

1Q18 Results Presentation

May 2018

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. 1Q18 Results
3. Q&A Session
4. Back-up

Highlights

CVC Corp

- CVC Corp Bookings increased by 12.7% in 1Q18, highlighting double-digit growth, as in all quarters of 2017
- Growth in the 1Q was boosted by the good performance of the leisure segment (+12%), corporate bookings (+10%) and SV
- All channels showed double-digit growth in the 1Q, highlighting the online channel that grew above 25%
- In March, the new CFO (Leopoldo Saboya) was appointed and the new CEO (Luiz Fernando Fogaça) was approved to take place in 2019
- In January, we implemented a new organizational structure, aimed at capturing operational synergies and generating greater integration between all business units
- Last March, CVC held in Dubai its first sales convention outside Brazil and more than 1,500 people attended the event, including franchisees and employees
- New marketing campaign: **"Que férias você quer? A CVC tem"**

Business units

- CVC ended 1Q growing 13.4% in bookings and 9 new stores (95 net openings in the last 12 months)
- Same Store Sales grew 11.4% in 1Q18
- RexturAdvance closed the 1Q with a growth of more than 16%, totaling R$847.4 million in bookings
- SV ended the quarter with improved product mix (higher travel package and hotels sales) and strong growth in bookings
- Experimento ended 1Q with booking's growth of more than 13% and 2 new stores (15 net openings in the last 12 months)



