

3Q17 Results Presentation

November 9th , 2017

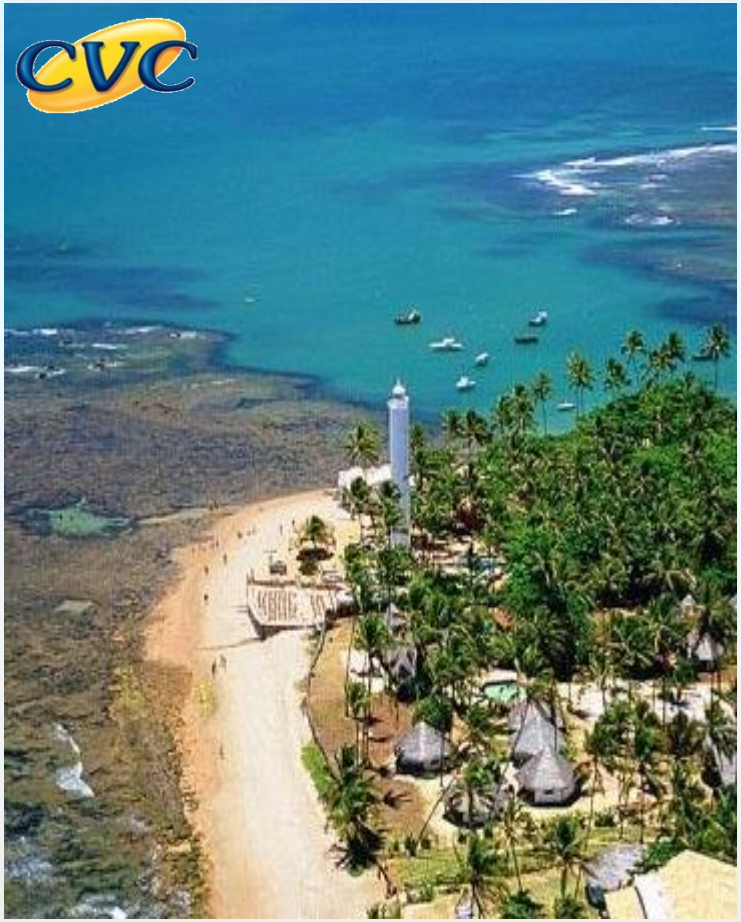
Important Notice



Some of the statements contained herein are based on our management's current assumptions and estimates, which may result in material differences regarding future results, performance and events. These forward-looking statements include future results, which may be influenced by past results and investments. Actual results, performance and events may differ substantially from those expressed or implied in these forward-looking statements due to a variety of factors, such as general economic conditions in Brazil and other countries; interest and exchange rate levels, future renegotiations or prepayment of obligations or credits denominated in foreign currency, legal and regulatory changes and general competitive factors (whether global, regional, or domestic).



Agenda



1. **Recent Events**
2. 3Q17 Results
3. Q&A Session

Highlights

Highlights CVC Group

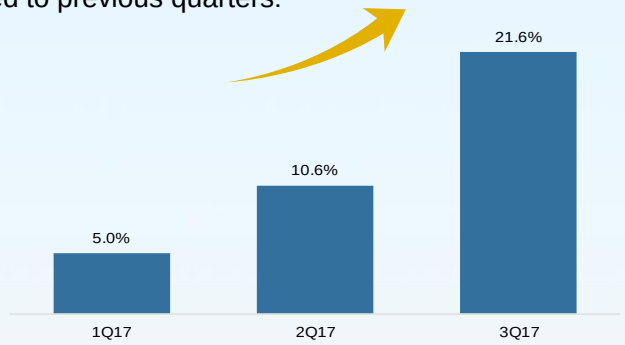
- Growth of **15.7%** in bookings of **CVC Group in 3Q17**, maintaining the trend of recovery, as demonstrated in the graph below:



- The growth in **3Q17** was propelled by the good performance of CVC (leisure), the corporate segment at *RA* (increase of average ticket) and the improvement of *Submarino Viagens*
- Strong operational cash generation of R$ 263 MM in 3Q17 and reduction of net debt to 1.06x EBITDA LTM
- Implementation of "Agile" concept for the IT team and the budgeting process for 2018 according to this concept
- CVC hired four senior executives:
  - HR Director: Carla Gama
  - Digital and Online Director: Maurizio de Francis
  - CIO: Jacques Varaschim
  - Product Director: Sylvio Ferraz

Business Highlights

- Growth of 15.9% in CVC leisure Bookings and 10.5% growth in same store sales
- Good performance in the corporate segment of *RA* and improvement at *Submarino Viagens*, boosting consolidated growth for both companies compared to previous quarters:



- *Experimento* ended the first nine months of 2017 with 25% bookings growth
- CVC achieved for the 8th consecutive year, the award *Marcas de Confiança* (Trustworthy Brands), performed by the magazine *Revista Seleções* and *Datafolha*
- The award "Top of Mind 2017" from *Folha de São Paulo*, elected CVC, for the 7th consecutive year for one of the most recognized brands in 2017

* The bookings of August were negatively impacted by the Olympics, being the months of Jul and Sept/16 shown growth of 3.8% at CVC Group and 8.2% at CVC

Acquisitions – Updates



rexturadvance
simplifica a viagem

- In the EGM of October 23rd it was approved the issuance of 5,930,009 shares of CVC for payment of the remaining part of *RexturAdvance,* (31.85%, or 65% of the acquired portion) with lock-up of 1/3 per year

