similar transaction involving us. The terms "change of control" and "rating decline" are defined in the "Description of Notes—Certain Definitions" section.

We cannot assure you that the credit ratings for the notes will not be lowered, suspended or withdrawn by the rating agencies.

The credit ratings of the notes may change after issuance. Such ratings are limited in scope, and do not address all material risks relating to an investment in the notes, but rather reflect only the views of the rating agencies at the time the ratings are issued. An explanation of the significance of such ratings may be obtained from the rating agencies. We cannot assure you that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in the judgment of such rating agencies, circumstances so warrant. Any lowering, suspension or withdrawal of such ratings will likely have an adverse effect on the market price and marketability of the notes.

Risks Relating to Luxembourg

The Issuer is incorporated in Luxembourg, and Luxembourg law differs from U.S. law and may afford less protection to holders of the notes.

Holders of the notes may have more difficulty protecting their interests than would noteholders of a corporation incorporated in a jurisdiction of the United States. As a Luxembourg company, the Issuer is incorporated under and subject to the Luxembourg law on commercial companies of August 10, 1915, as amended, or the Luxembourg Companies Act, and other provisions of Luxembourg law. The Luxembourg Companies Act differs in some material respects from laws generally applicable to U.S. corporations and noteholders, including the provisions relating to dividend distributions, interested directors, mergers, amalgamations and acquisitions, takeovers, security holder lawsuits and indemnification of directors.

Under Luxembourg law, the duties of directors and managers of a company are generally owed to the company only. Noteholders generally do not have rights to take action against directors or managers of the Luxembourg company, except in limited circumstances. Directors or managers of a Luxembourg company must, in exercising their powers and performing their duties, act in good faith and in the interests of the company as a whole and must exercise due care, skill and diligence. Directors or managers have a duty not to put themselves in a position in which their duties to the company and their personal interests may conflict and also are under a duty to disclose any personal interest in any contract or arrangement with such company or any of its subsidiaries.

Your rights as a creditor may not be the same under Luxembourg insolvency laws as under U.S. or other insolvency laws and may preclude you from recovering payments due on the notes.

The issuer is incorporated and established under the laws of Luxembourg, and Luxembourg's insolvency laws may not be as favorable to your interests as the laws of the United States or other jurisdictions with which you are familiar. In the event the issuer experiences financial difficulties, your ability to receive payment under the notes may be more limited than would be the case under U.S. bankruptcy laws.

EXCHANGE RATES

The Brazilian foreign exchange system allows the purchase and sale of foreign currency and the international transfer of *reais* by any person or legal entity, regardless of the amount, subject to certain regulatory procedures.

Since 1999, the Central Bank has allowed the U.S. dollar/*real* exchange rate to float freely, and, since then, the *real* has experienced frequent and substantial exchange rate variations in relation to the U.S. dollar and other foreign currencies. Between 2000 and 2002, the *real* depreciated significantly against the U.S. dollar, reaching an exchange rate of R$3.5333 per US$1.00 at the end of 2002. Between 2003 and mid-2008, the *real* appreciated significantly against the U.S. dollar due to the stabilization of the Brazilian macroeconomic environment and a substantial increase in foreign investment in Brazil, with the *real* appreciating to R$1.5593 per US$1.00 in August 2008. Particularly as a result of the crisis in the global financial markets from mid-2008, the *real* depreciated by 31.9% against the U.S. dollar during 2008 and closed the year at R$2.3370 per US$1.00. As of December 31, 2013, 2014 and 2015, the exchange rate was R$2.3426 per US$1.00, R$2.6562 per US$1.00 and R$3.9048 per US$1.00 (representing a devaluation of 47% in 2015), respectively. As of December 31, 2016 and September 30, 2017, the exchange rate was R$3.2591 per US$1.00 and R$3.1680 per US$1.00, respectively.

In the past, the Brazilian government has utilized a number of exchange rate policies, including sudden devaluations, periodic mini-devaluations during which the frequency of adjustments ranged from daily to monthly, floating exchange rate systems, exchange controls and dual exchange rate markets. For more information, see "Risk Factors—Risks Relating to Brazil—The Brazilian government has exercised, and continues to exercise, significant influence over the Brazilian economy, and such involvement, along with general political and economic conditions, could adversely affect us."

We cannot predict whether the Central Bank or the Brazilian government will continue to let the *real* float freely or intervene in the exchange rate market by returning to a currency band system or otherwise. The *real* may depreciate or appreciate substantially against the U.S. dollar in the future. Furthermore, Brazilian law provides that, whenever there is a serious imbalance in Brazil's balance of payments or there are serious reasons to foresee a serious imbalance, temporary restrictions may be imposed on remittances of foreign capital abroad. We cannot provide assurance that the Brazilian government will not place restrictions on remittances of foreign capital abroad in the future.

The following table sets forth the period end, average, high and low foreign exchange market selling rates published by the Central Bank on its electronic information system (*Sistema de Informações do Banco Central – SISBACEN*), expressed in *reais* per U.S. dollar for the periods and dates indicated. The information in the "Average" column represents the average daily exchange rate during the periods presented.

	Exchange Rates of R$ per US$1.00			
	Period-End	**Average[(1)]**	**High**	**Low**
Year ended December 31,				
2012	2.044	1.955	2.112	1.702
2013	2.343	2.161	2.446	1.953
2014	2.656	2.355	2.740	2.197
2015	3.905	3.339	4.195	2.575
2016	3.259	3.483	4.156	3.119
2017				
June 2017	3.308	3.295	3.336	3.231
July 2017	3.131	3.206	3.319	3.126
August 2017	3.147	3.151	3.198	3.116
September 2017	3.168	3.134	3.193	3.085
October 2017	3.276	3.191	3.280	3.131
November 2017	3.262	3.259	3.292	3.214
December 2017 (through December 5, 2017)	3.232	3.249	3.264	3.232

Source: Central Bank.

(1) Calculated as the average daily exchange rate during the periods presented.

Solely for the convenience of the reader, we have translated some of the *real* amounts in this offering memorandum into U.S. dollars at the rate of R$3.1680 to US$1.00, which was the U.S. dollar selling rate in effect as of September 30, 2017, as reported by the Central Bank.

RECENT DEVELOPMENTS

Consolidated Results of Operations

Nine-month Period Ended September 30, 2017 Compared with Nine-month Period Ended September 30, 2016

Demand in the Brazilian airline market (domestic and international), as measured in revenue passenger kilometers (RPK), increased by 5.2% in the nine-month period ended September 30, 2017 as compared to the corresponding period of 2016, while capacity in Brazil, as measured by available seat kilometers (ASK), increased by 3.5% in the same period.

During the course of the nine-month period ended September 30, 2017, our capacity decreased 0.1% and demand increased 2.1% as compared to the corresponding period of 2016, resulting in a load factor of 79.3%, an increase of 1.8 percentage points when compared to the nine-month period ended September 30, 2016. Our passenger revenue per available seat kilometer (PRASK) increased by 4.1% in the nine-month period ended in September 30, 2017 and our domestic market share was 36.0%, or 0.1 percentage points higher than the same period of 2016.

In the nine-month period ended September 30, 2017, our domestic seat supply increased 0.2% as compared to the corresponding period of 2016, while domestic demand increased by 2.4%, leading to a domestic load factor of 79.6%, 1.7 percentage points higher than in the corresponding period of 2016. Also in the nine-month period ended September 30, 2017, our international market seat supply decreased by 2.7%, while international market demand remained stable leading to an international load factor of 76.4%, 2.1 percentage points higher than in the corresponding period of 2016.

Our average fare for the nine-month period ended September 30, 2017 was R$277, a 7.2% increase over the same period in 2016.

Our comprehensive operational and financial repositioning started to show its full impact in the third quarter of 2017. On the revenue side, our network redesign, executed from January through May 2016, started to positively impact our results in the second half of 2016, and on the cost side, our fleet reduction started to improve our operating margin, which increased from 9.7% in the third quarter of 2016 to 11.9% in the third quarter of 2017.

The table below presents certain data from our results of operations for the periods indicated:

	Nine-month Period Ended September 30,	
	2016	**2017**
	(unaudited)	
	(in millions of *reais*)	
Operating revenue		
Passenger	6,329.2	6,577.6
Cargo and other	874.1	1,020.1
Total operating revenue	**7,203.3**	**7,597.8**
Operating expenses		
Salaries	(1,176.5)	(1,274.9)
Aircraft fuel	(2,016.7)	(2,064.8)
Aircraft rent	(876.5)	(712.6)
Sales and marketing	(387.5)	(404.7)
Landing fees	(516.7)	(488.0)
Passengers costs	(361.0)	(324.9)
Services provided	(553.9)	(609.9)
Maintenance, materials and repairs	(389.8)	(310.6)
Depreciation and amortization	(325.8)	(361.9)
Other operating expenses	(96.0)	(444.1)
Total operating expenses	**(6,700.3)**	**(6,996.3)**
Equity results	(4.7)	0.3
Income before financial (expense), net and income taxes	**498.3**	**601.7**
Financial income (expense), net	828.4	(496.2)
Income before income taxes	**1,326.8**	**105.6**
Income taxes	(194.2)	208.8
Net income	**1,132.5**	**314.3**

Operating Revenue

Operating revenue increased by 5.5%, from R$7,203.3 million in the nine-month period ended September 30, 2016 to R$7,597.8 million in the corresponding period of 2017. On a unit basis, operating revenue per available seat kilometer (RASK) increased by 5.6%, from R$20.86 cents in the nine-month period ended September 30, 2016 to R$22.03 cents in the corresponding period of 2017. This was primarily due to the combination of higher revenue and reduction in total ASK. Average yield increased 1.8% as a result of (i) the recovery in domestic demand; (ii) revenue from cargo transportation and interline passengers; and, to a lesser extent, (iii) the implementation of baggage fees.

The table below presents a breakdown of our operating revenue for the periods indicated:

	Nine-month Period Ended September 30,		
	2016	**2017**	**Change %**
	(unaudited)		
	(in millions of *reais*, except percentages)		
Operating revenue	7,203.3	7,597.8	5.5%
Passenger	6,329.2	6,577.6	3.9%
Cargo and other	874.1	1,020.1	16.7%

Operating Expenses

Operating expenses increased by 4.4%, from R$6,700.3 million in the nine-month period ended September 30, 2016 to R$6,996.3 million in the corresponding period of 2017, as discussed below.

The following table sets forth our total operating expenses for the periods indicated:

	Nine-month Period Ended September 30,		
	2016	**2017**	**Change %**
	(unaudited)		
	(in millions of *reais*, except percentages)		
Salaries	(1,176.5)	(1,274.9)	8.4%
Aircraft fuel	(2,016.7)	(2,064.8)	2.4%
Aircraft rent	(876.5)	(712.6)	(18.7)%
Sales and marketing	(387.5)	(404.7)	4.4%
Landing fees	(516.7)	(488.0)	(5.6)%
Passengers costs	(361.0)	(324.9)	(10.0)%
Services provided	(553.9)	(609.9)	10.1%
Maintenance, materials and repairs	(389.8)	(310.6)	(20.3)%
Depreciation and amortization	(325.8)	(361.9)	11.1%
Other operating expenses	(96.0)	(444.1)	362.6%
Total operating expenses	**(6,700.3)**	**(6,996.3)**	**4.4%**

On a per unit basis, our operating expense per available seat kilometer (CASK) increased by 4.6%, from R$19.40 cents in the nine-month period ended September 30, 2016 to R$20.29 cents in the corresponding period of 2017, but CASK in the nine-month period ended September 30, 2016 was reduced due to the non-recurring positive result from the return of aircraft in financial leasing and sale-leaseback operations. Excluding non-recurring expenses, adjusted CASK in the nine-month period ended September 30, 2017 was R$19.98 cents, 0.1% lower than the adjusted CASK of R$20.00 cents of the corresponding period of 2016.

The following table sets forth certain of our CASK components for the periods indicated:

Operating Expenses per Available Seat Kilometer	Nine-month Period Ended September 30,		
	2016	2017	Change %
	(unaudited)		
	(in cents of *reais*, except percentages)		
Salaries	3.41	3.70	8.5%
Aircraft fuel	5.84	5.99	2.5%
Aircraft rent	2.54	2.07	(18.6)%
Sales and marketing	1.12	1.17	4.6%
Landing fees	1.50	1.42	(5.4)%
Passengers costs	1.05	0.94	(9.9)%
Services provided	1.60	1.77	10.3%
Maintenance, materials and repairs	1.13	0.90	(20.2)%
Depreciation and amortization	0.94	1.05	11.2%
Other operating expenses	0.28	1.29	363.7%
Operating expenses per available seat kilometer (CASK)	**19.40**	**20.29**	**4.6%**
CASK excluding fuel expenses	**13.56**	**14.30**	**5.4%**
Operating expenses adjusted per available seat kilometer (CASK adjusted)	**20.00**	**19.98**	**-0.1%**
CASK excluding fuel expenses adjusted	**14.16**	**13.99**	**-1.2%**

Salaries increased by 8.4% from R$1,176.5 million in the nine-month period ended September 30, 2016 to R$1,274.9 million in the corresponding period of 2017 mainly due to increase in provision for profit sharing and increase in employee wages. Salaries per available seat kilometer increased by 8.5%.

Aircraft fuel expenses increased by 2.4%, from R$2,016.7 million in the nine-month period ended September 30, 2016 to R$2,064.8 million in the corresponding period of 2017, due to an increase in the price per liter of fuel by 4.7%, partially offset by a 2.2% decrease in the volume of fuel consumed. Aircraft fuel expenses per available seat kilometer increased by 2.5%.

Aircraft rent expenses decreased by 18.7%, from R$876.5 million in the nine-month period ended September 30, 2016 to R$712.6 million in the corresponding period of 2017, due to renegotiations of aircraft agreements and consequent fleet reduction, as well as an average appreciation of *real* against U.S. dollar. Aircraft rent expenses per available seat kilometer decreased by 18.6%.

Sales and marketing expenses increased by 4.4%, from R$387.5 million in the nine-month period ended September 30, 2016 to R$404.7 million in the corresponding period of 2017 due to an increase in sales incentives and a comprehensive marketing campaign started in July 2017 and denominated #NOVAGOL, which focus on our best in class product offering and market leadership in customer experience. Sales and marketing expenses per available seat kilometer increased by 4.6%.

Landing fees decreased by 5.6%, from R$516.7 million in the nine-month period ended September 30, 2016 to R$488.0 million in the corresponding period in 2017. This decrease was largely due to our network redesign during the first half of 2016, which resulted in the reduction of departures by 6.0% over the periods. Landing fees per available seat kilometer decreased by 5.4%.

Passenger costs decreased by 10.0%, from R$361.0 million the nine-month period ended September 30, 2016 to R$324.9 million in the corresponding period in 2017 mainly due to the reduction of expenses with tickets reimbursed and aircraft ground handling costs as a result of fewer flights and our network redesign. Passenger costs per available seat kilometer decreased by 9.9%.

Services provided expenses increased by 10.1%, from R$553.9 million in the nine-month period ended September 30, 2016 to R$609.9 million in the corresponding period of 2017, primarily because of the increase in the cost of Smiles products and tickets. Services provided expenses per available seat kilometer increased by 10.3%.

Maintenance, materials and repairs decreased by 20.3%, from R$389.8 million in the nine-month period ended September 30, 2016 to R$310.6 million in the corresponding period of 2017, due to the capitalization of maintenance and a 10.6% reduction of the average dollar. Maintenance, materials and repairs expenses per available seat kilometer decreased by 20.2%.

Depreciation and amortization increased by 11.1%, from R$325.8 million in the nine-month period ended September 30, 2016 to R$361.9 million in the corresponding period of 2017, mainly due to depreciation of capitalized maintenance, partially offset by the lower number of aircraft under financing leases. Depreciation and amortization per available seat kilometer increased by 11.2%.

Other operating expenses increased by 362.6% from R$96.0 million in the nine-month period ended September 30, 2016 to R$444.1 million in the corresponding period of 2017. Other operating expenses in 2016 included a non-recurring positive result derived from the return of aircraft under financial leases and sale-leaseback transactions during the period. Other operating expenses per available seat kilometer increased by 363.7%.

Financial Income (Expense), Net

In the nine-month period ended September 30, 2016 we had a net financial income of R$828.4 million, compared to a net financial expense of R$496.2 million in to the corresponding period of 2017, primarily as a result of exchange rate variation.

	Nine-month Period Ended September 30,		
	2016	**2017**	**Change %**
		(unaudited)	
		(in millions of *reais*)	
Interest on loans	(613.8)	(573.7)	(6.5)%
Gains from financial investments	121.7	71.7	(41.1)%
Exchange and monetary variations	1,403.7	160.1	(88.6)%
Derivatives net results	(195.3)	8.2	n.m.
Other financial income (expense), net	112.2	(162.5)	n.m.
Financial income (expense), net	828.4	(496.2)	n.m.

Interest on short and long-term debt decreased by 6.5% from R$613.8 million in the nine-month period ended September 30, 2016 as compared to R$573.7 million in the corresponding period of 2017 principally due to (i) a reduction in total debt during the period, from R$6,345.8 million at September 30, 2016 to R$5,920.8 million at September 30, 2017; (ii) decrease in Brazilian interbank deposit rates (*Certificado de Depósito Interbancário*), or CDI rates; and (iii) lower volume of receivables factoring.

Exchange rate and monetary variation decreased by 88.6%, from a gain of R$1,403.7 million in the nine-month period ended September 30, 2016, compared to a gain of R$160.1 million in the corresponding period of 2017, mainly due to the impact on our U.S. dollar denominated debt resulting from the depreciation of U.S. dollar against the *real*.

In the nine-month period ended September 30, 2016, we recognized a derivative loss of R$195.3 million compared to a gain of R$8.2 million primarily from oil hedge transactions in the corresponding period of 2017.

Other financial income (expense), net totaled gains of R$112.2 million in the nine-month period ended September 30, 2016 compared to a R$162.5 million loss in the corresponding period of 2017, which was mainly impacted by the discount recognized in July 2016 on certain of our senior notes as a consequence of our 2016 exchange offer for senior secured notes.

Income Taxes

Income tax expenses totaled R$194.2 million in the nine-month period ended September 30, 2016, compared to income of R$208.8 million in the corresponding period of 2017, mainly impacted by R$406.4 million of deferred income taxes in 2017.

On March 10, 2017 and September 19, 2017, our subsidiary GLA enrolled in to the Brazilian Federal Tax Regularization Program (REFIS), which allowed the partial settlement of taxes with tax losses, with a 76% reduction in tax obligations and the use of tax credits on tax losses, with the remaining 24% payable in 24 monthly installments adjusted by the Brazilian base interest rate (SELIC rate) from the month of enrollment. On July 1, 2017, Smiles Fidelidade S.A. incorporated Smiles S.A., and based on the projection of future results, recognized deferred income and social contribution taxes on tax loss carryforwards in the amount of R$193.0 million.

Net Income (Loss)

As a result of the foregoing, we had a net income of R$1,132.5 million in the nine-month period ended September 30, 2016 as compared to a net income of R$314.3 million in the corresponding period of 2017.

Liquidity and Debt

In managing our liquidity, we take into account our cash and cash equivalents, short-term investments and long-term restricted cash, as well as, our accounts receivable balances. Our accounts receivable balance is affected by the payment terms of our credit card receivables, that can readily and immediate be converted into cash through factoring transactions. Our customers can purchase seats on our flights using a credit card and pay in installments, typically creating a one, or two month lag between the time that we pay our suppliers and expenses and the time that we receive payment for our services. When necessary, we obtain working capital loans, which can be secured by our receivables, to finance the sale-to-cash collection cycle.

Our total liquidity position, which we calculate as the sum of cash and cash equivalents, restricted cash, short-term investments and trade receivables, as of September 30, 2017 was equivalent to 21% of our trailing 12 months' operating revenue.

The following table sets forth certain key liquidity data at the dates indicated:

	At December 31, 2016	At September 30, 2017
	(unaudited)	
	(in millions of *reais*)	
Real denominated	**1,268.8**	**1,737.5**
Cash and cash equivalents, short-term investments and short and long-term restricted cash	613.4	860.9
Short-term receivables	655.4	876.6
Foreign exchange denominated	**653.6**	**380.6**
Cash and cash equivalents and short-term investments	548.8	295.4
Short-term receivables	104.8	85.2
Total	**1,922.4**	**2,118.1**

As of December 31, 2016 and September 30, 2017, we did not have balances of advances for aircraft acquisitions related to contract negotiation carried out throughout 2016.