2018 Sales Convention

Event held in Dubai









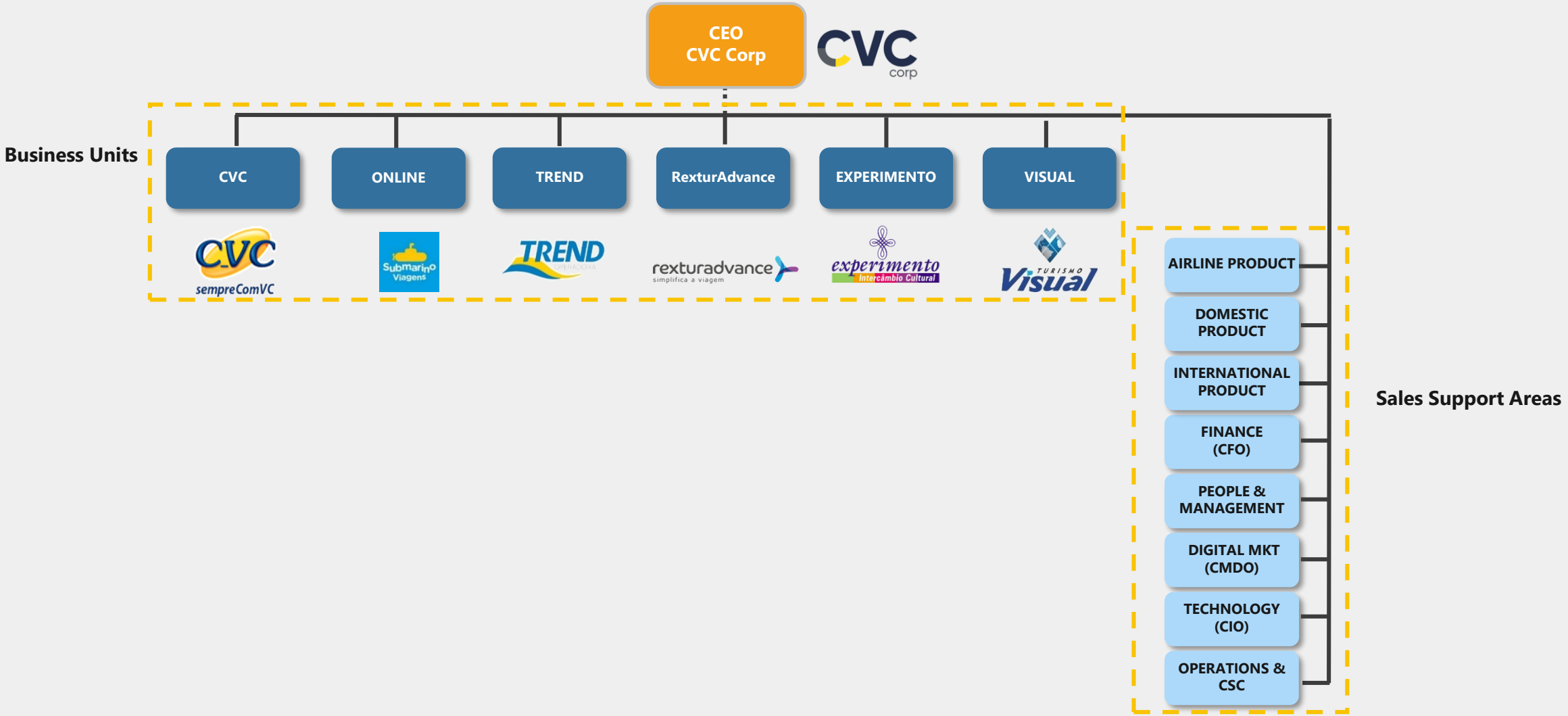








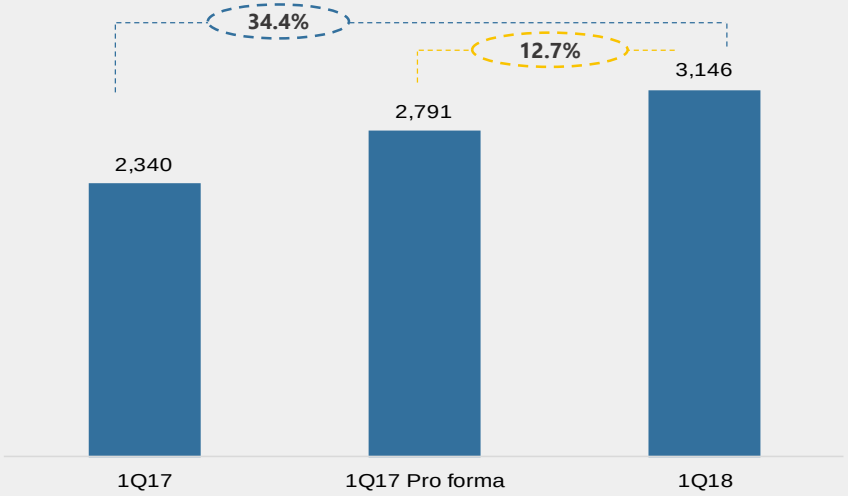
Matrix Structure



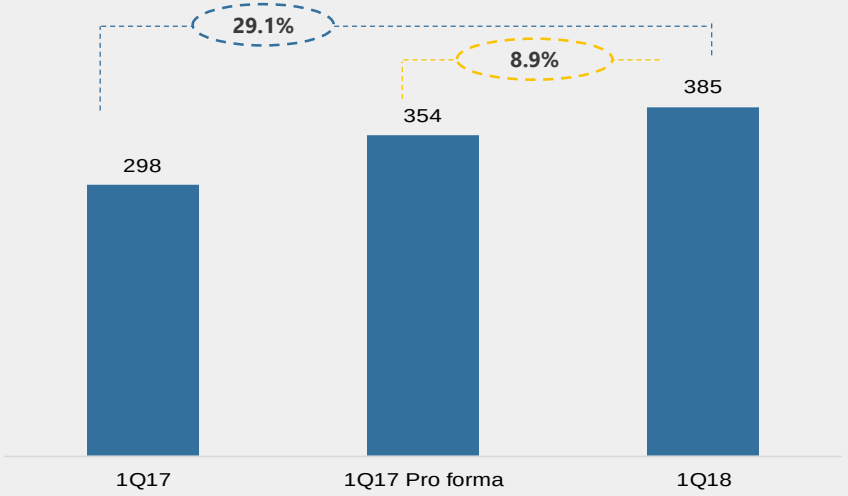
CVC Corp Result

CVC Corp showed growth in the main metrics in 1Q18

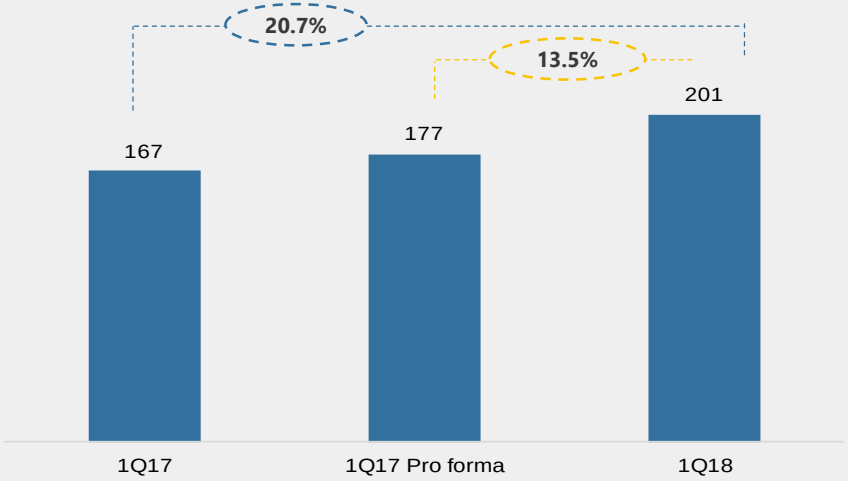
Bookings (R$ MM)



