Associação Brasileira das Empresas Aéreas

A B E A R

OUTLOOK 2013

SUMMARY

PRESENTATION

We are glad because in just six months we have been able to produce another edition of the Outlook, which contains information on our founding airlines and the other associates of our organization in 2013. It is rewarding to be able to go deeper in the topics presented, expand the scope of our analysis and also dispel myths of our industry.

This edition of our publication brings information on the local operation of our new associates, Boeing and TAM Cargo, the air ticket price drops and an evolutive cost comparison showing with unmistakably precision the efforts that we have been making to keep adding new users to the Brazilian air transport system, despite the lower economic growth and the increased costs.

Another topic covered in this edition is the Brazilian jet fleet, which is now considerably newer and more efficiently used in comparison with the fleets in operation in other countries. The new figures reassert our size and importance as we have been occupying for two years the third place in the rank of the world's largest domestic markets.

Also, for the first time, we have included the number of organs for transplantation carried by our associates all over Brazil, wich is a social responsibility service provided in a partnership with the Ministry of Health. Every year, more than six thousand lives are saved thanks to an air transport and logistics operation that has made our service become a reference to other world markets.

The importance of air transportation in a country as big as ours became still more evident in 2014 and will be reflected in our next year's edition which will also be covering the World Soccer Cup period. The organization and implementation of a special network connecting the twelve host cities during one month, substantially changing routes and procedures, allowed us to serve more than 9 million users and hold a true "Jet Plane Cup" at the same time. We are proud to provide services that achieved one of the highest approval ratings ever among our foreign tourists.

Have a nice reading!

Eduardo Sanovicz
Chairman of ABEAR

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INTRODUCTION

Outlook 2013 is the second edition of an annual series of studies about the scenario and the evolution of the Brazilian air transport market. Being a continued edition, it brings an evolutive vision of some of the aspects covered and a comparison with the previous year, also adding some improvements in the analysis being made by ABEAR.

Just like in the Outlook 2012 edition, Brazilian and foreign sources were used for the analysis. Among these sources, the International Civil Aviation Organization (ICAO) was again the data base more often used. This institution is a specialized agency of the United Nations that handles data on various countries in a comprehensive and uniform manner. ICAO considers the records transmitted by the aeronautical authorities of each country (in Brazil, ANAC is the agency in charge), as set forth in Art. 67 of the Chicago's 1944 Convention on International Civil Aviation. Among other sources added is Boeing that became an associate of ABEAR in early 2014.

The benchmarking with other markets, one of the qualitative points of this material, was also kept. Our comparisons made it possible to place the statistics of the Brazilian context under a global perspective, strengthening the indicators shown.

Regarding the passenger air transport, Outlook 2013 brings a new analysis of the market penetration (number of passengers carried per inhabitant versus the gross domestic product per capita, for example). Comparisons are also made on topics such as modernity and the utilization of the aircraft fleet, fuel consumption and environmental impacts, among other aspects. Something new is the analysis of the cargo air transport symmetrically to the passenger market study. This approach expansion has become necessary as TAM Cargo (formerly ABSA) has joined ABEAR.

Under this perspective, the different aspects of the domestic air transport of passengers in Brazil were broadly assessed to provide the reader with a better understanding of the market related phenomena covered by this document. The coherence of the data shown here follows, where applicable, the same organizational principles adopted for the ICAO's database and brings this document closer to other existing publications about the global air transport market.

ABEAR AND ITS ASSOCIATES

Created in August 2012 with the mission to stimulate the habit of flying in Brazil, ABEAR has been supporting actions and programs that foster the growth of civil aviation in Brazil in a conscious and sustainable way. This applies to both the passenger and cargo transportation. The association currently represents more than 99% of Brazil's domestic aviation market through its founding associates (AVIANCA, AZUL, GOL and TAM) and its new associates (BOEING, TAM Cargo and TAP).

Avianca

AVIANCA has chosen its priority since the beginning of its operations: to offer a better quality product to the Brazilian market, focused on client service, differentiated catering, a modern fleet and punctuality. It was the first company in Brazil to be assigned the "A" grade by ANAC for seat spacing, and the only Brazilian company to offer this spacing for 100% of its seats. By including the City of Goiania in its flight network, AVIANCA now has 41 aircraft in operation, serves 24 airports and 23 destinations in Brazil. AVIANCA expects to carry 7.4 million passengers in 2014.

In the last three years, the company reached an expressive growth rate that would be remarkable in any sector of the Brazilian economy. This was only possible thanks to a clearly defined strategy – the client service excellence – besides the team work of more than 4 thousand employees. This growth is also reflected in its fleet expansion, with the arrival of seven A320 Airbus, capable of carrying 162 passengers each.

This successful growth is the result of constant investments in the expansion of its operations, modernization of its technological platform, hiring of new employees for the various areas of the company, and service differentiation. AVIANCA now has one of the most expressive market occupancy factors, a fact that demonstrates the assertiveness of its business model.

All these changes have strengthened the focus and the pillars of its qualified client service, differentiated onboard service, entertainment and comfort that

had already been recognized in the last few years. The awards achieved are the result of all this: Excellence in Customer Service granted by the Modern Consumer Magazine in 2013; Best Brazilian Airline in Customer Service granted by the Brazil's Customer Relations Institute, Exame Magazine, in 2010, 2011 and 2013; Best Domestic Airline granted by the Quatro Rodas Guide and the Travel & Tourism Magazine of Editora Abril in 2013; and the Award for Outstanding Performance as the Best Domestic Airline Granted by the Companhia de Viagem (Travel Companion) Magazine.

Azul

AZUL Linhas Aéreas was created with the proposal of providing differentiated services and connecting cities that were not covered by the existing air transport network in Brazil. In the beginning of its operations, in December 2008, AZUL had become the world's best funded start-up airline with USD 200 million capital stock.

Its initial flights connected the cities of Campinas and Salvador. In just eight months, the company reached the one million passenger benchmark. Four months later, the company's passenger number 2,000,000 was boarding one of its flights. This figure doubled once again in July 2010.

Another important chapter in the history of AZUL was written in 2012 when David Neeleman, Chairman of AZUL's Board of Directors, together with Renan Chieppe and José Mário Caprioli, Chairman of the Board and Chief Executive Officer of TRIP Linhas Aéreas entered into an investment agreement to combine the two companies. As a result, a new holding company was created: AZUL TRIP S.A.

In April 2014, AZUL made a great announcement: 12 wide-body aircraft, such as A330 and A350 Airbus models, had been leased by the company for starting its international service with flights to the USA. The first destinations are Fort Lauderdale, Orlando and New York.

After only six years of existence, AZUL recorded expressive figures: the company has a fleet of 139 aircraft, more than 10,000 employees, operates almost 900 daily flights – more than 30% of the total number of take-offs in Brazil – and has the most comprehensive network in Brazil, with more than 100 destinations served.

VISION

Jointly build the world's best airline.

MISSION

Serve, serve, serve.

VALUES

- **Safety:** respect life in all its actions;
- **Consideration:** treat everyone the way you would like to be treated;
- **Integrity:** honor your word and act ethically;
- **Passion:** add passion to what you do to serve people;
- **Innovation:** innovate everything you do and try to renew yourself always;
- **Excellence:** do your best to get exceptional results;

GOL Linhas Aéreas Inteligentes was born breaking paradigms: it was the first airline to implement in Brazil the low-cost low-fare management model by eliminating excesses and being able to charge the passengers affordable prices to democratize air transport in Brazil. With the beginning of its operations in 2001, the company also innovated by making the ticket sales process easier and launching the Internet check-in service.

Three years after its foundation, the company launched its IPO and started its international operations with flights to Argentina. In 2006, its aircraft maintenance center was inaugurated at the Confins Airport in Minas Gerais – the largest aircraft maintenance, repair and overhaul center in Latin America.

Its first "Voe Fácil" (in English, "Fly Easily") physical store was opened at Largo Treze, in São Paulo's south zone. Now, the company has ten points of sale in large public places that make everybody's dream on flying a reality. In the same year, GOL adopted a new catering model for longer flights by offering more products that are charged separately. In 2013, the company once again got a head start and announced the new GOL+ configuration that offers more space and comfort to its passengers.

With a young operational fleet of 140 Boeing 737 Next Generation aircraft, the company operates more than 900 daily flights to 67 destinations, 52 of them being domestic flights and 15 to South American, Caribbean and North American countries.

Its SMILES frequent flyer program allows passengers to earn miles and redeem award tickets to more than 560 places all over the world on flights operated by

partners such as Delta and Air France-KLM. The company also provides the Gollog logistic service that collects and delivers cargo and parcels in more than 3,2 thousand Brazilian and 6 foreign cities.

MISSION

Approach people with intelligence and safety.

VISION

Be the best airline to travel, work and invest in.

VALUES

Safety, intelligence, service and lowest cost.

Since its foundation in 1976, TAM has kept its commitment to provide its customers with differentiated high quality services at competitive prices. The company has grown based on this philosophy, becoming one of the Brazilian largest airlines and now occupying an outstanding position in the international scenario as well. Its mission is to be the people's preferred airline company, with joy, creativity, respect, responsibility and the vision that working with the spirit of serving makes people happier.

Along its path, TAM has undertaken a large expansion project between the 1990's and the years 2000, which started with the incorporation of Fokker 100 jets used in its regional flights, followed by the expansion of its national network, the creation of TAM Mercosul (after the acquisition of LAPSA, the former state-owned Paraguayan airline) and the consolidation of its international operations with the purchase of new aircraft and an increase in the flight frequency to destinations in all continents.

In 2012, the company entered into a partnership with LAN Airlines. This association led to the creation of the LATAM Airlines Group including LAN Airlines, LAN CARGO, TAM S/A and its affiliated companies TAM Linhas Aéreas, TAM Airlines business units and Multiplus S/A.

That was how Latin America's largest association of airlines was established to operate an air transport network that provides passenger transport services to 135 destinations in 22 countries and air cargo services to approximately 144 destinations in 27 countries.

The LATAM Airlines Group S/A has more than 53 thousand employees, 28 thousand of them

belonging to TAM. The group's shares are traded at Santiago, New York (as ADRs) and São Paulo stock exchanges (as BDRs).

Starting in March 2013, TAM became a member of the Oneworld Alliance. Today, the alliance serves 150 countries in almost one thousand airports with 14 thousand daily flights.

VISION

Working based on the spirit that serving makes people happier.

MISSION

Be the people's preferred airline, with joy, creativity, respect and responsibility.

Boeing opened a business office in Brazil in 2011 when it started a new cycle of relationships with the country. The company's first delivery of commercial aircraft to Brazil took place in 1960. Today, GOL Linhas Aéreas and TAM are among Boeing's main commercial clients.

The company created a Research & Technology Center in São José dos Campos to reinforce its relations with the Brazilian research and development community and help it potentialize new capacities aligned with the Brazilian economic and technological development goals. The Boeing's 2014 Current Market Outlook indicates that Latin America's airlines will be purchasing about three thousand aircraft at a cost of approximately USD 340 billion in the next 20 years. Forty percent of them are expected to be purchased by Brazilian airlines.

Boeing is the world's largest aerospace company and the leading manufacturer of commercial aircraft and defense, space and safety systems, with more than 170 thousand employees in 70 countries.

TAM Cargo is the air cargo carrier of the LATAM Airlines Group in Brazil, handling its air transport of cargo, express and special deliveries. TAM Cargo and ABSA, former subsidiary of LAN in Brazil, merged their operations in 2013. This integration made their load transportation sturdier and multifaceted, more suitable to meet local dimensions and requirements.

Now TAM Cargo operates direct flights to 42 Brazilian airports, collecting cargo in more than 400 cities for delivery to more than 4 thousand locations all over Brazil. The company has 51 cargo terminals and uses cargo hubs in São Paulo/Guarulhos, Rio de Janeiro/Galeão, Brasília, Manaus and Campinas. Its operations are handled by four cargo aircraft and 172 passenger aircraft of TAM Linhas Aéreas. The LATAM Airlines Group's cargo operation involves LAN CARGO, MasAir, LAN CARGO Colombia and TAM Cargo. Together, they serve 165 destinations in 27 countries all over the world.

TAP PORTUGAL

A STAR ALLIANCE MEMBER

TAP Portugal is the market leading Portuguese airline and a member of Star Alliance since 2005. It started operating in 1945 from its hub in Lisbon, a strategic gateway to all Europe, Africa, North and South Americas. The TAP network covers 76 destinations in 34 countries in the world. The company operates more than 2.45 thousand flights a week with a fleet of 61 Airbus aircraft and additional 16 aircraft operated by PGA – its regional airline company, thus reaching a total number of 77 aircraft.

Being a customer-oriented company, TAP has been continuously investing in innovation and use of new technologies, providing smart products and services with quality and safety. TAP has also established partnerships to provide a broader range of destinations served in code-share operations with other companies, besides a number of other associated benefits and advantages. TAP was selected as the World Leading Airline to Africa and South America by the World Travel Awards and Europe's Best Airline by the Global Traveler Magazine.

BASIC STATISTICS AND FINANCIAL STATEMENTS

In 2013, the productivity of ABEAR's associates representing more than 99% of the Brazilian passenger air transport market continued to grow.

Even with the increasing input costs of their operations, the airlines are showing higher indicators, such as 3% ASK/employees and 6% RPK/employees. At the same time, the number of aircraft per employee has increased approximately 8%.

Domestic demand remained stable (1% growth) with 3% supply reduction. This led to an increased load factor, a fact that reflects Brazil's low GDP growth, the main demand driving force, and a greater discipline in the supply.

The demand of the Brazilian airlines in the international market has increased 5% against a supply increase of 7%. This resulted in a drop of 2 percentage points in the international flights. We should remember that the practice of a supply discipline is a big challenge in the international operations. If the supply is reduced, the capacity share recovery of an airline becomes more difficult, because of a limited frequency of flights based on bilateral agreements between Brazil and other countries.

The year also showed positive results for the cargo transport, leading to a great expansion of this industry according to estimates made by ABEAR. However, it is important to consider that the statistical data released by official organizations in this industry still needs some improvements.

The consolidated economic and financial performance of ABEAR's associates showed significant improvements in the year. The operating results versus revenues (EBIT) increased from -6.6% in 2012 to 0.5% in 2013. Net earnings also improved, but they are not yet positive (-12% in 2012 to -7.3% in 2013).

In 2013, shareholders expressively capitalized the airlines by the total net amount of about BRL 3.7 billion. As a result, the current liquidity ratio (current assets over current liabilities) increased from 0.56 (12/31/2012) to 0.80 (12/31/2013).

Decisive factors for the modest economic performance of ABEAR's associates:

- The very high prices of aviation fuel, either because of the unparalleled taxes levied in Brazil or due to the pricing rules applied, making them one of the world's highest prices paid (see page 81);
- Aeronautical infrastructure (particularly airports) with an installed capacity that does not meet the operational size of this industry, making fuel burn almost 30% higher than they should be.

2013 FLEET AND EMPLOYEES

NUMBER OF EMPLOYEES AS OF DECEMBER 31, 2013

	TAM Cargo	AVIANCA	AZUL	GOL	TAM	ABEAR Total	Other Companies	Brazil Total
Pilots and co-pilots	73	457	1,391	1,604	2,019	**5,544**	ND	ND
Flight Attendants	-	761	1,824	3,222	5,205	**11,012**	ND	ND
Maintenance personnel	83	561	1,551	2,628	3,389	**8,212**	ND	ND
Airport personnel	2,112	1,581	3,408	4,998	9,223	**21,322**	ND	ND
Other employees	72	713	1,706	3,667	5,425	**11,583**	ND	ND
Total	2,340	4,073	9,880	16,119	25,261	**57,673**	ND	ND

Sources: ANAC; ICAO; airlines.

FLEET AS OF DECEMBER 31, 2013

Type of aircraft	TAM Cargo	AVIANCA	AZUL	GOL	TAM	ABEAR Total	Other companies	Brazil Total
BOEING 767 200 F							1	
BOEING 767 300 F	4					**4**		4
BOEING 737 300								
BOEING 737 700				36		**36**		36
BOEING 737 800				102		**102**		102
AIRBUS A318		14				**14**		14
AIRBUS A319		4			29	**33**	1	34
AIRBUS A320		8			98	**106**	1	107
AIRBUS A321					10	**10**		10
FOKKER MK28		14				**14**		14
AIRBUS A330 200					20	**20**		20
AIRBUS A340 500								
BOEING 767 300					13	**13**		13
BOEING 777 300					10	**10**		10
ATR 42			10			**10**	2	12
ATR 72			46			**46**	11	57
ERJ 170								
ERJ 175			5					
ERJ 190			22			**22**		22
ERJ 195			52			**52**		52
Others							25	25
Total	4	40	135	138	180	**492**	41	532

Sources: ANAC; ICAO; airlines.

