

Gol Intelligent Airlines Inc.
Form 6-K
November 07, 2007

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the month of November, 2007

(Commission File No. 001-32221) ,

GOL LINHAS AÉREAS INTELIGENTES S.A.
(Exact name of registrant as specified in its charter)

GOL INTELLIGENT AIRLINES INC.
(Translation of Registrant's name into English)

**Rua Gomes de Carvalho 1,629
Vila Olímpia
05457-006 São Paulo, São Paulo
Federative Republic of Brazil**
(Address of Registrant's principal executive offices)

Indicate by check mark whether the registrant files or will file
annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the
information contained in this Form is also thereby furnishing the
information to the Commission pursuant to Rule 12g3-2(b) under
the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicated below the file number assigned to the
registrant in connection with Rule 12g3-2(b):

**FEDERAL PUBLIC SERVICE
CVM - BRAZILIAN SECURITIES COMMISSION**

External Disclosure
Brazilian Corporate
Law

**QUARTERLY INFORMATION - ITR
COMMERCIAL, INDUSTRY & OTHER TYPES OF
COMPANY**

September 30, 2007

**REGISTRATION WITH CVM SHOULD NOT BE CONSTRUED AS AN EVALUATION OF THE
COMPANY.
COMPANY MANAGEMENT IS RESPONSIBLE FOR THE INFORMATION PROVIDED.**

01.01 - IDENTIFICATION

| | | |
|--|--|---|
| 1 - CVM CODE 01956-9 | 2 - COMPANY NAME GOL LINHAS AÉREAS INTELIGENTES S.A. | 3 - CNPJ (Corporate Taxpayer s ID) 06.164.253/0001-87 |
| 4 - NIRE (Corporate Registry ID) 35300314441 | | |

01.02 - HEADQUARTERS

| | | | | |
|-----------------------------------|----------------------------|-------------------------------|--------------------|-----------------|
| 1 - ADDRESS RUA TAMOIOS, 246 | | 2 - DISTRICT JD. AEROPORTO | | |
| 3 - ZIP CODE 04630-000 | | 4 - CITY SÃO PAULO | | 5 - STATE SP |
| 6 - AREA CODE 011 | 7 - TELEPHONE 3169-6003 | 8 - TELEPHONE 3169-6002 | 9 - TELEPHONE - | 10 - TELEX |
| 11 - AREA CODE 011 | 12 - FAX 3169-6257 | 13 - FAX 3169-6245 | 14 - FAX - | |
| 15 - E-MAIL ri@golnaweb.com.br | | | | |

01.03 - INVESTOR RELATIONS OFFICER (Company Mailing Address)

| | | | | |
|--|----------------------------|----------------------------|------------------------------|-----------------|
| 1 - NAME RICHARD FREEMAN LARK JR | | | | |
| 2 - ADDRESS RUA GOMES DE CARVALHO, 1629 | | | 3 - DISTRICT VILA OLÍMPIA | |
| 3 - ZIP CODE 04547-006 | | 4 - CITY SÃO PAULO | | 5 - STATE SP |
| 6 - AREA CODE 011 | 7 - TELEPHONE 3169-6224 | 8 - TELEPHONE 3169-6222 | 9 - TELEPHONE - | 10 - TELEX |
| 11 - AREA CODE 011 | 12 - FAX 3169-6257 | 13 - FAX 3169-6245 | 14 - FAX - | |

15 - E-MAIL
RFLARK@GOLNAWEB.COM.BR

01.04 - ITR REFERENCE AND AUDITOR INFORMATION

| CURRENT YEAR | | CURRENT QUARTER | | | PREVIOUS QUARTER | | |
|---|------------|-----------------|------------------|-----------|---|------------------|-----------|
| 1 - BEGINNING | 2. END | 3 - QUARTER | 4 - BEGINNING | 5 - END | 6 - QUARTER | 7 - BEGINNING | 8 - END |
| 01/01/2007 | 12/31/2007 | 3 | 7/1/2007 | 9/30/2007 | 2 | 4/1/2007 | 6/30/2007 |
| 09 - INDEPENDENT ACCOUNTANT ERNEST & YOUNG AUDITORES INDEPENDENTES S.S. | | | | | 10 - CVM CODE 00471-5 | | |
| 11. TECHNICIAN IN CHARGE MARIA HELENA PETTERSSON | | | | | 12 TECHNICIAN S CPF (INDIVIDUAL TAXPAYER S REGISTER) 009.909.788-50 | | |