As of September 30, 2017, cash and cash equivalents, short-term investments and short and long-term restricted cash totaled R$1,156.3 million, consisting of R$602.2 million in cash and cash equivalents, R$298.0 million in short-term investments and R$256.1 million in restricted cash.

Indebtedness

The following table sets forth our loans and financings at December 31, 2016 and September 30, 2017:

	At December 31, 2016	At September 30, 2017
	(unaudited)	
	(in millions of *reais*)	
Loans and financing	4,090.1	3,983.4
Aircraft finance lease	1,718.0	1,472.1
Interest accrued	142.7	45.6
Perpetual notes	428.4	419.7
Total loans and financing	**6,379.2**	**5,920.8**

As of September 30, 2017, our total debt was R$5,920.8 million. Our loans and financing were affected by the period end depreciation of the U.S. dollar against the *real*. The *real*/U.S. dollar exchange rate ranged from R$3.2462 on December 31, 2016 and R$3.1680 on September 30, 2017.

Loans, Financing and Aircraft Finance Leases

The following tables sets forth our short-term and long-term loans, financings and aircraft finance leases as of December 31, 2016 and September 30, 2017:

	At December 31, 2016	At September 30, 2017
	(unaudited)	
Short-Term Debt	**(in millions of *reais*)**	
Local currency	**54.7**	**-**
Working Capital Loan	9.7	-
Interest	45.0	-
Foreign currency (U.S. Dollars)	**780.6**	**585.8**
MRO Ex-lm guaranteed financing	42.3	52.2
Engine facility	16.9	16.4
Wi-Fi Ex-lm guaranteed financing	-	10.4
FINIMP[(1)]	174.4	201.2
Senior Notes	182.4	-
Engine facility	-	7.4
Finance lease	266.9	252.6
Interest	97.7	45.6
Total Short-Term Debt	**835.3**	**585.8**
Long-Term Debt		
Local Currency	**1,010.1**	**1,010.6**
Working Capital Loan	4.9	-
Debentures VI	1,005.2	1,010.6
Foreign currency (U.S. Dollars)	**4,533.8**	**4,324.4**
MRO Ex-lm guaranteed financing	11.1	19.9
Senior Notes	1,542.0	1,516.0
Term Loan	944.2	923.7
Engine facility	156.9	140.2
Wi-Fi Ex-Im guaranteed financing	-	7.9
Engine facility	-	77.5
Perpetual notes	428.4	419.7
Finance lease	1,451.1	1,219.5
Total long-term debt	**5,543.9**	**5,335.0**
Total loans and financing	**6,379.2**	**5,920.8**

(1) Credit line used to import spare parts and aircraft equipment.

On September 30, 2017, aircraft finance lease totaled R$1,472.1 million, including aircraft finance lease paid in monthly installments with funds generated from our operations. Financial expenses related thereto are booked as financial expenses in our statement of operations.

Total short-term debt at September 30, 2017 totaled R$585.8 million consisting of aircraft finance lease of R$252.6 million, interest of R$45.6 million and loans of R$287.6 million. Long-term debt totaled R$5,335.0 million, consisting of aircraft finance leases of R$1,219.5 million, perpetual notes of R$419.7 million and loans of R$3,695.8 million.

The following table sets forth the maturities and interest rates of our indebtedness at September 30, 2017:

	Maturity	Interest p.a.	Currency
Working Capital Loan	05/2018	128.0% of CDI	*Real*
Finimp	06/2018	5.84%	U.S. dollar
MRO Ex-lm guaranteed financing	08/2019	1.31%	U.S. dollar
Senior Notes 2018	12/2018	9.71%	U.S. dollar
Debentures VI	09/2019	132.0% of CDI	*Real*
Senior Notes 2020	07/2020	9.64%	U.S. dollar
Term Loan	08/2020	6.70%	U.S. dollar
Engine Facility	06/2021	Libor 3M + 2.25%	U.S. dollar
Wi-Fi Ex-Im guaranteed financing	04/2019	2.03%	U.S. dollar
Engine facility	08/2026	5.72%	U.S. dollar
Senior Notes 2021	07/2021	9.87%	U.S. dollar
Senior Notes 2022	01/2022	9.24%	U.S. dollar
Senior Notes 2023	02/2023	11.3%	U.S. dollar
Senior Notes 2028	12/2028	9.84%	U.S. dollar
Perpetual Notes	n/a	8.75%	U.S. dollar

The following table sets forth our payment schedule, in millions of *reais*, for our long term loans and financings:

	2018	2019	2020	2021	Thereafter	Without maturity	Total
***Real* Denominated**							
Debentures VI	400.0	610.6	-	-	-	-	1,010.6
U.S. Dollar Denominated							
MRO Ex-lm guaranteed financing	7.5	12.4	-	-	-	-	19.9
Engine Facility	4.1	16.6	16.6	102.9	-	-	140.2
Wi-Fi Ex-Im guaranteed financing	2.8	5.1	-	-	-	-	7.9
Engine facility	1.9	8.0	8.5	9.0	50.1	-	77.5
Senior Notes 2018	43.6	-	-	-	-	-	43.6
Senior Notes 2020	-	-	367.7	-	-	-	367.7
Senior Notes 2021	-	-	-	120.6	-	-	120.6
Senior Notes 2022	-	-	-	-	866.2	-	866.2
Senior Notes 2023	-	-	-	-	66.2	-	66.2
Senior Notes 2028	-	-	-	-	51.8	-	51.8
Perpetual Notes	-	-	-	-	-	419.7	419.7
Term Loan	-	-	923.7	-	-	-	923.7
Total*	**460.0**	**652.7**	**1,316.5**	**232.4**	**1,034.2**	**419.7**	**4,115.5**

* excludes interest and finance leases.

For further information on our indebtedness, see note 17 to our unaudited interim consolidated financial information as of September 30, 2017 and for the nine-month period ended September 30, 2017 and 2016 incorporated by reference in this offering memorandum.

Covenant Compliance

Our long-term financings (excluding perpetual notes and finance leases) are subject to restrictive covenants, and our Term Loan and Debentures VI have restrictions that require us to comply with specific debt liquidity and interest expense coverage ratios. As of June 30, 2017, our Debentures VI were subject to the following covenants: (i) net debt/EBITDAR lower than 6.49x; and (ii) debt coverage ratio (ICSD) of at least 1.17x. Our covenant compliance is evaluated on a biannual basis (in June and December). As of June 30, 2017, we were in compliance with our financial covenants and expect to be in compliance with our financial covenants at December 31, 2017.

According to our Term Loan, we must make deposits in case we reach contractual limits of our U.S. dollar denominated or linked debt. On September 30, 2017, we had no obligation to make such deposits.

Capital Resources

We typically finance our leased aircraft through operating and finance leases. Although we believe that debt or operating lease financings should be available for our future aircraft deliveries, we cannot assure you that we will be able to secure financings on terms attractive to us, if at all. To the extent we cannot secure financing, we may be required to modify our aircraft acquisition plans or incur higher than anticipated financing costs. We expect to continue to require working capital investment due to the use of credit card installment payments by our customers. We expect to meet our operating obligations as they become due through available cash and internally generated funds, supplemented as necessary by short-term credit lines.

Our plans contemplate operating 115 aircraft by the end of 2017. As of September 30, 2017, we had 120 outstanding firm purchase orders with Boeing for 737-800 MAX.

As of September 30, 2017, committed expenditures for these aircraft, based on aircraft list price and including estimated amounts for contractual price escalations will start in 2019 as follows: R$2,836.3 million in 2019, R$4,346.2 million in 2020, R$5,935.9 million in 2021 and R$31,829.6 million beyond 2022. The firm aircraft orders are a significant financial commitment.

We expect to meet our pre-delivery deposits by using long term loans from private financial institutions guaranteed by first tier financial institutions and capital markets financing such as long term and perpetual notes as well as sale and leaseback transactions.

Pending the application of the proceeds from financing activities, we have invested these proceeds in overnight deposits and deposit certificates with highly-rated Brazilian banks and short-term investments, mainly highly-rated Brazilian government bonds.

Another important factor that impacted the terms of our financings in recent years is the Sector Understanding on Export Credits for Civil Aircraft, or the ASU. In 2010, the Ex-Im Bank agreed on a common approach with European export-credit agencies on offering export credits for commercial aircraft. Among other things, the ASU sets forth minimum guarantee premium rates applicable to aircraft delivered on or after January 1, 2013, or under firm contracts entered into after December 31, 2010 and also changes the maximum amount that may be financed.

In light of our current credit ratings and the introduction of the ASU, our minimum guaranty premium rate applicable to aircraft delivered on or after January 1, 2013 increased substantially. As a consequence, finance leases have become significantly more expensive and we have therefore entered nearly exclusively into operating leases since 2012.

All of our pre-delivery payments for 2018 deliveries as well as the first five aircraft to be delivered in 2019 were 100% covered through sale-leaseback financings.

Contractual Obligations

Our main non-cancelable contractual obligations as of September 30, 2017 included the following:

	Total	2017	2018	2019	2020	2021	There-after	Without Maturity
				(in millions of *reais*)				
Non-derivative financial instruments								
Operating leases	**5,133.1**	203.7	801.4	861.6	839.5	699.8	1,727.0	-
Finance leases[(1)]	**1,472.1**	67.6	277.8	275.6	235.9	203.7	411.5	-
Debt	**4,316.7**	-	661.2	652.7	1,316.5	232.4	1,034.2	419.7
Total non-derivative financial instruments	**10,921.9**	**271.4**	**1,740.3**	**1,789.9**	**2,391.8**	**1,136.0**	**3,172.8**	**419.7**
Total finance leases interest	**122.3**	12.2	41.7	30.4	20.2	11.3	6.4	-
Total non-derivative financial instruments excluding total finance leases interest	**11,044.2**	**283.5**	**1,782.0**	**1,820.3**	**2,412.1**	**1,147.3**	**3,179.2**	**419.7**
Derivative financial instruments								
Fuel derivative	**-**	-	-	-	-	-	-	-
Foreign exchange derivative	**-**	-	-	-	-	-	-	-
Interest rate swaps	**35.1**	35.1	-	-	-	-	-	-
Total derivative financial instruments	**35.1**	35.1	**-**	-	-	-	-	-
Aircraft commitments								
Pre-delivery deposits	**6,442.8**	70.3	466.9	758.9	812.1	816.4	3,518.1	-
Aircraft purchase commitments	**44,948.1**	-	-	2,836.3	4,346.2	5,935.9	31,829.6	-
Total aircraft commitments	**51,390.9**	70.3	466.9	3,595.2	5,158.3	6,752.3	35,347.8	-
Total	**62,470.2**	**389.0**	**2,249.0**	**5,415.5**	**7,570.4**	**7,899.6**	**38,527.0**	**419.7**

(1) Net of finance lease interest.

Other Recent Developments

As disclosed in our 2016 Annual Report, which is incorporated by reference in this offering memorandum, in 2016, we received inquiries from Brazilian tax authorities regarding certain payments in the aggregate amount of approximately R$2.7 million to firms that turned out to be owned by politically exposed persons in Brazil. Following an internal investigation, we engaged U.S. and Brazilian legal counsel to conduct an external independent investigation to ascertain the facts with regard to these and any other payments identified as irregular and to evaluate the adequacy and effectiveness of our internal control and compliance programs in light of the findings of the investigation.

In December 2016, we entered into a leniency agreement with the Brazilian Federal Public Prosecutors Office (the "Leniency Agreement"), under which we agreed to pay R$12.0 million in fines and to make improvements to our compliance program. In turn, under the Leniency Agreement the Federal Public Prosecutors Office agreed not to bring any criminal or civil suits related to activities that are the subject of the Leniency Agreement and that may be characterized as (i) acts of administrative impropriety and related acts involving politically exposed persons; or (ii) other possible actions, which at the date of the Leniency Agreement had not been identified by the ongoing investigation (any such actions possibly resulting in an increase in the fines under the Leniency Agreement). In addition, we paid R$4.2 million in fines to the Brazilian tax authorities related to the above-mentioned payments. In the beginning of 2017, we voluntarily informed the U.S. Department of Justice, the SEC and the CVM of the external independent investigation and the Leniency Agreement.

The external independent investigation was concluded in April 2017. It revealed that certain additional irregular payments were made to politically exposed persons. None of the amounts paid were material (individually or in the aggregate) in terms of cash flow, and none of our current employees, representatives or members of our Board or management knew of any illegal purpose behind any of the identified transactions or knew of any illicit benefit to us arising out of the transactions investigated. We will be reporting the conclusion of the investigation to the relevant authorities named above in due course. While we do not believe that there will be any material adverse effect on our business, these authorities may impose fines and/or sanctions beyond those described above.

During 2016, we took steps to strengthen and expand our internal control and compliance program. Among other measures, we commenced monitoring our transactions with politically exposed persons, and we enhanced our procurement procedures and the procedures for the contracting and execution of services by outside providers. We will continue to further improve our internal controls and compliance programs. See "Item 15. Controls and Procedures" in our 2016 Annual Report, and note 1 to our consolidated financial statements as of and for the nine-month period ended September 30, 2017, which is incorporated by reference in this offering memorandum.

There have been no developments regarding the above matters since the date of the 2016 Annual Report.

USE OF PROCEEDS

We estimate the net proceeds from the sale of the notes will be approximately US$482.8 million, after deducting discounts and commissions to the initial purchasers and estimated offering expenses payable by us.

We intend to use the net proceeds from the sale of the notes (i) to purchase notes that are tendered in connection with the Concurrent Tender Offer, subject to the terms and conditions of the Concurrent Tender Offer; and (ii) for general corporate purposes.

CAPITALIZATION

The following table sets forth our consolidated capitalization as of September 30, 2017 (i) on an actual basis; (ii) as adjusted to give effect to the issuance of the notes in this offering and the receipt of approximately US$482.8 million in net proceeds therefrom (after deducting discounts and commissions to the initial purchasers and estimated offering expenses payable by us); and (iii) as further adjusted to give effect to the application of net proceeds of approximately US$197.2 million to the Concurrent Tender Offer. This table is derived from and should be read in conjunction with the sections entitled "Presentation of Financial and Other Data," "Summary Financial And Other Information" and "Recent Developments" elsewhere in this offering memorandum, as well as "Item 3.A. Selected Financial Data" and "Item 5.A. Operating Results" in our 2016 Annual Report, which is incorporated by reference herein and is qualified in its entirety by reference to our unaudited interim consolidated financial information as of September 30, 2017 and for the nine-month periods ended September 30, 2017 and 2016 and the notes thereto, also incorporated by reference herein.

	As of September 30, 2017					
	Actual		As adjusted[1]		As further adjusted[2]	
	(in millions of *reais*)	(in millions of U.S. dollars)[3]	(in millions of *reais*)	(in millions of U.S. dollars)[3]	(in millions of *reais*)	(in millions of U.S. dollars)[3]
Short-term debt	585.8	184.9	585.8	184.9	585.8	184.9
Long-term debt	5,335.0	1,684.0	5,335.0	1,684.0	4,748.3	1,498.8
Notes issued in this offering	-	-	1,529.5	482.8	1,529.5	482.8
Total debt	5,920.8	1,868.9	7,450.3	2,351.7	6,863.6	2,166.5
Total deficit	(3,135.3)	(989.7)	(3,135.3)	(989.7)	(3,173.4)	(1,001.7)
Total capitalization[4]	**2,785.5**	**879.3**	**4,315.0**	**1,362.0**	**3,690.2**	**1,164.8**

(1) As adjusted to give effect to the issuance of the notes in this offering and the receipt of approximately US$482.8 million in net proceeds therefrom (after deducting discounts and commissions to the initial purchasers and estimated offering expenses payable by us).

(2) As further adjusted to give effect to the application of net proceeds of approximately US$197.2 million to the Concurrent Tender Offer, considering approximately US$185.2 million in aggregate principal amount of the 8.875% Senior Notes due 2022 that have been tendered and US$12.0 million for the premium to be paid in connection with the Concurrent Tender Offer.

(3) Translated solely for the convenience of the reader using the U.S. dollar exchange rate as reported by the Central Bank of R$3.1680 to US$1.00 as of September 30, 2017. See "Exchange Rates."

(4) Total capitalization is the sum of total debt and total equity.

Except as set forth above, there has been no material adverse change to our capitalization since September 30, 2017.

DESCRIPTION OF NOTES

We will issue the notes pursuant to an indenture, to be dated as of December 11, 2017 among the Issuer, Gol Linhas Aéreas Inteligentes S.A., or GLAI, and Gol Linhas Aéreas S.A., or GLA, as the Guarantors, The Bank of New York Mellon, as trustee (which term includes any successor as trustee under the indenture), transfer agent, registrar and paying agent. A copy of the indenture, including the form of the notes, is available for inspection during normal business hours at the office of the trustee set forth on the inside back cover page of this offering memorandum.

This description of notes is a summary of the material provisions of the notes and the indenture. You should refer to the indenture for a complete description of the terms and conditions of the notes and the indenture, including the obligations of the Issuer and the Guarantors and your rights.

You will find the definitions of capitalized terms used in this section under "—Certain Definitions."

General

The notes:

- will be senior unsecured obligations of the Issuer ranking equally with all of its other unsubordinated obligations;
- will initially be limited to an aggregate principal amount of US$500,000,000;
- will mature on January 31, 2025;
- will be issued in denominations of US$10,000 and integral multiples of US$1,000 in excess thereof;
- will be represented by one or more registered notes in global form and may be exchanged for registered notes in definitive non-global form only in limited circumstances; and
- will be fully, unconditionally and irrevocably guaranteed, jointly and severally, on a senior unsecured basis, by the Guarantors.

Interest on the notes:

- will accrue at the rate of 7.000% per annum;
- will accrue from the date of issuance or from the most recent interest payment date;
- will be payable in cash semi-annually in arrears on January 31 and July 31 of each year, commencing on July 31, 2018;
- will be payable to the holders of record on the January 16 and July 16 immediately preceding the related interest payment dates; and
- will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Principal of, and interest and any additional amounts (as described below under "–Additional Amounts") on, the notes will be payable, and the transfer of notes will be registrable, at the office of the trustee, and at the offices of the paying agent and transfer agent, respectively.

The indenture does not limit the amount of debt or other obligations that may be incurred by the Issuer or the Guarantors or any of their present or future Subsidiaries. The indenture does not contain any restrictive covenants or other provisions designed to protect holders of the notes in the event the Issuer or the Guarantors or any of their present or future Subsidiaries participate in a highly leveraged transaction or upon a change of control.

Further Issuances

The Issuer is entitled, without the consent of the holders, to issue additional notes under the indenture on the same terms and conditions (except as to the date of original issuance or the first interest payment date) as the notes being offered hereby in an unlimited aggregate principal amount. The notes and the additional notes, if any, will be treated as a single class for all purposes of the indenture, including waivers and amendments; provided, however, that unless such additional notes are issued under a separate CUSIP number, such additional notes must be fungible with the original notes for U.S. federal income tax purposes. Unless the context otherwise requires, for all purposes of the indenture and this "Description of Notes,"

references to the notes include any additional notes actually issued.

Ranking

The notes and the guarantees will be unsecured, unsubordinated obligations of each of the Issuer and the Guarantors, ranking equally with all of their other respective unsubordinated obligations. However, the notes will effectively rank subordinated to all secured indebtedness of the Issuer and the Guarantors to the extent of the value of the assets securing that indebtedness.

Guarantees

The Guarantors will unconditionally and irrevocably guarantee, jointly and severally, on a senior unsecured basis, all of the obligations of the Issuer pursuant to the notes and the indenture, which we refer to as the guarantees. So long as any note remains outstanding (as defined in the indenture), GLAI shall continue to own directly, or indirectly, 100% of the outstanding share capital of the Issuer.

The guarantees will be limited to the maximum amount that would not render the Guarantors' respective obligations subject to avoidance under applicable fraudulent conveyance laws. By virtue of this limitation, the Guarantors' respective obligations under the guarantees could be significantly less than amounts payable with respect to the notes, or the Guarantors may have effectively no obligation under the guarantees.