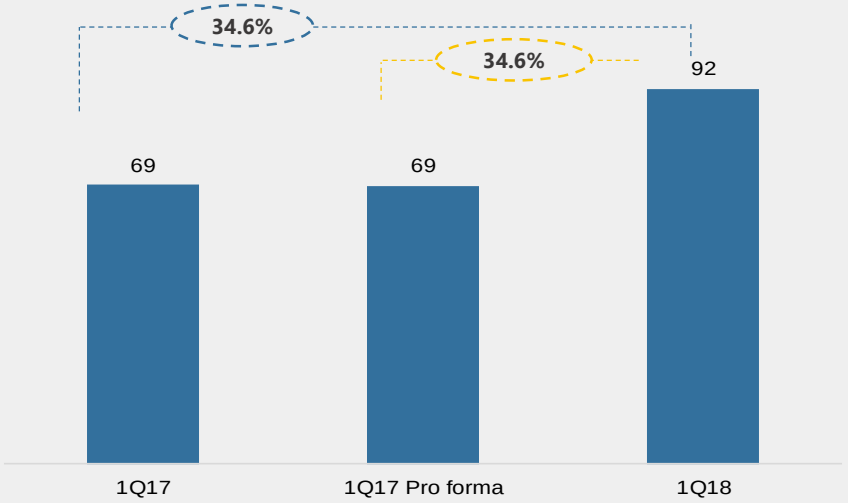
Net Revenue (R$ MM)



Adjusted EBITDA (R$ MM)



Adjusted Net Income (R$ MM)



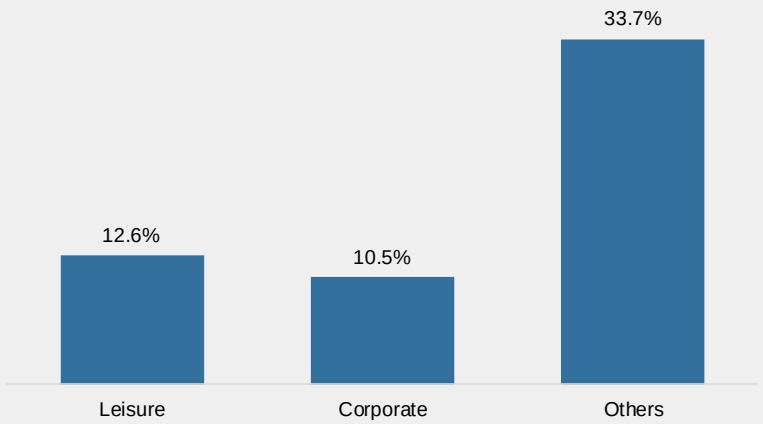
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Bookings by segment

Growth in all segments, highlighting the Online and Student Travel

Growth by segment (vs 1Q17)



- Bookings of the leisure segment posted growth of 12.6% versus 1Q17 Pro forma. This increase was mainly due to the strong growth in the international and cruises segments, highlighting European Circuits
- Bookings of the corporate segment increased by 10.5% in 1Q18 compared to the 1Q17 Pro forma result

CVC Corp

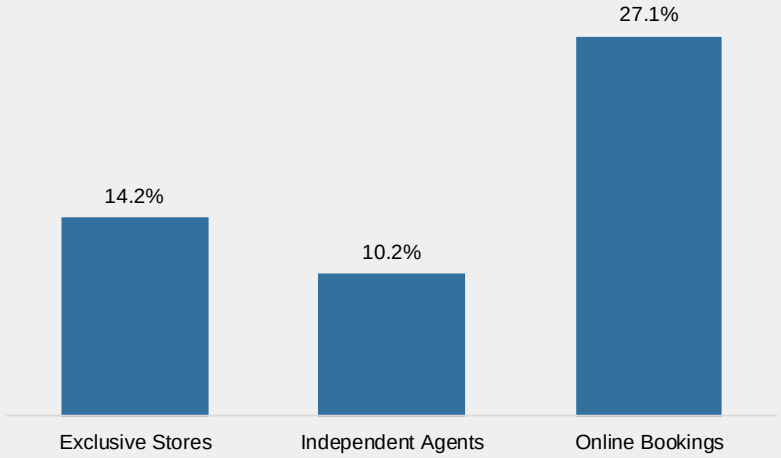


- CVC Corp Bookings totaled R$3,146 MM in 1Q18, representing growth of 12.7% versus the 1Q17 Pro Forma results, it is important to highlight that the double digit growth in 1Q18 took place on a double digit growth basis
- RexturAdvance Bookings increase and Submarino Viagens' performance improvements also supported CVC Corp growth