01.05 - CAPITAL STOCK

| Number of Shares (in thousands) | 1 - CURRENT QUARTER 9/30/2007 | 2 - PREVIOUS QUARTER 6/30/2007 | 3 - SAME QUARTER, PREVIOUS YEAR 9/30/2006 |
|------------------------------------|----------------------------------|-----------------------------------|---|
| Paid-in Capital | | | |
| 1 - Common | 107,591 | 107,591 | 107,591 |
| 2 - Preferred | 94,704 | 94,704 | 88,615 |
| 3 - Total | 202,295 | 202,295 | 196,206 |
| Treasury Stock | | | |
| 4 - Common | 0 | 0 | 0 |
| 5 - Preferred | 0 | 0 | 0 |
| 6 - Total | 0 | 0 | 0 |

01.06 - COMPANY PROFILE

| |
|--|
| 1 - TYPE OF COMPANY Commercial, Industrial and Others |
| 2 - STATUS Operational |
| 3 - NATURE OF OWNERSHIP Domestic Private Company |
| 4 - ACTIVITY CODE 3140 Holding Company Transportation and Logistics Services |
| 5 - MAIN ACTIVITY EQUITY INTEREST MANAGEMENT |
| 6 - CONSOLIDATION TYPE Total |
| 7 - TYPE OF REPORT OF INDEPENDENT AUDITORS Unqualified |

01.07 - COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

| 1 - ITEM | 2 - CNPJ (Corporate Taxpayer s ID) | 3 - COMPANY NAME |
|----------|---------------------------------------|------------------|
| | | |

01.08 - CASH DIVIDENDS APPROVED AND/OR PAID DURING AND AFTER THE QUARTER

| 1 - ITEM | 2 - EVENT | 3 - APPROVAL | 4 - TYPE | 5 - DATE OF PAYMENT | 6 - TYPE OF SHARE | 7 - AMOUNT PER SHARE |
|----------|-----------|--------------|----------------------------|------------------------|----------------------|-------------------------|
| 01 | RCA | 09/25/2007 | Interest on Own Capital | 11/05/2007 | ON | 0,1900000000 |
| 02 | RCA | 09/25/2007 | Interest on Own Capital | 11/05/2007 | PN | 0,1900000000 |
| 03 | RCA | 09/25/2007 | Dividend | 11/05/2007 | ON | 0,1900000000 |
| 04 | RCA | 09/25/2007 | Dividend | 11/05/2007 | PN | 0,1900000000 |

01.09 - SUBSCRIBED CAPITAL AND CHANGES IN THE CURRENT YEAR

| 1 - ITEM | 2 - DATE OF CHANGE | 3 - CAPITAL STOCK (in thousands of reais) | 4 - AMOUNT OF CHANGE (in thousands of reais) | 5 - NATURE OF CHANGE | 7 - NUMBER OF SHARES ISSUED (Thousands) | 8 - SHARE PRICE WHEN ISSUED (in Reais) |
|----------|--------------------|--|---|------------------------------|---|--|
| 01 | 01/29/2007 | 993,813 | 176 | Stock option purchase plan | 5 | 34.3300000000 |
| 02 | 01/29/2007 | 993,829 | 16 | Stock option purchase plan | 0 | 47.4500000000 |
| 03 | 03/16/2007 | 993,868 | 39 | Stock option purchase plan | 1 | 47.6900000000 |
| 04 | 06/14/2007 | 1,363,729 | 369,861 | Private subscription in cash | 6,082 | 60.8100000000 |
| 05 | 08/06/2007 | 1,363,752 | 23 | Stock option purchase plan | 660 | 34.7400000000 |