GRUPO TREND

- In August, *CADE*[1] approved the acquisition of *Trend* and the process of corporate restructuring of the group´s companies is in the final stage
- Final closing expected for December, 2017

TURISMO Visual

Visual Tour Operator Acquisiton

- In November 8th CVC acquired Visual, the 3rd largest tour operator in Brazil, with approximately R$ 400 million annual bookings
- The acquisition strengthens CVC presence in the independent agent channel

Acquisition key terms

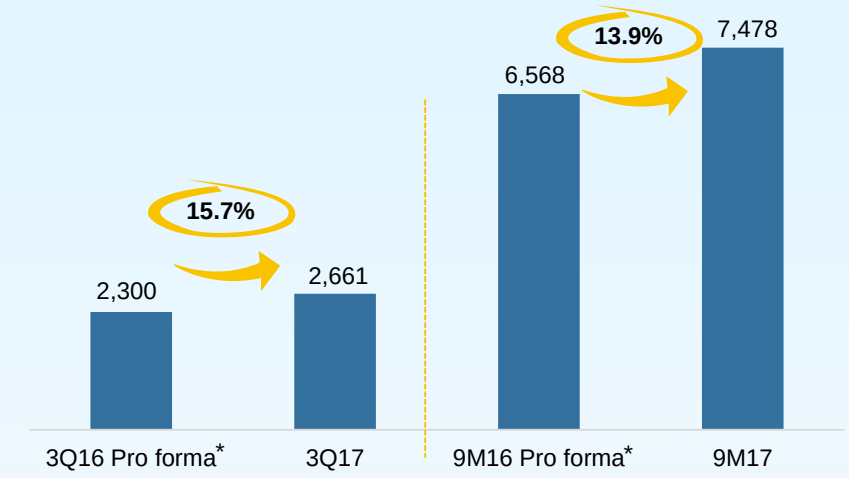
- Acquisition of 100% participation
- Base Price: R$ 67,9 million
- Four years earn-out of up to R$ 17 million, based on revenues and EBITDA targets
- Afonso Gomes Louro, founder and main executive, will remain as General Manager