Bookings per channel

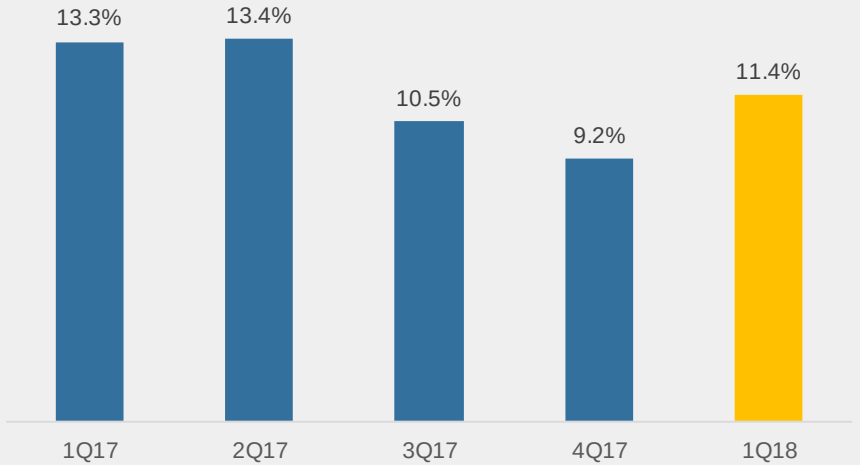
Double-digit growth in all channels and more than 27% in Online bookings

Growth per channel (vs 1Q17)



- Double-digit growth in the exclusive stores and for independent agents, 14.2% and 10.2%, respectively
- The online channel increased 27.1% in 1Q18. Submarino Viagens presented a strong growth in the period, as observed in 3Q17 and 4Q17

Same Store Sales (SSS)

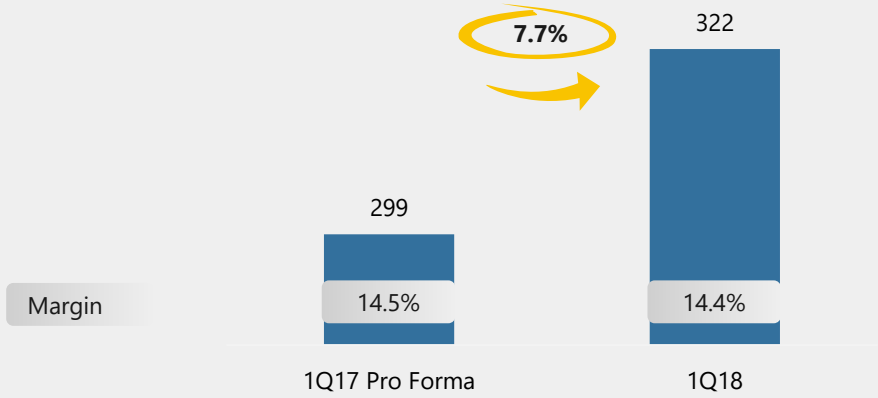


- The SSS growth of 11.4% in 1Q18 was mainly due to the improvement in the use of the "Minha Agenda" tool, which increases the sales conversion rate, and the growth of 19% in sales of value-added services (tickets, car rentals and insurance)

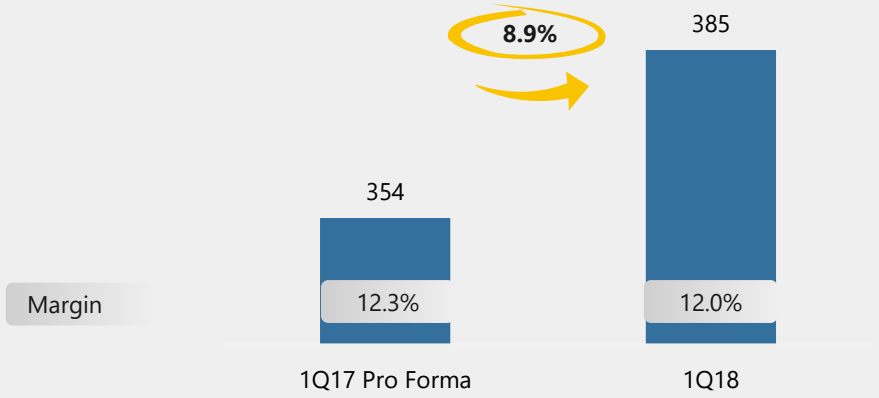
Net Revenue

Margin reflect the strong growth of the international segment

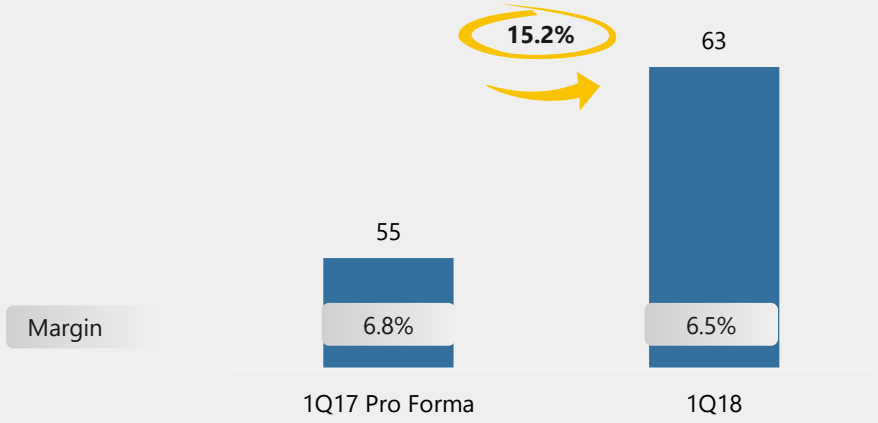
Net revenue based on Boardings[1] (R$ MM)