01.10 - INVESTOR RELATIONS OFFICER

| | |
|--------|-------------|
| 1 DATE | 2 SIGNATURE |
|--------|-------------|

02.01 - BALANCE SHEET - ASSETS (in thousands of Reais)

| 1 - CODE | 2 - DESCRIPTION | 3 09/30/2007 | 4 06/30/2007 |
|---------------|----------------------------------|--------------|--------------|
| 1 | Total Assets | 2,650,879 | 2,686,666 |
| 1.01 | Current Assets | 467,022 | 594,718 |
| 1.01.01 | Cash Equivalents | 296,795 | 308,320 |
| 1.01.01.01 | Cash and Banks | 135,016 | 131,230 |
| 1.01.01.02 | Short-term Investments | 161,779 | 177,090 |
| 1.01.02 | Credits | 0 | 0 |
| 1.01.02.01 | Clients | 0 | 0 |
| 1.01.02.02 | Other Credits | 0 | 0 |
| 1.01.03 | Inventories | 0 | 0 |
| 1.01.04 | Others | 170,227 | 286,398 |
| 1.01.04.01 | Deferred Taxes and Carryforwards | 21,531 | 45,563 |
| 1.01.04.02 | Prepaid Expenses | 1,615 | 245 |
| 1.01.04.03 | Dividends Receivable | 64,627 | 112,559 |
| 1.01.04.04 | Credits with Lessors | 82,454 | 128,031 |
| 1.01.04.05 | Other Credits | 0 | 0 |
| 1.02 | Non-current Assets | 2,183,857 | 2,091,948 |
| 1.02.01 | Long-Term Assets | 204,629 | 122,886 |
| 1.02.01.01 | Sundry Credits | 0 | 0 |
| 1.02.01.02 | Credits with Related Parties | 85,262 | 40,692 |
| 1.02.01.02.01 | Affiliates | 0 | 0 |
| 1.02.01.02.02 | Subsidiaries | 85,262 | 40,692 |
| 1.02.01.02.03 | Other Related Parties | 0 | 0 |
| 1.02.01.03 | Others | 119,367 | 82,194 |
| 1.02.01.03.01 | Deferred Taxes and Carryforwards | 37,101 | 0 |
| 1.02.01.03.02 | Credits with Leasing Companies | 81,755 | 81,755 |
| 1.02.01.03.03 | Judicial Deposits and Others | 511 | 439 |
| 1.02.02 | Permanent Assets | 1,979,228 | 1,969,062 |
| 1.02.02.01 | Investments | 1,978,954 | 1,968,788 |
| 1.02.02.01.01 | In Affiliates | 0 | 0 |
| 1.02.02.01.02 | In Affiliates - Goodwill | 0 | 0 |
| 1.02.02.01.03 | In Subsidiaries | 0 | 0 |
| 1.02.02.01.04 | In Subsidiaries - Goodwill | 0 | 0 |
| 1.02.02.01.05 | Other Investments | 0 | 0 |
| 1.02.02.02 | Property, Plant and Equipment | 0 | 0 |
| 1.02.02.03 | Intangible | 0 | 0 |
| 1.02.02.04 | Deferred | 274 | 274 |

02.02 - BALANCE SHEET - LIABILITIES (in thousands of Reais)

| 1 - CODE | 2 DESCRIPTION | 3 09/30/2007 | 4 06/30/2007 |
|---------------|---------------------------------------|--------------|--------------|
| 2 | Total Liabilities | 2,650,879 | 2,686,666 |
| 2.01 | Current Liabilities | 132,682 | 135,580 |
| 2.01.01 | Short-term Borrowings | 0 | 0 |
| 2.01.02 | Debentures | 0 | 0 |
| 2.01.03 | Suppliers | 24 | 101 |
| 2.01.04 | Taxes, Charges and Contributions | 24,397 | 29,317 |
| 2.01.05 | Dividends Payable | 78,972 | 76,568 |
| 2.01.06 | Provisions | 0 | 0 |
| 2.01.07 | Debts with Related Parties | 0 | 0 |
| 2.01.08 | Others | 29,289 | 29,594 |
| 2.02 | Non-current Liabilities | 0 | 0 |
| 2.02.01 | Long-Term Liabilities | 0 | 0 |
| 2.02.01.01 | Loans and Financing | 0 | 0 |
| 2.02.01.02 | Debentures | 0 | 0 |
| 2.02.01.03 | Provisions | 0 | 0 |
| 2.02.01.04 | Debts with Related Parties | 0 | 0 |
| 2.02.01.05 | Advances for Future Capital Increase | 0 | 0 |
| 2.02.01.06 | Others | 0 | 0 |
| 2.02.02 | Deferred income | 0 | 0 |
| 2.04 | Shareholders Equity | 2,518,197 | 2,551,086 |
| 2.04.01 | Paid-Up Capital | 1,363,752 | 1,363,729 |
| 2.04.02 | Capital Reserve | 89,556 | 89,556 |
| 2.04.03 | Revaluation Reserve | 0 | 0 |
| 2.04.03.01 | Own Assets | 0 | 0 |
| 2.04.03.02 | Subsidiaries/Affiliates | 0 | 0 |
| 2.04.04 | Profit Reserves | 1,064,889 | 1,097,801 |
| 2.04.04.01 | Legal | 0 | 0 |
| 2.04.04.02 | Statutory | 0 | 0 |
| 2.04.04.03 | For Contingencies | 0 | 0 |
| 2.04.04.04 | Realizable Profit | 0 | 0 |
| 2.04.04.05 | Profit Retention | 1,060,885 | 1,087,986 |
| 2.04.04.06 | Special for Non-Distributed Dividends | 0 | 0 |
| 2.04.04.07 | Other Profit Reserves | 4,004 | 9,815 |
| 2.04.04.07.01 | Unrealized Hedge Result, net | 4,004 | 9,815 |
| 2.04.05 | Accrued Profit/Loss | 0 | 0 |
| 2.04.06 | Advances for Future Capital Increase | 0 | 0 |