None of the Guarantors' existing or future Subsidiaries (other than GLA in the case of GLAI) is guaranteeing the notes. Claims of creditors of such non-guarantor Subsidiaries, including trade creditors, employees and creditors holding indebtedness or guarantees issued by such non-guarantor Subsidiaries, and claims of preferred stockholders of non-guarantor Subsidiaries generally will have priority with respect to the assets and earnings of non-guarantor Subsidiaries over the claims of the Guarantors' creditors, including holders of the notes. Accordingly, the notes will be effectively subordinated to creditors (including trade creditors and employees) and preferred stockholders, if any, of the Guarantors' existing or future non-guarantor Subsidiaries. The indenture does not require any of the Guarantors' existing or future Subsidiaries (other than GLA in the case of GLAI) to guarantee the notes, and it does not restrict any of the Guarantors from disposing of its assets to a third party or a Subsidiary that is not guaranteeing the notes, except as set forth under "—Covenants—Limitation on Consolidation, Merger or Transfer of Assets."

Under Luxembourg and Brazilian law, as a general rule, holders of the notes will not have any claim whatsoever against any non-guarantor Subsidiaries of the Guarantors.

The guarantees will terminate upon defeasance or repayment of the notes, as described under the caption "—Defeasance."

Redemption

The notes will not be redeemable, except as described below. Any optional or tax redemption may require the prior approval of the Central Bank.

Optional Redemption

On and after January 31, 2022, the Issuer may on any one or more occasions redeem the notes, at its option, in whole or in part, at the following redemption prices (expressed as a percentage of principal amount), plus accrued and unpaid interest and additional amounts (as described below under "–Additional Amounts"), if any, to the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the 12-month period commencing on January 31 of the years set forth below:

Period	Redemption Price
2022	103.500%
2023	101.750%
2024 and thereafter	100.000%

Any redemption of notes by the Issuer pursuant to this paragraph will be subject to either (i) there being at least US$150 million in aggregate principal amount of notes (including any additional notes) outstanding after such redemption; or (ii) the

Issuer redeeming all the then outstanding principal amount of the notes.

Tax Redemption

If as a result of any change in or amendment to the laws (or any rules or regulations thereunder) of a Taxing Jurisdiction (as described below under "—Additional Amounts"), or any amendment to or change in an official interpretation, administration or application of such laws, rules or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective or, in the case of a change in official position, is announced on or after the issue date of the notes, in the case of the Issuer or any Guarantor, or on or after the date a successor to the Issuer or any Guarantor assumes the obligations under the notes and the indenture or guarantees, in the case of any such successor, (i) the Issuer or any successor to the Issuer has or will become obligated to pay any additional amounts as described below under "—Additional Amounts" in excess of the additional amounts the Issuer or any successor to the Issuer would be obligated to pay if payments were subject to withholding or deduction at a rate of 0% (or in the case of a successor, the rate of withholding applicable to payments on the notes in the jurisdiction of the successor to the Issuer on the date such successor replaces the Issuer) or (ii) the Guarantors or any successor to the Guarantors has or will become obligated to pay additional amounts as described below under "—Additional Amounts" in excess of the additional amounts the Guarantors or any such successor to the Guarantors would be obligated to pay if payments were subject to withholding or deduction at a rate of 15% or at a rate of 25% in the case that the holder of the notes is resident in a tax haven jurisdiction for Brazilian tax purposes (i.e., a country that does not impose any income tax or that imposes it at a maximum rate lower than 20% or where the laws impose restrictions on the disclosure of ownership composition or securities ownership) (or in the case of a successor whose jurisdiction is not Brazil, the rate of withholding applicable to payments on the notes in the jurisdiction of the successor to a Guarantor on the date such successor replaces a Guarantor) (each of the rates in (i) and (ii), a "Minimum Withholding Level"), the Issuer or any successor to the Issuer may, at its option, redeem all, but not less than all, of the notes, at a redemption price equal to 100% of their principal amount, together with accrued and unpaid interest to the date fixed for redemption, upon delivery of irrevocable notice of redemption to the holders not less than 30 days nor more than 90 days prior to the date fixed for redemption. No notice of such redemption may be given earlier than 90 days prior to the earliest date on which either (x) the Issuer or successor to the Issuer would, but for such redemption, become obligated to pay any additional amounts above the Minimum Withholding Level; or (y) in the case of payments made under the guarantee, the Guarantors or any successor to the Guarantors would, but for such redemption, be obligated to pay the additional amounts above the Minimum Withholding Level. The Issuer or any successor to the Issuer shall not have the right to so redeem the notes unless (a) it is obligated to pay additional amounts which in the aggregate amount exceed the additional amounts payable at the Minimum Withholding Level; or (b) either Guarantor or any successor to the Guarantors is obliged to pay additional amounts which in the aggregate amount exceed the additional amounts payable at the Minimum Withholding Level. Notwithstanding the foregoing, the Issuer or any such successor shall not have the right to so redeem the notes unless it has taken reasonable measures to avoid the obligation to pay additional amounts. For the avoidance of doubt, reasonable measures do not include changing the jurisdiction of incorporation of the Issuer or any successor to the Issuer or the jurisdiction of incorporation of the Guarantors or any successor to the Guarantors.

In the event that the Issuer or any successor to the Issuer elects to so redeem the notes, it will deliver to the trustee: (i) an officers' certificate, signed in the name of the Issuer or any successor to the Issuer, stating that the Issuer or any successor to the Issuer is entitled to redeem the notes pursuant to their terms and setting forth a statement of facts showing that the condition or conditions precedent to the right of the Issuer or any successor to the Issuer to so redeem have occurred or been satisfied; and (ii) an opinion of counsel, who is reasonably acceptable to the trustee, to the effect that (a) the Issuer, or any successor to the Issuer, or the Guarantors, or any successor to the Guarantors, has or will become obligated to pay additional amounts in excess of the additional amounts payable at the Minimum Withholding Level, and (b) such obligation is the result of a change in or amendment to the laws (or any rules or regulations thereunder) of a Taxing Jurisdiction, or any amendment to or change in an official interpretation, administration or application of such laws, rules or regulations, as described above.

Open Market Purchases

The Issuer or its Affiliates may at any time purchase notes in the open market or otherwise at any price. Any such purchased notes will not be resold, except in compliance with applicable requirements or exemptions under the relevant securities laws.

Payments

The Issuer will make all payments on the notes exclusively in such coin or currency of the United States as at the time of payment will be legal tender for the payment of public and private debts.

The Issuer will make payments of principal and interest on the notes to the paying agent (as identified on the inside back cover page of this offering memorandum), which will pass such funds to the trustee or to the holders. Upon any issuance of individual definitive notes, the Issuer will appoint and maintain a paying agent in Singapore, for so long as the notes are listed on the SGX-ST and the rules of such exchange so require. In such event, an announcement shall be made through the SGX-ST and will include all material information with respect to the delivery of the definitive notes, including details of the paying agent in Singapore. Upon any change in the paying agent or registrar, the Issuer will publish a notice in a leading daily newspaper of general circulation in Singapore (which is expected to be *The Business Times* (Singapore Edition)), for so long as the notes are listed on the SGX-ST and the rules of such exchange so require. See "Form of Notes—Individual Definitive Notes."

The Issuer will make payments of principal upon presentation and surrender of the relevant notes at the specified office of the trustee or the paying agent. The Issuer will pay principal on the notes upon presentation and surrender thereof. Payments of principal and interest in respect of each certificated, non-global note will be made by the paying agent by U.S. dollar check drawn on a bank in New York City and mailed to the holder of such note at its registered address. Upon written application by the holder to the specified office of any paying agent not less than 15 days before the due date for any payment in respect of a note, such payment may be made by transfer to a U.S. dollar account maintained by the payee with a bank in New York City. Payments of principal and interest in respect of each global note will be made to the depositary in accordance with its applicable procedures.

Under the terms of the indenture, payment by the Issuer or the Guarantors of any amount payable under the notes or the guarantees, as the case may be, on the due date thereof to the paying agent in accordance with the indenture will satisfy the obligation of the Issuer, or the Guarantors, as the case may be, to make such payment; provided, however, that the liability of any paying agent shall not exceed any amounts paid to it by the Issuer or the Guarantors, as the case may be, or held by it, on behalf of the holders under the indenture.

All payments will be subject in all cases to any applicable tax or other laws and regulations, but without prejudice to the provisions of "—Additional Amounts." No commissions or expenses will be charged to the holders in respect of such payments.

Subject to applicable law, the trustee and the paying agent will pay to the Issuer upon written request any monies held by them for the payment of principal or interest that remains unclaimed for two years, and, thereafter, holders entitled to such monies must look to the Issuer for payment as general creditors. After the return of such monies by the trustee or the paying agent to the Issuer, neither the trustee nor the paying agent shall be liable to the holders in respect of such monies.

Listing

The issuer will apply to the Singapore Exchange Securities Trading Limited, or the SGX-ST, for permission to list the notes on the main board of the SGX-ST. We cannot guarantee the listing will be obtained. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this offering memorandum. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the notes or the issuer. On the main board of the SGX-ST the notes will be traded in a minimum board lot size of US$200,000 (or its equivalent in foreign currencies). Currently, there is no public market for the notes.

Additional Information

For so long as any notes remain outstanding, the Issuer will make available to any noteholder or beneficial owner of an interest in the notes, or to any prospective purchasers designated by such noteholder or beneficial owner, upon request of such noteholder or beneficial owner, and in addition to the information referred to under "—Covenants—Reporting Requirements" below, the information required to be delivered under paragraph (d)(4) of Rule 144A unless, at the time of such request the Issuer is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act.

Form, Denomination and Title

The notes will be in registered form without coupons attached in minimum denominations of US$10,000 and integral multiples of US$1,000 in excess thereof.

Notes sold in offshore transactions in reliance on Regulation S will be represented by one or more permanent global notes in fully registered form without coupons deposited with a custodian for and registered in the name of a nominee of DTC for the accounts of Euroclear and Clearstream Luxembourg. Notes sold in reliance on Rule 144A will be represented by one or more permanent global notes in fully registered form without coupons deposited with a custodian for and registered in

the name of a nominee of DTC. Beneficial interests in the global notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Euroclear and Clearstream Luxembourg. Except in certain limited circumstances, definitive registered notes will not be issued in exchange for beneficial interests in the global notes. See "Form of Notes—Global Notes."

Title to the notes will pass by registration in the register. The registered holder of any note will (except as otherwise required by law and subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, writing on, or theft or loss of, the definitive note issued in respect of it) and no person will be liable for so treating the holder.

Transfer of Notes

Notes may be transferred in whole or in part in an authorized denomination upon the surrender of the note to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the registrar or the specified office of any transfer agent. Each new note to be issued upon exchange of notes or transfer of notes will, within three business days of the receipt of a request for exchange or form of transfer, be mailed at the risk of the holder entitled to the note to such address as may be specified in such request or form of transfer.

Notes will be subject to certain restrictions on transfer as more fully set out in the indenture. See "Transfer Restrictions." Transfer of beneficial interests in the global notes will be effected only through records maintained by DTC and its participants. See "Form of Notes."

Transfer will be effected without charge by or on behalf of the Issuer, the registrar or the transfer agents, but upon payment, or the giving of such indemnity as the registrar or the relevant transfer agent may require, in respect of any tax or other governmental charges which may be imposed in relation to it. The Issuer is not required to transfer or exchange any note selected for redemption.

No holder may require the transfer of a note to be registered during the period of 15 days ending on the due date for any payment of principal or interest on that note.

Additional Amounts

All payments by the Issuer (or any paying agent) in respect of the notes or the Guarantors (or any paying agent) in respect of the guarantees will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments, or other governmental charges of whatever nature imposed or levied by or on behalf of Luxembourg or Brazil, or any authority therein or thereof or any other jurisdiction in which the Issuer or any Guarantor is organized, doing business or otherwise subject to the power to tax (any of the aforementioned being a "Taxing Jurisdiction"), unless the Issuer or the Guarantors (or any paying agent) are compelled by law to deduct or withhold such taxes, duties, assessments, or governmental charges. In such event, the Issuer or the Guarantors (or any paying agent), as applicable, will make such deduction or withholding, and the Issuer or the Guarantors, as applicable, will make payment of the amount so withheld to the appropriate governmental authority and pay such additional amounts as may be necessary to ensure that the net amounts receivable by holders of notes after such withholding or deduction shall equal the respective amounts of principal (and premium, if any) and interest which would have been receivable in respect of the notes in the absence of such withholding or deduction. Notwithstanding the foregoing, no such additional amounts shall be payable:

1) to, or to a third party on behalf of, a holder who is liable for such taxes, duties, assessments or governmental charges in respect of such note by reason of the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member or shareholder of such holder, if such holder is an estate, a trust, a partnership, or a corporation) and the relevant Taxing Jurisdiction, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof, being incorporated therein, being or having been engaged in a trade or business or present therein or having or having had a permanent establishment therein, other than the mere holding of the note or enforcement of rights under the indenture and the receipt of payments with respect to the note;
2) in respect of notes surrendered or presented for payment (if surrender or presentment is required) more than 30 days after the Relevant Date (as defined below) except to the extent that payments under such note would have been subject to withholdings and the holder of such note would have been entitled to such additional amounts, had the note been surrendered for payment on the last day of such period of 30 days;
3) to, or to a third party on behalf of, a holder who is liable for such taxes, duties, assessments or other governmental

charges by reason of such holder's failure to comply with any certification, identification, documentation or other reporting requirement concerning the nationality, residence, identity or connection with the relevant Taxing Jurisdiction of such holder, if (a) compliance is required by law as a precondition to exemption from, or reduction in the rate of, the tax, duty, assessment or other governmental charge; and (b) the Issuer has given the holders at least 30 days' notice that holders will be required to comply with such certification, identification, documentation or other requirement;

4) in respect of any estate, inheritance, gift, sales, transfer, excise or personal property or similar tax, assessment or governmental charge;

5) in respect of any tax, assessment or other governmental charge which is payable other than by deduction or withholding from payments of principal of, premium (if any), or interest on the note;

6) in respect of any tax imposed on overall net income or any branch profits tax;

7) in respect of any tax imposed pursuant to sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), any successor law or regulation implementing or complying with, or introduced in order to conform to, such sections or any intergovernmental agreement in respect thereof or any agreement entered into pursuant to section 1471(b)(1) of the Code; or

8) in respect of any combination of the above.

In addition, no additional amounts shall be paid with respect to any payment on a note to a holder who is a fiduciary, a partnership, a limited liability company or other than the sole beneficial owner of that payment to the extent that payment would be required by the relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership or limited liability company or a beneficial owner who would not have been entitled to the additional amounts had that beneficiary, settlor, member or beneficial owner been the holder.

"Relevant Date" means, with respect to any payment on a note, whichever is the later of: (i) the date on which such payment first becomes due; and (ii) if the full amount payable has not been received by the trustee on or prior to such due date, the date on which notice is given to the holders that the full amount has been received by the trustee.

The notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation. Except as specifically provided above, neither the Issuer nor the Guarantors shall be required to make a payment with respect to any tax, assessment or governmental charge imposed by any government or a political subdivision or taxing authority thereof or therein.

In the event that additional amounts actually paid with respect to the notes described above are based on rates of deduction or withholding of withholding taxes in excess of the appropriate rate applicable to the holder of such notes, and, as a result thereof such holder is entitled to make claim for a refund or credit of such excess from the authority imposing such withholding tax, then such holder shall, by accepting such notes, be deemed to have assigned and transferred all right, title, and interest to any such claim for a refund or credit of such excess to the Issuer. However, by making such assignment, the holder makes no representation or warranty that the Issuer will be entitled to receive such claim for refund or credit and incurs no other obligation (including, for the avoidance of doubt, any filing or other action) with respect thereto.

The Issuer and the Guarantors shall provide the trustee with documentation reasonably satisfactory to the trustee evidencing the payment of taxes in respect of which the Issuer or the Guarantors, as applicable, have paid any additional amounts. Copies of such documentation shall be made available by the trustee to the holders or the paying agents, as applicable, upon written request therefor.

The Issuer will also pay any present or future stamp, issue, registration, court or documentary taxes or any excise or property taxes, charges or similar levies (including any penalties, interest and other liabilities relating thereto) which arise in any jurisdiction from the execution, delivery, registration, enforcement or the making of payments in respect of the indenture or the notes or the guarantees, excluding any such taxes, charges or similar levies imposed by any jurisdiction that is not a Taxing Jurisdiction other than those resulting from, or required to be paid in connection with, the enforcement of the notes following the occurrence of any Default or Event of Default.

Any reference in this offering memorandum, the indenture or the notes to principal, interest or any other amount payable in respect of the notes by the Issuer or the guarantees by the Guarantors will be deemed also to refer to any additional amount, unless the context requires otherwise, that may be payable with respect to that amount under the obligations referred to in this subsection.

The foregoing obligation will survive termination or discharge of the indenture.

Repurchase of Notes upon a Change of Control

Not later than 30 days following a Change of Control that results in a Rating Decline, the Issuer will make an Offer to Purchase all outstanding notes at a purchase price equal to 101% of the principal amount plus accrued interest up to, but not including the date of purchase.

An "Offer to Purchase" must be made by written offer, which will specify the purchase price. The offer must specify an expiration date (the "expiration date") not less than 30 days or more than 60 days after the date of the offer and a settlement date for the purchase (the "purchase date") not more than five business days after the expiration date. The offer must include information required by the Securities Act, Exchange Act or any other applicable laws. The offer will also contain instructions and materials necessary to enable holders to tender notes pursuant to the offer.

A holder may tender all or any portion of its notes pursuant to an Offer to Purchase, subject to the requirement that any portion of a note tendered must be in a multiple of US$1,000 principal amount, provided that if the notes are tendered in part, such holder shall hold in excess of US$10,000. Holders are entitled to withdraw notes tendered up to the close of business on the expiration date. On the purchase date the purchase price will become due and payable on each note accepted for purchase pursuant to the Offer to Purchase, and interest on notes purchased will cease to accrue on and after the purchase date.

The Issuer and the Guarantors will comply with Rule 14e-1 under the Exchange Act (to the extent applicable) and all other applicable laws in making any Offer to Purchase, and the above procedures will be deemed modified as necessary to permit such compliance.

The Guarantors will agree in the indenture to obtain all necessary consents and approvals from the Central Bank of Brazil for the remittance of funds outside of Brazil prior to making any Offer to Purchase.

Existing and future debt of the Issuer and the Guarantors may provide that a Change of Control is a default or require repurchase upon a Change of Control. Moreover, the exercise by the noteholders of their right to require the Issuer to purchase the notes could cause a default under other existing or future debt of the Issuer or the Guarantors, even if the Change of Control itself does not, due to the financial effect of the purchase on the Issuer and the Guarantors. In addition, the remittance of funds outside of Brazil to noteholders or the trustee requires the consent of the Central Bank, which may not be granted. Finally, the Issuer's and the Guarantors' ability to pay cash to the noteholders following the occurrence of a Change of Control that results in a Rating Decline may be limited by the Issuer's and the Guarantors' then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the notes. See "Risk Factors—Risks Relating to the Notes and the Guarantees—We may be unable to purchase the notes upon a change of control."

The phrase "all or substantially all," as used with respect to the assets of the Issuer and the Guarantors in the definition of "Change of Control," is subject to interpretation under applicable state law, and its applicability in a given instance would depend upon the facts and circumstances. As a result, there may be a degree of uncertainty in ascertaining whether a sale or transfer of "all or substantially all" the assets of the Issuer and the Guarantors has occurred in a particular instance, in which case a holder's ability to obtain the benefit of these provisions could be unclear.

In addition, pursuant to the terms of the indenture, we are only required to offer to repurchase the notes in the event that a Change of Control results in a Rating Decline. Consequently, if a Change of Control were to occur which does not result in a Rating Decline, we would not be required to offer to repurchase the notes.

Except as described above with respect to a Change of Control, the indenture does not contain provisions that permit the holder of the notes to require that the Issuer or the Guarantors purchase or redeem the notes in the event of a takeover, recapitalization or similar transaction.

The provisions under the indenture relating to the Issuer's obligation to make an offer to repurchase the notes as a result of a Change of Control may be waived or amended as described in "—Amendment, Supplement, Waiver."