(1) Brazilian Antitrust Authority

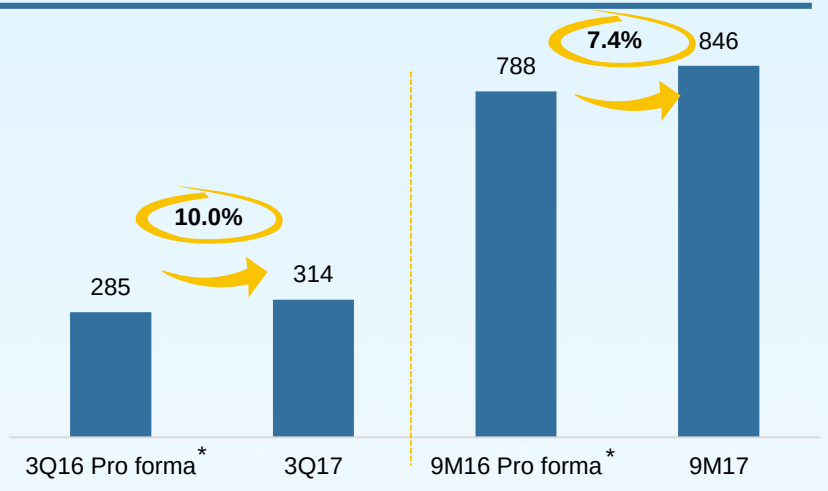


CVC Group showed growth in the main metrics of 3Q17

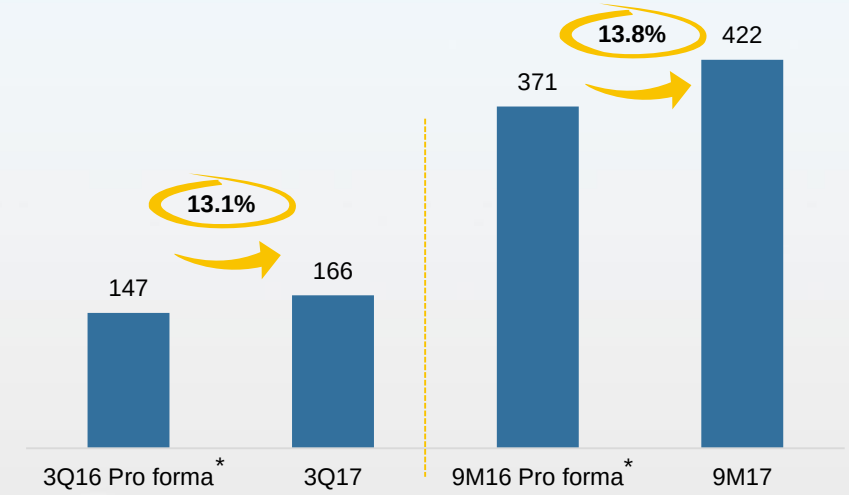
Bookings - R$ MM



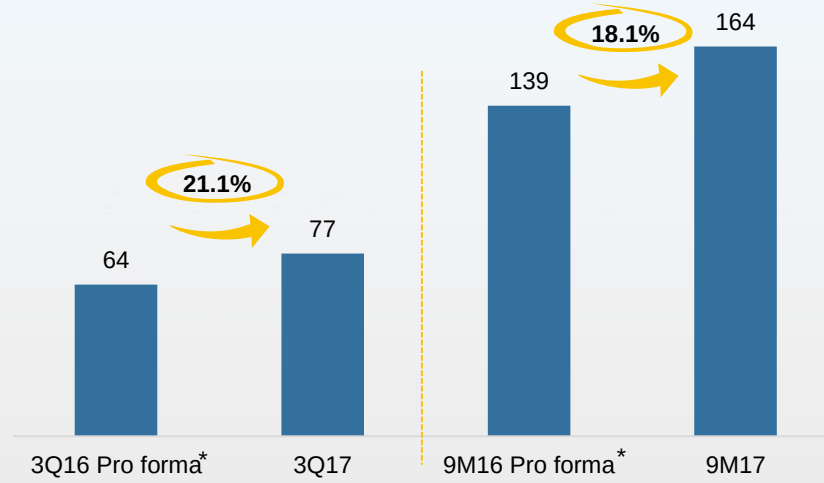
Net Revenue - R$ MM



EBITDA Adjusted(1)- R$ MM

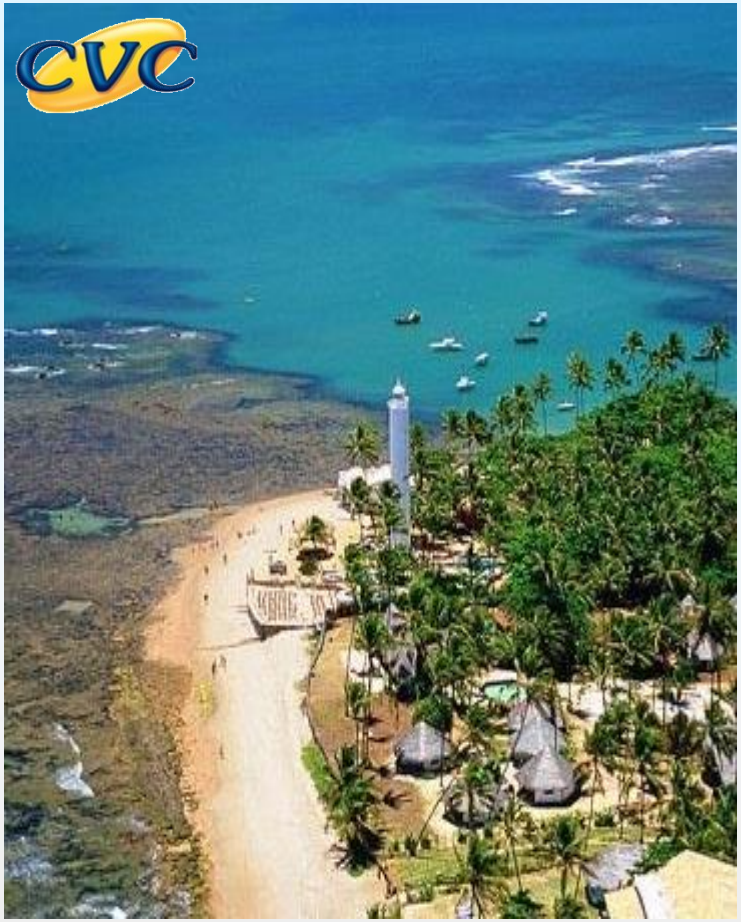


Net Profit Adjusted(1) - R$ MM



*Pro Forma includes results of *Experimento*
(1) EBITDA and Net Profit Adjusted considers the criteria of non-recurring expenses (as explained in 2Q17)