03.01 - STATEMENT OF INCOME (in thousands of Reais)

| 1 - CODE | 2 DESCRIPTION | 3 07/01/2007 to 09/30/2007 | 4 - 01/01/2007 to 09/30/2007 | 5 - 07/01/2006 to 06/30/2006 | 6 - 09/01/2006 to 09/30/2006 |
|------------|--|----------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 3.01 | Gross Revenue from Sales and/or Services | 0 | 0 | 0 | 0 |
| 3.02 | Gross Revenue Deductions | 0 | 0 | 0 | 0 |
| 3.03 | Net Revenue from Sales and/or Services | 0 | 0 | 0 | 0 |
| 3.04 | Cost of Goods and Services Sold | 0 | 0 | 0 | 0 |
| 3.05 | Gross Income | 0 | 0 | 0 | 0 |
| 3.06 | Operating Expenses/Revenue | (4,920) | 184,412 | 241,125 | 418,052 |
| 3.06.01 | Sales | 0 | 0 | 0 | 0 |
| 3.06.02 | General and Administrative | (1,039) | (4,778) | (2,049) | (6,756) |
| 3.06.03 | Financial | (20,579) | (46,394) | (7,826) | (60,333) |
| 3.06.03.01 | Financial Revenues | 57,172 | 139,218 | 22,977 | 38,474 |
| 3.06.03.02 | Financial Expenses | (77,751) | (185,612) | (30,803) | (98,807) |
| 3.06.04 | Other Operating Revenues | 0 | 0 | 48,665 | 48,665 |
| 3.06.05 | Other Operating Expenses | 0 | 0 | 0 | 0 |
| 3.06.06 | Equity in the Earnings | 16,698 | 235,584 | 202,335 | 436,476 |
| 3.07 | Operating Income | (4,920) | 184,412 | 241,125 | 418,052 |
| 3.08 | Non-Operating Income | 0 | 0 | 0 | 0 |
| 3.08.01 | Revenues | 0 | 0 | 0 | 0 |
| 3.08.02 | Expenses | 0 | 0 | 0 | 0 |
| 3.09 | Income Before Tax/Holding | 46,984 | 184,412 | 241,125 | 418,052 |
| 3.10 | Provision for Income Tax and Social Contribution | 0 | 0 | (38,697) | (23,920) |
| 3.11 | Deferred Income Tax | 16,241 | 7,161 | 0 | 0 |
| 3.12 | Statutory Holding/Contributions | 0 | 0 | 0 | 0 |
| 3.12.01 | Holdings | 0 | 0 | 0 | 0 |
| 3.12.02 | Contributions | 0 | 0 | 0 | 0 |
| 3.13 | Reversal of Interest on Own Capital | 38,095 | 106,495 | 29,504 | 96,947 |
| 3.15 | Income/Loss for the Period | 49,416 | 298,068 | 232,232 | 491,076 |
| | No. SHARES, EX-TREASURY (in thousands) | 202,295 | 202,295 | 196,206 | 196,206 |
| | EARNINGS PER SHARE | 0.50085 | 1.73001 | 1.18361 | 2.50287 |
| | LOSS PER SHARE | 0 | 0 | 0 | 0 |

1. Business Overview

Gol Linhas Aéreas Inteligentes S.A. (Company or GLAI) is the parent company of the low-cost low-fare airline Gol Transportes Aéreos S.A. (GOL) and VRG Linhas Aéreas S.A. (VRG). The Company's strategy is to grow and increase results of its businesses, popularizing and stimulating demand for safe and high quality air transportation for business and leisure passengers, keeping its costs among the lowest in the industry worldwide.