Covenants

The indenture contains the following covenants:

Limitation on Transactions with Affiliates

Neither the Issuer nor any Guarantor will, nor will the Issuer or any Guarantor permit any Subsidiary to, enter into or

permit to exist any transaction (including the purchase, sale, lease or exchange of any property, employee compensation arrangements or the rendering of any service) with, or for the benefit of, any Affiliate of the Issuer or such Guarantor, other than themselves or any Subsidiaries, (an "Affiliate Transaction") unless the terms of the Affiliate Transaction are no less favorable to the Issuer or such Guarantor or such Subsidiary than those that could be obtained at the time of the Affiliate Transaction in arm's length dealings with a person who is not an Affiliate.

Limitation on Consolidation, Merger or Transfer of Assets

Neither the Issuer nor any Guarantor will consolidate with or merge with or into, or sell, convey, transfer or dispose of, or lease all or substantially all of its assets as an entirety or substantially as an entirety, in one transaction or a series of related transactions, to, any Person, unless:

(1) the resulting, surviving or transferee Person (if not the Issuer or such Guarantor) will be a Person organized and existing under the laws of Luxembourg, Brazil, the United States of America, any State thereof or the District of Columbia, or any other country (or political subdivision thereof) that is a member country of the European Union or of the Organisation for Economic Co-operation and Development on the date of the indenture, and such Person expressly assumes, by a supplemental indenture to the indenture, executed and delivered to the trustee, all the obligations of the Issuer or such Guarantor under the notes, the guarantees (as applicable) and the indenture;

(2) the resulting, surviving or transferee Person (if not the Issuer or such Guarantor), if organized and existing under the laws of a jurisdiction other than Luxembourg or Brazil, undertakes, in such supplemental indenture, (i) to pay such additional amounts in respect of principal (and premium, if any) and interest as may be necessary in order that every net payment made in respect of the notes after deduction or withholding for or on account of any present or future tax, duty, assessment or other governmental charge imposed by such other country or any political subdivision or taxing authority thereof or therein will not be less than the amount of principal (and premium, if any) and interest then due and payable on the notes, subject to the same exceptions set forth under "Additional Amounts" and (ii) that the provisions set forth under "Tax Redemption" shall apply to such Person, but in both cases, the jurisdiction of organization of the resulting, surviving or transferee Person shall be treated as a Taxing Jurisdiction;

(3) immediately prior to such transaction and immediately after giving effect to such transaction, no Default or Event of Default will have occurred and be continuing; and

(4) the Issuer or such Guarantor will have delivered to the trustee an officers' certificate and an opinion of independent legal counsel reasonably satisfactory to the trustee, in each case stating that such consolidation, merger or transfer and such supplemental indenture, if any, comply with the indenture.

The trustee will accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set forth in this covenant, in which event it will be conclusive and binding on the holders.

Notwithstanding anything to the contrary contained in the foregoing, any of the Guarantors may consolidate with or merge with the Issuer or any Subsidiary that becomes a Guarantor concurrently with the relevant transaction.

Reporting Requirements

The Issuer and the Guarantors will provide the trustee with the following reports (and will also provide the trustee with sufficient copies, as required, of the following reports referred to in clauses (1) through (4) below for distribution, at the expense of the Issuer and Guarantors, to all holders of notes upon written request):

(1) an English language version of GLAI's annual audited consolidated financial statements prepared in accordance with IFRS promptly upon such financial statements becoming available but not later than 120 days after the close of its fiscal year;

(2) an English language version of GLAI's unaudited interim consolidated financial information prepared in accordance with IAS 34 promptly upon such financial statements becoming available but not later than 60 days after the close of each fiscal quarter (other than the last fiscal quarter of its fiscal year);

(3) simultaneously with the delivery of each set of financial statements referred to in clauses (1) and (2) above, an officers' certificate stating whether a Default or Event of Default exists on the date of such certificate and, if a Default or Event of Default exists, setting forth the details thereof and the action which the Issuer and/or the Guarantors are taking or propose to take with respect thereto;

(4) without duplication, English language versions or summaries of such other reports or notices as may be filed or submitted by (and promptly after filing or submission by) the Issuer and/or the Guarantors with (a) the CVM; (b) the

Singapore Stock Exchange or any other stock exchange on which the notes may be listed; or (c) the SEC (in each case, to the extent that any such report or notice is generally available to its security holders or the public in Brazil or elsewhere and, in the case of clause (c), is filed or submitted pursuant to Rule 12g3-2(b) under, or Section 13 or 15(d) of, the Exchange Act, or otherwise); and

(5) upon any officer of the Issuer or any Guarantor becoming aware of the existence of a Default or Event of Default, an officers' certificate setting forth the details thereof and the action which the Issuer and/or the Guarantors are taking or propose to take with respect thereto.

Delivery of the reports referred to in clauses (1), (2) and (4) above to the trustee is for informational purposes only and the trustee's receipt of such reports will not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuer's or the Guarantors' compliance with any of their covenants in the indenture (as to which the trustee is entitled to rely exclusively on officers' certificates).

Substitution of the Issuer

(a) Notwithstanding any other provision contained in the indenture, the Issuer may, without the consent of the holders of the notes (and by purchasing or subscribing for any notes, each holder of the notes expressly consents to it), be replaced and substituted by (i) GLAI or (ii) any wholly-owned Subsidiary of GLAI as principal debtor (in such capacity, the "Substituted Debtor") in respect of the indenture and the notes; provided that:

(i) such documents shall be executed by the Substituted Debtor, the Issuer, GLAI and the trustee as may be necessary to give full effect to the substitution, including a supplemental indenture whereby the Substituted Debtor assumes all the Issuer's obligations under the indenture (together, the "Issuer Substitution Documents"), and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favor of each noteholder, the trustee and the agents to be bound by the terms and conditions of the notes and the provisions of the indenture as fully as if the Substituted Debtor had been named in the notes and the indenture as the principal debtor in respect of the notes in place of the Issuer (or any previous substitute) and the covenants of GLAI (in the case the Issuer is substituted by GLAI), the covenants of the Issuer (in the case the Issuer is substituted by a wholly-owned Subsidiary of GLAI), Events of Default and other relevant provisions shall continue to apply to the Issuer in respect of the notes as if no such substitution had occurred, it being the intent that the rights of noteholders in respect of the notes shall be unaffected by such substitution, subject to clause (b) below.

(ii) without prejudice to the generality of the preceding paragraph, where the Substituted Debtor is incorporated, domiciled or resident for taxation purposes in a territory other than Luxembourg, the Issuer Substitution Documents shall contain (x) a covenant by the Substituted Debtor and/or such other provisions as may be necessary to ensure that each noteholder has the benefit of a covenant in terms corresponding to the obligation of the Issuer in respect of the payment of additional amounts set forth in "Additional Amounts," with the substitution for the references to Luxembourg of references to the territory in which the Substituted Debtor is incorporated, domiciled and/or resident for taxation purposes, and (y) a covenant by the Substituted Debtor and the Issuer to indemnify and hold harmless the trustee and the agents and each noteholder against all taxes or duties which arise by reason of a law or regulation having legal effect or being in reasonable contemplation thereof on the date such substitution becomes effective, which may be incurred or levied against the trustee, any agent or such holder as a result of any substitution pursuant to the conditions set forth in this section and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, any and all taxes or duties which are imposed on any such noteholder by any political subdivision or taxing authority of any country in which such noteholder resides or is subject to any such tax or duty and which would not have been so imposed had such substitution not been made).

(iii) each stock exchange which has the notes listed thereon shall have confirmed that following the proposed substitution of the Substituted Debtor the notes would continue to be listed on such stock exchange, or if such confirmation is not received or such continued listing is impracticable or unduly burdensome, the Issuer or GLAI may de-list the notes from the Singapore Stock Exchange or other exchange on which the notes are listed; and, in the event of any such de-listing, GLAI shall use commercially reasonable efforts to obtain an alternative admission to listing, trading and/or quotation of the notes by another listing authority, exchange or system within or outside the European Union as it may reasonably decide, provided, that if such alternative admission is not available or is, in the Issuer and GLAI's reasonable opinion, unduly burdensome, the Issuer and GLAI shall have no further obligation in respect of any listing of the notes;

(iv) the Issuer shall have delivered, or procured the delivery, to the trustee of a legal opinion addressed to the Issuer, the Substituted Debtor and the trustee from a leading firm of lawyers in the country of incorporation of the Substituted Debtor, to the effect that the Issuer Substitution Documents constitute legal, valid and binding obligations of the Substituted Debtor and

have been duly authorized , such opinion(s) to be dated as of the date the Issuer Substitution Documents are executed and to be available for inspection by noteholders at the specified offices of the trustee;

(v) the Issuer shall have delivered, or procured the delivery, to the Trustee of a legal opinion addressed to the Issuer, the Substituted Debtor and the trustee from a leading firm of Luxembourg lawyers acting for the Issuer and GLAI to the effect that the Issuer Substitution Documents have been duly authorized, executed and delivered by the Issuer and that they constitute legal, valid and binding obligations of the Issuer, such opinion to be dated as of the date the Issuer Substitution Documents are executed and to be available for inspection by noteholders at the specified offices of the trustee;

(vi) the Issuer shall have delivered, or procured the delivery, to the trustee of a legal opinion addressed to the Issuer, the Substituted Debtor and the trustee from a leading firm of New York lawyers to the effect that the Issuer Substitution Documents constitute legal, valid and binding obligations of the parties thereto under New York law, such opinion to be dated as of the date the Issuer Substitution Documents are executed and to be available for inspection by noteholders at the specified offices of the trustee;

(vii) the Substituted Debtor shall have appointed a process agent in the Borough of Manhattan, City of New York to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the indenture, notes or the Issuer Substitution Documents;

(viii) there is no outstanding Event of Default in respect of the notes;

(ix) there is no downgrade in the rating of the notes by any of the Rating Agencies when the Substituted Debtor replaces and substitutes the Issuer in respect of the notes; provided, that any such downgrade is in whole or part in connection with such substitution;

(x) the substitution complies with all applicable requirements established under the laws of Luxembourg and Brazil; and

(xi) each of the Substituted Debtor, GLAI and the Issuer shall deliver to the trustee an officers' certificate, executed by their respective authorized officers, certifying that the terms of this section have been complied with and attaching copies of all documents contemplated herein.

(b) Upon the execution of the Issuer Substitution Documents and the satisfaction of the conditions referred to in paragraph (a) above, the Substituted Debtor shall be deemed to be named in the indenture and the notes as the principal debtor in place of the Issuer (or of any previous substitute under these provisions) and the notes shall thereupon be deemed to be amended to give effect to the substitution. Except as set forth above, the execution of the Issuer Substitution Documents shall operate to release the Issuer (or such previous substitute as aforesaid) from all its obligations in respect of the notes and its obligation to indemnify the trustee under the indenture.

(c) The Issuer Substitution Documents shall be deposited with and held by the trustee for so long as any note remains outstanding and for so long as any claim made against the Substituted Debtor or the Issuer by any noteholder in relation to the notes or the Issuer Substitution Documents shall not have been finally adjudicated, settled or discharged. The Substituted Debtor, GLAI and the Issuer shall acknowledge in the Issuer Substitution Documents the right of every noteholder to the production of the Issuer Substitution Documents for the enforcement of any of the notes or the Issuer Substitution Documents.

(d) Not later than 10 business days after the execution of the Issuer Substitution Documents, the Substituted Debtor shall give notice thereof to the noteholders in accordance with the provisions described in "Notices" below.

Events of Default

An "Event of Default" occurs if:

(1) the Issuer defaults in any payment of interest (including any related additional amounts) on any note when the same becomes due and payable, and such default continues for a period of 30 days;

(2) the Issuer defaults in the payment of the principal (including any related additional amounts) of any note when the same becomes due and payable at its Stated Maturity, upon acceleration or redemption or otherwise;

(3) the Issuer or either Guarantor fails to comply with any of its covenants or agreements in the notes or the indenture (other than those referred to in (1) and (2) above), and such failure continues for 60 days after the notice specified below;

(4) the Issuer, either Guarantor or any Significant Subsidiary defaults under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Debt for money borrowed by the Issuer, either Guarantor or any such Significant Subsidiary (or the payment of which is guaranteed by the Issuer, such Guarantor or

any such Significant Subsidiary) whether such Debt or guarantee now exists, or is created after the date of the indenture, which default (a) is caused by failure to pay principal of or premium, if any, or interest on such Debt after giving effect to any grace period provided in such Debt on the date of such default ("Payment Default"); or (b) results in the acceleration of such Debt prior to its express maturity and, in each case, the principal amount of any such Debt, together with the principal amount of any other such Debt under which there has been a Payment Default or the maturity of which has been so accelerated, totals US$50 million (or the equivalent thereof at the time of determination) or more in the aggregate;

(5) one or more final judgments or decrees for the payment of money of US$50 million (or the equivalent thereof at the time of determination) or more in the aggregate are rendered against the Issuer, either Guarantor or any Significant Subsidiary and are not paid (whether in full or in installments in accordance with the terms of the judgment) or otherwise discharged and, in the case of each such judgment or decree, either (a) an enforcement proceeding has been commenced by any creditor upon such judgment or decree and is not dismissed within 30 days following commencement of such enforcement proceedings; or (b) there is a period of 60 days following such judgment during which such judgment or decree is not discharged, waived or the execution thereof stayed;

(6) an involuntary case or other proceeding is commenced against the Issuer, either Guarantor or any Significant Subsidiary with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a trustee, receiver, *síndico*, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 days; or an order for relief is entered against the Issuer, either Guarantor or any Significant Subsidiary under the federal bankruptcy laws as now or hereafter in effect and such order is not being contested by the Issuer, either Guarantor or such Significant Subsidiary, as the case may be, in good faith or has not been dismissed, discharged or otherwise stayed, in each case within 60 days of being made;

(7) the Issuer, either Guarantor or any of its Significant Subsidiaries (i) commences a voluntary case or other proceeding seeking liquidation, reorganization, or other relief with respect to itself or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (ii) consents to the appointment of or taking possession by a receiver, síndico, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Issuer, either Guarantor or any of its Significant Subsidiaries or for all or substantially all of the property of the Issuer, either Guarantor or any of its Significant Subsidiaries or (iii) effects any general assignment for the benefit of creditors;

(8) any event occurs that under the laws of Luxembourg, Brazil or any political subdivision thereof or any other country has substantially the same effect as any of the events referred to in any of clause (6) or (7);

(9) any guarantee ceases to be in full force and effect, other than in accordance with the terms of the indenture, or a Guarantor denies or disaffirms its obligations under its guarantee; or

(10) GLAI ceases to own directly, or indirectly, 100% of the outstanding share capital of the Issuer.

A Default under clause (3) above will not constitute an Event of Default until the trustee or the holders of at least 25% in principal amount of the notes outstanding notify the Issuer and the Guarantors of the Default and the Issuer and the relevant Guarantors, as the case may be, do not cure such Default within the time specified after receipt of such notice.

The trustee is not to be charged with knowledge of any Default or Event of Default or knowledge of any cure of any Default or Event of Default unless a responsible officer of the trustee with direct responsibility for the indenture has received written notice of such Default or Event of Default has been given to the trustee by the Issuer, any Guarantor or any holder.

If an Event of Default (other than an Event of Default specified in clause (6), (7) or (8) above) occurs and is continuing, the trustee or the holders of not less than 25% in principal amount of the notes then outstanding may declare all unpaid principal of and accrued interest on all notes to be due and payable immediately, by a notice in writing to the Issuer and the trustee, and upon any such declaration such amounts will become due and payable immediately. If an Event of Default specified in clause (6), (7) or (8) above occurs and is continuing, then the principal of and accrued interest on all notes will become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder.

The trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders, unless such holders have offered to the trustee indemnity reasonably satisfactory to the trustee. Subject to such provision for the indemnification of the trustee, the holders of a majority in aggregate principal amount of the outstanding notes will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee.

Defeasance

The Issuer or any Guarantor may at any time terminate all of its obligations with respect to the notes ("defeasance"), except for certain obligations, including those regarding any trust established for a defeasance and obligations to register the transfer or exchange of the notes, to replace mutilated, destroyed, lost or stolen notes, the obligations owed to the trustee and the agents and to maintain agencies in respect of notes. The Issuer or any Guarantor may at any time terminate its obligations under certain covenants set forth in the indenture, and any omission to comply with such obligations will not constitute a Default or an Event of Default with respect to the notes issued under the indenture ("covenant defeasance"). In order to exercise either defeasance or covenant defeasance, the Issuer or such Guarantor must irrevocably deposit in trust, for the benefit of the holders of the notes, with the trustee money or U.S. government obligations, or a combination thereof, in such amounts as will be sufficient, in the opinion of an internationally recognized firm of independent public accountants expressed in a written certificate delivered to the trustee, without consideration of any reinvestment, to pay the principal of, and interest on the notes to redemption or maturity and comply with certain other conditions, including: (i) in the case of covenant defeasance, the Issuer must deliver to the trustee opinions of U.S., Luxembourg and Brazilian counsel to the effect that the beneficial owners of the outstanding notes will not recognize income, gain or loss for U.S., Luxembourg or Brazilian federal income tax purposes, as the case may be, as a result of such covenant defeasance and will be subject to U.S., Luxembourg or Brazilian federal income tax, as the case may be, on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred), or (ii) in the case of defeasance, the Issuer must deliver to the trustee an opinion of Luxembourg and Brazilian counsel to the effect that the beneficial owners of the outstanding notes will not recognize income, gain or loss for Luxembourg or Brazilian federal income tax purposes, as the case may be, as a result of such defeasance and will be subject to Luxembourg or Brazilian federal income tax, as the case may be, on the same amounts, in the same manner, and at the same times as would have been the case if such defeasance had not occurred, and an opinion of U.S. counsel stating that: (x) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling or (y) since the issue date of the notes, there has been a change in applicable U.S. federal income tax law, in either case to the effect that (and based thereon such opinion shall confirm that) the beneficial owners of the outstanding notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance had not occurred. In the case of defeasance or covenant defeasance, the guarantees will terminate.

Amendment, Supplement, Waiver

Subject to certain exceptions, the indenture may be amended or supplemented with the consent of the holders of at least a majority in principal amount of the notes then outstanding, and any past Default or Event of Default or compliance with any provision may be waived with the consent of the holders of at least a majority in principal amount of the notes then outstanding. However, without the consent of each holder of an outstanding note affected thereby, no amendment or waiver may:

(1) reduce the principal amount of or change the Stated Maturity of any payment on any note;

(2) reduce the rate of any interest on any note;

(3) reduce the amount payable upon redemption of any note or change the time at which any note may be redeemed;

(4) after the time an Offer to Purchase is required to be made, reduce the purchase amount or purchase price, or extend the latest expiration date or purchase date thereunder;

(5) change the currency for payment of principal of, or interest or any additional amounts on, any note;

(6) impair the right to institute suit for the enforcement of any right to payment on or with respect to any note;

(7) waive certain payment defaults with respect to the notes;

(8) reduce the principal amount of notes whose holders must consent to any amendment or waiver;

(9) make any change in the amendment or waiver provisions which require each holder's consent;

(10) modify or change any provision of the indenture affecting the ranking of the notes or the guarantees in a manner adverse to the holders of the notes; or

(11) make any change in the guarantees that would adversely affect the noteholders.

provided that the provisions of the covenant described under the caption "—Repurchase of Notes upon a Change of Control" may, except as provided above, be amended or waived with the consent of holders holding not less than 66 2/3% in

aggregate principal amount of the outstanding notes.

The holders of the notes will receive prior notice as described under "—Notices" of any proposed amendment to the notes or the indenture or any waiver described in the preceding paragraph. After an amendment or any waiver described in the preceding paragraph becomes effective, the Issuer is required to give to the holders a notice briefly describing such amendment or waiver. However, the failure to give such notice to all holders of the notes, or any defect therein, will not impair or affect the validity of the amendment or waiver.

The consent of the holders of the notes is not necessary to approve the particular form of any proposed amendment or any waiver. It is sufficient if such consent approves the substance of the proposed amendment or waiver.