2012 FLEET AND EMPLOYEES

NUMBER OF EMPLOYEES AS OF DECEMBER 31, 2012

	ABSA*	AVIANCA	AZUL/ TRIP	GOL	TAM	ABEAR Total	Other companies	Brazil Total
Pilots and co-pilots	75	335	1,528	1,823	2,394	**6,155**	257	6,412
Flight Attendants	-	549	1,668	3,692	5,952	**11,861**	130	11,991
Maintenance personnel	66	310	1,228	2,921	3,392	**7,917**	145	8,062
Airport personnel	30	223	1,684	4,944	9,396	**16,277**	75	16,352
Other employees	235	1,826	3,067	4,277	8,306	**17,711**	568	18,279
Total	406	3,243	9,175	17,657	29,440	**59,921**	1,175	61,096

* Currently TAM Cargo (ABSA was the name of the airline at the time).
Sources: ANAC; ICAO; airlines.

FLEET AS OF DECEMBER 31, 2012

Type of aircraft	ABSA*	AVIANCA	AZUL/ TRIP	GOL	TAM	Total ABEAR	Other companies	Brazil Total
BOEING 767 200 F	1					**1**		1
BOEING 767 300 F	3					**3**		3
BOEING 737 300				19		**19**		19
BOEING 737 700				37		**37**		37
BOEING 737 800				88		**88**		88
AIRBUS A318		7				**7**		7
AIRBUS A319		4			29	**33**		33
AIRBUS A320		7			88	**95**		95
AIRBUS A321					9	**9**		9
FOKKER F28		14				**14**		14
AIRBUS A330 200					20	**20**		20
AIRBUS A340 500					1	**1**		1
BOEING 767 300				3	3	**6**		6
BOEING 777 300					8	**8**		8
ATR 42			21			**21**		21
ATR 72			29			**29**	6	35
ERJ 170			9			**9**		9
ERJ 175								
ERJ 190			27			**27**		27
ERJ 195			32			**32**		32
Outros							22	22
Total	4	32	118	147	158	**459**	28	487

* Currently TAM Cargo (ABSA was the name of the airline at the time).Sources: ANAC; ICAO; airlines.
Sources: ANAC; ICAO; airlines.

BASIC STATISTICS – 2013

2013		Revenue passengers carried	Revenue passenger-km	Available seats-Km	Load Factor	Freight Tons loaded	Kilometers flown (000)	Take-offs	Avg. stage (km)	Hours flown	Avg. Duration (min)	Avg. Speed (km/h)
TAM Cargo												
Domestic	Regular	-	-	-	-	466,675	13,321	7,394	1,802	20,351	165	655
	Non-regular	-	-	-	-	22,896	698	352	1,983	1,039	177	672
	Total	-	-	-	-	489,571	14,018	7,746	1,810	21,390	166	655
International	Regular	-	-	-	-	330,526	8,706	2,438	3,571	11,937	294	729
	Non-regular	-	-	-	-	24,522	707	216	3,271	1,008	280	701
	Total	-	-	-	-	355,048	9,413	2,654	3,547	12,945	293	727
Total		-	-	-	-	844,619	23,431	10,400	2,253	34,336	198	682
AVIANCA												
Domestic	Regular	5,926,816	6,300,446	7,671,997	82%	31,597	59,911	60,626	988	109,998	109	545
	Non-regular	4,200	5,614	7,371	76%	501	63	50	1,252	110	133	567
	Total	5,931,016	6,306,060	7,679,367	82%	32,098	59,974	60,676	988	110,109	109	545
International	Regular	-	-	-	-	-	-	-	-	-	-	-
	Non-regular	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-
Total		5,931,016	6,306,060	7,679,367	82%	32,098	59,974	60,676	988	110,109	109	545
AZUL												
Domestic	Regular	18,482,994	14,545,964	18,338,884	79%	44,868	180,705	271,230	666	404,953	90	446
	Non-regular	413,731	361,846	510,895	71%	14,911	8,408	12,206	689	18,944	93	444
	Total	18,896,725	14,907,810	18,849,779	79%	59,779	189,113	283,436	667	423,898	90	446
International	Regular	-	-	-	-	-	-	-	-	-	-	-
	Non-regular	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-
Total		18,896,725	14,907,810	18,849,779	79%	59,779	189,113	283,436	667	423,898	90	446

2013		Revenue passengers carried	Revenue passenger-km	Available seats-Km	Load Factor	Freight Tons loaded	Kilometers flown (000)	Take-offs	Avg. stage (km)	Hours flown	Avg. Duration (min)	Avg. Speed (km/h)
GOL												
Domestic	Regular	32,117,356	29,838,715	42,061,130	71%	116,389	241,686	287,334	841	447,805	94	540
	Non-regular	1,316,335	1,380,323	2,049,586	67%	4,374	3,201	4,083	784	6,844	101	468
	Total	33,433,691	31,219,038	44,110,716	71%	120,762	244,887	291,417	840	454,649	94	539
International	Regular	1,579,825	3,292,412	5,275,180	62%	3,459	29,366	15,275	1,923	44,766	176	656
	Non-regular	45,634	172,459	247,388	70%	-	1,355	601	2,255	2,017	201	672
	Total	1,625,459	3,464,870	5,522,568	63%	3,459	30,722	15,876	1,935	46,783	177	657
Total		35,059,150	34,683,908	49,633,283	70%	124,221	275,609	307,293	897	501,432	98	550
TAM												
Domestic	Regular	32,117,443	34,721,108	43,718,211	79%	226,101	250,620	253,917	987	441,483	104	568
	Non-regular	414,944	461,437	626,536	74%	5,901	3,537	3,393	1,042	6,034	107	586
	Total	32,532,387	35,182,545	44,344,747	79%	232,002	254,157	257,310	988	447,518	104	568
International	Regular	4,523,858	24,012,055	29,951,575	80%	879,643	119,125	24,364	4,889	156,532	385	761
	Non-regular	64,938	302,098	444,007	68%	8,402	2,103	460	4,573	2,836	370	742
	Total	4,588,796	24,314,153	30,395,583	80%	888,045	121,229	24,824	4,884	159,368	385	761
Total		37,121,183	59,496,698	74,740,330	80%	1,120,048	375,386	282,134	1,331	606,886	129	619

Sources: ANAC; ICAO; airlines.

BASIC STATISTICS – 2012

2012		Revenue passengers carried	Revenue passenger-km	Available seats-Km	Load Factor	Freight Tons loaded	Kilometers flown (000)	Take-offs	Avg. stage (km)	Hours flown	Avg. Duration (min)	Avg. Speed (km/h)
ABSA*												
Domestic	Regular	-	-	-	-	76,232	5,215	2,660	1,961	7,838	177	665
	Non-regular	-	-	-	-	6,726	567	352	1,611	889	152	638
	Total	-	-	-	-	82,958	5,782	3,012	1,920	8,727	174	663
International	Regular	-	-	-	-	45,240	5,671	1,457	3,892	7,672	316	739
	Non-regular	-	-	-	-	5,935	795	212	3,750	1,084	307	733
	Total	-	-	-	-	51,174	6,466	1,669	3,874	8,756	315	738
Total		-	-	-	-	134,132	12,248	4,681	2,617	17,483	224	701
AVIANCA												
Domestic	Regular	4,688,865	4,634,012	5,863,402	79%	15,059	47,252	51,850	911	89,750	104	526
	Non-regular	9,071	5,576	8,349	67%	492	78	133	583	167	75	465
	Total	4,697,936	4,639,588	5,871,751	79%	15,551	47,330	51,983	910	89,917	104	526
International	Regular	12,103	52,152	64,631	81%	1	-	-	-	-	-	-
	Non-regular	10,497	7,919	10,365	76%	0	699	1,440	485	2,003	83	349
	Total	22,600	60,071	74,996	80%	1	699	1,440	485	2,003	83	349
Total		4,720,536	4,699,659	5,946,747	79%	15,552	48,029	53,423	899	91,921	103	523
AZUL/TRIP												
Domestic	Regular	15,670,101	12,313,125	16,273,223	76%	7,867	165,061	262,323	629	366,562	84	450
	Non-regular	486,074	358,433	522,220	69%	52	7,852	11,349	692	17,101	90	459
	Total	16,156,175	12,671,558	16,795,443	75%	7,919	172,914	273,672	632	383,663	84	451
International	Regular	-	-	-	0%	0	-	-	-	-	-	-
	Non-regular	-	-	-	0%	0	-	-	-	-	-	-
	Total	-	-	-	0%	0	-	-	-	-	-	-
Total		16,156,175	12,671,558	16,795,443	75%	7,919	172,914	273,672	632	383,663	84	451

* Currently TAM Cargo (ABSA was the name of the airline at the time).

2012		Revenue passengers carried	Revenue passenger-km	Available seats-Km	Load Factor	Freight Tons loaded	Kilometers flown (000)	Take-offs	Avg. stage (km)	Hours flown	Avg. Duration (min)	Avg. Speed (km/h)
GOL												
Domestic	**Regular**	33,915,950	32,660,349	45,817,606	71%	120,990	270,976	321,040	844	438,953	82	617
	Non-regular	141,609	135,970	249,747	54%	78	1,490	1,555	958	2,377	92	627
	Total	34,057,559	32,796,318	46,067,353	71%	121,068	272,466	322,595	845	441,330	82	617
International	**Regular**	2,633,526	2,559,875	4,016,685	64%	3,824	22,165	13,830	1,603	29,850	130	743
	Non-regular	131,089	117,098	256,100	46%	-	1,407	571	2,464	1,720	181	818
	Total	2,764,615	2,676,973	4,272,785	63%	3,824	23,572	14,401	1,637	31,570	132	747
Total		36,822,174	35,473,291	50,340,138	70%	124,892	296,038	336,996	878	472,900	84	626
TAM												
Domestic	**Regular**	32,176,555	35,067,697	47,645,936	74%	158,539	276,770	277,497	997	489,145	106	566
	Non-regular	388,463	412,232	580,026	71%	590	3,457	3,542	976	5,997	102	576
	Total	32,565,018	35,479,929	48,225,962	74%	159,128	280,227	281,039	997	495,142	106	566
International	**Regular**	4,297,267	23,484,929	28,845,208	81%	88,185	123,933	23,901	5,185	162,466	408	763
	Non-regular	34,709	164,088	260,409	63%	541	1,239	309	4,010	1,686	327	735
	Total	4,331,976	23,649,017	29,105,617	81%	88,726	125,172	24,210	5,170	164,152	407	763
Total		36,896,994	59,128,946	77,331,579	76%	247,854	405,400	305,249	1,328	659,294	130	615

Sources: ICAO; airlines.

BASIC STATISTICS

2013/2012 VARIATION

		Revenue passengers carried	Revenue passenger-km	Available seats-Km	Load Factor (pontos percentuais)	Freight Tons loaded	Kilometers flown (000)	Take-offs	Avg. stage (km)	Hours flown	Avg. Duration (min)	Avg. Speed (km/h)
TAM Cargo												
Domestic	Regular	-	-	-	-	512%	155%	178%	-8%	160%	-7%	-2%
	Non-regular	-	-	-	-	240%	23%	0%	23%	17%	17%	5%
	Total	-	-	-	-	490%	142%	157%	-6%	145%	-5%	-1%
International	Regular	-	-	-	-	631%	54%	67%	-8%	56%	-7%	-1%
	Non-regular	-	-	-	-	313%	-11%	2%	-13%	-7%	-9%	-4%
	Total	-	-	-	-	594%	46%	59%	-8%	48%	-7%	-2%
Total		-	-	-	-	530%	91%	122%	-14%	96%	-12%	-3%
AVIANCA												
Domestic	Regular	26%	36%	31%	3	110%	27%	17%	8%	23%	5%	3%
	Non-regular	-54%	1%	-12%	9	2%	-19%	-62%	115%	-34%	76%	22%
	Total	26%	36%	31%	3	106%	27%	17%	9%	22%	5%	3%
International	Regular	-100%	-100%	-100%	-	-100%	0%	0%	0%	0%	0%	0%
	Non-regular	-100%	-100%	-100%	-	0%	-100%	-100%	-100%	-100%	-100%	-100%
	Total	-100%	-100%	-100%	-	-100%	-100%	-100%	-100%	-100%	-100%	-100%
Total		26%	34%	29%	3	106%	25%	14%	10%	20%	5%	4%
AZUL												
Domestic	Regular	18%	18%	13%	4	470%	9%	3%	6%	10%	7%	-1%
	Non-regular	-15%	1%	-2%	2	28631%	7%	8%	0%	11%	3%	-3%
	Total	17%	18%	12%	4	655%	9%	4%	6%	10%	7%	-1%
International	Regular	0%	0%	0%	-	0%	0%	0%	0%	0%	0%	0%
	Non-regular	0%	0%	0%	-	0%	0%	0%	0%	0%	0%	0%
	Total	0%	0%	0%	-	0%	0%	0%	0%	0%	0%	0%
Total		17%	18%	12%	4	655%	9%	4%	6%	10%	7%	-1%

2013/2012 Variation		Revenue passengers carried	Revenue passenger-km	Available seats-Km	Load Factor	Freight Tons loaded	Kilometers flown (000)	Take-offs	Avg. stage (km)	Hours flown	Avg. Duration (min)	Avg. Speed (km/h)
GOL												
Domestic	Regular	-5%	-9%	-8%	0	-4%	-11%	-10%	0%	2%	14%	-13%
	Non-regular	830%	915%	721%	13	5507%	115%	163%	-18%	188%	10%	-25%
	Total	-2%	-5%	-4%	0	0%	-10%	-10%	-1%	3%	14%	-13%
International	Regular	-40%	29%	31%	1	-10%	32%	10%	20%	50%	36%	-12%
	Non-regular	-65%	47%	-3%	24	0%	-4%	5%	-8%	17%	11%	-18%
	Total	-41%	29%	29%	0	-10%	30%	10%	18%	48%	34%	-12%
Total		-5%	-2%	-1%	1	-1%	-7%	-9%	2%	6%	16%	-12%
TAM												
Domestic	Regular	0%	-1%	-8%	6	43%	-9%	-8%	-1%	-10%	-1%	0%
	Non-regular	7%	12%	8%	3	900%	2%	-4%	7%	1%	5%	2%
	Total	0%	-1%	-8%	6	46%	-9%	-8%	-1%	-10%	-1%	0%
International	Regular	5%	2%	4%	1	897%	-4%	2%	-6%	-4%	-5%	0%
	Non-regular	87%	84%	71%	5	1453%	70%	49%	14%	68%	13%	1%
	Total	6%	3%	4%	1	901%	-3%	3%	-6%	-3%	-5%	0%
Total		1%	1%	-3%	3	352%	-7%	-8%	0%	-8%	0%	1%

BASIC STATISTICS

2013		Revenue passengers carried	Revenue passenger-km	Available seats-Km	Load Factor	Freight Tons loaded	Kilometers flown (000)	Take-offs	Avg. stage (km)	Hours flown	Avg. Duration (min)	Avg. Speed (km/h)
ABEAR Total												
Domestic	Regular	88,644,609	85,406,234	111,790,211	76%	885,629	746,243	880,501	848	1,424,591	97	524
	Non-regular	2,149,210	2,209,219	3,194,388	69%	48,583	15,906	20,084	792	32,972	99	482
	Total	90,793,819	87,615,453	114,984,609	76%	934,212	762,149	900,585	846	1,457,563	97	523
International	Regular	6,103,683	27,304,467	35,226,755	78%	1,213,628	157,198	42,077	3,736	213,235	304	737
	Non-regular	110,572	474,557	691,395	69%	32,924	4,165	1,277	3,262	5,861	275	711
	Total	6,214,255	27,779,024	35,918,150	77%	1,246,553	161,363	43,354	3,722	219,096	303	736
Total		97,008,074	115,394,477	150,902,760	76%	2,180,765	923,512	943,939	978	1,676,659	107	551
Other companies												
Domestic	Regular	828,495	464,118	711,548	65%	80,105	19,084	39,147	488	52,098	80	366
	Non-regular	40,519	27,691	50,895	54%	77,515	6,386	7,089	901	11,947	101	535
	Total	869,014	491,809	762,443	65%	157,620	25,470	46,236	551	64,044	83	398
International	Regular	-	-	-	-	-	-	-	-	-	-	-
	Non-regular	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-
Total		869,014	491,809	762,443	65%	157,620	25,470	46,236	551	64,044	83	398
Brazil Total												
Domestic	Regular	89,473,104	85,870,352	112,501,769	76%	965,734	765,327	919,648	832	1,476,689	96	518
	Non-regular	2,189,729	2,236,910	3,245,283	69%	126,098	22,292	27,173	820	44,919	99	496
	Total	91,662,833	88,107,262	115,747,052	76%	1,091,832	787,619	946,821	832	1,521,607	96	518
International	Regular	6,103,683	27,304,467	35,226,755	78%	1,213,628	157,198	42,077	3,736	213,235	304	737
	Non-regular	110,572	474,557	691,395	69%	32,924	4,165	1,277	3,262	5,861	275	711
	Total	6,214,255	27,779,024	35,918,150	77%	1,246,553	161,363	43,354	3,722	219,096	303	736
Total		97,877,088	115,886,286	151,665,202	76%	2,338,385	948,982	990,175	958	1,740,703	105	545

Sources: ICAO; airlines.