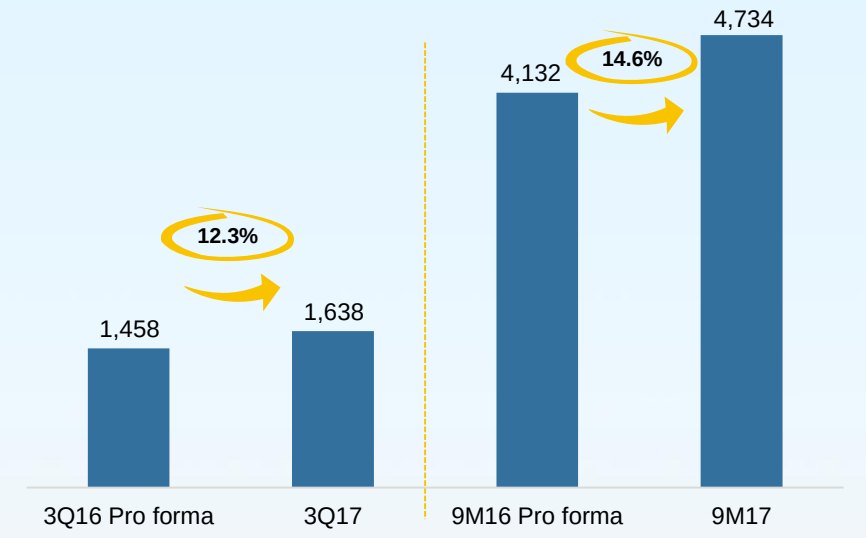
Agenda



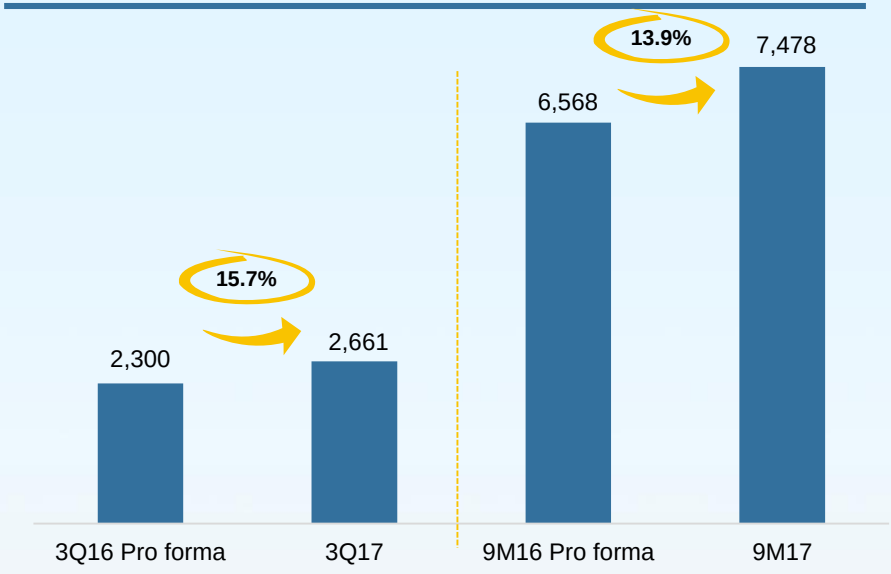
1. Recent Events
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CVC Group grew 15.7% in Bookings in the 3Q17 and 12.3% in CVC

Bookings CVC and *EX* (R$ MM)



Bookings CVC Group (R$ MM)



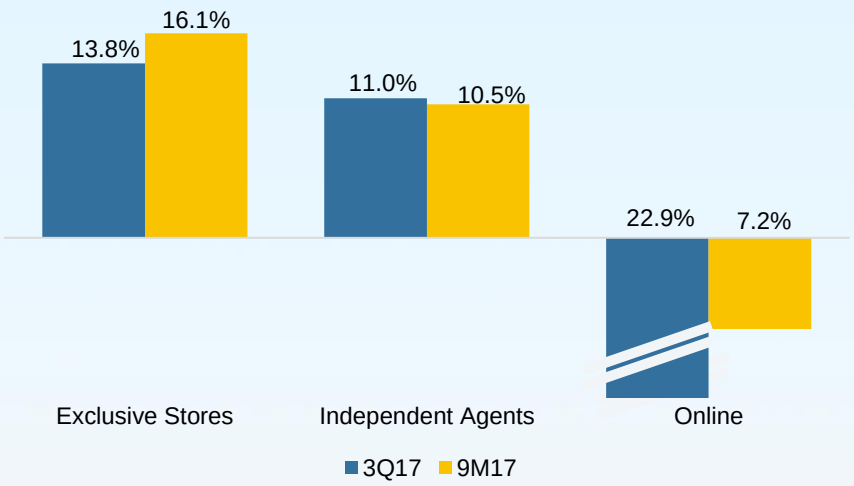
- CVC (Leisure) and Experimento Bookings totaled R$ 1,638 million in 3Q17 and R$ 4,734 million in 9M17, representing a growth of 12.3% and 14.6% versus 3Q16 and 9M16 Pro Forma
- The CVC Bookings growth in 3Q17 was driven by a strong growth in the international and cruises segment

- CVC Group Bookings totaled R$ 2,661 million in 3Q17 and R$ 7,478 million in 9M17, representing a growth of 15.7% and 13.9% versus 3Q16 and 9M16 Pro Forma
- The growth in *RexturAdvance* bookings (average ticket) and the improvement in performance of *Submarino Viagens* also provided support to the growth of CVC Group

*Pro Forma includes results of *Experimento*

Bookings breakdown per channel

Bookings per Channel (vs. 2016)



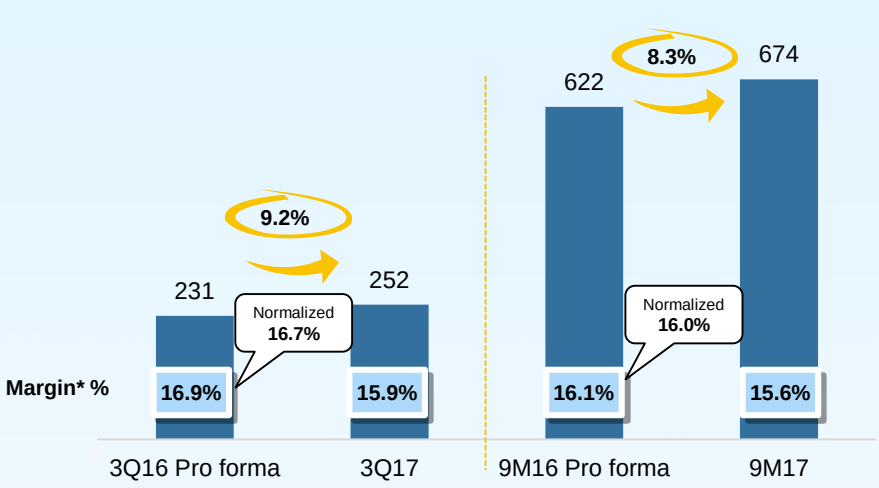
Same Store Sales (SSS)