The Issuer, the Guarantors and the trustee may, without the consent or vote of any holder of the notes, amend or supplement the indenture or the notes for the following purposes:

(1) to cure any ambiguity, omission, defect or inconsistency;

(2) to comply with the covenant described under "—Limitation on Consolidation, Merger or Transfer of Assets;"

(3) to add guarantees or collateral with respect to the notes;

(4) to add to the covenants of the Issuer or the Guarantors for the benefit of holders of the notes;

(5) to surrender any right conferred upon the Issuer or the Guarantors;

(6) to evidence and provide for the acceptance of an appointment by a successor trustee;

(7) to provide for the issuance of additional notes;

(8) to allow for the Substitution of Debtor, as described under "—Substitution of the Issuer;"

(9) to provide for any guarantee of the notes, to secure the notes or to confirm and evidence the release, termination or discharge of any guarantee of the notes when such release, termination or discharge is permitted by the indenture; or

(10) make any other change that does not materially and adversely affect the rights of any holder of the notes or to conform the indenture to this "Description of Notes."

Notices

For so long as notes in global form are outstanding, notices to be given to holders will be given to the depositary, in accordance with its applicable policies as in effect from time to time. If notes are issued in certificated form, notices to be given to holders will be deemed to have been given upon the mailing by first class mail, postage prepaid, of such notices to holders of the notes at their registered addresses as they appear in the register maintained by the registrar. In addition, so long as the notes are listed on the SGX-ST and the rules of such stock exchange so require, notices will also be published in a leading English language newspaper having general circulation in Singapore (which is expected to be *The Business Times* (Singapore Edition)). Any such notice will be deemed to have been delivered on the date of first publication.

Trustee

The Bank of New York Mellon is the trustee under the indenture.

The indenture contains provisions for the indemnification of the trustee and for its relief from responsibility. The obligations of the trustee to any holder are subject to such immunities and rights as are set forth in the indenture.

Except during the continuance of an Event of Default, the trustee needs to perform only those duties that are specifically set forth in the indenture and no others, and no implied covenants or obligations will be read into the indenture against the trustee. In case an Event of Default has occurred and is continuing, the trustee shall exercise those rights and powers vested in it by the indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs. No provision of the indenture will require the trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties thereunder, or in the exercise of its rights or powers, unless it receives indemnity satisfactory to it against any loss, liability or expense.

The Issuer and its Affiliates may from time to time enter into normal banking and trustee relationships with the trustee and its Affiliates.

Governing Law and Submission to Jurisdiction

The notes, the indenture and the guarantees will be governed by the laws of the State of New York.

Each of the parties to the indenture will submit to the jurisdiction of the U.S. federal and New York State courts located in the Borough of Manhattan, City and State of New York for purposes of all legal actions and proceedings instituted in connection with the notes, the guarantees (as applicable) and the indenture. The Issuer and the Guarantors will appoint Cogency Global Inc., currently having an office at 10 E. 40th Street, 10th Floor, New York, NY 10016, as their authorized agent upon which process may be served in any such action.

The provisions relating to meetings of bondholders contained at Articles 84 to 94-8 and 98 of the Luxembourg Companies Act on commercial companies of August 10, 1915, as amended, shall not apply in respect of the notes.

Currency Indemnity

U.S. dollars are the sole currency of account and payment for all sums payable by the Issuer or the Guarantors under or in connection with the indenture, the notes and the guarantees, including damages. Any amount received or recovered in a currency other than dollars (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or otherwise) by any Person in respect of any sum expressed to be due to it from the Issuer or the Guarantors in connection with the indenture, the notes and the guarantees will only constitute a discharge to the Issuer or the Guarantors, as the case may be, to the extent of the dollar amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that dollar amount is less than the dollar amount expressed to be due to the recipient, the Issuer and the Guarantors will indemnify such recipient against any loss sustained by it as a result; and if the amount of United States dollars so purchased is greater than the sum originally due to such recipient, such recipient will be deemed to have agreed to repay such excess. In any event, the Issuer and the Guarantors will indemnify the recipient against the cost of making any such purchase.

For the purposes of the preceding paragraph, it will be sufficient for the recipient to certify in a satisfactory manner (indicating the sources of information used) that it would have suffered a loss had an actual purchase of dollars been made with the amount so received in that other currency on the date of receipt or recovery (or, if a purchase of dollars on such date had not been practicable, on the first date on which it would have been practicable, it being required that the need for a change of date be certified in the manner mentioned above). These indemnities constitute a separate and independent obligation from the other obligations of the Issuer and the Guarantors, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by any holder of a note and will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any note.

Certain Definitions

The following is a summary of certain defined terms used in the indenture. Reference is made to the indenture for the full definition of all such terms as well as other capitalized terms used herein for which no definition is provided.

“Affiliate” means, with respect to any specified Person, (a) any other Person which, directly or indirectly, is in control of, is controlled by or is under common control with such specified Person; or (b) any other Person who is a director or officer (i) of such specified Person, (ii) of any subsidiary of such specified Person or (iii) of any Person described in clause (a) above. For purposes of this definition, control of a Person means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person whether by contract or otherwise, and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Capital Lease Obligations” means, with respect to any Person, any obligation which is required to be classified and accounted for as a capital lease on the face of a balance sheet of such Person prepared in accordance with IFRS; the amount of such obligation will be the capitalized amount thereof, determined in accordance with IFRS; and the Stated Maturity thereof will be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty.

“Capital Stock” means, with respect to any Person, any and all shares of stock, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated, whether voting or nonvoting), such Person’s equity including any preferred stock, but excluding any debt securities convertible into or exchangeable for such equity.

“Change of Control” means:

(1) the direct or indirect sale or transfer of all or substantially all the assets of GLAI to another Person (in each case, unless such other Person is a Permitted Holder); or

(2) the consummation of any transaction (including, without limitation, by merger, consolidation, acquisition or any other means) as a result of which any "person" or "group" (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act, other than Permitted Holders) is or becomes the "beneficial owner" (as such term is used in Rules 13d-3 under the Exchange Act), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of GLAI;

(3) the first day on which a majority of the Board of Directors of GLAI consists of persons who were elected by shareholders who are not Permitted Holders; or

(4) the Issuer or any Guarantor, as the case may be, are liquidated or dissolved or adopt a plan of liquidation or dissolution other than in a transaction which complies with the provisions described under "—Covenants—Limitation on Consolidation, Merger or Transfer of Assets."

"CVM" means the Brazilian Securities Commission, or *Comissão de Valores Mobiliários*.

"Debt" means, with respect to any Person, without duplication:

(1) the principal of and premium, if any, in respect of (a) indebtedness of such Person for money borrowed; and (b) indebtedness evidenced by notes, debentures, notes or other similar instruments for the payment of which such Person is responsible or liable;

(2) all Capital Lease Obligations of such Person;

(3) all obligations of such Person issued or assumed as the deferred purchase price of property, all conditional sale obligations of such person and all obligations of such person under any title retention agreement (but excluding trade accounts payable or other short-term obligations to suppliers payable within 180 days, in each case arising in the ordinary course of business);

(4) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction (other than obligations with respect to letters of credit securing obligations (other than obligations described in clauses (1) through (3) above) entered into in the ordinary course of business of such person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the tenth business day following receipt by such person of a demand for reimbursement following payment on the letter of credit);

(5) all Hedging Obligations of such Person;

(6) all obligations of the type referred to in clauses (1) through (4) of other Persons and all dividends of other Persons for the payment of which, in either case, such person is responsible or liable, directly or indirectly, as obligor, guarantor or otherwise, including by means of any guarantee (other than obligations of other persons that are customers or suppliers of such Person for which such Person is or becomes so responsible or liable in the ordinary course of business to (but only to) the extent that such person does not, or is not required to, make payment in respect thereof);

(7) all obligations of the type referred to in clauses (1) through (5) of other Persons secured by any Lien on any property or asset of such Person (whether or not such obligation is assumed by such Person), the amount of such obligation being deemed to be the lesser of the value of such property or assets or the amount of the obligation so secured; and

(8) any other obligations of such Person which are required to be, or are in such Person's financial statements, recorded or treated as debt under IFRS.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Fitch" means Fitch Ratings, Ltd. and its successors.

"guarantee" means any obligation, contingent or otherwise, of any person directly or indirectly guaranteeing any Debt or other obligation of any person and any obligation, direct or indirect, contingent or otherwise, of such person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation of such person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or pay, or to maintain financial statement conditions or otherwise) or (b) entered into for purposes of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); provided, however, that the term "guarantee" will not include endorsements for collection or deposit in the ordinary course of business. The term "guarantee" used as a verb has a corresponding meaning.

"Guarantor" or "Guarantors" means each of (i) GLAI and GLA and (ii) any successor obligor under such guarantee

pursuant to the covenant described under the caption "—Covenants—Limitation on Consolidation, Merger or Transfer of Assets" and "Substitution of the Issuer," unless and until such Guarantor is released from its guarantee pursuant to the indenture.

"Hedging Agreement" means (i) any interest rate swap agreement, interest rate cap agreement or other agreement designed to protect against fluctuations in interest rates or (ii) any foreign exchange forward contract, currency swap agreement or other agreement designed to protect against fluctuations in foreign exchange rates or (iii) any commodity or raw material futures contract or any other agreement designed to protect against fluctuations in raw material prices.

"Hedging Obligations" means, with respect to any person, the obligations of such person pursuant to any Hedging Agreement, interest rate swap agreement, foreign currency exchange agreement, interest rate collar agreement, option or futures contract or other similar agreement or arrangement designed to protect such person against changes in interest rates or foreign exchange rates.

"holder" or "noteholder" means the person in whose name a note is registered in the register.

"IFRS" means the International Financial Reporting Standards as issued by the International Accounting Standards Board.

"Lien" means any mortgage, pledge, security interest, encumbrance, conditional sale or other title retention agreement or other similar lien.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Permitted Holders" means any or all of the following

(1) an immediate family member of Messrs. Constantino de Oliveira, Henrique Constantino, Joaquim Constantino Neto and Ricardo Constantino or any Affiliate or immediate family member thereof; immediate family member of a person means the spouse, lineal descendants, father, mother, brother, sister, father-in-law, mother-in-law, brother-in-law and sister-in-law of such person; and

(2) any Person the Voting Stock of which (or in the case of a trust, the beneficial interests in which) are owned at least 51% by Persons specified in clause (1).

"Person" means an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity, including a government or political subdivision or an agency or instrumentality thereof.

"Rating Agency" means Moody's, Fitch or S&P; or if Moody's, Fitch or S&P, individually or in the aggregate, are not making rating of the notes publicly available, an internationally recognized U.S. rating agency or agencies, as the case may be, selected by us, which will be substituted for Moody's, Fitch or S&P, or all three, as the case may be.

"Rating Decline" means that at any time within 90 days (which period shall be extended so long as the rating of the notes is under publicly announced consideration for possible down grade by any Rating Agency) after the earlier of date of public notice of a Change of Control, or of our intention or that of any Person to effect a Change of Control, the then-applicable rating of the notes is decreased by any Rating Agency by one or more categories; provided that any such Rating Decline is in whole or in part in connection with a Change in Control.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies Inc., and its successors.

"Significant Subsidiary" means any Subsidiary of GLAI (or any successor) which at the time of determination either (a) had assets which, as of the date of GLAI's (or such successor's) most recent quarterly consolidated balance sheet, constituted at least 10% of GLAI's (or such successor's) total assets on a consolidated basis as of such date, or (b) had revenues for the 12-month period ending on the date of GLAI's (or such successor's) most recent quarterly consolidated statement of income which constituted at least 10% of GLAI's (or such successor's) total revenues on a consolidated basis for such period.

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which the principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred).

"Subsidiary" means, in respect of any specified Person, any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person.

"Voting Stock" means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

FORM OF NOTES

Notes sold in offshore transactions in reliance on Regulation S will be represented by a permanent global note or notes in fully registered form without interest coupons (the "Regulation S Global Note") and will be registered in the name of a nominee of DTC and deposited with a custodian for DTC. Notes sold in reliance on Rule 144A will be represented by a permanent global note or notes in fully registered form without interest coupons (the "Restricted Global Note" and, together with the Regulation S Global Note, the "global notes") and will be deposited with a custodian for DTC and registered in the name of a nominee of DTC.

The notes will be subject to certain restrictions on transfer as described in "Transfer Restrictions." On or prior to the 40th day after the later of the commencement of the offering and the closing date of this offering, a beneficial interest in the Regulation S Global Note may be transferred to a person who takes delivery in the form of an interest in the Restricted Global Note only upon receipt by the trustee of a written certification from the transferor (in the form provided in the indenture) to the effect that such transfer is being made to a person whom the transferor reasonably believes to be a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction (a "Restricted Global Note Certificate"). After such 40th day, this certification requirement will no longer apply to such transfers. Beneficial interests in the Restricted Global Note may be transferred to a person who takes delivery in the form of an interest in the Regulation S Global Note, whether before, on or after such 40th day, only upon receipt by the trustee of a written certification from the transferor (in the form provided in the indenture) to the effect that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S or Rule 144A under the Securities Act (a "Regulation S Global Note Certificate"). Any beneficial interest in one of the global notes that is transferred to a person who takes delivery in the form of an interest in the other global note will, upon transfer, cease to be an interest in such global note and become an interest in the other global note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other global note for as long as it remains an interest.

Except in the limited circumstances described under "—Global Notes," owners of the beneficial interests in global notes will not be entitled to receive physical delivery of individual definitive notes. The notes are not issuable in bearer form.

Global Notes

Upon the issuance of the Regulation S Global Note and the Restricted Global Note, DTC will credit, on its internal system, the respective principal amount of the individual beneficial interests represented by such global note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the initial purchasers. Ownership of beneficial interests in a global note will be limited to persons who have accounts with DTC ("DTC Participants") or persons who hold interests through DTC Participants (including Euroclear and Clearstream Luxembourg). Ownership of beneficial interests in the global notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of DTC Participants) and the records of DTC Participants (with respect to interests of persons other than DTC Participants).

So long as DTC, or its nominee, is the registered owner or holder of a global note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the notes represented by such global note for all purposes under the indenture and the notes. Unless DTC notifies us that it is unwilling or unable to continue as depositary for a global note, or ceases to be a "clearing agency" registered under the Exchange Act, or any of the notes becomes immediately due and payable in accordance with "Description of Notes—Events of Default," owners of beneficial interests in a global note will not be entitled to have any portions of such global note registered in their names, will not receive or be entitled to receive physical delivery of notes in individual definitive form and will not be considered the owners or holders of the global note (or any notes represented thereby) under the indenture or the notes. In addition, no beneficial owner of an interest in a global note will be able to transfer that interest except in accordance with DTC's applicable procedures (in addition to those under the indenture referred to herein and, if applicable, those of Euroclear and Clearstream).

Investors may hold interests in the Global Note through Euroclear or Clearstream, if they are participants in such systems, Euroclear and Clearstream will hold interests in the Global Notes on behalf of their account holders through customers' securities accounts in their respective names on the books of their respective depositaries, which, in turn, will hold such interests in the Global Note in customers' securities accounts in the depositaries' names on the books of DTC.

Payments of the principal of and interest on global notes will be made to DTC or its nominee as the registered owner thereof. Neither we, any initial purchaser, the trustee nor any agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the global notes or for maintaining,

supervising or reviewing any records relating to such beneficial ownership interests.

We anticipate that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a global note representing any notes held by its nominee, will credit DTC Participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such global note as shown on the records of DTC or its nominee. We also expect that payments by DTC Participants to owners of beneficial interests in such global note held through such DTC Participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC Participants.

Transfers between DTC Participants will be effected in accordance with DTC's procedures, and will be settled in same-day funds. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in a global note to such persons may be limited. Because DTC can only act on behalf of DTC Participants, who in turn act on behalf of indirect participants and certain banks, the ability of a person having a beneficial interest in a global note to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interest, may be affected by the lack of a physical individual definitive certificate in respect of such interest. Transfers between accountholders in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions available to the notes described above, cross-market transfers between DTC participants, on the one hand, and directly or indirectly through Euroclear or Clearstream account holders, on the other hand, will be effected at DTC in accordance with DTC rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with its rules and procedures and within its established deadlines. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the Regulation S Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear and Clearstream account holders may not deliver instructions directly to the depositaries for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream account holder purchasing an interest in a global note from a DTC Participant will be credited during the securities settlement processing day (which must be a business day for Euroclear or Clearstream, as the case may be) immediately following the DTC settlement date and such credit of any transactions in interests in a global note settled during such processing day will be reported to the relevant Euroclear or Clearstream accountholder on such day. Cash received in Euroclear or Clearstream as a result of sales of interests in a global note by or through a Euroclear or Clearstream account holder to a DTC Participant will be received for value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account only as of the business day following settlement in DTC.

DTC has advised that it will take any action permitted to be taken by holder of notes (including the presentation of notes for exchange as described below) only at the direction of one or more DTC Participants to whose account or accounts with DTC interests in the global notes are credited and only in respect of such portion of the aggregate principal amount of the notes as to which such DTC Participant or DTC Participants has or have given such direction. However, in the limited circumstances described below, DTC will exchange the global notes for individual definitive notes (in the case of notes represented by the Restricted Global Note, bearing a restrictive legend), which will be distributed to its participants. Holders of indirect interests in the global notes through DTC Participants have no direct rights to enforce such interests while the notes are in global form.

The giving of notices and other communications by DTC to DTC Participants, by DTC Participants to persons who hold accounts with them and by such persons to holders of beneficial interests in a global note will be governed by arrangements between them, subject to any statutory or regulatory requirements as may exist from time to time.

DTC has advised as follows: DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "Clearing Agency" registered pursuant to the provisions of Section 17A of the Exchange Act, DTC was created to hold securities for DTC Participants and to facilitate the clearance and settlement of securities transactions between DTC Participants through electronic book-entry changes in accounts of DTC Participants, thereby eliminating the need for physical movement of certificates. DTC Participants include security brokers and dealers, banks, trust companies and clearing corporations and may include certain other organizations. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant,

either directly or indirectly ("indirect participants").

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures in order to facilitate transfers of interests in the Regulation S Global Note and in the Restricted Global Note among participants and accountholders of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of us, the trustee or any agent will have any responsibility for the performance of DTC, Euroclear or Clearstream or their respective participants, indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

Individual Definitive Notes

If (i) DTC or any successor to DTC is at any time unwilling or unable to continue as a depositary and a successor depositary is not appointed by us within 90 days; or (ii) any of the notes has become immediately due and payable in accordance with "Description of Notes—Events of Default," the Issuer will issue individual definitive notes in registered form in exchange for the Regulation S Global Note and the Restricted Global Note, as the case may be. Upon receipt of such notice from DTC, we will use our best efforts to make arrangements with DTC for the exchange of interests in the global notes for individual definitive notes and cause the requested individual definitive notes to be executed and delivered to the trustee in sufficient quantities and authenticated by the registrar for delivery to the trustee. Persons exchanging interests in a global note for individual definitive notes will be required to provide to DTC (for delivery to the trustee) (a) written instructions and other information required by us and the trustee to complete, execute and deliver such individual definitive notes and (b) in the case of an exchange of an interest in a Restricted Global Note, a certification that such interest is not being transferred or is being transferred only in compliance with Rule 144A under the Securities Act. In all cases, individual definitive notes delivered in exchange for any global note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by DTC.

Upon any issuance of individual definitive notes, the Issuer will appoint and maintain a paying agent in Singapore, for so long as the notes are listed on the SGX-ST and the rules of such exchange so require. In such event, an announcement shall be made through the SGX-ST and will include all material information with respect to the delivery of the definitive notes, including details of the paying agent in Singapore. Upon any change in the paying agent or registrar, the Issuer will publish a notice in a leading daily newspaper of general circulation in Singapore (which is expected to be *The Business Times* (Singapore Edition)).

In the case of individual definitive notes issued in exchange for the Restricted Global Note, such individual definitive notes will bear, and be subject to, the legend described in "Transfer Restrictions" (unless we determine otherwise in accordance with applicable law). The holder of a restricted individual definitive note may transfer such note, subject to compliance with the provisions of such legend, as provided in "Description of Notes." Upon the transfer, exchange or replacement of notes bearing the legend, or upon specific request for removal of the legend on a note, the Issuer will deliver only notes that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to us such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by us that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act. Before any individual definitive note may be transferred to a person who takes delivery in the form of an interest in any global note, the transferor will be required to provide the trustee with a Restricted Global Note Certificate or a Regulation S Global Note Certificate, as the case may be.

Individual definitive notes will not be eligible for clearing and settlement through Euroclear, Clearstream or DTC.