On March 28, 2007, the Company announced the acquisition of 100% of VRG Linhas Aéreas S.A. (VRG). VRG operates domestic and international flights with its own brand (VARIG) offering differentiated services, incorporating the low-cost business model of GOL. On April 4, 2007, the acquisition was approved by the National Civil Aviation Agency (ANAC). The Company assumed the control of VRG operations on April 9, 2007. The acquisition of VRG is conditional upon the approval from the Brazilian Antitrust Agency (CADE).

GOL is a low-cost low-fare airline, which provides regular air transportation services among Brazilian cities and also for cities in Argentina, Bolivia, Paraguay, Uruguay, Chile and Peru. GOL's fleet, simplified and with a single class of services, ranks among the sector's newest and most modern, with low operating costs and high utilization and efficiency levels. At September 30, 2007 GOL operated a 74-aircraft fleet, comprising 30 Boeing 737-800, 30 Boeing 737-700 and 14 Boeing 737-300. In the third quarter of 2007, the Company maintained flights to 58 destinations (50 in Brazil, 3 in Argentina, 1 in Bolivia, 1 in Paraguay, 1 in Uruguay, 1 in Chile and 1 in Peru).

VRG is a low-cost airline which provides differentiated regular air transportation services between the main economic centers of Brazil and high traffic markets in South America and Europe. VRG operates in the domestic market with a single-class of service and on long-haul international routes. VRG offers two service classes; namely, coach and business. VRG offers a mileage plan (Smiles). At September 30, 2007 VRG operated a 20-aircraft fleet, comprising 4 Boeing 767-300 and 16 Boeing 737-300. In the third quarter of 2007, the Company maintained flights to 15 destinations (9 in Brazil, 1 in Argentina, 1 in Colombia, 1 in Venezuela, 1 in Germany, 1 in France and 1 in Italy).

2. Basis of Preparation and Presentation of the Financial Statements

The Company adopted the Level 2 Differentiated Corporate Governance Practices with the São Paulo Stock Exchange BOVESPA and integrates indices of Shares with Differentiated Corporate Governance IGC, Shares with Differentiated Tag Along ITAG and Corporate Sustainability ISE, created to differentiate entities committed to adopting differentiated corporate governance practices. The Company's Quarterly Information includes the additional requirements of BOVESPA New Market.

The consolidated Quarterly Information was prepared in accordance with generally accepted accounting principles in Brazil and the provisions contained in the Brazilian Corporation Law, in the Chart of Accounts prepared by the Civil Aviation Department DAC (currently the National Civil Aviation Industry ANAC) and the supplementary rules of the Brazilian Securities and Exchange Commission CVM, consistently applied to the financial statements for the year ended December 31, 2006.

The consolidated financial statements as of September 30, 2007 are not comparable to the statements as of September 30, 2006, due to the acquisition of the subsidiary company VRG, consolidated as from April 9, 2007, according to the description in Note 8.

The quarterly information includes the accounts of Gol Linhas Aéreas Inteligentes S.A. and its subsidiaries Gol Transportes Aéreos S.A., VRG S.A., GTI S.A., GAC Inc. and Gol Finance.

The consolidated financial statements include VRG's results for the period from April 9 to September 30, 2007 (174 days). VRG commenced operations on December 14, 2006 as a company with permission to provide air transportation services and due to its formation process and recent history, there is no information for the elaboration of pro-forma

financial statements for previous periods for purposes of comparison.

The consolidation process of balance sheet and statement of income accounts consists on summing horizontally the balances of assets, liabilities, revenue and expense accounts, according to their nature, added to the elimination of the parent company's participation in capital, reserve and retained earnings of subsidiaries.

As a result of VRG acquisition, Management started to adopt the following new standardized accounting practices:

a) Mileage program

VRG offers a mileage program denominated Smiles which consists on the conversion of miles accumulated by passengers when flying VRG and using the services and products bought from non-airline partners into awards. The miles issued, accumulated and not redeemed are evaluated by the additional costs and are recognized through the constitution of a provision for incremental costs accounted for as contra entry to commercial expenses.

b) Investments

The investments in subsidiaries are evaluated under the equity pickup method using the financial statements of the subsidiaries as of the same date based on accounting practices that are consistent with those adopted by the Company.