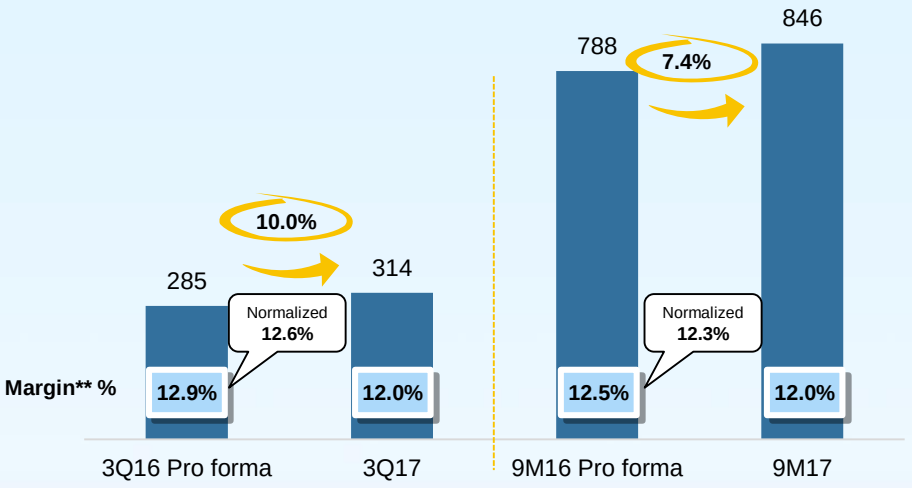
- CVC delivered similar growth on exclusive stores and independent agent
- Good performance of matured stores, delivering double digit SSS growth
- The drop of 22.9% in 3Q17 and 7.2% in 9M17 of the CVC on-line channel (cvc.com) was a reflect of to the implementation of the new platform, process which shall be concluded by the end of the year

Payments Anticipation and international segment growth impacted 3Q17 margins

CVC and EX Net Revenues (R$ MM)



CVC Group Net Revenues (R$ MM)



- The net revenues of CVC and *EX* were R$ 252 million in 3Q17 and R$ 674 million in 9M17 representing growth of 9.2% and 8.3% versus 3Q16 and 9M16 *Pro Forma*, respectively
- The margin was 15.9% in 3Q17 and 15.6% in 9M17, 80 bps and 40 bps lower than the normalized margins in the 3Q16 and in 9M16 *Pro Forma* (anticipation made with improvement in the commercial terms)

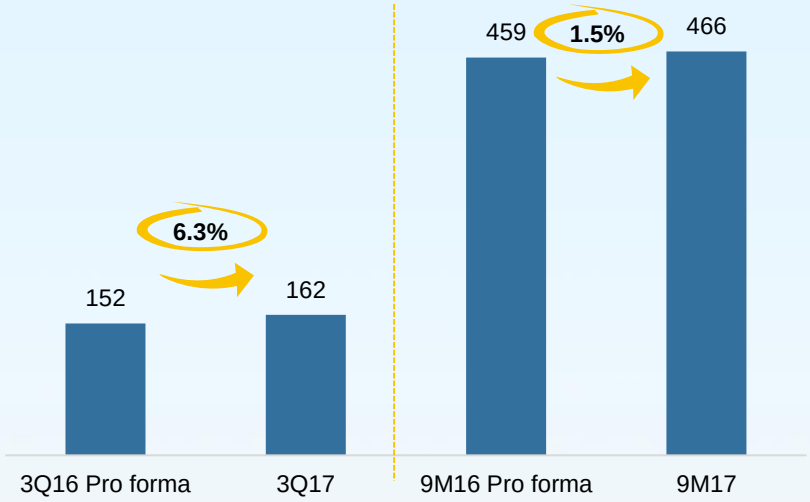
- The net revenues of CVC Group totaled R$ 314 million in 3Q17 and R$ 846 in 9M17 representing a variation of 10.0% and 7.4% when compared to 3Q16 and 9M16 *Pro forma*
- The margin was 12.0% in 3Q17 and in 9M17, a drop of 60 bps. and 30 bps, respectively, when compared to the previous year normalized *Pro forma* margins (anticipations made with improvement in the commercial terms)

* Net revenues as % of bookings at CVC and EX
** Net revenues as % of bookings at CVC and EX, and Bookings at RA and SV
*** The Pro Forma results include *Experimento*

Operating Expenses grew 6%, lower than Bookings growth of 16%

CVC Group Recurring Operating Expenses

(R$ MM)



Breakdown(R$ MM)

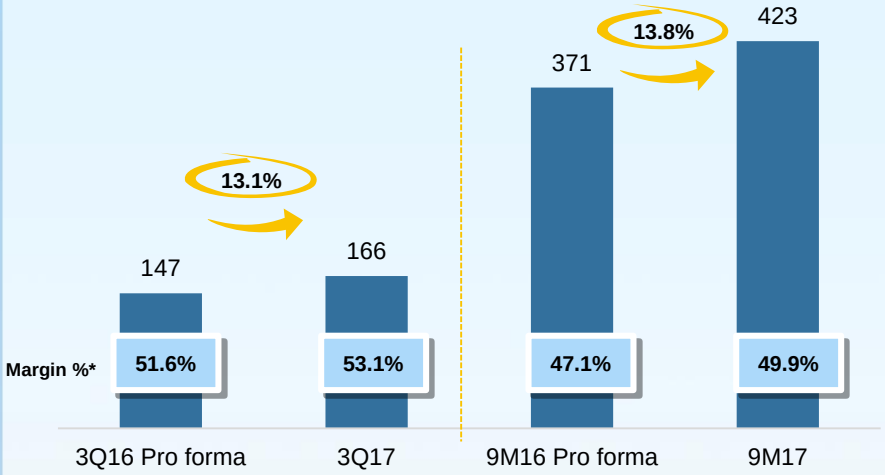
CVC Group R$ mm	3Q17	Chg.	9M17	Chg.
Operating Expenses	**174.2**	**11.8%**	**494.1**	**5.1%**
(-) Non-Recurring Items	12.4	238.9%	28.3	162.7%
Recurring Operating Expenses	**161.8**	**6.3%**	**465.8**	**1.5%**
Selling	45.9	14.5%	140.0	-0.8%
General and administrative	93.2	5.2%	270.0	8.4%
Depreciation and Amortization	9.5	-2.1%	27.1	-1.9%
Other operating expenses	8.1	-12.9%	13.8	-47.6%
PPA Amortization	5.0	13.7%	14.9	-0.1%