TAXATION

The following discussion, subject to the limitations set forth below, describes material Luxembourg, Brazilian and United States tax considerations relating to your ownership and disposition of notes. This discussion does not purport to be a complete analysis of all tax considerations in Luxembourg, Brazil or the United States and does not address tax treatment of holders of notes under the laws of other countries or taxing jurisdictions. Holders of notes who are resident in countries other than Luxembourg, Brazil and the United States along with holders that are resident in those countries, are urged to consult with their own tax advisors as to which countries' tax laws could be relevant to them.

Luxembourg Taxation

This section provides for a general overview of the material Luxembourg tax consequences relating to your investment in the notes issued by the Issuer. This section is therefore not intended to provide for a comprehensive description of all the tax consequences related to your decision to invest in, hold or dispose of the notes.

Withholding tax

Except as provided for by the law of December 23, 2005, which implemented a withholding tax that applies to Luxembourg resident individuals only, under the existing laws of Luxembourg there is no withholding tax on payments of principal, premium or interest, or on accrued but unpaid interest, in respect of the notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the notes.

According to the law of December 23, 2005, interest payments or similar payments on the notes made or ascribed by a paying agent established in Luxembourg will be subject to a withholding tax of 20% if such payments are made or ascribed for the immediate benefit of individual beneficial owners who are resident in Luxembourg.

The 20% withholding tax will operate a full discharge of income tax for Luxembourg resident individuals acting in the context of the management of their private wealth.

Any withholding of tax in application of the above-mentioned law of December 23, 2005 is the responsibility of the Luxembourg paying agent (within the meaning of such law).

An individual beneficial owner of interest or similar income who is a resident of Luxembourg and acts in the course of the management of his private wealth may opt in accordance with the relevant law for a final tax of 20% when he receives or is ascribed such interest or similar income from a paying agent established in an EU Member State (other than Luxembourg) or in a Member State of the European Economic Area which is not an EU Member State. In such case, the 20% tax is calculated on the same amounts as for the payments made by Luxembourg resident paying agents. The option for the 20% tax must cover all interest payments made to the Luxembourg resident beneficial owner during the entire civil year. The individual resident that is the beneficial owner of interest is responsible for the declaration and the payment of the 20% final tax.

Interest on the notes paid by a Luxembourg paying agent to residents of Luxembourg which are not individuals will not be subject to any withholding tax.

Taxes on income and capital gains

Holders of notes resident in Luxembourg are taxed for income and possibly gains derived from the notes depending on whether they hold the notes in the context of carrying on an enterprise or in the context of managing their private wealth. Resident corporate holders of notes are always deemed to hold the notes in the context of carrying on an enterprise.

If held in the context of carrying on an enterprise, any interest income, whether paid or accrued, and any capital gain or foreign exchange result whether realized or accrued, derived from the notes is subject to Luxembourg income taxes (income tax levied at progressive rates and municipal business tax for individuals, and corporate income tax, including a solidarity surcharge, and municipal business tax for corporate holders).

If held in the context of managing private wealth, interest income received is subject to income tax at progressive rates. Furthermore, capital gains realized upon disposal of notes are taxable if realized within six months from the acquisition of the notes.

Non-resident holders of notes are only subject to income taxes in Luxembourg in respect of their holding of notes if such holding is effectively connected to a permanent establishment, a permanent representative or a fixed place of business in Luxembourg, through which the holder carries on an enterprise. In that case, any interest income, whether paid or accrued,

and any capital gain or foreign exchange result whether realized or accrued, derived from the notes is subject to Luxembourg municipal business tax, and income tax levied at progressive rates in the case of individuals and corporate income tax in the case of companies.

Net wealth tax

Corporate holders of notes resident in Luxembourg or a non-resident corporate holder of notes that maintains a permanent establishment, permanent representative or a fixed place of business in the Grand Duchy of Luxembourg to which/whom such notes are attributable are subject to annual net wealth tax on their unitary value (i.e., non-exempt assets minus liabilities and certain provisions as valued according to valuation rules), levied at a rate of 0.5% if the unitary value exceeds EUR 500,000,000 and 0.05% on the portion of the unitary value that exceeds EUR 500,000,000, in respect of the notes, except if such holder is governed by the law of May 11, 2007 on family estate management companies, as amended, or by the law of December 17, 2010 on undertakings for collective investment, as amended, or by the law of February 13, 2007 on specialized investment funds, as amended, or by the law of 23 July 2016 on reserved alternative investment funds, or is a securitization company governed by the law of 22 March 2004 on securitization, as amended, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended. Securitization companies governed by the law of 22 March 2004 on securitization, as amended, or capital companies governed by the law of 15 June 2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of 23 July 2016 and which fall under the special tax regime set out under Article 48 thereof may, under certain conditions, be subject to minimum net wealth tax.

Individuals are not subject to Luxembourg net wealth tax.

Registration tax

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty due in Luxembourg by the holders of notes as a consequence of the issuance of the notes. No Luxembourg registration tax, stamp duty or other similar tax or duty is due either in case of a subsequent repurchase, redemption or transfer of the notes.

However, a fixed or ad valorem registration duty may be due upon the registration of the notes in Luxembourg if the notes are appended to a deed which is subject to mandatory registration, or in the case of a registration of the notes on a voluntary basis, or if the notes are lodged with the notary for his records.

Gift and inheritance tax

Inheritance tax is levied in Luxembourg at progressive rates (depending on the value of the assets inherited and the degree of relationship). No Luxembourg inheritance tax will be due in respect of the notes unless the holder of notes resides in Luxembourg at the time of his decease. No Luxembourg gift tax is due upon the donation of notes unless such donation is registered in Luxembourg (which is generally not required).

Value added tax

No Luxembourg value added tax is levied with respect to (i) any payment made in consideration of the issuance of the notes; (ii) any payment of interest; (iii) any repayment of principal or upon redemption; and (iv) any transfer of the notes.

Brazilian Taxation

The following discussion is a general description of certain Brazilian tax aspects of the notes applicable to a holder of the notes that is an individual, entity, trust or organization resident or domiciled outside Brazil for tax purposes ("Non-Resident Holder"). The discussion is based on the tax laws of Brazil as in effect on the date hereof and is subject to any change in the Brazilian law that may come into effect after such date as well as to the possibility that the effect of such change in the Brazilian law may be retroactive and apply to rights created on or prior to the date thereof. The information set forth below is intended to be a general description only and does not purport to be a comprehensive description of all the tax aspects of the notes. Therefore, each Non-Resident Holder should consult his/her/its own tax advisor concerning the Brazilian tax consequences in respect of the notes.

Investors should note that, as to the discussion below, other income tax rates or treatment may be provided for in any applicable tax treaty between Brazil and the country where the Non-Resident Holder is domiciled. This summary does not address any tax issues that affect solely our company, such as deductibility of expenses.

Interest or Principal Payment Under the Notes

Generally, a Non-Resident Holder is taxed in Brazil only when income is derived from Brazilian sources or gains are realized on the disposition of assets located in Brazil. Given that the Issuer is an entity incorporated under the laws of Luxembourg and is not registered to conduct business in Brazil, it would not qualify as a Brazilian resident company for purposes of the Brazilian tax legislation.

Therefore, as the Issuer is considered for tax purposes as domiciled abroad, any income (including accrued interest, fees, commissions, expenses, and any other income payable by the Issuer in respect of the Notes in favor of Non-Resident Holders) should not be subject to withholding or deduction in respect of Brazilian income tax or any other tax duties, assessments or governmental charges in Brazil, provided that such payments are made with funds held by the Issuer outside of Brazil.

Capital Gains

Capital gains realized on the sale or disposition of assets located in Brazil by a Non-Resident Holder are subject to taxation in Brazil regardless of whether the acquirer is resident or domiciled in Brazil, according to Section 26 of Law No. 10,833, enacted on December 29, 2003. Based on the fact that the notes are issued and registered abroad, the notes should not fall within the definition of assets located in Brazil for purposes of Law No. 10,833. Hence, gains arising from the sale or other disposition of the notes (which for the purposes of this paragraph includes any deemed income on the difference between the issue price of the notes and the price at which the notes are redeemed, or "original discount") made outside Brazil by a Non-Resident Holder to another non-Brazilian resident should not be subject to Brazilian taxes.

However, considering the general and unclear scope of Law No. 10,833 and the absence of judicial guidance in respect thereof, we cannot assure prospective investors that such interpretation will prevail in the courts of Brazil.

If income tax is deemed to be due, the gains may be subject to income tax in Brazil. For Non-Resident Holders that are not in Favorable Tax Jurisdictions (as defined below), income tax on gains realized on the sale or disposition of assets located in Brazil will subject to rates ranging from 15% to 22.5%, according to the amount of the gain. A rate lower than 15% may be provided for in an applicable tax treaty between Brazil and the country where the Non-Resident Holder is domiciled.

In case the Non-Resident Holder making the sale or disposition is located in a jurisdiction that does not impose any income tax or which imposes it at a maximum rate lower than 20%, or in a country or location where laws impose restrictions on the disclosure of ownership composition or securities ownership or do not allow for the identification of the beneficial owner of income attributed to non-residents, or a Favorable Tax Jurisdiction, the gains will be subject to a flat 25% rate. See "—Discussion on Favorable Tax Jurisdictions."

In certain circumstances, if income tax is not paid, the amount of tax charged could be subject to an upward adjustment, as if the amount received by the Non-Resident Holder was net of taxes in Brazil (gross-up).

Payments made by the Guarantors

If, by any chance, a Brazilian source is required, as a guarantor, to assume the obligation to pay any amount in connection with the notes to a Non-Resident Holder (including principal, interest or any other amount that may be due and payable in respect of the notes), Brazilian tax authorities could attempt to impose withholding income tax upon such payments.

Should the Guarantors be obliged to pay interest to a Non- Resident Holder in connection with the notes, withholding income tax at the rate of 15% may apply (or 25% if the Non-Resident Holder is located in a Favorable Tax Jurisdiction).

There is some uncertainty regarding the applicable tax treatment to payments of the principal amount by the Guarantors to Non-Resident Holders. However, there are arguments that can be sustained that payments made under the guarantees should be subject to imposition of the Brazilian income tax according to the nature of the guaranteed payment, in which case only interest and fees should be subject to taxation at the rates of 15%, or 25% in cases of beneficiaries located in a Favorable Tax Jurisdiction. There are no precedents from Brazilian courts endorsing that position and it is not possible to assure that such argument would prevail in court.

If a Guarantor makes payments of fees and commissions as guarantor under the notes, the Brazilian tax authorities could try to impose (i) withholding tax at the rate of 15% or 25% (depending on the nature of the service); (ii) *Contribuições de Intervenção no Domínio Econômico* (CIDE) at the rate of 10%; (iii) *Contribuição ao Programa de Integração Social* (PIS) and *Contribuição para o Financiamento da Seguridade Social* (COFINS) at the total rate of 9.25%; and/or (iv) Tax on Services (ISS) at rates which may vary from 2% to 5%.

Discussion on Favorable Tax Jurisdictions

On June 4, 2010, Brazilian tax authorities enacted Normative Instruction No. 1,037 listing (1) Favorable Tax Jurisdictions and (2) the Privileged Tax Regimes, which definition is provided by Law No. 11,727, of June 23, 2008. On December 12, 2014, the Ministry of Finance issued Rule No. 488 narrowing the concept of Favorable Tax Jurisdictions and Privileged Tax Regimes to those that impose taxation on income at a maximum rate lower than 17%, if the relevant jurisdiction is committed to adopt international standards on tax transparency. Under Brazilian law, the aforementioned commitment is present if the relevant jurisdiction (i) has entered into (or concluded the negotiation of) an agreement or convention authorizing the exchange of information for tax purposes with Brazil and (ii) is committed to the actions discussed in international forums on tax evasion in which Brazil has been participating, such as the Global Forum on Transparency and Exchange of Information. Nevertheless, until now, there has been no amendment to Normative Ruling No. 1,037 to reflect such threshold modification.

Although we believe that the best interpretation of the current tax legislation could lead to the conclusion that the above mentioned Privileged Tax Regime concept should apply solely for purposes of Brazilian tax rules related to transfer pricing and thin capitalization, we cannot assure you whether subsequent legislation or interpretations by the Brazilian tax authorities regarding the definition of a Privileged Tax Regime provided by Law No. 11,727 will also apply for purposes of the imposition of Brazilian withholding income tax on payments of interest to a Non -Resident Holder. If Brazilian tax authorities determine that payments made to a Non-Resident Holder under a Privileged Tax Regime are subject to the same rules applicable to payments made to Non-Resident Holders located in a Favorable Tax Jurisdiction, the withholding income tax applicable to such payments could be assessed at a rate up to 25%.

We recommend prospective investors consult their own tax advisors from time to time to verify any possible tax consequences arising of Normative Ruling No. 1,037, as amended, and Law No. 11,727.

Other Brazilian Tax Considerations

Pursuant to Decree No. 6,306, of December 14, 2007, as amended, conversions of foreign currency into Brazilian currency or vice versa are subject to the tax on foreign exchange transactions ("IOF/Exchange"), including foreign exchange transactions in connection with payments made by a Guarantor under the guarantee to Non-Resident Holders. Currently, the IOF/Exchange rate is 0.38% for most foreign exchange transactions, including foreign exchange transactions in connection with payments under the guarantee by a Guarantor to Non-Resident Holders.

Despite the above, in any case, the Brazilian Government is allowed to reduce the IOF/Exchange rate at any time down to 0% or increase the IOF/Exchange rate at any time up to 25%, but only with respect to future foreign exchange transactions.

Stamp, Transfer or Similar Taxes

Generally, there are no stamp, transfer or other similar taxes in Brazil applicable to the transfer, assignment or sale of the notes outside Brazil, nor any inheritance, gift or succession tax applicable to the ownership, transfer or disposition of the notes, except for gift and inheritance taxes imposed in some states of Brazil on gifts and bequests by a Non-Resident Holder to individuals or entities domiciled or residing within such Brazilian states.

THE ABOVE DESCRIPTION IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL BRAZILIAN TAX CONSEQUENCES RELATING TO THE OWNERSHIP OF THE NOTES. PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THE TAX CONSEQUENCES OF THEIR PARTICULAR SITUATIONS.

Certain United States Federal Income Tax Considerations

The following is a general discussion based upon present law of certain U.S. federal income tax considerations for prospective purchasers of the notes. The discussion addresses only persons that purchase notes in the original offering at their original offering price, hold the notes as capital assets, and, in the case of U.S. Holders (as defined below), use the U.S. dollar as their functional currency. The discussion does not consider the circumstances of particular purchasers, some of which (such as financial institutions, insurance companies, regulated investment companies, tax exempt organizations, dealers, traders who elect to mark their investment to market, and persons holding the notes as part of a hedge, straddle, conversion, constructive sale or integrated transaction) are subject to special tax regimes. The discussion does not address any state, local or foreign taxes, the Medicare tax on net investment income or the federal alternative minimum tax. Prospective investors should note that no rulings have been, or are expected to be, sought from the U.S. Internal Revenue Service (the "IRS") with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS or a

court will not take contrary positions.

EACH PROSPECTIVE PURCHASER IS URGED TO CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE LAWS OF THE UNITED STATES, BRAZIL, LUXEMBOURG AND ANY OTHER JURISDICTION WHERE THE PURCHASER MAY BE SUBJECT TO TAXATION.

For purposes of this discussion, "U.S. Holder" means a beneficial owner of a note that for U.S. federal income tax purposes is

- a citizen or individual resident of the United States,
- a corporation organized in or under the laws of the United States or any political subdivision thereof,
- a trust subject to the control of one or more U.S. persons and the primary supervision of a U.S. court or that has validly elected to be treated as a U.S. person, or
- an estate the income of which is subject to U.S. federal income taxation regardless of its source.

"Non-U.S. Holder" means a beneficial owner of a note that is neither a U.S. Holder nor a partnership (or other entity treated as a partnership for U.S. federal income tax purposes).

The treatment of partners in a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) that owns notes may depend on the status of such partners and the status and activities of the partnership and such persons should consult their own tax advisors about the consequences of an investment in the notes.

Potential Contingent Payment Debt Instrument Treatment

In certain circumstances the Issuer may be required to make payments on a note that would change the yield of the note. See "Description of Notes—Repurchase of Notes upon a Change of Control" and "—Redemption—Optional Redemption." This obligation may implicate the provisions of Treasury regulations relating to contingent payment debt instruments ("CPDIs"). According to the applicable Treasury regulations, certain contingencies will not cause a debt instrument to be treated as a CPDI if such contingencies, as of the date of issuance, are "remote or incidental" or certain other circumstances apply. The Issuer intends to take the position that the notes are not CPDIs. This determination, however, is not binding on the IRS and if the IRS were to challenge this determination, a holder may be required to accrue income on the notes that such holder owns in excess of stated interest, and to treat as ordinary income rather than capital gain any income realized on the taxable disposition of such notes before the resolution of the contingency. In the event that such contingency were to occur, it would affect the amount and timing of the income that a U.S. Holder recognizes. U.S. Holders are urged to consult their own tax advisors regarding the potential application to the notes of the CPDI rules and the consequences thereof. The remainder of this discussion assumes that the notes will not be treated as CPDIs.

Interest

Stated interest paid to a U.S. Holder, and any additional amounts with respect to withholding tax on the notes, including the amount of tax withheld from payments of stated interest and additional amounts, will be includible in such U.S. Holder's gross income as ordinary interest income at the time stated interest and additional amounts are received or accrued in accordance with such U.S. Holder's regular method of tax accounting for U.S. federal income tax purposes. It is expected, and the remainder of this discussion assumes, that the notes will not be issued with original issue discount for U.S. federal income tax purposes.

Interest on the notes generally will be treated as foreign source income for U.S. federal income tax purposes and generally will constitute "passive category" income for most U.S. Holders. Subject to generally applicable restrictions and conditions, including a minimum holding period requirement, a U.S. Holder generally will be entitled to a foreign tax credit in respect of any foreign income taxes withheld on interest payments on the notes. Alternatively, the U.S. Holder may be able to deduct such foreign income taxes in computing taxable income for U.S. federal income tax purposes, provided that the U.S. Holder does not elect to claim a foreign tax credit with respect to any foreign income taxes paid or accrued during the taxable year. The rules governing the foreign tax credit are complex. U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit or a deduction for foreign taxes paid

under their particular circumstances.

Sale, Exchange or Other Taxable Disposition

Upon the sale, exchange or other taxable disposition (including redemption) of a note, a U.S. Holder generally will recognize taxable gain or loss equal to the difference, if any, between the amount realized on the sale, exchange or other taxable disposition (other than accrued but unpaid interest, which will be taxable as interest) and the U.S. Holder's adjusted tax basis in the note. A U.S. Holder's adjusted tax basis in a note generally will be equal to the amount that the U.S. Holder paid for the note. Any such gain or loss generally will be capital gain or loss and generally will be long-term capital gain or loss if the note has been held for more than one year at the time of its sale, exchange or other taxable disposition. Certain non-corporate U.S. Holders (including individuals) may be eligible for preferential rates of U.S. federal income tax in respect of long-term capital gains. The deductibility of capital losses is subject to limitations.

If Brazilian income tax is withheld on the sale, exchange or other taxable disposition of the notes, the amount realized by a U.S. Holder will include the gross amount of the proceeds of that sale, exchange or other taxable disposition before deduction of the Brazilian income tax. Capital gain or loss, if any, realized by a U.S. Holder on the sale, exchange or other taxable disposition of the notes generally will be treated as U.S. source gain or loss for U.S. foreign tax credit purposes. Consequently, in the case of a gain from the disposition of a note that is subject to Brazilian income tax, the U.S. Holder may not be able to benefit from the foreign tax credit for that Brazilian income tax unless the U.S. Holder can apply the credit against U.S. federal income tax payable on other income from foreign sources. Alternatively, the U.S. Holder may take a deduction for the Brazilian income tax if it does not elect to claim a foreign tax credit with respect to any foreign income taxes paid or accrued during the taxable year.