In the consolidated financial statements, goodwill arising from the acquisition of investments, based upon the expectancy of future profitability, will be amortized according to the profit accomplishment forecast, within up to ten years. The goodwill recovery analysis occurs annually based on the updated results forecasts approved by the Board of Directors.

The accounting practices adopted in Brazil differ from the accounting principles generally accepted in the United States USGAAP applicable to the air transport segment, mainly in respect to the allocation of maintenance expenses to the statement of income, the accounting of Smiles mileage program, the accounting of acquisition of subsidiary VRG and the measurement of goodwill on the transaction and respective deferred tax effects. At September 30, 2007, the consolidated net income for the period, in accordance with accounting practices adopted in Brazil (BRGAAP), was R\$ 171,344 higher (R\$ 192,445 higher at June 30, 2007) due to these differences and the respective tax effects in comparison with net income under USGAAP. At the same date, consolidated shareholders' equity presented in the Company's Quarterly Information as per Brazilian Corporation Law was R\$ 41,427 higher (R\$ 37,866 higher at June 30, 2007) mainly due to goodwill on VRG acquisition, gains on aircraft sale and leaseback transactions, the accumulated difference on maintenance expenses allocation and respective tax effects, as well as the recording of stock options granted to executives and employees. There are also differences in the classification of assets, liabilities, statement of income and cash flow items.

The Quarterly Information includes in Exhibit I, as supplementary information, the statement of cash flow prepared by the indirect method, from accounting records, based on the guidelines of IBRACON Brazilian Institute of Independent Auditors and in Exhibit II the statement of added value prepared in accordance with the Brazilian Accounting Standards, supplemented by orientation and recommendations of the Brazilian Securities and Exchange Commission CVM.

3. Cash and Cash Equivalents and Short-term Investments

| | Parent Company | | Consolidated | |
|---|----------------|------------|--------------|------------|
| | 09.30.2007 | 06.30.2007 | 09.30.2007 | 06.30.2007 |
| Current: | | | | |
| Cash and cash equivalents | | | | |
| Cash and banks | 302 | 109 | 95,425 | 211,966 |
| Financial investments | 134,714 | 131,121 | 755,074 | 633,001 |
| | 135,016 | 131,230 | 850,499 | 844,967 |
| Short-term investments | | | | |
| Bank Deposits Certificates CDB | 57,191 | 138,270 | 128,395 | 141,806 |
| Government securities | 104,588 | 38,820 | 112,289 | 39,676 |
| Fixed income investments overseas | - | - | 450,995 | 732,694 |
| | 161,779 | 177,090 | 691,679 | 914,176 |
| Total cash, cash equivalents and short-term investments | 296,795 | 308,320 | 1,542,178 | 1,759,143 |

The Company and its subsidiary Gol Transportes Aéreos S.A. hold 100% of exclusive investment fund quotas, constituted as mutual funds with indefinite terms and with tax neutrality, resulting in benefits to their quota holders. Investments in investment funds have daily liquidity. The exclusive funds portfolio management is carried out by external managers who follow the investment policies established by the Company. Based on the financial statements of the exclusive funds, prepared according to the rules of the Central Bank of Brazil – BACEN, these investments are classified as trading securities, appraised at market value, whose earnings are reflected in financial income.

Financial investments in CDB s (Bank Deposit Certificates) have an average remuneration, net of taxes, of approximately 0.89% per month, based on the CDI (Interbank Deposit Certificate) variation, and may be redeemed at any time without loss of the recognized income.

Fixed income investments overseas of subsidiaries refer to securities issued by international banks (time deposits and swaps) that jointly have interest yield of approximately 0.84% per month, government securities issued by the Austrian Government held by Gol Transportes Aéreos S.A. that have interest yield, net of taxes, of 0.68% per month and government securities issued by the U.S. Government (T-Bills).

Investment funds take part in operations comprising financial derivative instruments. The value of financial investments linked to guarantees of these instruments was R\$ 10,175 as of September 30, 2007 (R\$ 18,174 as of June 30, 2007). Information concerning risk management policies and the positions of open derivative financial instruments are detailed in Note 19.

