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Cash balance in the Ad Hoc + IBC Proposal

OI S.A.	2017	2018	2019	2020	2021	2022
Initial cash balance	7.849	6.741	4.580	(525)	(3.866)	(4.657)
Cash flow generation before reorg. process impact ¹	(807)	(3.568)	(2.354)	(1.351)	1.064	2.024
EBITDA	6.126	6.184	6.448	7.335	8.323	9.440
Capex	(5.303)	(7.099)	(6.997)	(6.950)	(5.121)	(5.410)
Working capital variation	(503)	(718)	(779)	(844)	(964)	(618)
3G and 4G Licenses	(3)	(4)				
Refis	(204)	(283)	(184)	(146)	(165)	(186)
Taxes	(576)	(484)	(340)	(508)	(729)	(911)
Dividends	(75)	-	-	-	-	-
Judicial deposits (non-related to the reorg. process)	(268)	(1.164)	(502)	(237)	(280)	(291)
Interest revenue ²	539	417	149	(161)	(317)	(357)
Capital increase	-	3.000	-	-	-	-
Fees related to the capital increase ³	(240)	-	-	-	-	-
Mediation	(211)	-	-	-	-	-
Class I	(20)	(518)	(325)	(224)	(134)	(273)
Class II	-	-	-	-	-	(471)
Class III	14	(604)	(2.563)	(1.605)	(1.404)	(1.202)
Class IV	(25)	(12)	(12)	-	-	-
Fiscal impact of debt novation	-	(875)	-	-	-	-
Other	(360)	-	-	-	-	-
End of period cash balance	7.849	6.741	4.580	(525)	(3.866)	(4.936)

Footnotes:

- Cash flow generation before reorg. process impact based on the Company's business plan up to 2027.
- ¹ After this period a 6.5% p.y. growth rate will be applied. This amount includes the incremental capex using the resources of the capital increase
- ² Interest revenue assumed to be 90% of CDI over the average cash balance in the period
- ³ Backstop fee of 8% over the R\$ 3.0bn capital increase

DISCLAIMER

All statements and projections made in this preliminary draft business plan are in the nature of settlement discussions and compromise. No representation or warranty, expressed or implied, are made as to, and no reliance should be placed on, the accuracy, completeness or fairness of the content of the information in this preliminary draft business plan. The statements and projections made in this preliminary draft business plan are not intended and do not constitute admissions of any liability and are for the purpose of attempting to reach a consensual compromise and settlement. Further, the contents of this preliminary draft business plan, including any projections and forward-looking statements contained therein, shall not be construed as guidance by the Company in relation to its actual future results. The Company disclaims any responsibility for any errors or omissions in such information, including the financial calculations, projections and forecasts set forth herein.