Substitution of the Issuer

The Issuer may, subject to certain conditions, be replaced and substituted by GLAI or one of GLAI's wholly-owned subsidiaries as principal debtor in respect of the notes (see "Description of Notes—Substitution of the Issuer"), which may result in certain adverse tax consequences to U.S. Holders. If the Substituted Debtor is organized in a jurisdiction other than Luxembourg, the Issuer and the Substituted Debtor will have an obligation to indemnify each noteholder against all taxes or duties which arise by reason of a law or regulation having legal effect or being in reasonable contemplation thereof on the date such substitution becomes effective, which may be incurred or levied against such holder as a result of any substitution described under "Description of Notes—Substitution of the Issuer" and which would not have been so incurred or levied had such substitution not been made. U.S. Holders are urged to consult their own tax advisors regarding any potential adverse tax consequences to them that may result from a substitution of the Issuer.

Non-U.S. Holders

Subject to the discussion of backup withholding below, a Non-U.S. Holder generally will not be subject to U.S. federal withholding tax on stated interest and additional amounts on or gain with respect to the notes. A Non-U.S. Holder also generally will not be subject to U.S. federal income tax with respect to stated interest and additional amounts received in respect of the notes or gain realized on the sale, exchange or other taxable disposition (including redemption) of the notes, unless that interest or gain is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States or, in the case of gain realized by an individual Non-U.S. Holder, the Non-U.S. Holder is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

U.S. Backup Withholding and Information Reporting

Information reporting generally will apply to payments of principal of, and interest on, notes (including additional amounts), and to proceeds from the sale, exchange or other taxable disposition (including redemption) of notes within the United States, or by a U.S. payor or U.S. middleman, to a U.S. Holder (other than an exempt recipient). Backup withholding may be required on reportable payments if the holder fails to furnish its correct taxpayer identification number or otherwise fails to comply with, or establish an exemption from, information reporting and backup withholding requirements. Non-U.S. Holders generally will be required to comply with applicable certification procedures to establish that they are not U.S. Holders in order to avoid the application of information reporting and backup withholding. Backup withholding is not an additional tax. A holder of notes generally will be entitled to credit any amounts withheld under the backup withholding rules against its U.S. federal income tax liability or to obtain a refund of the amounts withheld provided the required information is furnished to the IRS in a timely manner.

"Specified Foreign Financial Asset" Reporting

U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of US$50,000 (and in some circumstances, a higher threshold), may be required to file an information statement with respect to such assets with their U.S. federal income tax returns, currently on IRS Form 8938. The notes generally are expected to constitute "specified foreign financial assets" unless they are held in accounts maintained by financial institutions. U.S. Holders are urged to consult their tax advisors regarding the application of this legislation to their ownership of the notes.

The above description is not intended to constitute a complete analysis of all tax consequences relating to the ownership of the notes. Prospective purchasers of notes should consult their own tax advisors concerning the tax consequences of their particular situations.

LUXEMBOURG LAW CONSIDERATIONS

The Issuer is organized under the laws of Luxembourg. Insolvency proceedings with respect to the Issuer could be required to proceed under the laws of the jurisdiction in which its "center of main interests," as defined in Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (the "Recast EU Insolvency Regulation"), is situated at the time insolvency proceedings are commenced. Although there is a rebuttable presumption that the "center of main interests" or "COMI" will be in the jurisdiction where its registered office is situated (i.e., Luxembourg), this presumption is not conclusive. In particular, one of the main changes introduced by the Recast (EU) Insolvency Regulation which entered into application in EU Member States (except Denmark) on 26 June 2017 consists of increased scrutiny in situations where there has been a recent COMI shift. Where a company's COMI has shifted in the three months preceding the request for the opening of insolvency proceedings, the rebuttable presumption that its COMI is at the place of its registered office will no longer apply. Also, the opening of secondary proceedings in another EU Member State will be possible, not only if the debtor has an establishment in such EU Member State at the time of the opening of main insolvency proceedings, but also if the debtor had an establishment in such EU Member State in the three-month period prior to the request of opening of main insolvency proceedings. Therefore insolvency proceedings with respect to the Issuer may proceed under, and be governed by, Luxembourg insolvency laws or potentially by the insolvency laws of another jurisdiction if the center of main interests of the Issuer is determined to be in such other jurisdiction at the relevant time. The insolvency laws of such jurisdictions may not be as favorable to your interests as those of the United States or another jurisdiction with which you may be familiar.

If insolvency proceedings affecting the Issuer would be governed by Luxembourg insolvency laws, Luxembourg insolvency proceedings could have a material adverse effect on the Issuer's business and assets and the Issuer's respective obligations under the notes. Under Luxembourg insolvency laws, your ability to receive payment on the notes may be more limited than under other bankruptcy laws. The following types of proceedings, together referred to as insolvency proceedings, may be opened against an entity having its center of main interests or an establishment within the meaning of the Recast EU Insolvency Regulation in Luxembourg, in the latter case assuming that the center of main interests is located in a jurisdiction where the Recast EU Insolvency Regulation applies, or its central administration (*administration centrale*) is in Luxembourg (within the meaning of the Luxembourg Companies Act, as amended). (i) Bankruptcy (*faillite*) proceedings, the opening of which may be requested by the Issuer or by any of its creditors. Following such a request, a competent Luxembourg court may open bankruptcy proceedings if the Issuer (a) is unable to pay its debts as they fall due (*cessation de paiements*); and (b) has lost its commercial creditworthiness (*ébranlement de credit*). The main effect of these proceedings is the suspension of all measures of enforcement against the company, except, subject to certain limited exceptions, for enforcement by secured creditors. (ii) Controlled management proceedings (*gestion contrôlée*), the opening of which may only be requested by the Issuer and not by its creditors. A reorganization order in this context requires the prior approval by more than 50% in number of the creditors representing more than 50% of the Issuer's liabilities in order to take effect. (iii) Voluntary composition with creditors (*concordat préventif de faillite*), upon request only by the Issuer, subject to obtaining the consent of the majority of its creditors. The court's decision to admit the Issuer to a composition with participating creditors triggers a provisional stay on enforcement of claims by participating creditors while other creditors may pursue their claims individually. In addition, your ability to receive payment on the notes may be affected by a decision of a court to grant a suspension of payments (*sursis de paiement*) or to put the Issuer into judicial liquidation (*liquidation judiciaire*). Generally, during the insolvency proceedings, all enforcement measures by general secured and unsecured creditors against the Issuer are stayed, while certain secured creditors (pledgees or mortgagees) retain the ability to settle separately while the debtor is in bankruptcy. Liabilities of the Issuer in respect of the notes will, in the event of a liquidation of such Issuer following bankruptcy or judicial winding-up proceedings, rank junior to the cost of such proceedings, including debt incurred for the purpose of such bankruptcy or judicial winding-up, and those debts of the Issuer that are entitled to priority under Luxembourg law. Preferential rights arising by operation of law under Luxembourg law include (i) certain amounts owed to the Luxembourg Revenue; (ii) value-added tax and other taxes and duties owed to the Luxembourg Customs and Excise; (iii) social security contributions; and (iv) remuneration owed to employees. Transactions entered into or payments made by the Issuer during the hardening period (*période suspecte*), which is a maximum of six months and ten days, preceding the opening of insolvency proceedings, in particular the granting of security for antecedent debt or with inadequate consideration, shall be declared null and void. Further, if an adequate payment in relation to a due debt was made during the hardening period to the detriment of the general body of creditors, or if the party receiving such payment knew that the Issuer had ceased payments when such payment occurred, such preferential transactions may be invalidated. Generally, if the insolvency official demonstrates that the Issuer has given a preference to any person by defrauding the rights of creditors generally, a competent insolvency official, acting on behalf of the creditors, has the power to challenge such preferential transaction without limitation of time. In principle, a bankruptcy order rendered by a Luxembourg court does not result in an automatic

termination of contracts except for personal (*intuitu personae*) contracts, that is, contracts for which the identity of the Issuer or its solvency were crucial. However, the insolvency official may choose to terminate certain onerous contracts. As of the date of adjudication of bankruptcy, no interest on any unsecured claim will accrue in relation to the bankruptcy estate. Insolvency proceedings may consequently have a material adverse effect on the Issuer's business and assets and the Issuer's respective obligations under the notes (as Issuer).

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase or holding of the notes by employee benefit plans that are subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code") or provisions under any other federal, state, local, non U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "Similar Laws"), and entities whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each, a "Plan").

Section 406 of ERISA and Section 4975 of the Code prohibit Plans subject to Title I of ERISA or Section 4975 of the Code (collectively "ERISA Plans"), from engaging in certain transactions involving "plan assets" with persons who are "parties in interest" under ERISA or "disqualified persons" under the Code ("Parties in Interest") with respect to the ERISA Plan. A violation of these prohibited transaction rules may result in civil penalties or other liabilities under ERISA and/or an excise tax under Section 4975 of the Code for those persons, unless exemptive relief is available under an applicable statutory, regulatory or administrative exemption. Certain Plans, including those that are, or whose assets constitute the assets of, governmental plans (as defined in section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and foreign plans (as described in Section 4(b)(4) of ERISA) ("Non-ERISA Arrangements") are not subject to the fiduciary responsibility or prohibited transaction requirements of Title I of ERISA or Section 4975 of the Code but may be subject to Similar Laws.

The acquisition of the notes by an ERISA Plan with respect to which we, a Guarantor, an initial purchaser or certain of our or their affiliates (each, a "**Relevant Entity**") is or becomes a Party in Interest may constitute or result in a prohibited transaction under ERISA or Section 4975 of the Code, unless those notes are acquired pursuant to and in accordance with an applicable exemption. The U.S. Department of Labor has issued five prohibited transaction class exemptions, or "PTCEs," that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the purchase or holding of the notes. These exemptions are:

- PTCE 84-14, an exemption for certain transactions determined or effected by independent qualified professional asset managers;
- PTCE 90-1, an exemption for certain transactions involving insurance company pooled separate accounts;
- PTCE 91-38, an exemption for certain transactions involving bank collective investment funds;
- PTCE 95-60, an exemption for transactions involving certain insurance company general accounts; and
- PTCE 96-23, an exemption for plan asset transactions managed by in-house asset managers.

In addition, ERISA Section 408(b)(17) and Section 4975(d)(20) of the Code provide an exemption for the purchase and sale of securities and lending transactions, provided that neither the issuer of the securities nor any of its affiliates has or exercises any discretionary authority or control or renders any investment advice with respect to the assets of any ERISA Plan involved in the transaction, and provided further that the ERISA Plan pays no more than "adequate consideration" in connection with the transaction (the "service provider exemption"). These exemptions do not, however, provide relief from the self-dealing prohibitions under ERISA and the Code. It should also be noted that even if the conditions specified in one or more of these exemptions are met, the scope of relief provided by these exemptions may not necessarily cover all acts that might be construed as prohibited transactions. Therefore, the fiduciary of an ERISA Plan that is considering acquiring and/or holding the notes in reliance on any of these, or any other, prohibited transaction exemption should carefully review the exemption and consult with its counsel to confirm that it is applicable. There can be no assurance that all of the conditions of any such exemptions will be satisfied.

Because of the foregoing, each purchaser or holder of notes or any interest therein will be deemed to have represented by its purchase and holding of the notes that (A) it either (1) is not a Plan and is not purchasing or holding the notes on behalf of or with the assets of any Plan or (2) the purchase and holding of the notes or any interest therein by such purchaser or holder will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or similar violation under any applicable Similar Laws and (B) if such purchaser or holder is using assets of any ERISA Plan to purchase or hold the notes (i) none of the Relevant Entities has acted as the ERISA Plan's fiduciary, or has been relied upon for any advice, with respect to the ERISA Plan's decision to acquire, hold, sell, exchange or provide any consent with respect to the notes and none of the Relevant Entities will at any time be relied on as the ERISA Plan's fiduciary with respect to any decision with respect to the notes and (ii) the decision to invest in the notes has been made at the recommendation or

direction of an "independent fiduciary" ("Independent Fiduciary") within the meaning of U.S. Code of Federal Regulations 29 C.F.R. Section 2510.3-21(c), as amended from time to time (the "Fiduciary Rule"), other than the Relevant Parties, who (a) is independent of the Relevant Parties; (b) is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies (within the meaning of the Fiduciary Rule); (c) is a fiduciary (under ERISA and/or Section 4975 of the Code) with respect to the ERISA Plan's investment in the notes and is responsible for exercising independent judgment in evaluating the investment in the notes; (d) is either (I) a bank as defined in Section 202 of the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"), or similar institution that is regulated and supervised and subject to periodic examination by a state or federal agency of the United States; (II) an insurance carrier which is qualified under the laws of more than one state of the United States to perform the services of managing, acquiring or disposing of assets of such an ERISA Plan; (III) an investment adviser registered under the Advisers Act or, if not registered as an investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state (referred to in such paragraph (1)) in which it maintains its principal office and place of business; (IV) a broker dealer registered under the Exchange Act; and/or (V) an Independent Fiduciary that holds or has under management or control total assets of at least $50 million; and (e) is aware of and acknowledges that (I) none of the Relevant Entities are undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the ERISA Plan's investment in the notes, and (II) the Relevant Entities have a financial interest in the ERISA Plan's investment in the notes on account of the fees and other remuneration they expect to receive in connection with the transactions contemplated hereunder.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is important that fiduciaries or other persons considering purchasing notes on behalf of or with the assets of any Plan or Non-ERISA Arrangement consult with their counsel regarding the availability of exemptive relief under any of the PTCEs listed above, the service provider exemption or any other applicable exemption, or the potential consequences of any purchase or holding under Similar Laws, as applicable. If you are an insurance company or the fiduciary of a pension plan or an employee benefit plan, and propose to invest in notes, you should consult your legal counsel.

PLAN OF DISTRIBUTION

Credit Suisse Securities (USA) LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, Banco BTG Pactual S.A. – Cayman Branch, Evercore Group L.L.C., Santander Investment Securities Inc., BCP Securities, LLC and Banco Safra S.A., acting through its Cayman Islands Branch, are acting as initial purchasers. Subject to the terms and conditions set forth in a purchase agreement among the Issuer, the Guarantors and the initial purchasers, the Issuer has agreed to sell to the initial purchasers, and the initial purchasers have severally and not jointly agreed to purchase from the Issuer, the respective principal amounts of notes that appears opposite their names below:

Initial Purchasers	**Principal Amount of Notes (in US$)**
Credit Suisse Securities (USA) LLC	111,100,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	111,100,000
Morgan Stanley & Co. LLC	111,100,000
Banco BTG Pactual S.A. – Cayman Branch	60,600,000
Evercore Group L.L.C.	55,550,000
Santander Investment Securities Inc	30,300,000
BCP Securities, LLC	12,650,000
Banco Safra S.A., acting through its Cayman Islands Branch.	7,600,000
Total	500,000,000

Subject to the terms and conditions set forth in the purchase agreement, the initial purchasers have agreed to purchase all of the notes sold under the purchase agreement if any of these notes are purchased.

Each of the Issuer and the Guarantors have agreed to indemnify the initial purchasers and their respective controlling persons against certain liabilities in connection with this offering, including liabilities under the Securities Act, or to contribute to payments the initial purchasers may be required to make in respect of those liabilities.

The initial purchasers are offering the notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the notes, and other conditions contained in the purchase agreement, such as the receipt by the initial purchasers of officer's certificates and legal opinions. The initial purchasers reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

The initial purchasers and/or their affiliates may enter into derivative and/or structured transactions with clients, at their request, in connection with the notes and the initial purchasers and/or their affiliates may also purchase some of the notes to hedge their risk exposure in connection with such transactions. Also, the initial purchasers and/or their affiliates may acquire the notes for their own propriety account. Such acquisitions may have an effect on demand and the price of the offering.

Banco BTG Pactual S.A. – Cayman Branch is not a broker dealer registered with the SEC, and therefore may not make sales of any notes in the United States or to U.S. persons except in compliance with applicable U.S. laws and regulations. To the extent that Banco BTG Pactual S.A. – Cayman Branch intends to effect sales of the notes in the United States, it will do so only through BTG Pactual US Capital, LLC or one or more U.S. registered broker dealers, or otherwise as permitted by applicable U.S. law.

Banco Safra S.A. – Cayman Branch is not a broker dealer registered with the SEC, and therefore may not make sales of any notes in the United States or to U.S. persons except in compliance with applicable U.S. laws and regulations. To the extent that Banco Safra S.A. – Cayman Branch intends to effect sales of the notes in the United States, it will do so only through one or more U.S. registered broker dealers, or otherwise as permitted by applicable U.S. law.

We expect to deliver the notes against payment for the notes on or about the date specified in the last paragraph of the cover page of this offering memorandum, which will be the third business day following the date of the pricing of the notes. Because trades in the secondary market generally settle in two business days, purchasers who wish to trade notes on the date of pricing may be required, by virtue of the fact that the notes initially are expected to settle on December 11, 2017, to specify alternative settlement arrangements to prevent a failed settlement.

Commissions and Discounts

The initial purchasers have advised us that they propose initially to offer the notes at the offering price set forth on the cover page of this offering memorandum. After the initial offering, the offering price or any other term of the offering may be changed.

Notes Are Not Being Registered

The notes have not been registered under the Securities Act or any state securities laws. The initial purchasers propose to offer the notes for resale in transactions not requiring registration under the Securities Act or applicable state securities laws, including sales pursuant to Rule 144A and Regulation S. The initial purchasers will not offer or sell the notes except to persons they reasonably believe to be qualified institutional buyers or pursuant to offers and sales to non-U.S. persons that occur outside of the United States within the meaning of Regulation S. In addition, until 40 days following the commencement of this offering, an offer or sale of notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act unless the dealer makes the offer or sale in compliance with Rule 144A or another exemption from registration under the Securities Act. Each purchaser will be deemed to have made acknowledgments, representations and agreements as described under "Transfer Restrictions."

New Issue of Notes

The notes are a new issue of securities with no established trading market. The Issuer will apply to the SGX-ST for permission to list the notes on the main board of the SGX-ST. We cannot guarantee the listing will be obtained. We have been advised by the initial purchasers that they presently intend to make a market in the notes after completion of the offering. However, they are under no obligation to do so and may discontinue any market-making activities at any time without any notice. We cannot assure the liquidity of the trading market for the notes. If an active trading market for the notes does not develop, the market price and liquidity of the notes may be adversely affected. If the notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, our operating performance and financial condition, general economic conditions and other factors.

No Sales of Similar Securities

The Issuer and the Guarantors have agreed that for a period of 30 days after the date of this offering memorandum, we will not without first obtaining the prior written consent of the initial purchasers, directly or indirectly, sell, offer, announce the offering of, or file any registration statement under the Securities Act in respect thereof, any U.S. dollar debt securities, except for the notes sold to the initial purchasers pursuant to the purchase agreement.

Stabilizing and Syndicate Covering Transactions

In connection with the offering of the notes, the initial purchasers may engage in overallotment, stabilizing transactions and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which creates a short position for the initial purchasers. Stabilizing transactions involve bids to purchase the notes in the open market for the purpose of pegging, fixing or maintaining the price of the notes. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions and syndicate covering transactions may have the effect of preventing or retarding a decline in the market price of the notes or cause the price of the notes to be higher than it would otherwise be in the absence of those transactions. If the initial purchasers engage in stabilizing or syndicate covering transactions, they may discontinue them at any time.

Other Relationships

Some of the initial purchasers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the initial purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the initial purchasers or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such initial purchasers and their affiliates would hedge such exposure by entering into

transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such short positions could adversely affect future trading prices of the notes offered hereby. The initial purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Sales Outside the United States

Neither we nor the initial purchasers are making an offer to sell, or seeking offers to buy, the notes in any jurisdiction where the offer and sale is not permitted. You must comply with all applicable laws and regulations in effect in any jurisdiction in which you purchase, offer or sell the notes or possess or distribute this offering memorandum, and you must obtain any consent, approval or permission required for your purchase, offer or sale of the notes under the laws and regulations in effect in any jurisdiction to which you are subject or in which you make such purchases, offers or sales. Neither we nor the initial purchasers will have any responsibility therefor.

Notice to Prospective Investors in Brazil

The notes have not been, and will not be, registered with the CVM. The notes may not be offered or sold in Brazil, except in circumstances that do not constitute a public offering or distribution under Brazilian laws and regulations.