4. Accounts Receivable

| Consolidated | |
|--------------|------------|
| 09.30.2007 | 06.30.2007 |

| | | |
|---------------------------------|----------|----------|
| Credit Card Companies | 562,961 | 557,009 |
| Travel Agencies | 201,139 | 129,750 |
| Voe Facil Program | 50,898 | 60,005 |
| Cargo Agencies | 9,930 | 10,458 |
| Other | 15,875 | 21,572 |
| | 840,803 | 778,794 |
| Allowance for doubtful accounts | (20,367) | (15,767) |
| | 820,436 | 763,027 |

The variation in the allowance for doubtful accounts is as follows:

| | Consolidated | |
|---|---------------------|-------------------|
| | 09.30.2007 | 06.30.2007 |
| Balances at the beginning of the period | 15,767 | 13,483 |
| Additions | 5,597 | 3,784 |
| Recoveries | (997) | (1,500) |
| Balance at the end of the period | 20,367 | 15,767 |

The ageing of the accounts receivable is as follows:

| | Consolidated | |
|---------------------------------|---------------------|-------------------|
| | 09.30.2007 | 06.30.2007 |
| Not past-due | 783,641 | 698,244 |
| Past-due for less than 30 days | 12,730 | 39,290 |
| Past-due for 31 to 60 days | 6,368 | 15,374 |
| Past-due for 61 to 90 days | 8,468 | 3,850 |
| Past-due for 91 to 180 days | 15,714 | 10,724 |
| Past-due for 181 to 360 days | 5,465 | 3,332 |
| Past-due for more than 360 days | 8,417 | 7,980 |
| | 840,803 | 778,794 |

According to Note 10, at September 30, 2007, R\$ 21,849 (R\$ 19,862 at June 30, 2007) of accounts receivables from credit card companies are related to borrowing contract guarantees.

5. Income Tax and Social Contribution

| Carryforwards | Parent Company | | Consolidated | |
|-------------------------------|-----------------------|-------------------|---------------------|-------------------|
| | 09.30.2007 | 06.30.2007 | 09.30.2007 | 06.30.2007 |
| PIS and Cofins credits | - | 26 | 1,165 | 1,665 |
| ICMS credits | - | - | 4,032 | 1,926 |
| Prepayment of IRPJ and CSSL | 8,142 | 7,496 | 18,646 | 31,400 |
| IRRF on financial investments | 7,129 | 6,996 | 7,579 | 7,351 |
| Government tax retentions | - | - | 12,924 | 8,764 |
| Value-added tax recoverable | - | - | 6,425 | 5,679 |
| Others | 5,078 | 3,437 | 6,231 | 4,568 |
| | 20,349 | 17,955 | 57,002 | 61,353 |

| Deferred income tax and social contribution tax | Parent Company | | Consolidated | |
|--|-----------------------|-------------------|---------------------|-------------------|
| | 09.30.2007 | 06.30.2007 | 09.30.2007 | 06.30.2007 |
| Accumulated income and social contribution tax losses | 38,283 | 27,608 | 120,158 | 81,688 |
| Tax credits arising from merger | - | - | 9,243 | 10,702 |
| Temporary differences | - | - | 190,041 | 197,998 |
| | 38,283 | 27,608 | 319,442 | 290,388 |
| | 58,632 | 45,563 | 376,444 | 351,741 |
| Short-term | (21,531) | (45,563) | (90,236) | (67,190) |
| Long-term | 37,101 | - | 286,208 | 284,551 |

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Tax credits resulting from income and social contribution tax losses and temporary differences were recorded based on expected generation of future taxable income by the parent company and its subsidiaries, observing legal limitations. As further detailed, the forecast of the generation of future taxable income technically prepared and supported by the Company and its subsidiaries business plans indicate existence of taxable income sufficient for the realization of deferred tax credits.

The tax credits of the recently acquired subsidiary VRG were valued considering future earnings forecasts, prepared under the responsibility of the new Management and based on independent specialist's studies and financial, economic and business assumptions that consider the financial and operational turnarounds.

| Forecasted realization | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | Total |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Parent Company | 1,183 | 2,883 | 4,202 | 5,512 | 7,453 | 17,050 | 38,283 |
| GOL | 5,837 | 22,510 | - | - | - | - | 28,347 |
| VRG | 26,214 | 49,184 | 53,326 | 58,089 | 62,659 | 3,340 | 252,812 |
| Consolidated | 33,234 | 74,577 | 57,528 | 63,601 | 70,112 | 20,390 | 319,442 |