2012		Revenue passengers carried	Revenue passenger-km	Available seats-Km	Load Factor	Freight Tons loaded	Kilometers flown (000)	Take-offs	Avg. stage (km)	Hours flown	Avg. Duration (min)	Avg. Speed (km/h)
ABEAR Total												
Domestic	**Regular**	86,451,471	84,675,182	115,600,168	73%	378,686	765,275	915,370	836	1,392,248	91	550
	Non-regular	1,025,217	912,211	1,360,341	67%	7,938	13,444	16,931	794	26,531	94	507
	Total	87,476,688	85,587,393	116,960,509	73%	386,624	778,718	932,301	835	1,418,779	91	549
International	**Regular**	6,942,896	26,096,956	32,926,524	79%	137,250	151,769	39,188	3,873	199,988	306	759
	Non-regular	176,295	289,105	526,874	55%	6,476	4,140	2,532	1,635	6,493	154	638
	Total	7,119,191	26,386,061	33,453,398	79%	143,725	155,909	41,720	3,737	206,481	297	755
Total		94,595,879	111,973,454	150,413,907	74%	530,349	934,628	974,021	960	1,625,260	100	575
Other companies												
Domestic	**Regular**	2,494,005	820,837	1,401,328	59%	573	25,083	47,994	523	139,877	175	179
	Non-regular	539,636	580,041	920,996	63%	1,881	7,422	8,702	853	14,430	99	514
	Total	3,033,641	1,400,878	2,322,324	60%	2,454	32,505	56,696	573	154,307	163	211
International	**Regular**	1,135,804	31,717	123,740	-	-	-	-	-	-	-	-
	Non-regular	59,277	85,572	105,242	81%	-	-	-	-	-	-	-
	Total	1,195,081	53,855	18,499	-291%	-	-	-	-	-	-	-
Total		1,838,560	1,454,732	2,303,826	63%	2,454	32,505	56,696	573	154,307	163	211
Brazil Total												
Domestic	**Regular**	88,945,476	85,496,019	117,001,496	73%	379,259	790,357	963,364	820	1,532,125	95	516
	Non-regular	1,564,853	1,492,252	2,281,337	65%	9,819	20,865	25,633	814	40,961	96	509
	Total	90,510,329	86,988,271	119,282,833	73%	389,078	811,223	988,997	820	1,573,087	95	516
International	**Regular**	5,807,092	26,065,239	32,802,784	79%	137,250	151,515	39,320	3,853	206,022	314	735
	Non-regular	117,018	374,677	632,116	59%	6,476	4,120	1,486	2,772	5,963	241	691
	Total	5,924,110	26,439,916	33,434,899	79%	143,725	155,635	40,806	3,814	211,985	312	734
Total		96,434,439	113,428,187	152,717,732	74%	532,803	966,858	1,029,803	939	1,785,071	104	542

Sources: ICAO; airlines.

BASIC STATISTICS

2013/2012 VARIATION

		Revenue passengers carried	Revenue passenger-km	Available seats-Km	Load Factor (pontos percentuais)	Freight Tons loaded	Quilômetros voados	Take-offs	Avg. stage (km)	Hours flown	Avg. Duration (min)	Avg. Speed (km/h)
ABEAR Total												
Domestic	Regular	3%	1%	-3%	3	134%	-2%	-4%	1%	2%	6%	-5%
	Non-regular	110%	142%	135%	2	512%	18%	19%	0%	24%	5%	-5%
	Total	4%	2%	-2%	3	142%	-2%	-3%	1%	3%	6%	-5%
International	Regular	-12%	5%	7%	2	784%	4%	7%	-4%	7%	-1%	-3%
	Non-regular	-37%	64%	31%	14	408%	1%	-50%	99%	-10%	79%	11%
	Total	-13%	5%	7%	2	767%	3%	4%	0%	6%	2%	-2%
Total		3%	3%	0%	2	311%	-1%	-3%	2%	3%	6%	-4%
Other companies												
Domestic	Regular	-67%	-43%	-49%	7	13879%	-24%	-18%	-7%	-63%	-54%	104%
	Non-regular	-92%	-95%	-94%	9	4020%	-14%	-19%	6%	-17%	2%	4%
	Total	-71%	-65%	-67%	4	6322%	-22%	-18%	-4%	-58%	-49%	89%
International	Regular	-100%	-100%	-100%	-	0%	0%	0%	0%	0%	0%	0%
	Non-regular	-100%	-100%	-100%	-	0%	0%	0%	0%	0%	0%	0%
	Total	-100%	-100%	-100%	-	0%	0%	0%	0%	0%	0%	0%
Total		-53%	-66%	-67%	1	6322%	-22%	-18%	-4%	-58%	-49%	89%
Brazil Total												
Domestic	Regular	1%	0%	-4%	3	155%	-3%	-5%	1%	-4%	1%	0%
	Non-regular	40%	50%	42%	4	1184%	7%	6%	1%	10%	3%	-3%
	Total	1%	1%	-3%	3	181%	-3%	-4%	1%	-3%	1%	0%
International	Regular	5%	5%	7%	2	784%	4%	7%	-3%	4%	-3%	0%
	Non-regular	-6%	27%	9%	9	408%	1%	-14%	18%	-2%	14%	3%
	Total	5%	5%	7%	2	767%	4%	6%	-2%	3%	-3%	0%
Total		1%	2%	-1%	2	339%	-2%	-4%	2%	-2%	1%	1%

FINANCIAL STATEMENTS

INCOME STATEMENTS – 2013 AND 2012

INCOME STATEMENTS (BRL 000)	2013		2012	
Net revenue	27,772,571	100.0%	24,445,247	100%
Cost of services rendered	-22,277,085	-80.2%	-21,528,527	-88.1%
Gross profit (loss)	5,495,486	19.8%	2.916.720	11.9%
OPERATING EXPENSES				
Selling expenses	-2,762,408	-9.9%	-2,340,071	-9.6%
Administrative expenses	-2,586,434	-9.3%	-2,183,639	-8.9%
Equity result	-8,314	0.0%	-2,203	0.0%
Operating profit (loss)	138,330	0.5%	-1,609,193	-6.6%
Financial income	1,777,055	6.4%	2,724,485	11.1%
Financial expenses	-4,121,475	-14.8%	-4,486,083	-18.4%
Income before income and social contribution taxes	-2,206,090	-7.9%	-3,370,791	-13.8%
Income and social contribution taxes	176,887	0.6%	431,712	1.8%
(=) Net income/loss for the period	-2,029,203	-7.3%	-2,939,079	-12.0%

Note: Does not include Avianca information.
Sources: ABEAR Associates.

FINANCIAL STATEMENTS

BALANCE SHEET – 12/31/2012

ASSETS (BRL 000)	2013	2012
CURRENT ASSETS		
Cash and cash equivalents	2,817,874	1,669,332
Financial investments	2,761,745	1,690,643
Accounts receivable	3,029,937	2,276,558
Inventory	502,273	422,478
Taxes recoverable	363,552	357,623
Financial instruments and derivatives	52,860	15,040
Prepaid expenses	577,448	411,950
Other current assets	1,354,633	296,076
	11,460,322	**7,139,700**
LONG-TERM ASSETS		
Financial investments	1,279,782	860,795
Related parties	257,148	366,025
Prepaid expenses	11,432,826	13,782,354
Fixed Assets	2,284,155	2,325,084
Intangible assets	4,489,546	1,260,212
	19,743,457	**18,594,470**
TOTAL ASSETS	31,203,779	25,734,170

LIABILITIES (BRL 000)	2013	2012
CURRENT LIABILITIES		
Loans and financing	2,762,547	4,324,866
Accounts payable	2,055,958	1,648,826
Salaries, provisions and payroll charges	886,690	776,267
Tax liabilities	685,926	548,830
Deferred revenue	5,552,288	4,298,548
Financial instruments and derivatives	54,457	108,138
Other liabilities	2,310,292	982,910
	14,308,158	**12,688,385**
LONG-TERM LIABILITIES		
Loans and financing	10,942,917	10,852,293
Provisions	706,565	668,268
Deferred revenue	638,865	552,729
Tax liabilities	467,322	470,783
Financial instruments and derivatives	71,984	47,834
Debentures	886,452	188,570
Related parties	26,830	49,243
Other liabilities	826,767	610,273
	14,567,702	**13,439,993**
SHAREHOLDERS' EQUITY		
Capital stock	7,216,310	3,591,267
Capital reserves	266,738	219,990
Accumulated profits/losses	-6,779,562	-4,615,566
Other	1,624,433	410,101
	2,327,919	**-394,208**
TOTAL LIABILITIES	31,203,779	25,734,170

Sources: ABEAR Associates.

SERVICE QUALITY

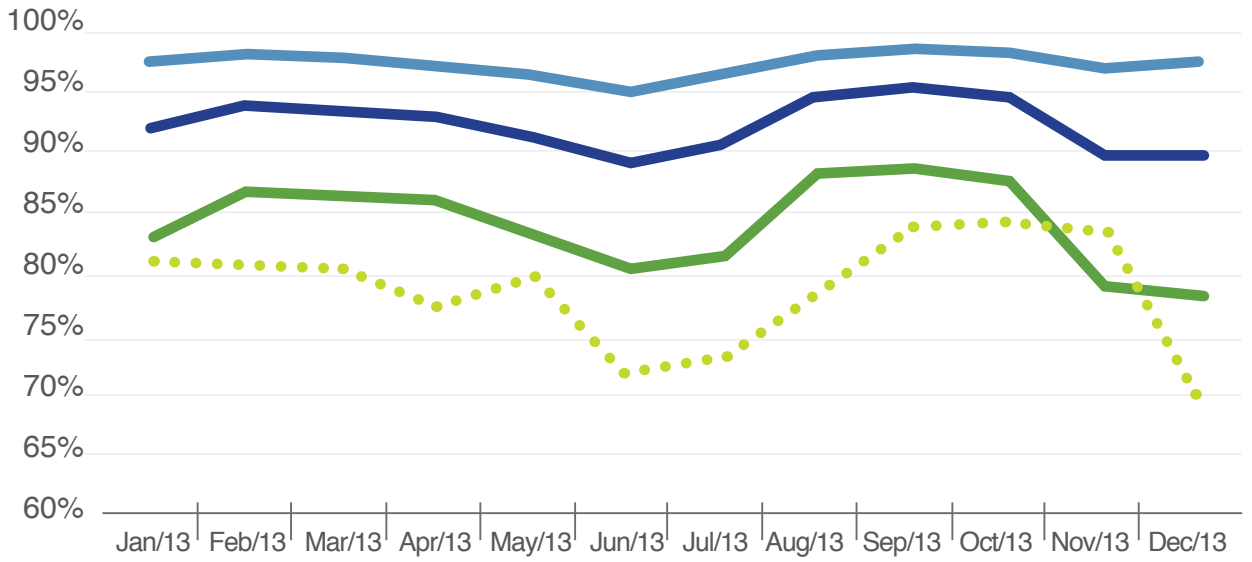
The industry has accomplished expressive achievements in the quality of the services provided. Punctuality and mishandled baggage, regarded as being the most relevant indicators according to consumer surveys conducted by airlines all over the world, have placed Brazil at levels that are equal to or even better than those of markets used for global reference, such as the USA.

According to ANAC, the Brazilian airlines recorded an 84% punctuality rate (considering the 15-minute tolerance of the international standard) – a growth of 5 percentage points in comparison with 2012. As reported by the Department of Transportation (DOT), US airlines reached 79%. Weather conditions represent more than 34% of the causes of delays in the USA, while in Brazil this number is 19% – the reason for that difference is the weather harshness. In Brazil, the weather impact may also be related to aeronautical infrastructure limitations.

Regarding baggage loss, the 2013 figures are similar to the 2012 ones with about three occurrences for every one thousand passengers boarded in the domestic market. The Brazilian standards are higher than the US and European standards (3.2 baggage losses/thousand passengers and 9 baggage losses/thousand passengers, respectively) and close to Asian standards (2 baggage losses/thousand passengers).

PUNCTUALITY

PUNCTUALITY RATES OF AIRLINES IN BRAZIL AND THE USA IN 2013*



Brazil punctuality rate 15 min
Avg: 84%

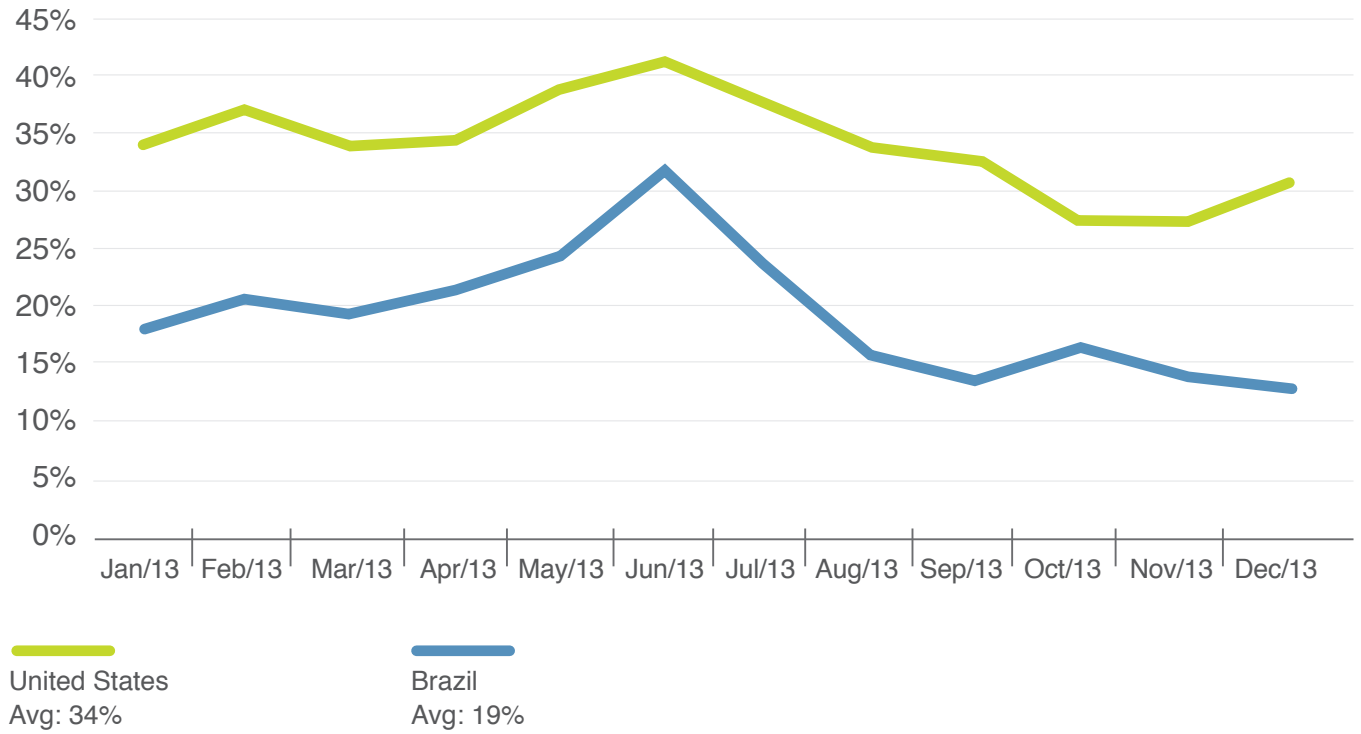
Brazil punctuality rate 30 min
Avg: 92%

Brazil punctuality rate 60 min
Avg: 97%

U.S. punctuality rate 15min
Avg: 79%

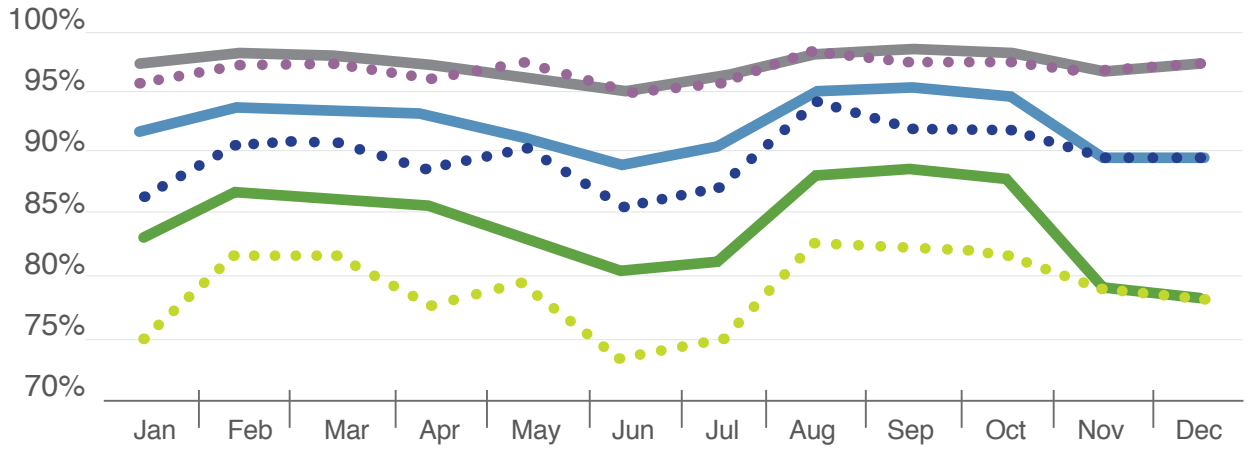
* Brazilian punctuality rates refer to domestic flights. U.S. on time flights refer to domestic and international flights.
Sources: ANAC; DOT.