CVC Corp Net Revenue (R$ MM)



Net Revenue base on Bookings[2] (R$ MM)



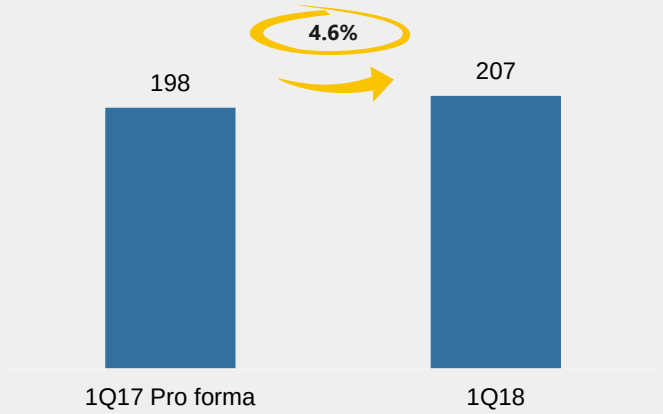
- CVC Corp net revenues totaled R$385 MM in 1Q18, representing growth of 8.9% when compared to 1Q17 Pro Forma
- The percentage of net revenues over CVC Corp bookings was 12.0% in 1Q18, lower by 0.3 p.p. compared to the previous year, basically due to a greater mix in the international segment, which presented a strong improvement in 1Q18 and has a lower percentage margin compared to the domestic segment and also by the lower incentives paid by airlines in the corporate segment due to the recovery of the market

(1) Based on Boardings: CVC, Experimento, Trend and Visual
(2) Based on Bookings: RexturAdvance and Submarino Viagens

Operating Expenses

General and administrative expenses dropped 4.5% due to the captured synergies

Recurring Operating Expenses (R$ MM)



Breakdown (R$ MM)

	1Q18	vs 1Q17 Pro Forma	vs 1Q17
Operating Expenses	**223.1**	**7.9%**	**44.7%**
(-) Non-Recurring Items[1]	15.7	86.0%	142.2%
Recurring Operating Expenses	**207.4**	**4.6%**	**40.5%**
Selling	56.2	12.5%	17.0%
General and administrative	119.0	-4.5%	46.3%
Depreciation and Amortization	12.8	14.1%	17.7%
Other operating expenses	8.8	366.0%	264.5%
PPA Amortization	10.5	0.0%	111.8%

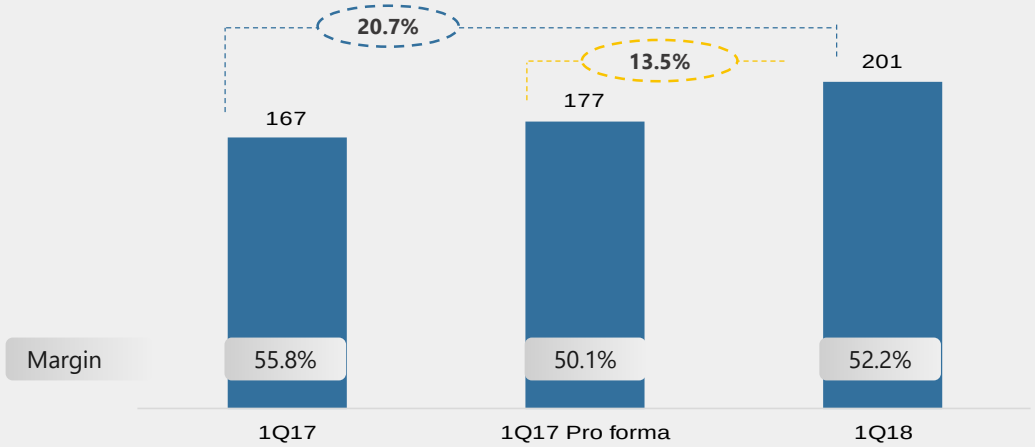
- Recurring operating expenses grew 4.6% in 1Q18, while the general and administrative expenses dropped by 4.5% due to the captured synergies in the quarter
- Selling expenses grew 12.5% in 1Q18 due to the rise in the Company's bookings and consequent increase in marketing expenses and also due to the sales convention in Dubai. The increase in selling expenses was partially offset by savings generated by the credit card fee (mix between credit card payments and bank slips)
- Non-recurring expenses grew 86% in 1Q18 versus 1Q17, due to the new incentive plan (LIP CEO and CFO and Retention Bonus for the Commercial VP)

(1) Non-recurring items in accordance with the new criteria adopted as of 2Q17 which only considers the compensation of the CEO and VPs higher than the new compensation plan of CVC Corp, amortization of the franchisee contracts (up to 2022) and the operations in Rio de Janeiro (ending 2018).