Notice to Prospective Investors in the EEA

In relation to each Member State of the European Economic Area, no offer of the notes which are the subject of the offering has been, or will be made to the public in that Member State, other than under the following exemptions under the Prospectus Directive:

i. to any legal entity which is a qualified investor as defined in the Prospectus Directive;

ii. to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the initial purchasers' for any such offer; or

iii. in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of notes referred to in (a) to (c) above shall result in a requirement for us or any initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Each person located in a Member State to whom any offer of notes is made or who receives any communication in respect of any offer of notes, or who initially acquires any notes will be deemed to have represented, warranted, acknowledged and agreed to and with each initial purchasers and us that (1) it is a "qualified investor" within the meaning of the law in that Member State implementing Article 2(1)(e) of the Prospectus Directive; and (2) in the case of any notes acquired by it as a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, the notes acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the initial purchasers has been given to the offer or resale; or where ordinary shares have been acquired by it on behalf of persons in any Member State other than qualified investors, the offer of those ordinary shares to it is not treated under the Prospectus Directive as having been made to such persons.

We, the initial purchasers and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgments and agreements.

This offering memorandum has been prepared on the basis that any offer of notes in any Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of notes. Accordingly any person making or intending to make an offer in that Member State of notes which are the subject of the offering contemplated in this offering memorandum may only do so in circumstances in which no obligation arises for us or any of the initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither we nor the initial purchasers have authorized, nor do we or they authorize, the making of any offer of notes in circumstances in which an obligation arises for us or the initial purchasers to publish a prospectus for such offer.

For the purposes of this provision, the expression an "offer of notes to the public" in relation to any notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in each Member State.

The above selling restriction is in addition to any other selling restrictions set out below.

Notice to Prospective Investors in United Kingdom

Each initial purchaser has agreed that:

i. it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (the "FSMA")) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and

ii. it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to our notes in, from or otherwise involving the United Kingdom.

Notice to Prospective Investors in Luxembourg

This offering memorandum has not been approved by, and will not be submitted for approval to, the Luxembourg Financial Services Authority (*Commission de Surveillance du Secteur Financier*), or the CSSF, or a competent authority of another EU Member State for notification to the CSSF, where applicable, for purposes of a public offering or sale in Luxembourg. Accordingly, the Notes may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither this offering memorandum nor any other offering circular, prospectus, form of application, advertisement or other material may be distributed, or otherwise made available in, from or published in, Luxembourg, except in circumstances which do not constitute an offer of securities to the public requiring the publication of a prospectus in accordance with the Luxembourg Act of July 10, 2005 on prospectuses for securities, as amended, (the "Prospectus Act") and implementing the Prospectus Directive. Consequently, this offering memorandum and any other offering circular, prospectus, form of application, advertisement or other material may only be distributed (i) to Luxembourg qualified investors as defined in the Prospectus Act; (ii) to no more than 149 prospective investors, which are not qualified investors; and/or (iii) in any other circumstance contemplated by the Prospectus Act which do not require the publication of a prospectus pursuant to Article 5 of the Prospectus Act.

Notice to Prospective Investors in Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"); (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (i) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the notes under Section 275 except: (a) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (b) where no consideration is given for the transfer; or (c) by operation of law.

Notice to Prospective Investors in Hong Kong

The notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong); or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder; or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to Prospective Investors in Chile

The notes are not registered in the Securities Registry (*Registro de Valores*) or subject to the control of the Chilean Securities and Exchange Commission (*Superintendencia de Valores y Seguros de Chile*). This offering memorandum and other offering materials relating to the offer of the notes do not constitute a public offer of, or an invitation to subscribe for or purchase, the notes in the Republic of Chile, other than to individually identified purchasers pursuant to a private offering within the meaning of Article 4 of the Chilean Securities Market Act (*Ley de Mercado de Valores*) (an offer that is not "addressed to the public at large or to a certain sector or specific group of the public").

Notice to Prospective Investors in Switzerland

This offering memorandum does not constitute a prospectus within the meaning of Article 652a of the Swiss Code of Obligations. The notes may not be sold directly or indirectly in or into Switzerland except in a manner which will not result in a public offering within the meaning of the Swiss Code of Obligations. Neither this offering memorandum nor any other offering materials relating to the notes may be distributed, published or otherwise made available in Switzerland except in a manner which will not constitute a public offer of the notes in Switzerland.

TRANSFER RESTRICTIONS

The notes (and the related guarantees) have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the notes are being offered and sold only to (i) "qualified institutional buyers," as defined in Rule 144A under the Securities Act, ("QIBs") in compliance with Rule 144A; and (ii) outside the United States to persons other than U.S. persons ("non U.S. investors"), which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for foreign beneficial owners (other than an estate or trust), in reliance upon Regulation S under the Securities Act.

By its purchase of notes, each purchaser of notes will be deemed to:

(1) represent that it is purchasing the notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is (a) a QIB, and is aware that the sale to it is being made in reliance on Rule 144A or (b) a non U.S. investor that is outside the United States (or a non U.S. investor that is a dealer or other fiduciary as referred to above);

(2) acknowledge that the notes (and the guarantees) have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(3) if it is a person other than a non U.S. investor outside the United States, agree that if it should resell or otherwise transfer the notes (and the guarantees), it will do so only (a) to us or any of our subsidiaries, (b) to a QIB in compliance with Rule 144A, (c) outside the United States in compliance with Rule 904 under the Securities Act, (d) pursuant to the exemption from registration or (e) pursuant to an effective registration statement under the Securities Act;

(4) agree that it will deliver to each person to whom it transfers notes notice of any restriction on transfer of such notes;

(5) if it is a non U.S. investor outside the United States, (a) understand that the notes will be represented by the Regulation S global note and that transfers are restricted as described under "Form of Notes" and (b) represent and agree that it will not sell short or otherwise sell, transfer or dispose of the economic risk of the notes into the United States or to a U.S. person;

(6) understand that until registered under the Securities Act, the notes (other than those issued to a non U.S. investor or in substitution or exchange therefor) will bear a legend to the following effect unless otherwise agreed by us and the holder thereof:

THIS NOTE (AND RELATED GUARANTEES) HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE, BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER

(1) REPRESENTS THAT

(A) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT; OR

(B) IT IS NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) AND

(2) AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN, EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ONLY

(A) TO THE ISSUER;

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT;

(C) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT;

(D) IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT; OR

(E) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR ANY OTHER AVAILABLE EXEMPTION OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(E) ABOVE, THE ISSUER RESERVES THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY RULE 144 EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THIS LEGEND MAY ONLY BE REMOVED WITH CONSENT OF THE ISSUER;

(7) acknowledge that the Issuer, the Guarantors and the initial purchasers will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements, and agree that if any of the acknowledgements, representations or warranties deemed to have been made by it by its purchase of notes are no longer accurate, it shall promptly notify the Issuer, the Guarantors and the initial purchasers; if they are acquiring notes as a fiduciary or agent for one or more investor accounts, they represent that they have sole investment discretion with respect to each such account and they have full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account; and

(8) represent (A) either (i) no portion of the assets used by such purchaser or holder to purchase or hold the notes or any interest therein constitutes assets of any (a) employee benefit plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), (b) plan, account or other arrangement that is subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or provisions under any other federal, state, local, non U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code ("Similar Laws"), or (c) entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each such plan, account, arrangement and entity described in clause (a), (b) and (c) referred to as a "Plan") or (ii) the acquisition and holding of the notes or any interest therein by such purchaser or holder will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation under any applicable Similar Law and (B) if such purchaser or holder is using assets of any Plan subject to ERISA or Section 4975 of the Code (an "ERISA Plan") to acquire or hold the notes (i) neither the Issuer, Guarantor, initial purchaser or their respective affiliates (each, a "Relevant Entity") has acted as the ERISA Plan's fiduciary, or has been relied upon for any advice, with respect to the ERISA Plan's decision to acquire, hold, sell, exchange or provide any consent with respect to the notes and none of the Relevant Entities will at any time be relied on as the ERISA Plan's fiduciary with respect to any decision with respect to the notes and (ii) the decision to invest in the notes has been made at the recommendation or direction of an "independent fiduciary" ("Independent Fiduciary") within the meaning of U.S. Code of Federal Regulations 29 C.F.R. Section 2510.3-21(c), as amended from time to time (the "Fiduciary Rule"), other than the Relevant Parties, who (a) is independent of the Relevant Parties; (b) is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies (within the meaning of the Fiduciary Rule); (c) is a fiduciary (under ERISA and/or Section 4975 of the Code) with respect to the ERISA Plan's investment in the notes and is responsible for exercising independent judgment in evaluating the investment in the notes; (d) is either (I) a bank as defined in Section 202 of the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"), or similar institution that is regulated and supervised and subject to periodic examination by a state or federal agency of the United States; (II) an insurance carrier which is qualified under the laws of more than one state of the United States to perform the services of managing, acquiring or disposing of assets of such an ERISA Plan; (III) an investment adviser registered under the Advisers Act or, if not registered as an investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state (referred to in such paragraph (1)) in which it maintains its principal office and place of business; (IV) a broker dealer registered under the Exchange Act; and/or (V) an Independent Fiduciary that holds or has under management or control total assets of at least $50 million; and (e) is aware of and acknowledges that (I) none of the Relevant Entities are undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the ERISA Plan's

investment in the notes, and (II) the Relevant Entities have a financial interest in the ERISA Plan's investment in the notes on account of the fees and other remuneration they expect to receive in connection with the transactions contemplated hereunder Prospective purchasers must carefully consider the restrictions on purchase set forth in "Transfer Restrictions" and "Certain ERISA Considerations."

ENFORCEMENT OF CIVIL LIABILITIES

Service of Process and Enforcement of Civil Liabilities in Luxembourg

The Issuer is a public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg. Certain or all of the Issuer's directors and executive officers are non-residents of the United States. In addition, all or a substantial portion of the assets of the Issuer and substantially all of the assets of its directors are located outside the United States. As a result, it may not be possible for you to serve process on these persons or the Issuer in the United States or to enforce judgments obtained in U.S. courts against them or the Issuer based on civil liability provisions of the securities laws of the United States. It may be possible for investors to effect service of process upon the Issuer within Luxembourg provided that The Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters of November 15, 1965 is complied with.

We have been advised by our Luxembourg counsel that the United States and Luxembourg are not currently bound by a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitral awards rendered in civil and commercial matters. According to our Luxembourg counsel, an enforceable judgment for the payment of monies rendered by any U.S. federal or state court based on civil liability, whether or not predicated solely upon U.S. securities laws, would not directly be enforceable in Luxembourg. However, a party who received such favorable judgment in a U.S. court may initiate enforcement proceedings in Luxembourg (*exequatur*) by requesting enforcement of the U.S. judgment by the District Court (*Tribunal d'Arrondissement*) pursuant to Section 678 of the New Luxembourg Code of Civil Procedure. The District Court will authorize the enforcement in Luxembourg of the U.S. judgment if it is satisfied that all of the following conditions are met:

- the U.S. court has applied the substantive law as designated by the Luxembourg conflict of laws rules;
- the U.S. court has acted in accordance with its own procedural laws;
- the U.S. court order or judgment must not result from an evasion of Luxembourg law (*fraude à la loi*);
- the U.S. court awarding the judgment has jurisdiction to adjudicate the respective matter under its applicable laws, and such jurisdiction is recognized by Luxembourg private international and local law;
- the judgment is enforceable in the jurisdiction where the decision has been rendered;
- the judgment was granted following proceedings where the defendant had the opportunity to appear, was granted the necessary time to prepare its case and, if it appeared, could present a defense; and
- the considerations of the foreign order as well as the judgment do not contravene international public policy as understood under the laws of Luxembourg or has been given in proceedings of a criminal or tax nature.

If an original action is brought in Luxembourg, a court of competent jurisdiction may refuse to apply the designated law if its application contravenes Luxembourg's international public policy and, if such action is brought on the basis of U.S. federal or state securities laws, may not have the requisite power to grant the remedies sought. In practice, Luxembourg courts now tend not to review the merits of a foreign judgment, although there is no clear statutory prohibition of such review.

Service of Process and Enforcement of Civil Liabilities in Brazil

GLAI and GLA are corporations organized under the laws of Brazil. Substantially all of their directors and officers reside in Brazil or elsewhere outside the United States. In addition, all or a substantial portion of their assets and substantially all of the assets of their directors and officers are likely located outside the United States. As a result, it may not be possible for investors to effect service of process upon these persons within the United States or other jurisdictions outside Brazil, which may be time-consuming, or to enforce against them judgments predicated upon the civil liability provisions of the U.S. federal securities laws or the laws of such other jurisdictions.

In the terms and conditions of the notes, we will (i) agree that the courts of the State of New York and the federal courts of the United States, in each case sitting in the Borough of Manhattan, City of New York, will have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with the notes and, for such purposes, irrevocably submit to the jurisdiction of such courts; and (ii) name an agent for service of process in the Borough of Manhattan, City of New York. See "Description of Notes."

We have been advised by Mattos Filho, Veiga Filho, Marrey Jr. e Quiroga Advogados, Brazilian counsel to GLAI and GLA, that judgments of non-Brazilian courts for civil liabilities predicated upon the securities laws of countries other than Brazil, including U.S. securities laws, may be enforced in Brazil subject to certain requirements, as described below. A judgment against GLAI, GLA or any of their directors and officers obtained outside Brazil would be enforceable in Brazil against GLAI, GLA or any such person without retrial or reexamination of the merits, upon confirmation of that judgment by the Brazilian Superior Court of Justice (*Superior Tribunal de Justiça*). That confirmation, generally, will occur if:

- the foreign judgment is issued by a competent jurisdiction, court and/or authority, according to the law of the jurisdiction of origin;
- the foreign judgment is not rendered in an action upon which Brazilian courts have exclusive jurisdiction, pursuant to the provisions of Article 23 of the Brazilian Code of Civil Procedure (*Código de Processo Civil*) (Law No. 13,105/2015);
- proper service of process is made on the defending party(ies) and, when made in Brazil, such service of process must be made in accordance with Brazilian law, or after sufficient evidence of the defendant's absence has been given, as required under applicable law;
- where a Brazilian court has jurisdiction, there is no conflict between the foreign judgment and a previous domestic judgment involving the same parties, cause of action or claim brought in Brazil that has reached the status of *res judicata*;
- the foreign judgment has become final and is not subject to appeal (*res judicata*) and is legally allowed to be enforced, fulfilling all formalities required for its enforceability under the jurisdiction in which it was issued;
- the original or a certified copy of the foreign judgment is authenticated by a Brazilian consular office in the country where the foreign judgment is issued, except if it is apostilled by a competent authority of the state in which the decision was issued, according to the Hague Convention Abolishing the Requirement of Legalization for Foreign Public Documents of 5 October 1961, and, in any event, is accompanied by a sworn translation into Portuguese in Brazil; and
- the foreign judgment is not contrary to Brazilian national sovereignty, public policy and/or human dignity.

The confirmation process may be time-consuming and may also give rise to difficulties in enforcing the foreign judgment in Brazil. Accordingly, we cannot assure you that confirmation would be obtained, that the confirmation process would be conducted in a timely manner or that a Brazilian court would enforce a monetary judgment for violation of the securities laws of countries other than Brazil, including U.S. securities laws.

GLAI and GLA have also been advised that:

- the ability of a judgment creditor to satisfy a judgment by attaching certain assets of GLAI and/or GLA and/or their directors and officers is limited by provisions of Brazilian bankruptcy, insolvency, moratorium, liquidation, judicial or extrajudicial recovery and similar laws if those assets are located in Brazil; and
- civil lawsuits may be brought before Brazilian courts in connection with the notes based solely on U.S. federal securities laws and that, subject to applicable law, Brazilian courts may enforce such liabilities in such lawsuits against GLAI and/or GLA, provided that the provisions of the federal securities laws of the United States do not contravene Brazilian national sovereignty, public policy, good morals or public morality; however, under Brazilian law, Brazilian courts can assert jurisdiction when the defendant is domiciled in Brazil, the obligation has to be performed in Brazil or the subject matter under dispute originates in Brazil.

A plaintiff, whether Brazilian or non-Brazilian, who resides outside Brazil or is outside Brazil during the course of litigation in Brazil regarding the notes must provide a bond to guarantee the payment of court expenses and defendant's legal fees, if the plaintiff owns no real property in Brazil that may secure such payment, except for (i) lawsuits seeking to enforce titles and judgments; (ii) counterclaims; or (iii) when an international treaty or agreement to which Brazil is a party otherwise provides, as established under Article 83 *caput* and §§1, I, II and III of the Brazilian Code of Civil Procedure. The bond must be sufficient to satisfy the payment of court fees and the defendant's attorney fees, as determined by a Brazilian judge. This requirement does not apply to the enforcement of foreign judgments which have been confirmed by the Brazilian Superior Court of Justice.

GLAI and GLA have also been advised that, if the notes or the relevant indenture were to be declared void by a court

applying the laws of the State of New York, a judgment obtained outside Brazil seeking to enforce GLAI's and GLA's Guarantees may not be confirmed by the Brazilian Superior Court of Justice.

VALIDITY OF THE NOTES

The validity of the notes offered and sold in this offering, together with the guarantees, will be passed upon for us by Milbank, Tweed, Hadley & McCloy LLP, and for the initial purchasers by Simpson Thacher & Bartlett LLP. Certain matters of Brazilian law relating to the notes and the guarantees will be passed upon for us by Mattos Filho, Veiga Filho, Marrey Jr. e Quiroga Advogados, our Brazilian counsel, and for the initial purchasers by Souza, Cescon, Barrieu & Flesch Advogados. Certain matters of Luxembourg law relating to the notes will be passed upon for us by NautaDutilh Avocats Luxembourg S.à r.l, our Luxembourg counsel.

INDEPENDENT AUDITORS

Our consolidated financial statements as of December 31, 2016 and 2015 and for the years ended December 31, 2016, 2015 and 2014, incorporated in this offering memorandum by reference from our 2016 Annual Report on Form 20-F for the year ended December 31, 2016, have been audited by Ernst & Young Auditores Independentes S.S., independent auditors, as stated in their report which is incorporated herein by reference from our 2016 Annual Report.

With respect to our unaudited interim consolidated financial information as of September 30, 2017 and for the nine-month periods ended September 30, 2017 and 2016, incorporated in this offering memorandum by reference from our report on Form 6-K furnished to the SEC on November 8, 2017, Ernst & Young Auditores Independentes S.S. reported that they have applied limited procedures in accordance with professional standards for a review of such information. However, their separate report dated November 7, 2017, incorporated by reference herein, states that they did not audit and they do not express an opinion on that unaudited interim consolidated financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

LISTING AND GENERAL INFORMATION

1. We expect that the notes will be delivered in book-entry form through DTC, and its direct and indirect participants, including Clearstream and Euroclear, on or about December 11, 2017. The CUSIP, ISIN and Common Code numbers for the notes are as follows:

	Restricted Global Note	Regulation S Global Note
CUSIP	36254V AA6	L4441R AA4
ISIN	US36254VAA61	USL4441RAA43

2. Copies of our latest audited consolidated financial statements and unaudited interim consolidated financial information, copies of the Issuer's articles of association and the Guarantor's *estatuto social* (by-laws) and the deed of incorporation and articles of association, as applicable, as well as the indenture (including forms of notes), will be available, free of charge, at the offices of the trustee (the Issuer's articles of incorporation may also be inspected at the Luxembourg Trade and Companies' Register of Commerce and Companies during normal business hours).

3. Except as disclosed in this offering memorandum, there has been no material adverse change in our financial position since September 30, 2017, the date of our latest financial information incorporated by reference herein.

4. Application has been made for the listing and quotation of the notes on the SGX-ST.

5. Upon any issuance of individual definitive notes, the Issuer shall appoint and maintain a paying agent in Singapore where the notes may be presented or surrendered for payment or redemption, in the event that the global notes are exchanged for individual definitive notes. In addition, in the event that the global notes are exchanged for individual definitive notes, announcement of such exchange shall be made by or on behalf of us through the SGX-ST and such announcement will include all material information with respect to the delivery of the individual definitive notes, including details of the paying agent in Singapore.

6. The issuance of the notes was authorized by the Issuer's Board of Directors on November 10, 2017. The issuance of the guarantee will be authorized by our Board of Directors on December 8, 2017.

7. We are not involved in any legal, administrative or arbitration proceeding that is material in the context of the issuance of the notes. We are not aware of any material legal, administrative or arbitration proceeding that is pending or threatened against us except as disclosed in this offering memorandum.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