DELAYS OVER 15 MINUTES CAUSED BY ADVERSE WEATHER CONDITIONS IN 2013*



* Brazilian punctuality rates refer to domestic flights. U.S. on time flights refer to domestic and international flights.
Sources: ANAC; DOT.

PUNCTUALITY RATES IN BRAZIL IN 2012 AND 2013 – DOMESTIC FLIGHTS



Punctuality 2012
15min – avg: 79%

Punctuality 2012
30min – avg: 90%

Punctuality 2012
60min – avg: 97%

Punctuality 2013
15min – avg: 84%

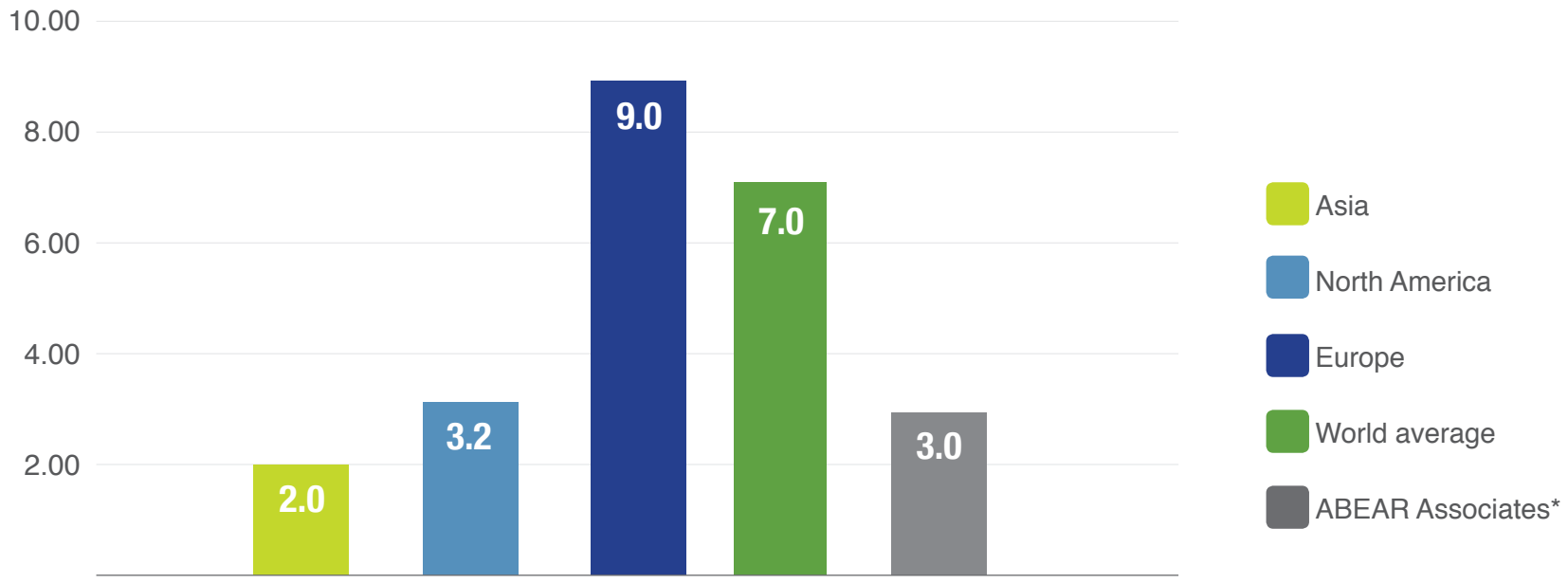
Punctuality 2013
30min – avg: 92%

Punctuality 2013
60min – avg 97%

DELAYS OVER 15 MINUTES CAUSED BY ADVERSE WEATHER CONDITIONS IN 2012 AND 2013

MISHANDLED BAGGAGE

MISHANDLED BAGGAGE PER 1,000 PASSENGERS BOARDED – 2013



* ABEAR associates data refer to the number of administrative proceedings filed. Data on airlines of other countries refer to the number of baggage items lost. Therefore, there may be slight variations according to the criteria being adopted. Does not include GOL data.
Sources: Sita; ABEAR associates.

THE DOMESTIC PASSENGER AIR TRANSPORT MARKET IN BRAZIL

The impact of econometric indicators of domestic passenger air transport in 2013 was similar to that shown in the Outlook 2012.

Historical records from 1970 to 2013 indicate that the demand elasticity (percentage variation of seat demand with regard to actual GDP percentage variation) found was 1.88 with regard to the GDP. This is the usual average rate for developing markets.

The demand elasticity regarding the airfare prices (percentage variation of demand with regard to average airfare price variation) has increased in comparison with last time measurements, from -0.44 to -0.58.

That is, its sensitivity increased with regard to price level. This can be related to marketing maturity and the increased participation of passengers whose reasons for travel are not related to business.

The demand elasticity regarding the airfare prices remained around -0.3 until the beginning of the years 2000, when airfare rates were regulated. With airfare deregulation, new passenger segments came up and, because of their travel motivation, the industry's total demand has become more price-sensitive.

It should be remembered that, starting in year 2009, when the promotional efforts of the companies became more intense, the actual demand and the demand curves estimated according to the econometric model have detached from their historical trends. The inflation adjusted yield (average airfare paid by revenue passenger per kilometer with amounts adjusted to inflation) in the period 2009-2013 was about 35% lower than in the 2004-2008 period.

Just like in the Outlook 2012 edition, the adherence of the econometric model to the historical

data was high. This model explains 98.24% of the historic occurrences and the remaining 1.76% are caused by other unidentified variables.

The forecasts for the coming years indicate a real yield drop both in the domestic and international markets. This trend results from an increased efficiency of the industry that – according to the economic theory for highly competitive industries – is not capable of retaining productivity earnings and transfers them to buyers (passengers)

On the other hand, the industry demand is estimated to grow at 7% a year in a more probable scenario if the trends of price behavior and the recent GDP growth expectations are kept.

One of the most acceptable indicators to measure the degree of market concentration in a sector is the Herfindahl-Hirschman Index (HHI).

According to the HHI, the domestic passenger transport in Brazil keeps a degree of concentration relatively low in comparison with that of major international markets.

MARKET CONCENTRATION AND PENETRATION

The indexes found in 2013 are practically the same as in 2012, because this indicator depends on structural aspects of the industry and its variation applies to a long term, unless an expressive change in the market occurs, such as merger of companies.

It is clear that a certain degree of concentration is intrinsic to the air transport activity. The main reasons for this fact are related to the minimum operational scale – minimum productive capacity required for making the operations feasible – and the high capital requirements in this industry.

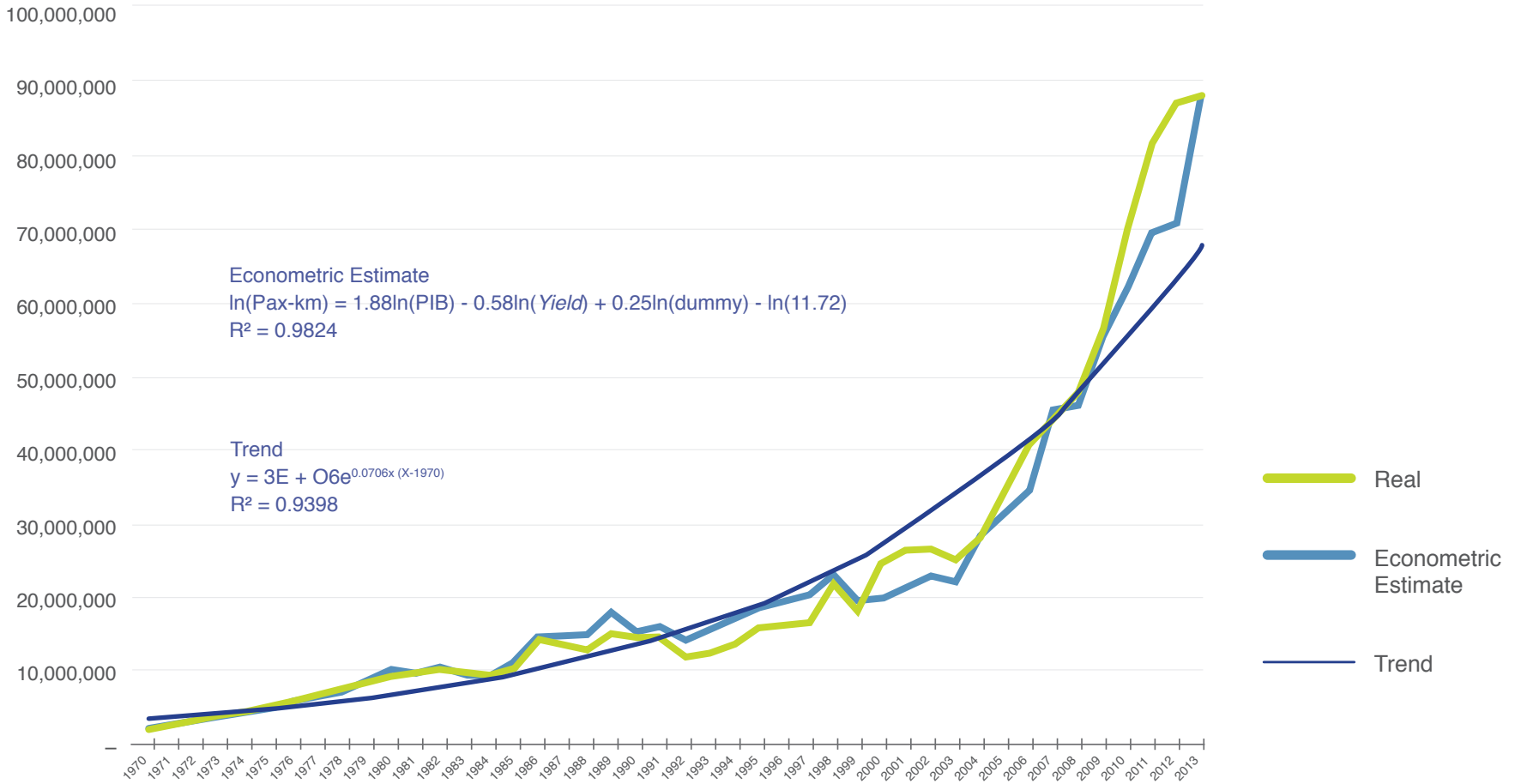
The market penetration (consumption measurement for a certain product or service per inhabitant) of Brazil's passenger air transport is above the world average in comparison with the corresponding GDP per capita.

Since the GDP is the main demand driving force for passenger air transport, it is necessary to equalize the markets under analysis with regard to their different degrees of wealth. For example, Brazil's GDP per capita is about 13% higher than the GDP per capita of Mexico, and the market penetration of the domestic passenger transport here is almost twice that of Mexico.

AIR TRANSPORT DEMAND – PASSENGERS

HISTORY AND STATISTIC MODELING

Passenger air transport demand in Brazil (pax-km 000) – Historic data (1970 - 2013)

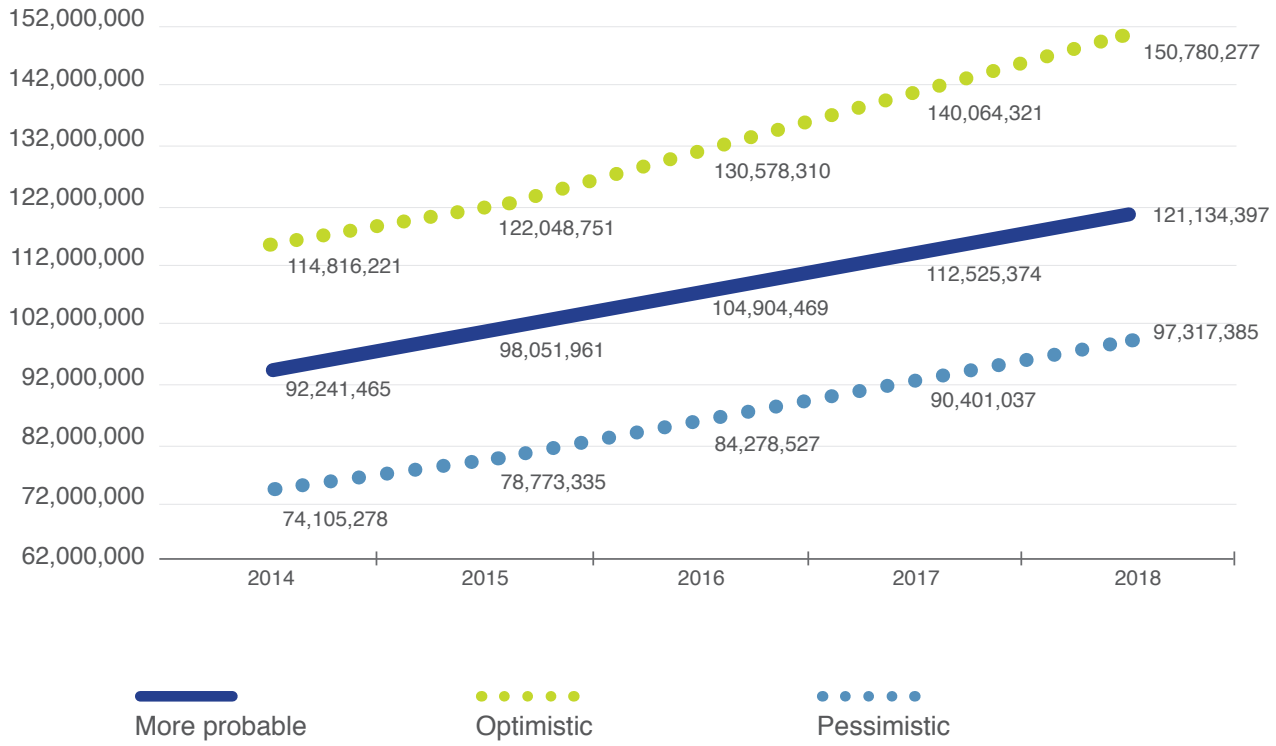


Sources: ANAC; DAC.

AIR TRANSPORT DEMAND

FORECASTS

Passenger domestic demand in Brazil (pax-km 000)