EBITDA

Adjusted EBITDA growth of 13.5% in 1Q18

CVC Corp Adjusted EBITDA[1] (R$ MM)



Adjusted EBITDA Reconciliation[1] (R$ MM)

	1Q18	vs 1Q17 Pro Forma	vs 1Q17
EBITDA	**188.0**	**10.0%**	**17.5%**
(+) Extraordinary Remuneration [2]	13.0	110.1%	101.0%
Adjusted EBITDA	**201.0**	**13.5%**	**20.7%**
Margin [3]	52.2%	2.1 p.p.	-3.6 p.p.

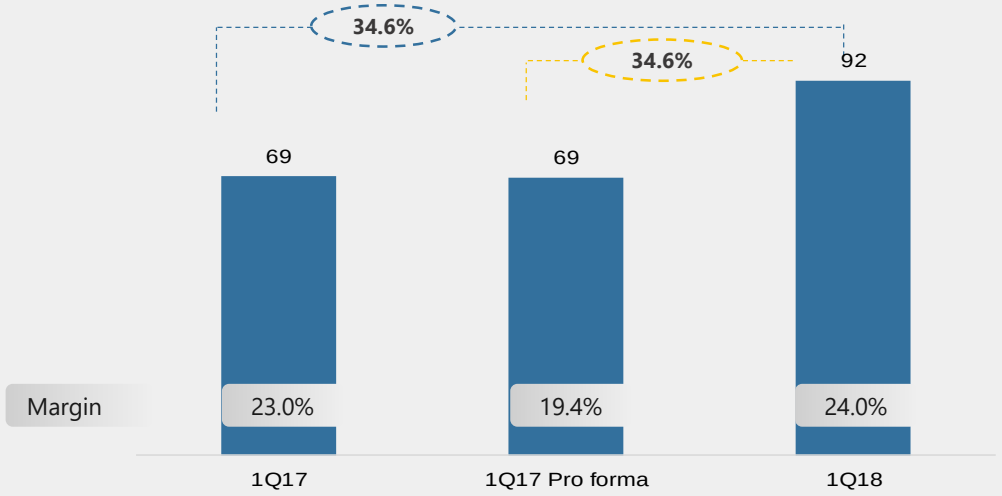
- CVC Corp Adjusted EBITDA was R$201 MM in 1Q18, representing growth of 13.5% versus the 1Q17 Pro Forma results.
- EBITDA margin increased by 2.1 p.p. in 1Q18, to 52.2%

(1) EBITDA adjusted considers the new non-recurring expenses criteria
(2) Value that exceeds the value proposed by Mercer
(3) EBITDA Adjusted as % of Net Revenues

Net Income

Growth of 34.6% in 1Q18 driven by operating results and lower financial expenses

CVC Corp Adjusted Net Income[1] (R$ MM)



Adjusted Net Income Reconciliation[1] (R$ MM)

	1Q18	vs 1Q17 Pro Forma	vs 1Q17
Net income	**81.6**	**33.4%**	**21.8%**
(-) Minority Stake	0.1	-873.9%	-101.1%
Net income to shareholders	**81.5**	**32.3%**	**33.6%**
(+) Extraordinary Remuneration [1]	8.6	106.4%	63.5%
(+) Franchisee agremement amortization	1.6	7.0%	10.2%
(+) Rio Operation [2]	0.5	-61.1%	-41.1%
Adjusted Net Income	**92.2**	**34.6%**	**34.6%**
Adjusted Net Income Margin [3]	24.0%	4.6 p.p.	1.0 p.p.