- The recurring operating expenses grew 6.3% in 3Q17, mainly due to the increase in marketing expenses , linked to Bookings growth of 16%
- The general and administrative expenses in 3Q17 increased 5.2% due to *dissídio* effect and expenses with M&A
- The non recurring expenses in 3Q17 grew R$ 8.8 MM versus 3Q16, due to approval of incentive plan (LIP CEO and CFO and Retention Bonus for the Commercial VP)

* 3Q16 and 9M16 Pro Forma adjusted due to change in criteria for non recurring items and includes *Experimento*

Growth in EBITDA of 13.1%

CVC Group Adjusted EBITDA ** (R$ MM)



Reconciliation of CVC Group EBITDA** (R$ MM)

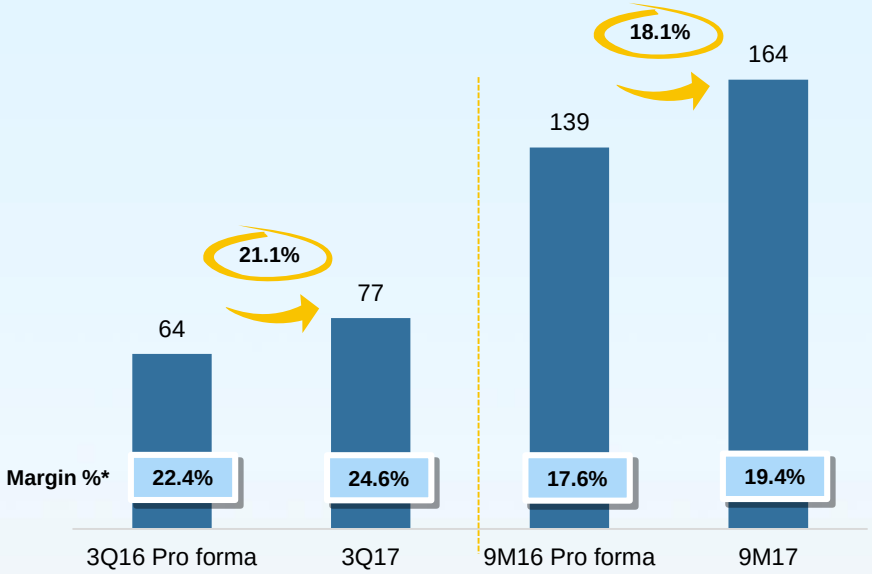
CVC Group R$ mm	3Q17	Chg.	9M17	Chg.
EBITDA	**156.4**	**7.3%**	**401.1**	**9.2%**
(+) Extraordinary Remuneration	10.1	601.1%	21.5	420.7%
Adjusted EBITDA	**166.5**	**13.1%**	**422.5**	**13.8%**
Margin [2]	53.1%	1.5 p.p.	49.9%	2.8 p.p.

- The Adjusted EBITDA of CVC Group totaled R$ 166,5 million in 3Q17 and R$ 423 million in 9M17, representing growth of 13.1% and 13.8% versus 3Q16 and 9M16 of CVC Group Pro Forma, respectively
- The margin EBITDA increased from 51.6% in 3Q16 Pro Forma to 53.1% in 3Q17

(1) Value that exceeds the value proposed by Mercer
* EBITDA Adjusted as % of net revenues Results Pro Forma includes *Experimento*
** EBITDA 2016 adjusted by the new criteria of non recurring expenses

Growth of 21% in Net Profit, boosted by operational results and financial expenses stability

CVC Group Adjusted Net Profit ** (R$ MM)



Reconciliation of CVC Group Net Profit** (R$ MM)

CVC Group R$ mm	3Q17	Chg.	9M17	Chg.
Net income	**70.2**	**15.5%**	**158.4**	**13.8%**
(-) Minority Stake	(0.0)	n/a	(13.7)	50.4%
Net income to shareholders	**70.2**	**15.5%**	**144.7**	**11.2%**
(+) Extraordinary Remuneration	5.2	263.1%	13.8	300.1%
(+) Franchisee agremement amortization	1.5	-4.8%	4.4	-20.3%
(+) Rio Operation [2]	0.3		1.3	
Adjusted Net Income	**77.3**	**21.1%**	**164.2**	**18.1%**
Adjusted Net Income Margin [1]	24.6%	2.3 p.p.	19.4%	1.8 p.p.