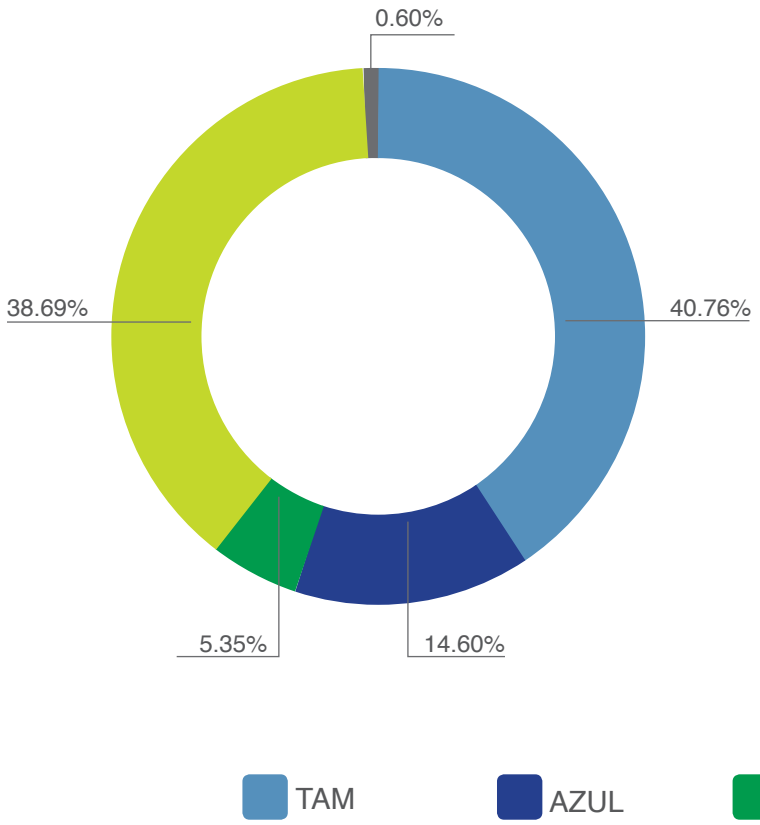
FORECAST

More probable scenario

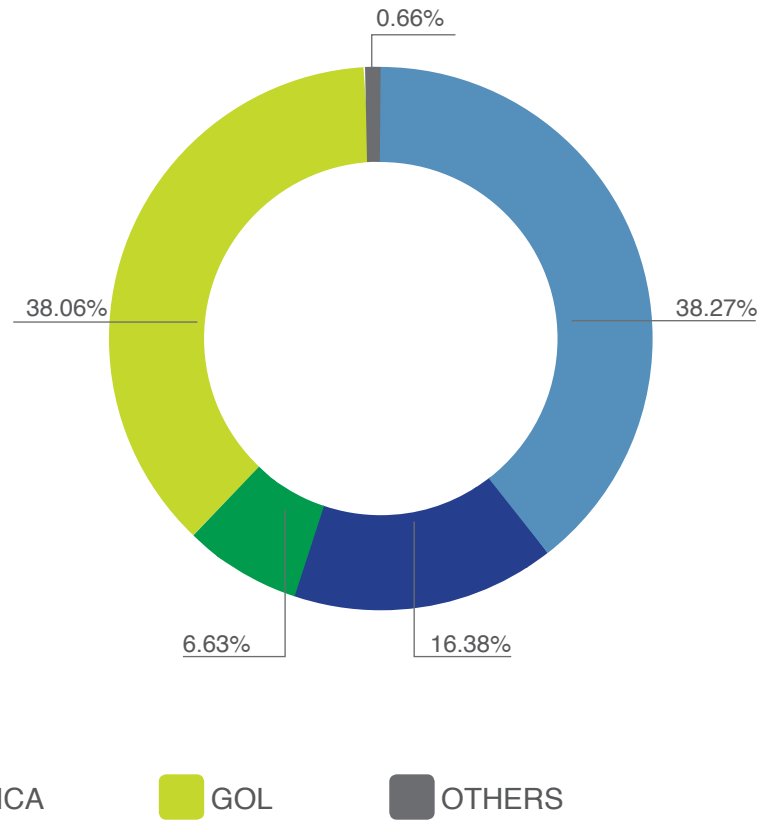
2014	5%
2015	6%
2016	7%
2017	7%
2018	8%

MARKET SHARE

OFFER (ASK) – CAPACITY SHARE 2013



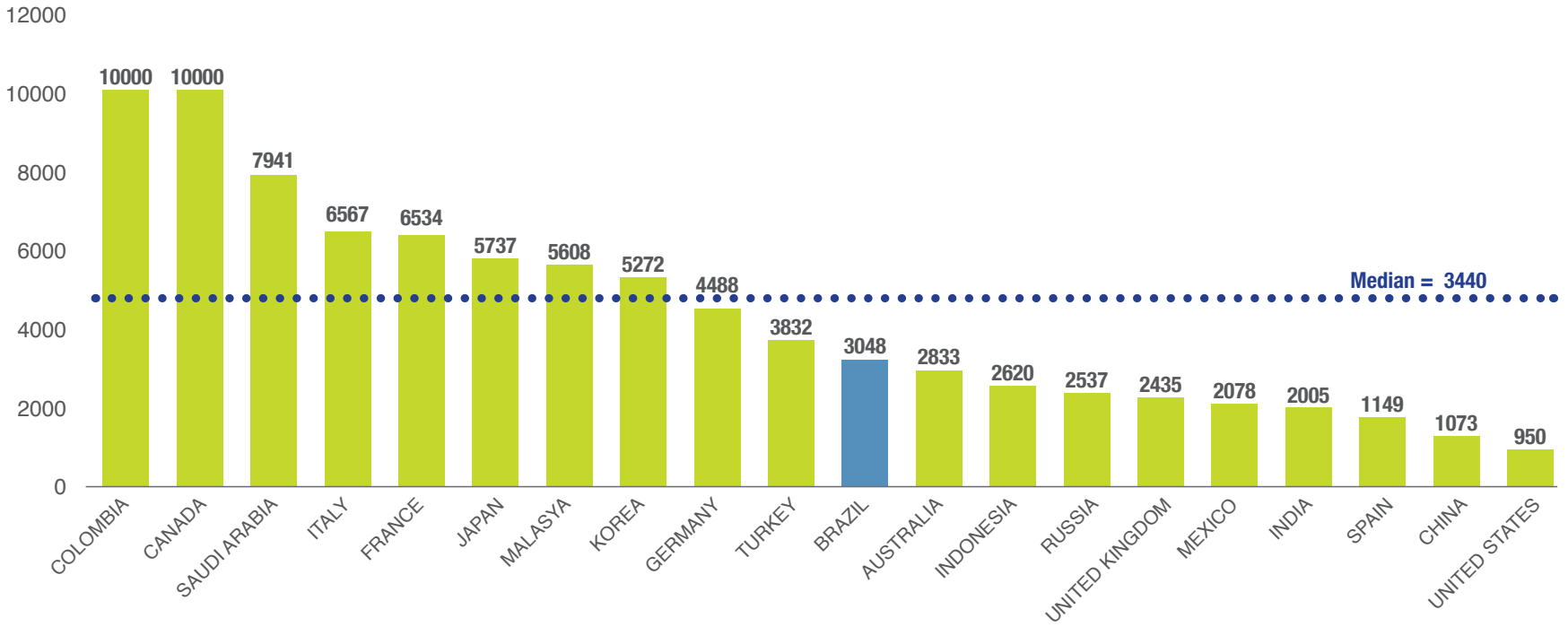
DEMAND (RPK) – MARKET SHARE 2013



Source: ANAC.

MARKET CONCENTRATION IN SEVERAL COUNTRIES

DOMESTIC PASSENGERS – 2012/2013 (HERFINDAHL-HIRSCHMAN INDEX – HHI*)



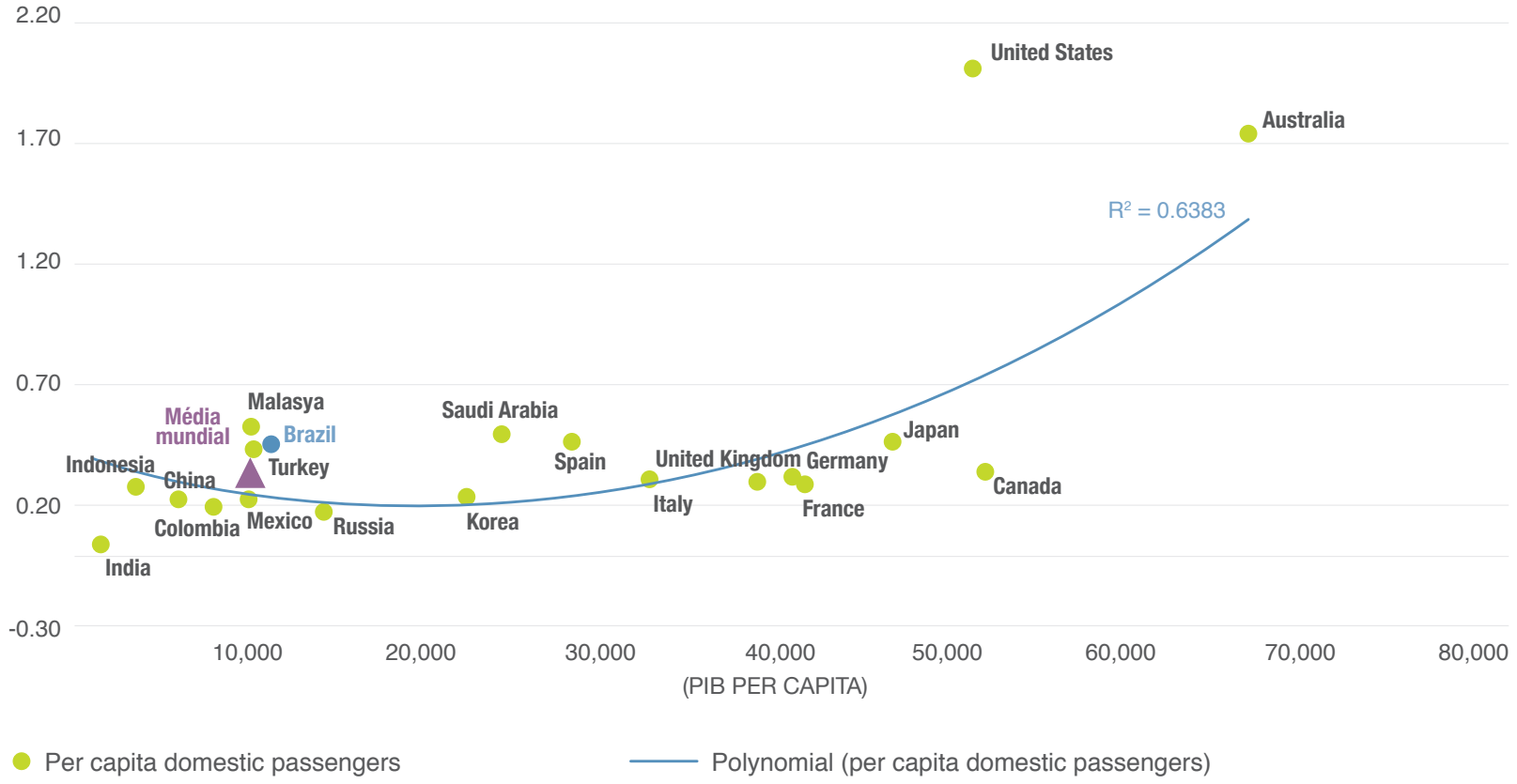
* The HHI calculation was based on the number of passengers carried in 2013 in the world's twenty largest domestic markets, which correspond to 93% of the world domestic demand.
The HHI is defined as being the sum of the squares of the market shares of the firms that operate in a certain market, expressed in percentage points. It varies from 1 to 10,000.

Interpretation:
An HHI below 100 indicates highly competitive market;
An HHI below 1500 indicates a non-concentrated market;
An HHI between 1500 and 2500 indicates a moderate market concentration;
An HHI above 2500 indicates a high market concentration.

Source: ICAO.

AIR TRANSPORT PENETRATION IN THE DOMESTIC PASSENGERS MARKET IN SEVERAL COUNTRIES

DOMESTIC PASSENGERS AND GDP PER CAPITA (2012)



Note: 1. The interpolation curve disregards USA data;
2. Except for Brazil, the latest available data refer to 2012;
3. GDP values in current USD.
Sources: ICAO; IMF.

AIR TRANSPORT PENETRATION IN THE DOMESTIC PASSENGERS MARKET IN SEVERAL COUNTRIES

COUNTRY	Passengers carried in 2012	%	2012 GDP in current USD (billion)	%	%	Population in 2012	Per capita passengers carried in 2012	Per capita 2012 GDP in current USD
India	57,747,225	3.6	1,842	2.6	5.7	1,227,193,000	0.05	1,501
Indonesia	68,559,738	4.3	879	1.2	1.4	244,468,000	0.28	3,594
China	293,357,956	18.3	8,221	11.4	14.7	1,354,040,000	0.22	6,071
Colombia	9,066,959	0.6	369	0.5	0.6	46,598,000	0.19	7,919
Mexico	26,552,909	1.7	1,177	1.6	2.2	117,055,000	0.23	10,059
Malasya	15,539,606	1.0	305	0.4	0.6	29,457,000	0.53	10,345
Turkey	32,631,011	2.0	788	1.1	1.3	74,885,000	0.44	10,527
Brazil	**88,945,476**	**5.5**	**2,253**	**3.1**	**2.8**	**198,361,000**	**0.45**	**11,359**
Russia	25,056,704	1.6	2,030	2.8	3.0	141,924,000	0.18	14,302
Korea	11,614,557	0.7	1,130	1.6	1.9	50,004,000	0.23	22,589
Saudi Arabia	14,142,967	0.9	711	1.0	1.1	28,994,000	0.49	24,524
Spain	21,412,821	1.3	1,324	1.8	1.7	46,163,000	0.46	28,670
Italy	18,179,198	1.1	2,014	2.8	2.2	60,821,000	0.30	33,115
United Kingdom	19,132,667	1.2	2,477	3.4	2.8	63,244,000	0.30	39,160
France	19,715,863	1.2	2,614	3.6	2.7	63,409,000	0.31	41,223
Germany	23,885,397	1.5	3,430	4.7	3.8	81,918,000	0.29	41,865
Japan	55,223,888	3.4	5,960	8.3	5.5	127,611,000	0.43	46,707
Canada	11,469,964	0.7	1,821	2.5	1.8	34,827,000	0.33	52,300
Australia	39,715,605	2.5	1,542	2.1	1.2	22,906,000	1.73	67,306
United States	639,646,109	39.8	16,245	22.5	19.5	314,184,000	2.04	51,704
SUBTOTAL	1,491,596,620	92.8	57,130	79.1	56.9	4,013,878,000	0.37	14,233
Others	115,057,635	7.2	15,086	20.9	43.1	2,937,720,000	0.04	5,135
WORLD TOTAL	1,606,654,255	100.0	72,216	100.0	100.0	6,951,598,000	0.23	10,388

Sources: FMI; ICAO.

DOMESTIC CARGO AIR TRANSPORT MARKET IN BRAZIL

The parameterization of statistical models for the cargo transport industry brings four difficulties that should be commented.

1. There is an inconsistency in the official records that calls for reference to different sources (ANAC and ICAO) whose data are not always in agreement;

2. The demand competition between the different freight transportation modes is greater than in the air passenger segment, frequently causing traffic diversions;

3. The proportion between the prices of aviation fuel and diesel oil (used in other modes) has varied a lot, making the relative competitiveness between the two modes change over time – this has been introducing fluctuations difficult to be captured by the econometric modeling;

4. The freight transport capacity corresponds to the aircraft total capacity available (payload) less the weight of the passengers and their baggage. The periods of high passenger demand – subtracting the space available that could be used for cargo – interfere with the time series.

Even with those limitations, it was possible to arrive at a reasonable econometric model with an explanation capacity of 71.23%.

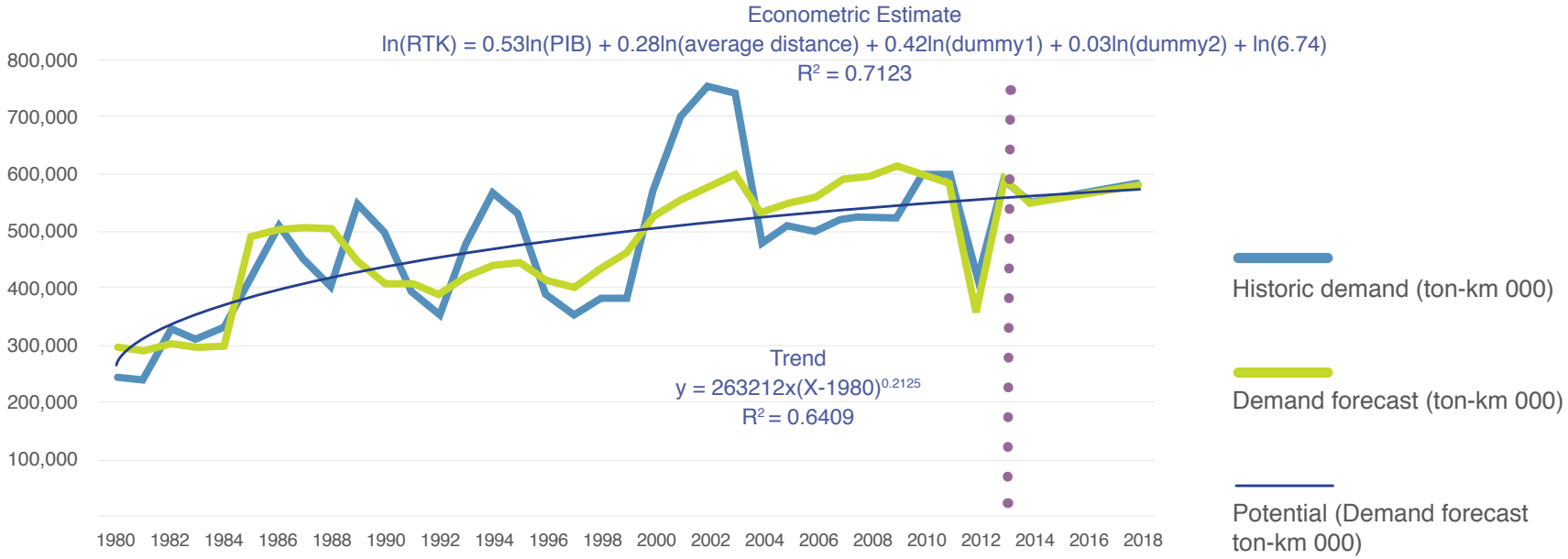
The independent variables used in this model were the GDP and the average distance flown by the carried cargo. The demand elasticity data with regard to these variables were 0.53 (GDP) and 0.28 (average distance flown by the carried cargo).

The prediction capability of this model showed to be satisfactory considering its adherence to the exponential curve representing the trend, although the explanation of the model found is less adherent than the passenger demand of the previous chapter.

The cargo transport market penetration by the air carriage mode in Brazil has shown to be very high. The reason for this fact is probably related to the large territorial dimensions of Brazil and the high transport cost, factors that are associated with the recognized precarious road infrastructure.