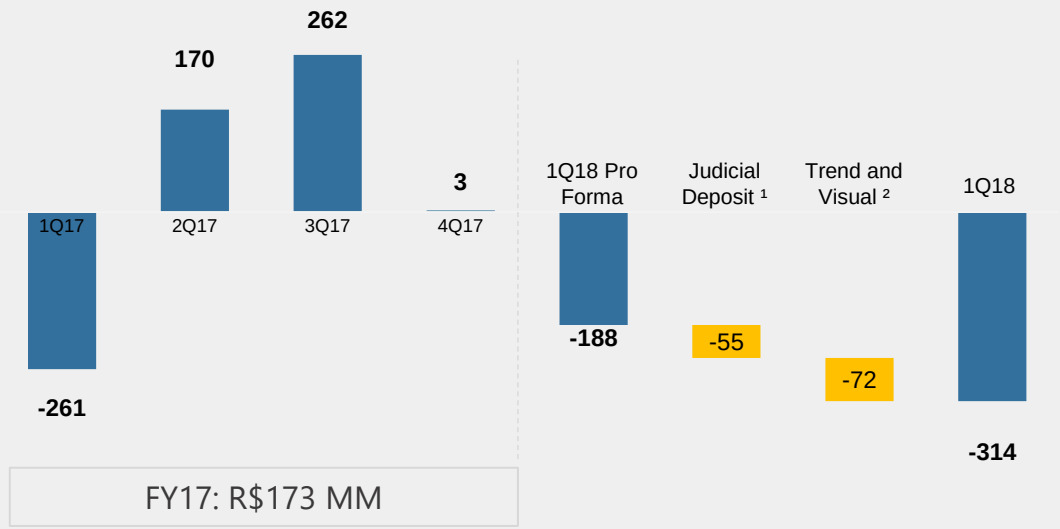
- CVC Corp Adjusted Net Income was R$92.2 MM in 1Q18, an increase of 34.6% versus the 1Q17 Pro Forma results
- Adjusted Net Income growth in 1Q18 was due to the 13.5% increase in EBITDA and the reduction of 20% in financial expenses

(1) Adjusted Net Income considers the new non-recurring expenses criteria
(2) Value that exceeds the value proposed by Mercer, net of taxes
(3) Adjusted Net Income over Net Revenue

Cash Flow

Lower normalized cash flow consumption compared to 1Q17

Operating Cash Flow (R$ MM)



Operating Cash Flow Reconciliation (R$ MM)

CVC corp	1Q18	1Q17
Net Income	**81.6**	**67.0**
Deferred tax	(9.0)	7.9
Interests	19.2	17.8
Depreciation & amortization	23.6	13.6
Others Adjustments	24.9	14.7
NI Adjusted by cash itens	**140.3**	**121.1**
Change in Working Capital	**(433.9)**	**(367.0)**
Capex	(20.4)	(14.9)
Operational Cash Flow	**(314.0)**	**(260.9)**

- In 1Q18, CVC Corp had an operating cash consumption net of investments of R$314 MM
- Excluding the effect of Trend and Visual acquisition and the extraordinary effect of the judicial deposit, the cash consumption in the 1Q18 should be R$188 MM versus R$261 MM in 1Q17

(1) Judicial deposit as a consequence of Stock Options Plan exercise, and the amount of approximately R$40 MM, paid by the beneficiaries, is reflected as capital increase (Cash Flow From Financing Activities)
(2) Trend and Visual cash flow net of operational result

Working Capital and ROIC

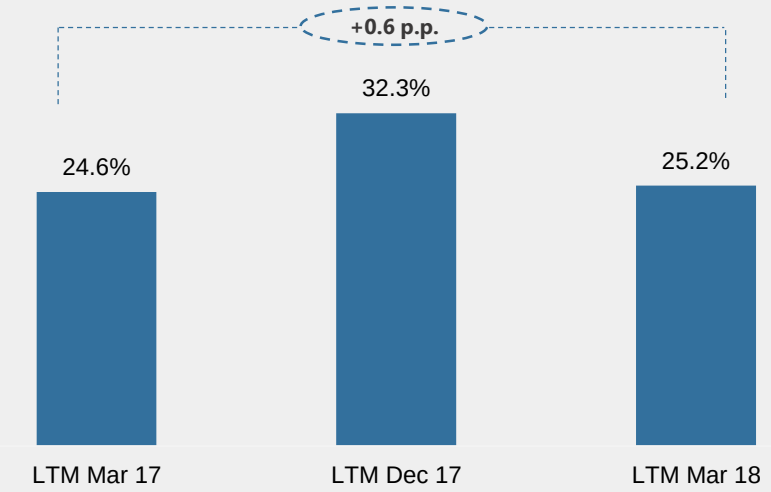
CVC Corp ROIC increased 0.6 p.p. compared to 1Q17

Working Capital Variation (R$ MM)

CVC corp	1Q18	1Q17
Accounts receivable	(174.1)	(116.7)
Suppliers / Advance to suppliers	(190.4)	(209.6)
Advanced of travel agreements	52.6	(22.1)
Prepaid expenses	41.8	35.3
Other (net)	(87.0)	(53.9)
Change in Working Capital [1]	**(357.0)**	**(367.0)**
Days of Working Capital	41	42
Trend and Visual effect	(76.9)	-
Change in Working Capital	**(433.9)**	**(367.0)**
Days of Working Capital	39	42