- The adjusted Net Profit of CVC Group totaled R$ 77 million in 3Q17 and R$ 164 million in 9M17, representing growth of 21.1% and 18.1% versus 3Q16 and 9M16 of CVC Group Pro Forma, respectively
- The growth of the Adjusted Net Profit in 3Q17 was due to EBITDA growth of 13.8% and the stability in financial expenses

(1) Value that exceeds the value proposed by Mercer

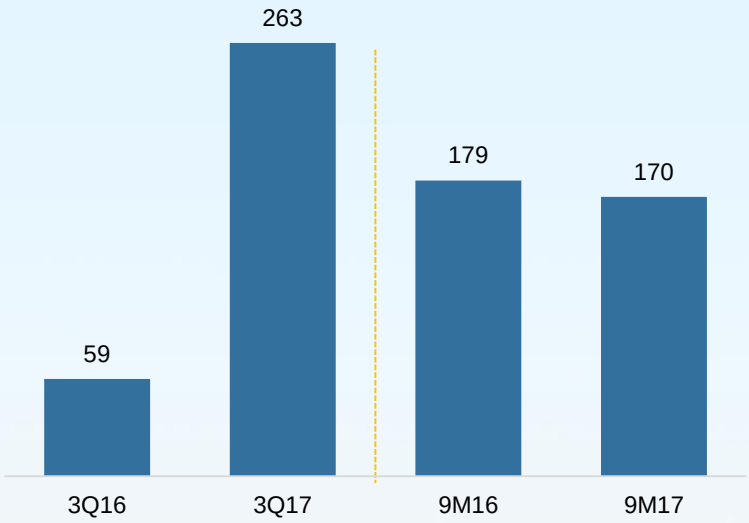
* Net Profit Adjusted as % of net revenues

Results Pro Forma include *Experimento*

** Net Profit Adjusted 2016 considers the new criteria of non recurring expenses

Operating Cash Generation of R$ 263 MM in 3Q17, driven by working capital improvement

Operating Cash Flow[1] (R$ MM)



Operating Cash Flow (R$ MM)

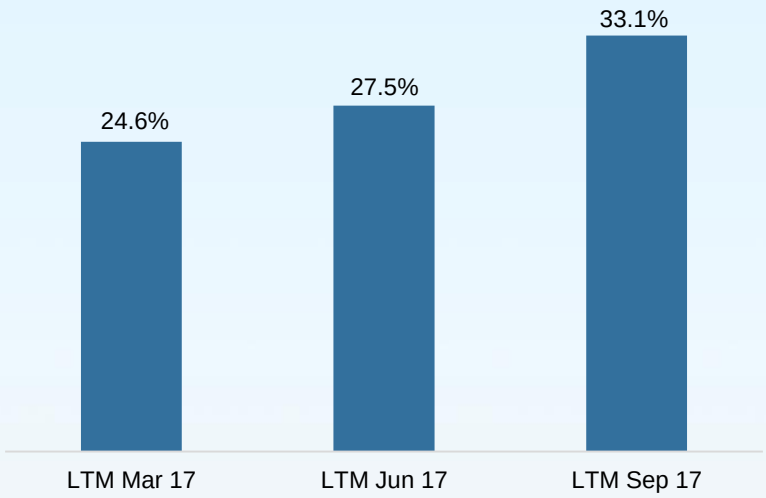
Cash Flow - R$mm	3Q16	3Q17	9M16	9M17
Net Income	**56.7**	**70.2**	**136.7**	**158.4**
Deferred tax	5.2	(3.7)	24.8	3.2
Interests	18.8	18.9	45.9	55.1
Depreciation & amortization	13.5	14.5	40.7	42.0
Others Adjustments	16.4	12.9	54.6	44.3
NI Adjusted by cash itens	**110.6**	**112.8**	**302.6**	**303.1**
Change in Working Capital	**(39.8)**	**164.2**	**(80.5)**	**(88.8)**
Capex	(11.8)	(13.9)	(45.7)	(44.7)
Other	-	-	3.0	-
Operational Cash Flow	**59.1**	**263.0**	**179.4**	**169.6**

- In 3Q17, CVC Group had a operating cash generation of R$ 263 MM, being R$ 204 MM better than 3Q16, driven by the operational results and working capital improvement. In the 9M17 CVC Group generated R$ 170 MM
- The improvement in working capital was driven by the reduction of payments anticipations and the consumers´ decision to anticipate the purchase of their travel (72.7 days in 3Q17 vs. 69,9 days in 3Q16)