AIR TRANSPORT DEMAND – CARGO

DOMESTIC AIR CARGO DEMAND IN BRAZIL (RTK 000)



Source: ANAC

HISTORY, STATISTIC MODELING AND FORECASTS

Forecasts (RTK 000)

	Historical trend	Econometric estimate
2014	560,299	547,607
2015	563,664	555,236
2016	566,955	563,995
2017	570,177	573,307
2018	573,333	583,361

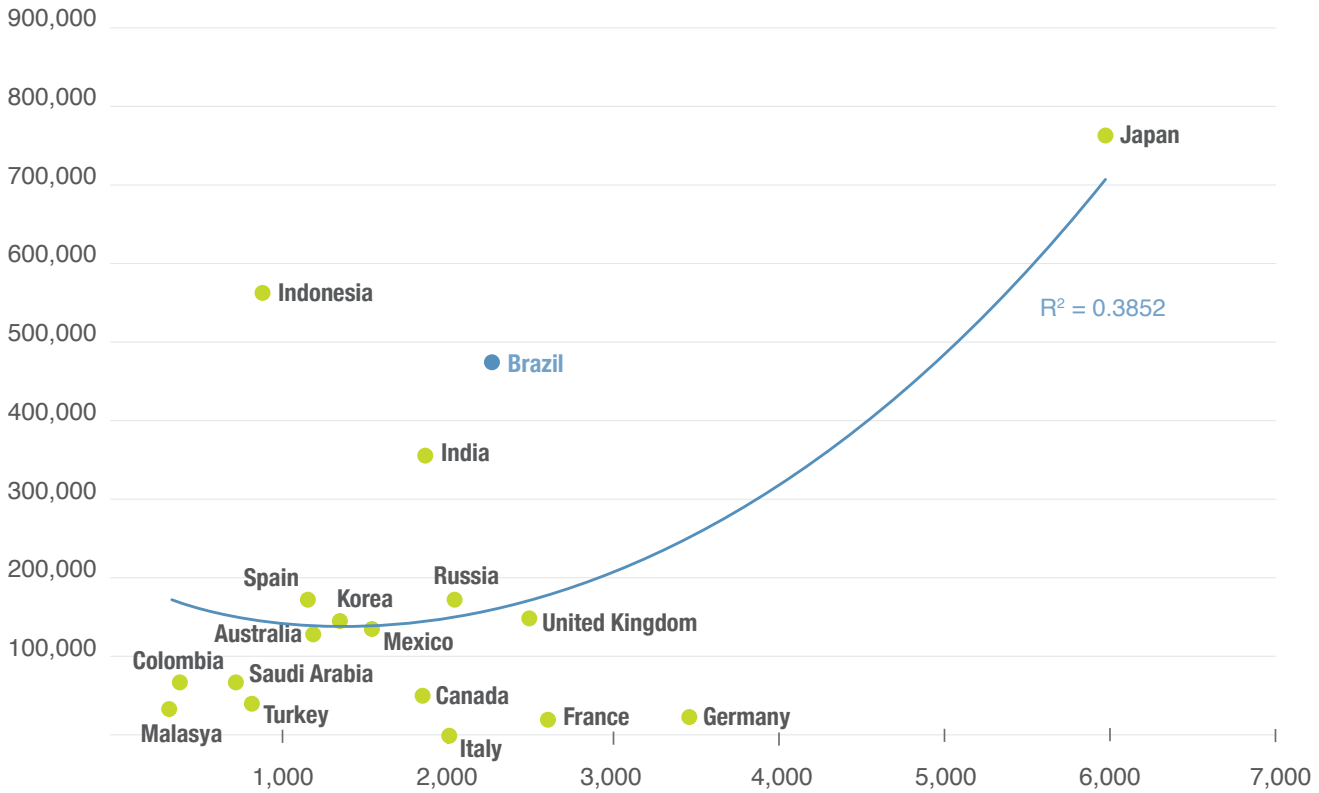
Forecasts (average distance 000km)

	Historical trend	Econometric estimate
2014	1,540	1,654
2015	1,532	1,654
2016	1,525	1,654
2017	1,517	1,654
2018	1,511	1,654

Sources: ICAO; IMF.

AIR TRANSPORT PENETRATION IN THE DOMESTIC CARGO MARKET IN SEVERAL COUNTRIES

CARGO BOARDED IN DOMESTIC FLIGHTS (TON) AND GDP IN 2012



Note: 1. Except for Brazil, the latest available data refer to 2012; 2. GDP values in current USD;
3. USA data were omitted because including them would distort the chart representation.

AIR TRANSPORT PENETRATION IN THE DOMESTIC CARGO MARKET IN SEVERAL COUNTRIES

COUNTRY	Embarked tons in 2012	2012 GDP in current USD (billion)
Malasya	36,780	305
Colombia	71,089	369
Saudi Arabia	64,030	711
Turkey	41,152	788
Indonesia	562,889	879
Korea	172,353	1,130
Mexico	126,173	1,177
Spain	142,070	1,324
Australia	132,478	1,542
Canada	52,962	1,821
India	353,065	1,842
Italy	3,331	2,014
Russia	170,609	2,030
Brazil	**472,575**	**2,253**
United Kingdom	149,781	2,477
France	18,019	2,614
Germany	22,785	3,430
Japan	763,928	5,960

Note: Except for Brazil, the latest available data refer to 2012.
Sources: IMF; ICAO.

DOMESTIC FLEET AND OPERATIONAL EFFICIENCY

The predominant jet plane fleet in Brazil's domestic operations, consisting of narrow-body aircraft, is considerably younger and more efficiently used when compared with the fleets in operation in other countries.

The aircraft average age in Brazil is about 6.4 years versus 12.5 years in the sample surveyed. Its daily average utilization rate is about 10.6 hours versus 8.3 hours of the sample used for comparison.

Since the Brazilian domestic fleet is younger, its fuel consumption is lower with less emission of pollutants. In comparison with the US fleet, the fuel consumption is 15% lower per available seat kilometer and 4% lower per revenue passenger kilometer. The emission of pollutants follows the same proportions.

This survey also allows us to determine that the operational efficiency of the Brazilian airline companies has been adversely affected by the limitations of airport infrastructure and by the resulting air traffic congestions.

The difference between the average distance flown by the domestic air transport passengers in Brazil and the average useful distance flown by the same passengers has been significantly increasing over the time. This variation shows a travel efficiency drop indicated by a significant reduction of the useful distance flown by flight hour and by the calculated reference curve detachment.

In practice, the aircraft that operate domestic flights in Brazil are requiring more time to travel the same routes. The variable costs and the emission of pollutants increase in the same proportions. These tables show that the impact of this phenomenon leads to an excessive fuel consumption and CO_2 emissions, exceeding an average level of 9% in the 2001-2008 period and reaching 28% in 2009.

HISTORICAL PERSPECTIVE

Historical aspects must be taken into account for this reading. Early in the years 2000, the number of take-offs/year dropped, despite an expressive demand and supply growth. This was the result of an increased average size of the aircraft used. The average flight stages also increased, because airline companies lowered their prices and started launching promotional campaigns to stimulate demand for flights to tourist destinations, far from traffic generation centers, such as Northeast cities. As a result of the demand increase, the number of take-offs/year exceeded 700 thousand and reached 950 thousand in 2009, a number that has prevailed until now. The useful distances per flight hour then started to be significantly reduced, leading us to conclude that the Brazilian airport infrastructure is in a position to handle, on a reasonable basis, up to 700 thousand take-offs/year.

The negative impact of the described phenomenon for the 2001-2013 period is equivalent to a loss of BRL 15 billion at the prices effective in January 2014. A better idea of the impact caused by this economic inefficiency is provided by the fact that the unnecessary expenditure corresponds to more than 50% of the Brazilian airline companies' total income in 2013, and is equivalent to the total value of the 20-year concession for the Guarulhos Airport.

FLEET AND USE OF AIRCRAFT

AGE, NUMBER AND USE OF NARROW-BODY AIRCRAFT OF SEVERAL COMPANIES – 2013

COMPANY	Country	Average age	Quantity	Daily average use (h/Day)*
GOL	Brazil	7.0	137	10.6
TAM	Brazil	7.1	129	11.1
AZUL	Brazil	2.7	74	11.8
AVIANCA Brasil	Brazil	9.4	38	9.1
ABEAR		6.4	378	10.6
OTHER COMPANIES				
American Airlines	United States	13.2	487	9.2
Delta	United States	17.4	566	9.7
Air France	France	10.2	131	NA
British	United Kingdom	11.0	128	8.5
Lufthansa	Germany	11.5	181	8.0
KLM	Netherlands	7.5	47	NA
Jal Group	Japan	5.6	78	2.5
Ana	Japan	17.0	14	NA
Southwest	United States	11.7	587	10.6
Grupo Lan	Chile	5.3	96	9.6
Avianca	Colombia	4.7	59	7.8
Other companies TOTAL		12.5	2.374	8.3
SAMPLE TOTAL		11.7	2.752	9.1

*Data related to Azul, American Airlines, Delta, Southwest and LAN Group refer to 2011; the others refer to 2012.
Sources: Air companies.

FUEL CONSUMPTION AND CO_2 EMISSION

FUEL CONSUMPTION, CO_2 EMISSION AND INDICATORS IN DOMESTIC PASSENGER AND CARGO FLIGHTS IN 2012

	Consumption (million liters)	RPKs	ASKs	Performance	Consumption/ RPK	Consumption/ ASK	CO_2 Emission (kg/RPK)	CO_2 Emission (kg/ASK)
U.S. AIR COMPANIES	39,785	915,009,978	1,097,413,382	83%	0.0435	0.0363	0.1122	0.0935
ABEAR ASSOCIATES	3,562	85,587,393	116,960,509	73%	0.0416	0.0305	0.1074	0.0786
DIFFERENCE					-4%	-16%	-4%	-16%

Sources: RITA; ICAO; ABEAR associates.

EVOLUTION OF USEFUL AVERAGE DISTANCES FLOWN PER FLIGHT HOUR

ANNUAL OPERATING STATISTICS OF THE DOMESTIC PASSENGER AIR TRANSPORTATION IN BRAZIL, USEFUL AVERAGE DISTANCES FLOWN PER FLIGHT HOUR AND REFERENCE VALUES

Year	Take-offs	Flown kilometers	Flown hours	Average stage lenght (km)	Useful average distance per hour (km/h) – Real (a)	Average useful distance per hour (km/h) – Reference (b)*	Difference (b) – (a) (km/h)	Difference (b – a) / (a)
2001	689,425	420,115,305	742,354	609	566	619	53	9%
2002	643,554	404,073,821	716,666	628	564	622	58	10%
2003	501,312	338,432,576	575,622	675	588	631	43	7%
2004	487,617	337,841,157	563,683	693	599	634	35	6%
2005	524,598	364,549,465	627,169	695	581	635	53	9%
2006	552,367	400,818,440	685,179	726	585	640	55	9%
2007	571,989	426,693,267	748,313	746	570	644	74	13%
2008	624,915	480,417,657	800,290	769	600	648	48	8%
2009	733,624	580,829,074	1,134,418	729	512	652	140	27%
2010	844,134	688,831,373	1,337,922	816	515	657	142	28%
2011	953,923	784,188,277	1,523,438	822	515	658	143	28%
2012	985,985	805,440,844	1,564,360	817	515	657	142	28%
2013	937,996	773,849,750	1,498,982	825	516	658	142	28%

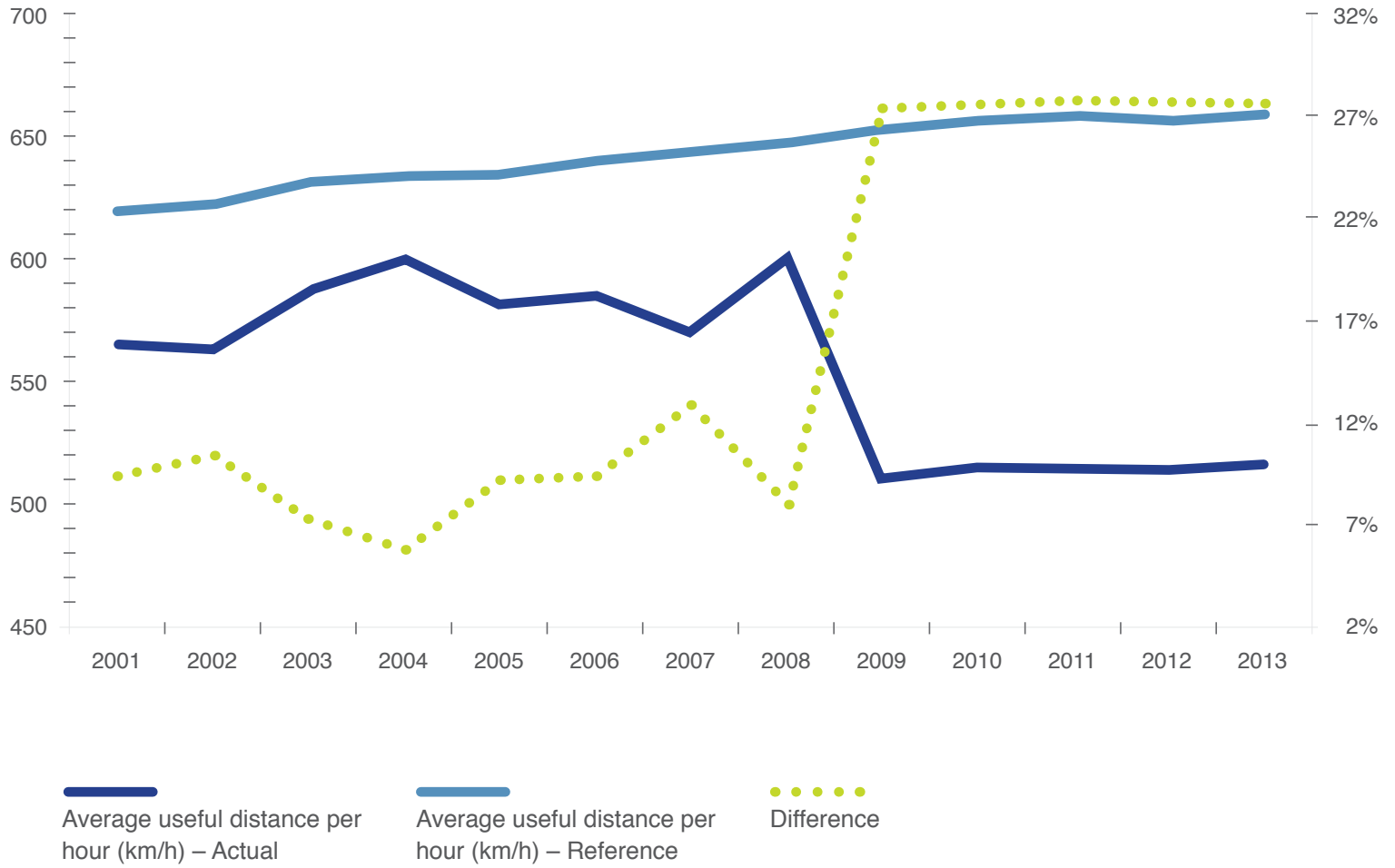
*The reference useful average distances per hour correspond to the average for Boeing 737/300, Boeing 737/700 and Boeing 737/800 aircraft for the same flight stage lenghts, added by 3% for correcting distortions caused by the Earth curvature.
Sources: ANAC; ICAO; Boeing.

ANNUAL ADDITIONAL EXPENSES FOR FUEL AND CARBON EMISSION IN THE DOMESTIC PASSENGER AIR TRANSPORT IN BRAZIL

Year	Actual fuel consumption (l)	Approximate additional expense (%)	Approximate annual expense (l)	Average unit costs	Additional expense (BRL)	Additional emission (CO_2 ton)
2001	2,296,741,410	9%	214,849,854	1.3325	286,276,748	554,313
2002	2,306,986,556	10%	239,051,039	2.0603	492,528,172	616,752
2003	1,932,832,142	7%	141,171,161	2.1807	307,848,181	364,222
2004	2,069,342,789	6%	120,101,743	2.4755	297,315,294	309,862
2005	2,231,157,831	9%	204,391,248	2.6966	551,157,387	527,329
2006	2,294,630,315	9%	216,316,594	2.5901	560,287,314	558,097
2007	2,472,460,365	13%	319,329,140	2.3532	751,446,827	823,869
2008	2,638,576,584	8%	209,731,649	2.6926	564,720,732	541,108
2009	2,882,142,669	27%	789,273,934	1.8517	1,461,503,180	2,036,327
2010	3,321,279,491	28%	914,818,797	1.9738	1,805,645,781	2,360,232
2011	3,756,436,224	28%	1,043,704,403	2.2953	2,395,628,439	2,692,757
2012	3,873,000,692	28%	1,067,812,536	2.5340	2,705,827,063	2,754,956
2013	3,760,095,243	28%	1,034,663,043	2.7836	2,880,061,859	2,669,431
Total	35,835,682,311	18%	6,515,215,141	2.3116	15,060,246,978	16,809,255

Note: At unit prices as of January/14 (IPCA). The ratio of 2.58kg of CO_2 per liter of aviation kerosene consumed was considered.
Sources: ANAC; ICAO; Boeing; ABEAR associates.

CHANGE IN USEFUL AVERAGE DISTANCES FLOWN PER FLIGHT HOUR



PRICES AND COSTS OF THE SERVICES PROVIDED

The public Brazilian domestic air fares are lower than those effective in the USA, China and Japan, considering the flight segments close to 1000 km (average domestic flight segment in Brazil). The values are close to those charged in the Brazilian road transport system and have remained stable according to a survey conducted by ABEAR.