- The working capital improved R$10 MM when we exclude Trend and Visual acquisition effects
- Even considering the effects mentioned above and the judicial deposit the working capital improved 3 days in the quarter
- The account "Other" was impacted by a judicial deposit related to the stock options plan

ROIC



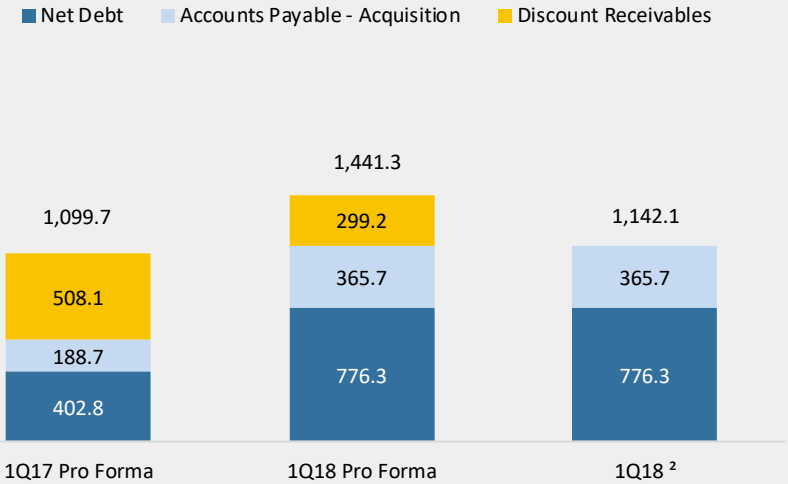
- The return on invested capital was 25.2% in the last twelve months ended in March, +0.6 p.p. when compared to 1Q17

(1) Excluding Trend and Visual effect

Indebtedness

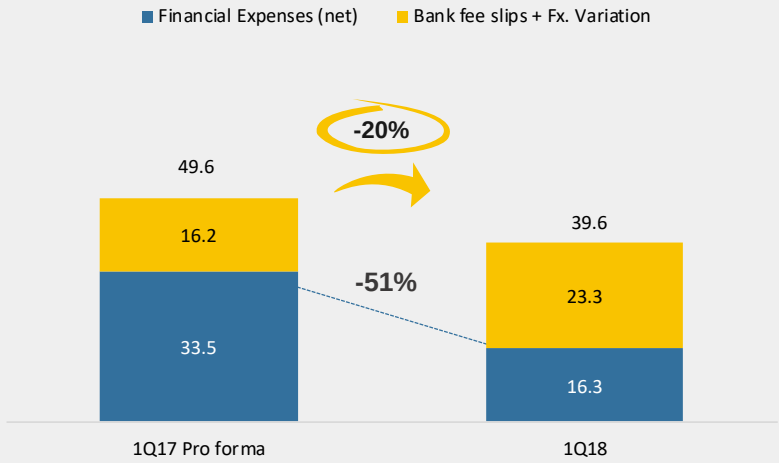
Reduction of 20% in total financial expenses in 1Q18

Net Debt (R$ MM)



Leverage[3]:	1.98x	2.16x	1.71x

Net Financial Expenses (R$ MM)



- Net debt was R$1,441.3 MM on March 31, 2018 and R$1,099.7 MM on March 31, 2017, representing 2.16x and 1.98x EBITDA accumulated in the last 12 months ended in 2018 and 2017, respectively. Excluding the receivables, 1Q18 leverage was 1.71x
- Net financial expenses (i.e. bank slips and fx variation) fell by 51% in 1Q18, due to the drop in the CDI rate, debt amortization related to acquisitions, reduction of the Company's debt cost and higher revenue from prepayments to tourism services suppliers
- The rise in expenses related to bank slips was due to the rise in the Company's bookings and the greater mix of this payment type, which increased from 26.2% in 1Q17 to 36.8% in 1Q18

(1) Does not consider the accounted call option to buy 10% of Trend remaining shares
(2) Excluding factored receivables
(3) Net Debt / Adjusted EBITDA

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CEO and CFO successors

CEO – Luiz Fernando Fogaça



- Mr. Fogaça has been working for the Company as CFO since 2010, and participated in important strategic stages that contributed to the growth of CVC Corp, including the renewal of franchise contracts for CVC stores (leisure segment) in 2012, the initial public offering process in 2013 and the strategy of acquisitions in different niches of the tourism sector
- Mr. Fogaça holds a degree in Economics from PUC, with MBA from IBMEC and specializations from Harvard and Michigan

CFO – Leopoldo Saboya



- Mr. Saboya has more than 20 years of experience working for large multinationals and investment managers. He holds a degree in Engineering, with a Masters in Economics from USP and specializations from the Kellogg School of Management and Wharton Executive Education. He has gained experience in M&A, corporate finance, strategic planning, investment management, investor relations and treasury and has led important projects acting as CFO for companies such as Perdigão, BRF, Copersucar and Patria Investimentos