[1] Net of Capex and changes in working capital

Consistent improvement on Return on Invested Capital, reaching 33.1%

ROIC[1] (%) – CVC Group

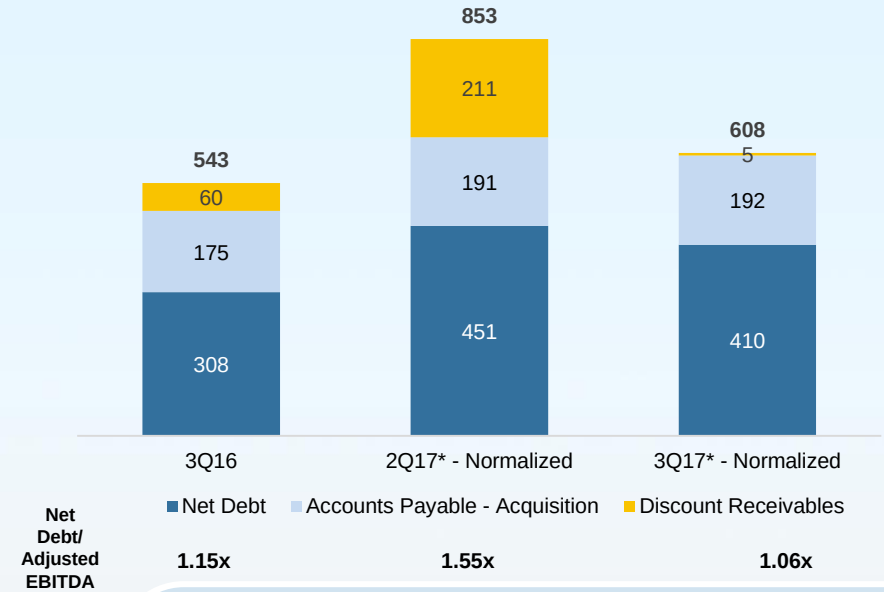


- The ROIC was 33.1% in the last 12 months ending in September/17, 5.6 p.p. better than what was determined in June/17, mainly due to the improvement in working capital

1 ROIC: Operating Net Profit after taxes divided by Invested Capital (Fixed assets + Working Capital)

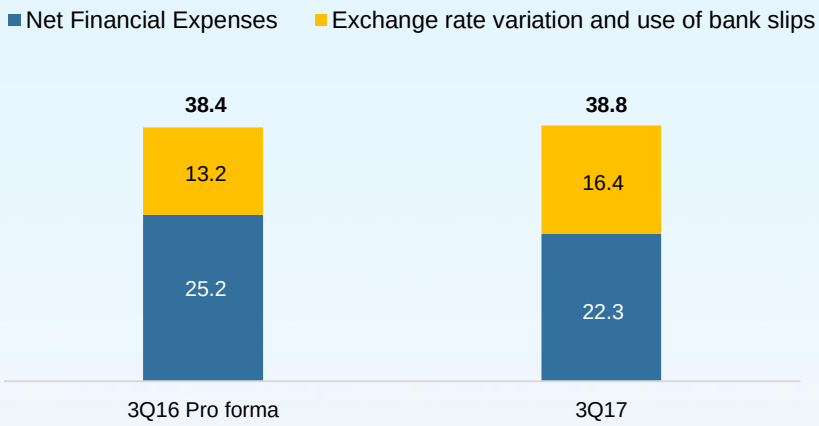
Net Debt reduction of R$ 245 million, now equivalent to 1.06x EBITDA LTM

Net Debt (R$ MM)



Net Debt/ Adjusted EBITDA	1.15x	1.55x	1.06x

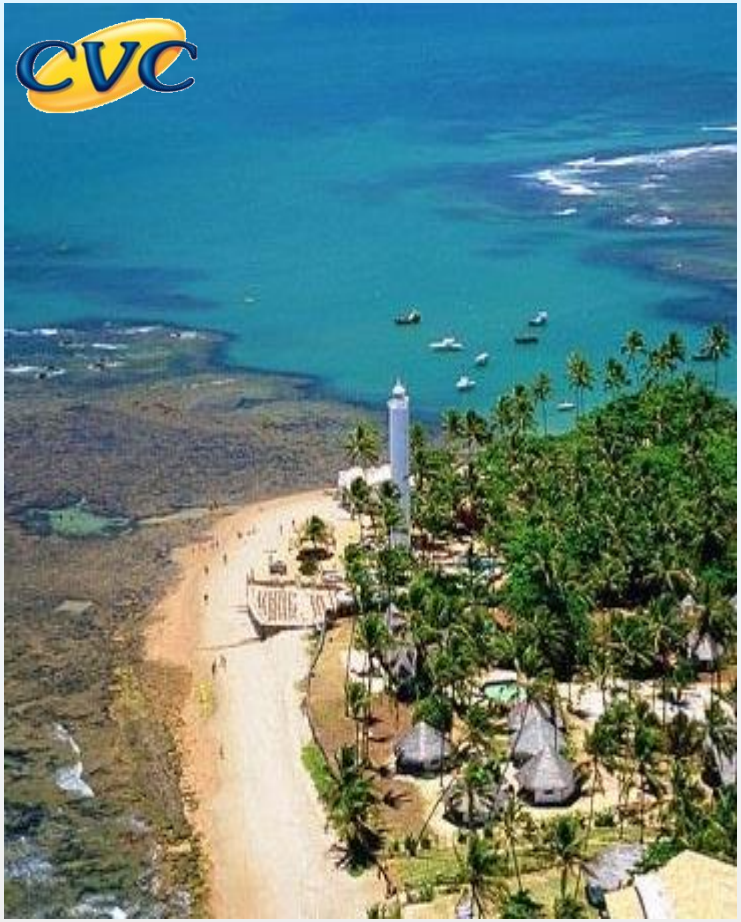
Net Financial Expenses (R$ MM)



- The company ended 3Q17 with R$ 608 million of net debt, versus R$ 853 million in the 2Q17 and R$ 543 million in 3Q16
- Considering the anticipated receivables and acquisitions, the leverage in 3Q17 was of 1.06x EBITDA LTM, lower than 2Q17 and the same period of the previous year, respectively 1.55x and 1.15x
- In 3Q17 the financial expenses slightly increased when compared to 3Q16 *Pro forma*, due to:
  - Increase of expenses with bank slips as a consequence of a higher mix of this payment mean
  - Reduction of net financial expenses as a consequence of a lower debt cost and reduction in the *CDI*

*Excluding the value of R$190mm treated as debt in the balance sheet

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