The increased proportion of the aviation fuel expenditures results from unit cost rises (in part, internally controllable in Brazil) and the fuel waste (in the whole, internally controllable in Brazil).

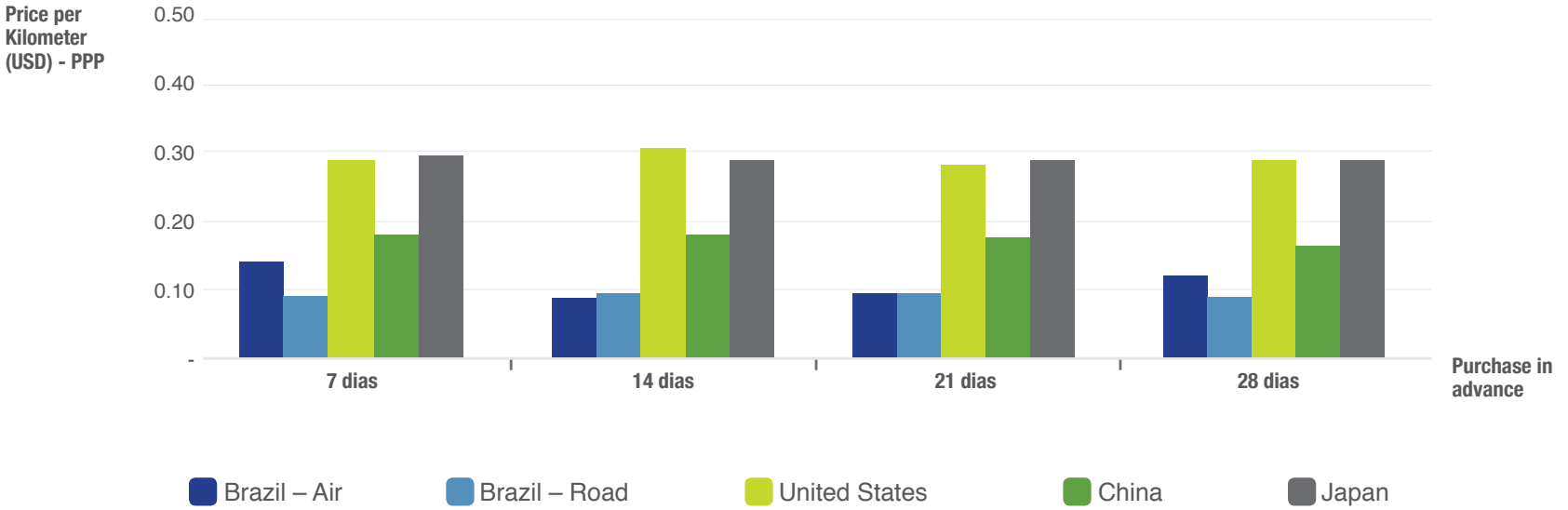
The chronological evolution of domestic air transport costs in Brazil makes it evident that the proportion of aviation fuel consumption is increasing. As demonstrated in the previous chapter, the volume of aviation fuel spent in Brazil exceeds by far what is strictly necessary, because of the inefficient aeronautical infrastructure for handling the growing number of take-offs/year after 2009. The cost burden with fuel then started to grow exceeding 40% of the total costs of air operations.

In addition, the fuel price paid by domestic Brazilian airline companies is one of the world's highest and taxation is a very critical factor. The international oil prices have also contributed decisively to aggravate the fuel cost impact, despite the permanent renewal process of the fleets by the Brazilian airline companies.

Even with the increasing aviation fuel expenditures, the industry's total costs have increased below the inflation rate measured according to the consumer price index, which is an indication of an important productivity increase.

An analysis of the operating costs of the airlines and the price of domestic airfares shows that the nominal airfare value surprisingly dropped by 17% from 2002 to 2013. After adding the inflation effect, the conclusion is that the actual values of domestic airfares in 2013 dropped by 56% in relation to their actual values in 2002.

DISTANCE-BASED PUBLIC SERVICE CHARGES FOR DOMESTIC TRANSPORT STAGES CLOSE TO 1000 KM*



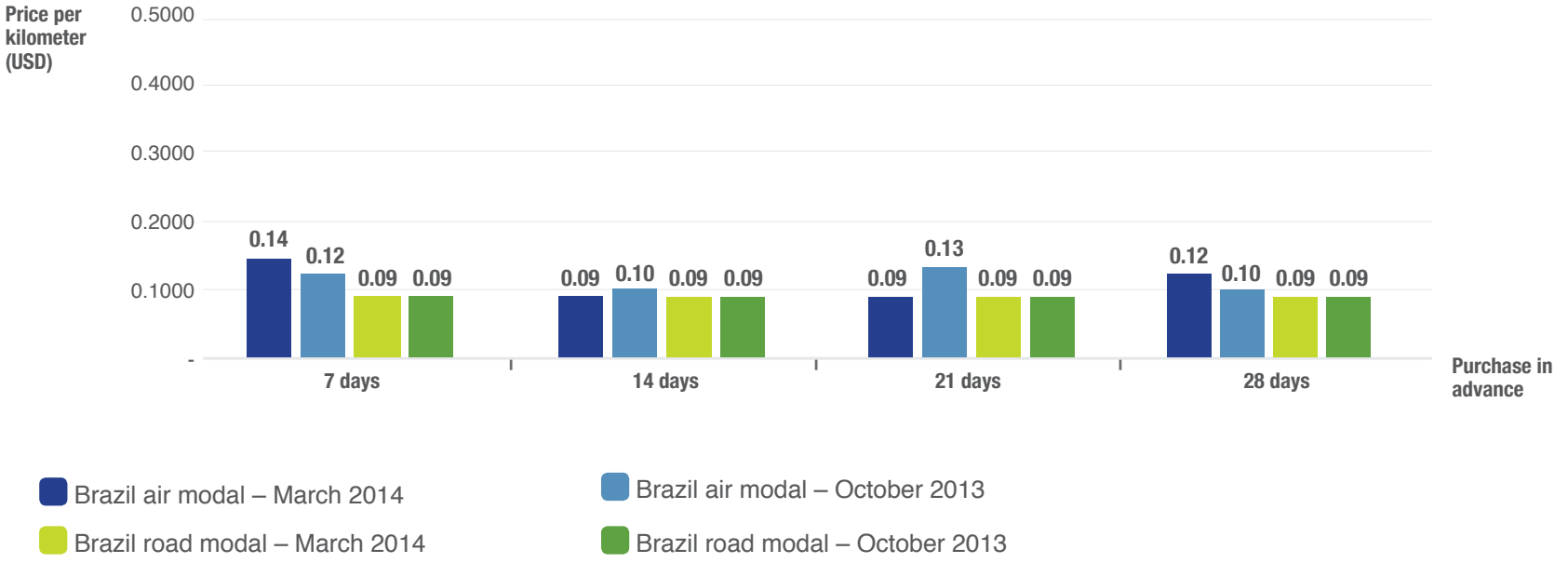
* Values adjusted according to the Purchase Power Parity (PPP).
Sources: ABEAR associates; Edreams; Busca ônibus. Data gathered in the period March 25 to 27, 2014.

ONE-WAY FARES IN SEVERAL MARKETS IN MARCH 2014*

			ONE-WAY FARES (USD) – PPP				ONE-WAY FARES / DISTANCE (USD/KM – PPP)			
			PURCHASE IN ADVANCE							
	City pairs	Distance (km)	7 days	14 days	21 days	28 days	7 days	14 days	21 days	28 days
BRAZIL AIR	BSB-GRU	851	168.42	79.94	53.29	103.06	0.1978	0.0939	0.0626	0.1211
	BSB-GIG	911	135.24	64.85	80.44	123.17	0.1485	0.0712	0.0883	0.1352
	CNF-CWB	843	100.55	70.38	60.33	119.65	0.1192	0.0835	0.0715	0.1419
	GRU-POA	864	75.41	75.41	82.45	97.03	0.0873	0.0873	0.0954	0.1123
	CNF-SSA	958	250.36	173.45	208.64	173.45	0.2615	0.1811	0.2179	0.1811
	AVG	885	146.00	92.81	97.03	123.27	0.1649	0.1048	0.1096	0.1392
BRAZIL ROAD	BSB-GRU	851	86.34	86.34	86.34	86.34	0.1014	0.1014	0.1014	0.1014
	BSB-GIG	911	96.22	96.22	96.22	75.41	0.1056	0.1056	0.1056	0.0828
	CNF-CWB	843	88.92	88.92	88.92	88.92	0.1054	0.1054	0.1054	0.1054
	GRU-POA	864	92.48	92.48	92.48	92.48	0.1070	0.1070	0.1070	0.1070
	CNF-SSA	958	115.35	115.35	115.35	115.35	0.1205	0.1205	0.1205	0.1205
	AVG	885	95.86	95.86	95.86	91.70	0.1083	0.1083	0.1083	0.1036
UNITED STATES	ATL-MIA	956	157.00	157.00	157.00	157.00	0.1642	0.1642	0.1642	0.1642
	CHI-NYC	1,147	111.00	102.00	125.00	157.00	0.0967	0.0889	0.1089	0.1368
	CLE-NYC	665	387.00	341.00	341.00	341.00	0.5823	0.5131	0.5131	0.5131
	DET-NYC	774	516.00	657.00	534.00	516.00	0.6666	0.8488	0.6899	0.6666
	LAX-SLC	949	135.00	99.00	99.00	99.00	0.1422	0.1043	0.1043	0.1043
	AVG	898	261.20	271.20	251.20	254.00	0.2908	0.3019	0.2796	0.2828
CHINA	PEK-SHA	1,075	246.44	246.44	273.32	246.44	0.2292	0.2292	0.2543	0.2292
	NKG-PEK	948	294.23	294.23	294.23	294.23	0.3104	0.3104	0.3104	0.3104
	CAN-SHA	1,175	309.17	309.17	309.17	309.23	0.2632	0.2632	0.2632	0.2632
	PEK-SZX	1,207	422.68	422.68	422.68	422.68	0.3502	0.3502	0.3502	0.3502
	HKG-SHA	1,230	219.55	210.59	210.59	171.76	0.1786	0.1713	0.1713	0.1397
	AVG	1,127	298.41	296.62	302.00	288.86	0.2648	0.2632	0.2680	0.2563
JAPAN	NGS-HAN	958	338.77	337.84	338.77	337.84	0.3538	0.3528	0.3528	0.3528
	KIX-NRT	492	65.15	65.15	65.15	65.15	0.1323	0.1323	0.1323	0.1323
	HAN-UKB	486	195.44	195.44	195.44	196.37	0.4021	0.4021	0.4021	0.4041
	FUK-NRT	941	108.89	84.69	84.69	78.18	0.1157	0.0900	0.0900	0.0830
	HIJ-NRT	697	268.04	268.04	268.04	268.04	0.3847	0.3847	0.3847	0.3847
	AVG	715	195.26	190.23	190.42	189.11	0.2731	0.2661	0.2664	0.2645

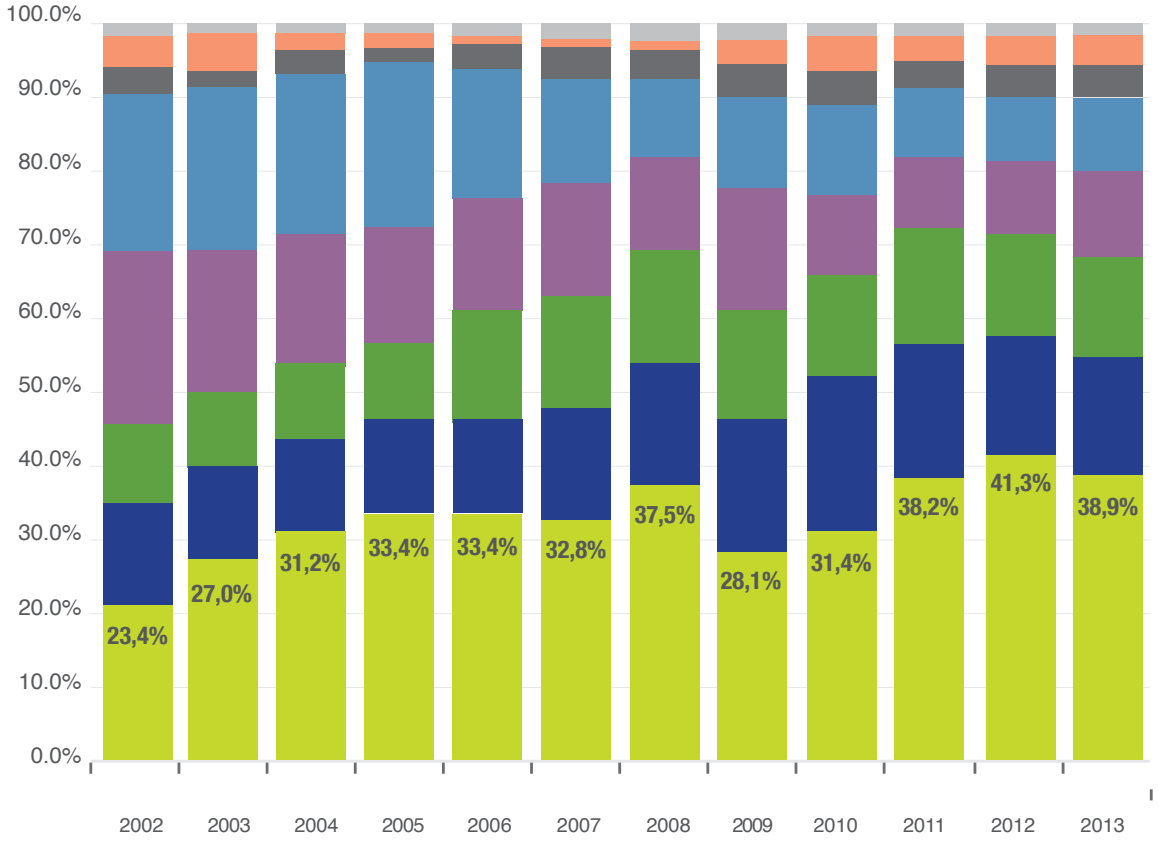
* Data gathered in the period March 25 to 27, 2014; BRL/USD=2.3132.
Values adjusted according to the Purchase Power Parity (PPP).
Sources: ABEAR associates; Edreams; Busca ônibus. Data gathered in the period March 25 to 27, 2014.

DISTANCE-BASED PUBLIC SERVICE CHARGES FOR DOMESTIC TRANSPORT STAGES CLOSE TO 1000 KM*



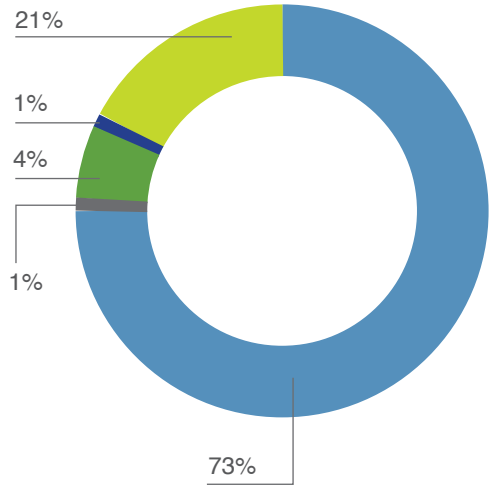
* The above mentioned Brazilian markets correspond to about 6% of the total passenger demand for domestic air transportation.
Sources: ABEAR associates; Edreams; Busca ônibus.

BREAKDOWN OF THE INDUSTRY COSTS AND CHANGE IN FUEL CONSUMPTION



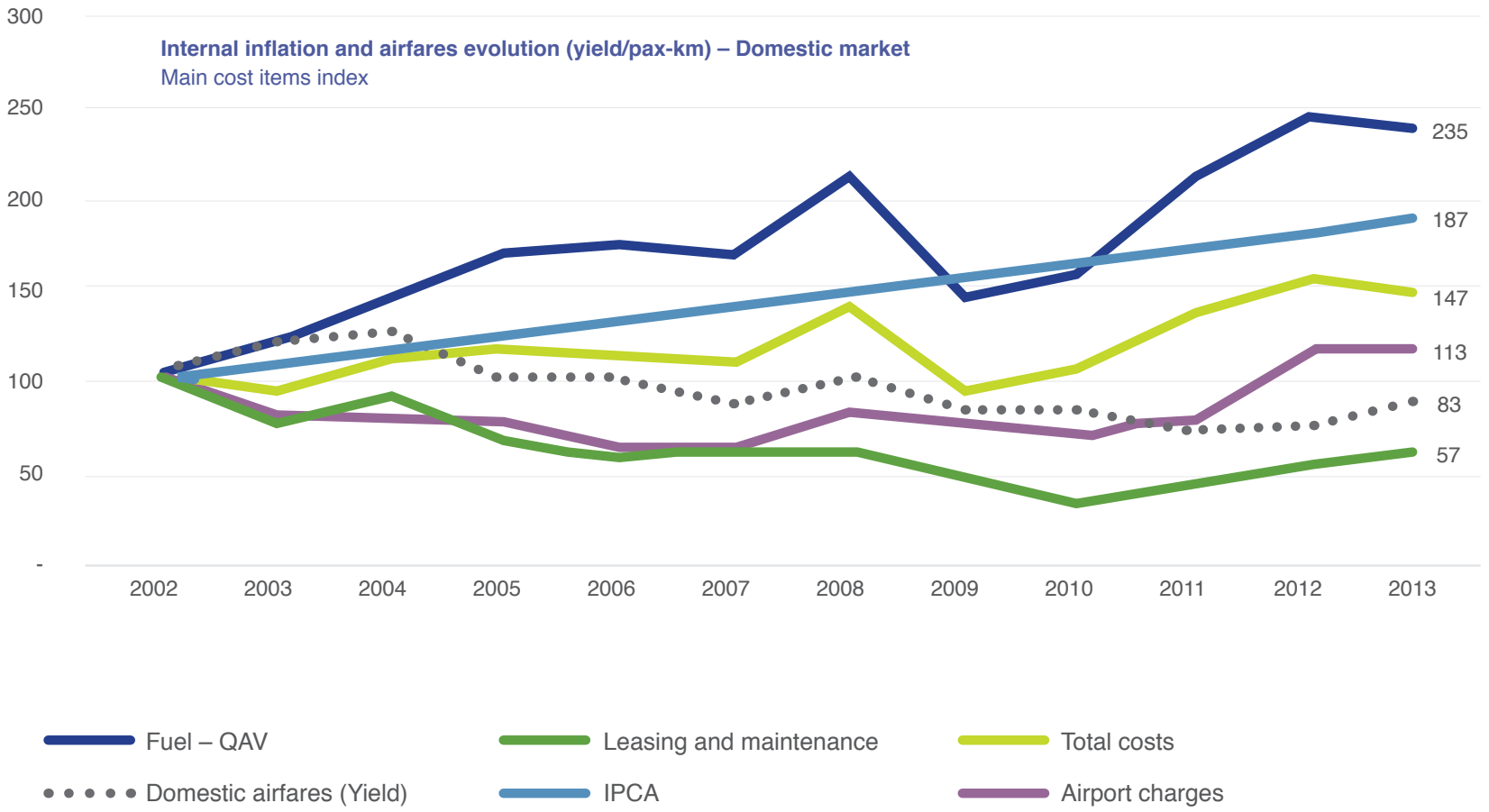
Sources: DAC; ANAC; airlines.

AVERAGE BREAKDOWN OF FUEL COSTS – DOMESTIC QAV*



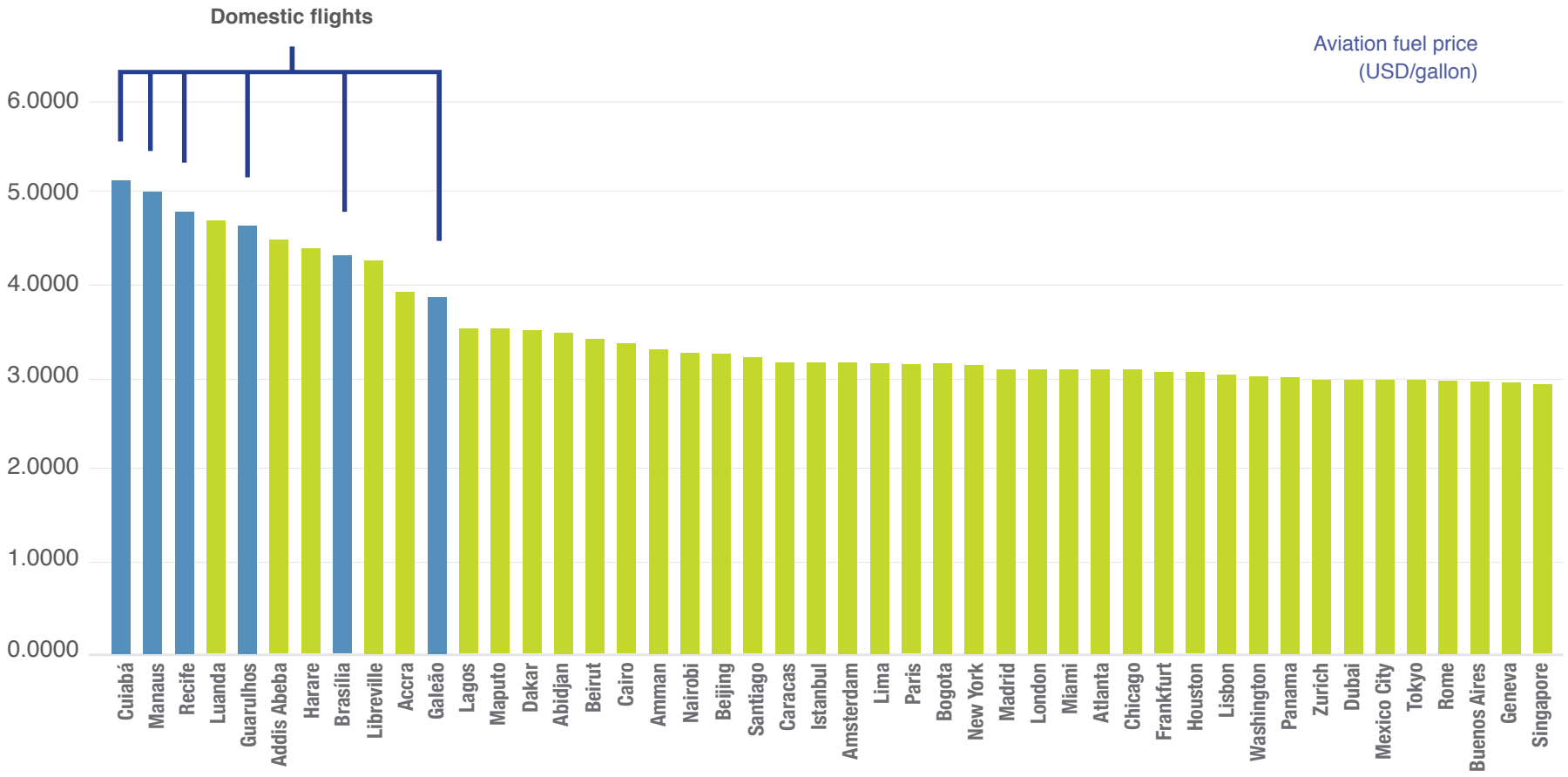
*Simple arithmetic mean for Brasília, Guarulhos, Campinas, Manaus, Porto alegre, Galeão, Salvador and Curitiba airports.
Sources: DAC, ANAC, air companies.

EVOLUTION OF THE NOMINAL INDUSTRY COSTS (YIELD/PAX-KM) – DOMESTIC



Sources: DAC; ANAC; airlines.

AVIATION FUEL PRICES AT SEVERAL AIRPORTS IN THE WORLD (USD/GL)*



Note: In Brazil, fuel paid for international flights is exempted from ICMS tax, contrarily to what happens to domestic flights.
Source: IATA, June/14.

ORGANS AND TISSUES TRANSPORT

Among the main contributions of ABEAR associates to society is the urgent free-of-charge transport of organs and tissues for transplantation.

In the past, the transport of organs and tissues was an operation carried out by the Brazilian Air Force on a priority basis. The development of the domestic air transport network by commercial airlines and the capillarity of the airlines' operation in Brazil allowed this service to be provided with greater efficiency, thus increasing the number of these operations.

The free-of-charge transport of organs has been conducted since the beginning of the last decade and has been further enhanced with a cooperation agreement entered into by the Ministry of Health, ABEAR, the Civil Aviation Secretary's Office, the Air Force, concession airports and Infraero at the end of 2013.

The above referred agreement further improved this service to provide increased operational agility, a key factor in the transport of organs and tissues, by assigning a representative of the National Transplant Center to the Air Navigation Management Center (a DECEA/Air Force agency). This made it possible to increase the exchange of information, such as the access to flight schedules and the strengthening of the communication channels between the airlines and the Ministry of Health. As shown on the following flowchart, the sequence of activities is complex and its good performance depends essentially on the capacity of coordination between the areas involved.

This operational model is an international reference, there being no information of a similar service operation, not even in more developed countries.

COOPERATION AGREEMENTS BETWEEN THE BRAZILIAN AUTHORITIES AND ABEAR

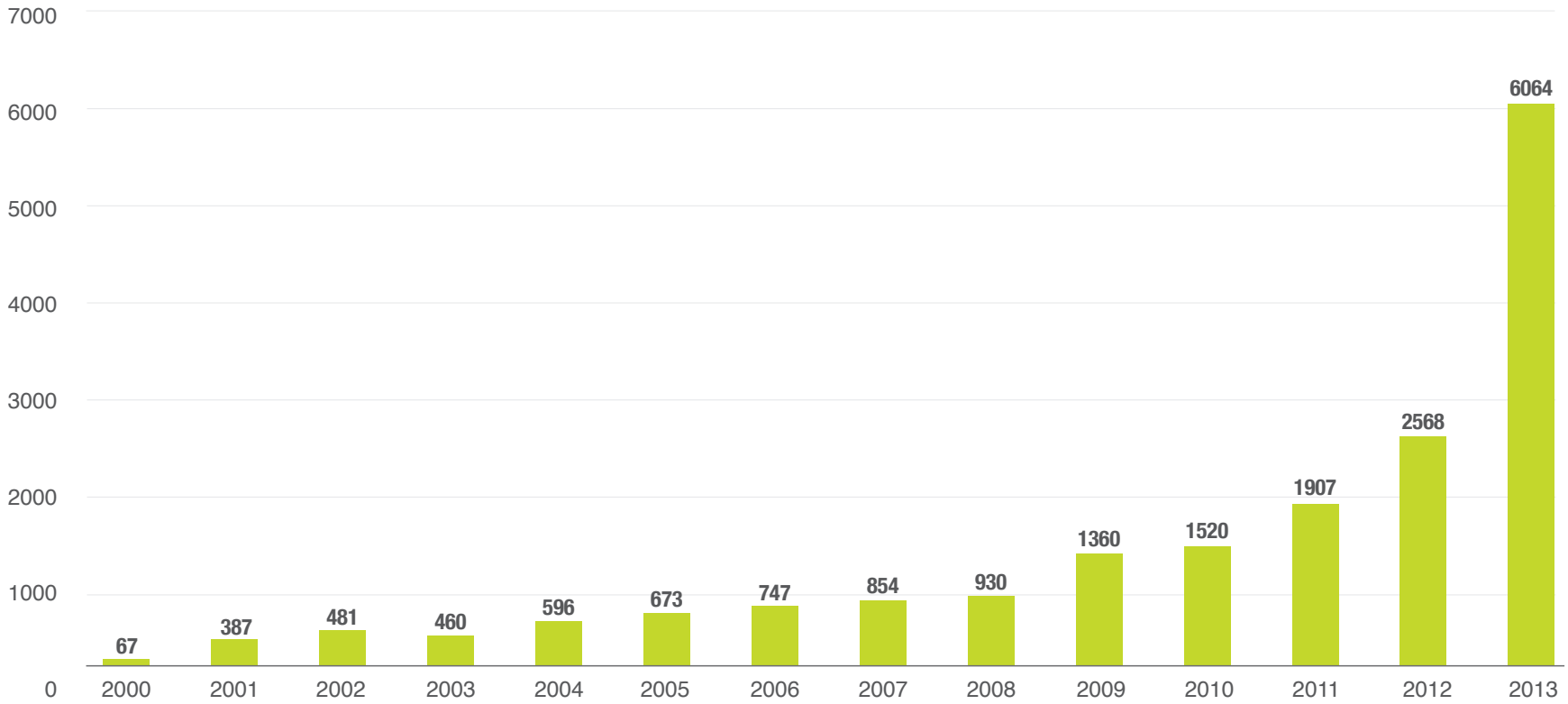
2001 and 2009: Ministry of Health and airline companies represented by the national syndicate of airlines(SNEA).

2011: Ministry of Health, Civil Aviation Secretariat (SAC), Airspace Control Department (DECEA) of the Aeronautical Command, National Civil Aviation Agency (ANAC), INFRAERO, airline companies represented by the National Union of the Airline Companies (SNEA).

2013: Ministry of Health, Civil Aviation Secretariat (SAC), Airspace Control Department (DECEA) of the Aeronautical Command, National Civil Aviation Agency (ANAC), INFRAERO, airline companies represented by the Brazilian Airlines Association (ABEAR); and Airport Concession Holders.

SOCIAL RESPONSIBILITY: ORGAN AND TISSUE TRANSPORT

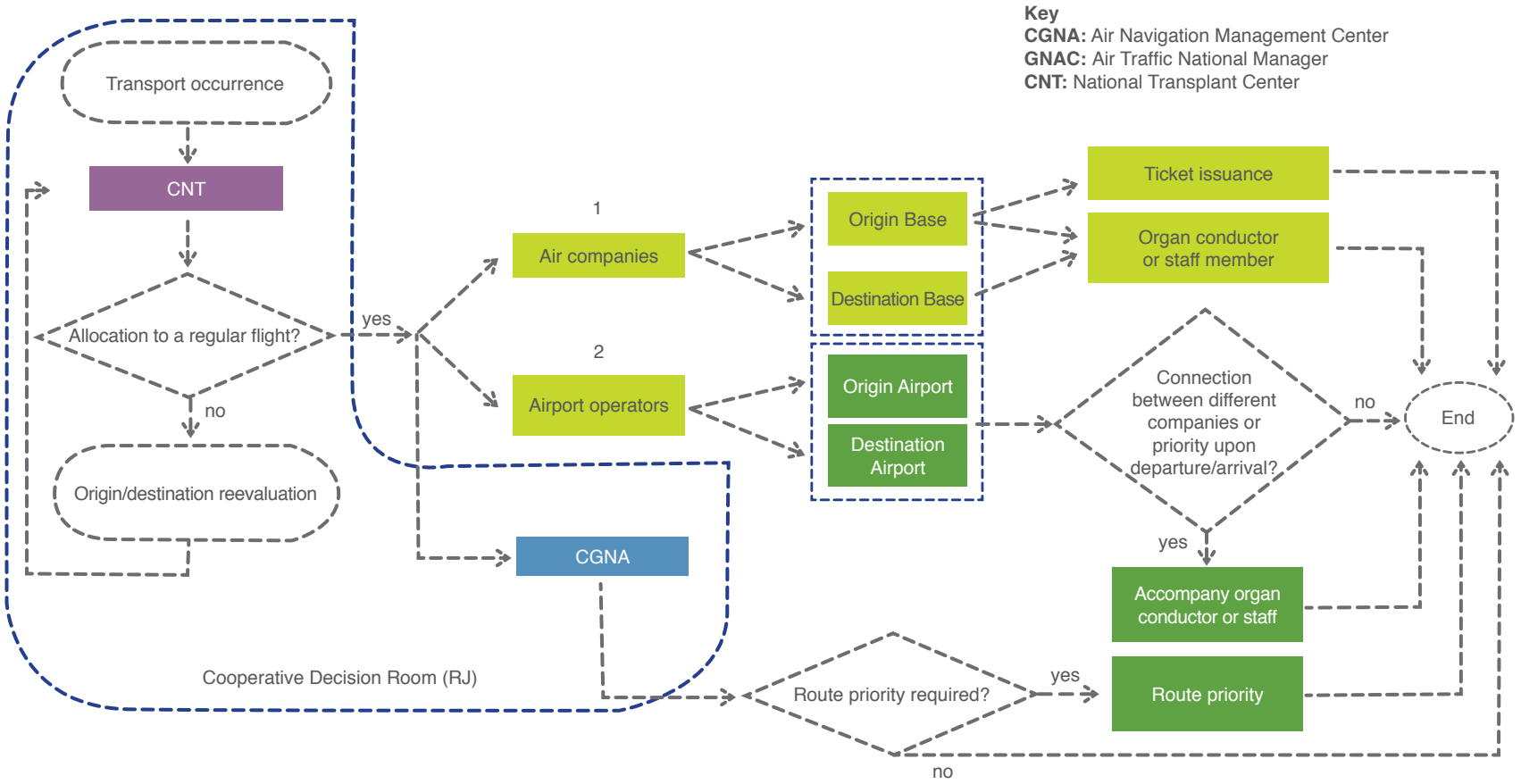
EVOLUTION OF THE NUMBER OF FLIGHTS USED FOR ORGAN AND TISSUE TRANSPORT



Source: National Transplant Center (CNT) of the Brazilian Ministry of Health.

ORGAN AND TISSUE TRANSPORT

FLOWCHART FOR ACTIVITIES RELATED TO ORGAN AND TISSUE TRANSPORT ACCORDING TO THE 2013 TECHNICAL COOPERATION AGREEMENT



1 – Communication between CNT and the Air Companies shall be made according to the details of each company, at all times seeking enhanced efficiency of transport;

2 – Communication with those airports not having a representative in the room shall be made with the CGA.

REFERENCES AND VISITED SITES

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