The reconciliation of income tax and social contribution expenses, calculated by applying combined statutory tax rates with amounts presented in the statement of income, is set forth below:

| Description | Parent Company | | Consolidated | |
|---|-----------------------|-------------------|---------------------|-------------------|
| | 09.30.2007 | 09.30.2006 | 09.30.2007 | 09.30.2006 |
| Income before income tax and social contribution | 184,412 | 418,052 | (36,664) | 610,292 |
| Interest on shareholders' equity | 106,495 | - | 106,495 | - |
| Adjusted income before income tax and social contribution | 290,907 | 418,052 | 68,831 | 610,292 |
| Combined tax rate | 34% | 34% | 34% | 34% |
| Income tax and social contribution at combined tax rate | (98,908) | (142,138) | (23,743) | (207,499) |
| Adjustments for effective rate calculation: | | | | |
| Equity accounting | 56,194 | 117,608 | - | - |
| Benefits of deferred income tax and social contribution calculation of subsidiaries | - | - | 270,887 | - |
| Nondeductible expenses of subsidiaries | - | - | (51,442) | - |
| Other permanent additions and exclusions | 13,667 | 610 | (3,673) | (8,661) |
| Interest on shareholders' equity tax effect | 36,208 | - | 36,208 | - |
| Income tax and social contribution income (expense) | 7,161 | (23,920) | 228,237 | (216,160) |
| Effective rate | - | 5.7% | - | 35.4% |

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| | | | | |
|---|-------|----------|----------|-----------|
| Current income tax and social contribution | - | - | (42,650) | (215,946) |
| Deferred income tax and social contribution | 7,161 | (23,920) | 270,887 | (214) |
| | 7,161 | (23,920) | 228,237 | (216,160) |

6. Inventories

| | Consolidated | |
|--------------------------------|---------------------|-------------------|
| | 09.30.2007 | 06.30.2007 |
| Consumable materials | 18,187 | 5,581 |
| Parts and maintenance material | 101,515 | 86,669 |
| Prepayments to suppliers | 69,392 | 42,227 |
| Imports in transit | 22,338 | 5,255 |
| Other | 6,301 | 6,198 |
| | 217,733 | 145,930 |

7. Escrow Deposits

| | Consolidated | |
|---|---------------------|-------------------|
| | 09.30.2007 | 06.30.2007 |
| Escrow deposits for aircraft leasing contracts | 80,269 | 54,430 |
| IATA (International Air Transport Association) deposits | 99,078 | - |
| Other deposits | 19,199 | 38,819 |
| | 198,546 | 93,249 |

8. Investments in Subsidiaries

| | Parent Company | | Consolidated | |
|-----------------------------|-----------------------|-------------------|---------------------|-------------------|
| | 09.30.2007 | 06.30.2007 | 09.30.2007 | 06.30.2007 |
| Gol Transportes Aéreos S.A. | 735,627 | 708,214 | - | - |
| GTI S.A. | 710,780 | 711,258 | - | - |
| GAC Inc. | 538,365 | 554,566 | - | - |
| Gol Finance | (5,818) | (5,250) | - | - |
| Goodwill on VRG acquisition | - | - | 812,851 | 787,786 |
| Others | - | - | 2,190 | 2,190 |
| | 1,978,954 | 1,968,788 | 815,041 | 789,976 |

On March 28, 2007, the Company, through its subsidiary GTI S.A., acquired 100% of the shares of VRG Linhas Aéreas S.A. (VRG) for R\$ 568,263, of which R\$ 200,412 were paid in national currency and R\$ 367,851 were paid

through the issue of Company shares. The Company assumed control of the operations of VRG on April 9, 2007. The net assets acquired, reflecting the adjustments made to equalize the accounting practices of the parent company and the identified adjustments in the period are represented by a capital deficiency of R\$437,383 (R\$ 412,318 at June 30, 2007) .

The goodwill originally determined was adjusted due to the adjustments to net assets acquired and amounts to R\$ 812,851, excluding capitalizable credits resulting from VRG acquisition, in the amount of R\$ 192,795. The goodwill is based on expected future profits supported by technical studies of independent specialists taking into account economic and financial assumptions and will be amortized in proportion to expected benefits.

As part of the acquisition, the subsidiary GTI S.A. assumed the obligations relating to the invitation to the public auction for the judicial sale of the Varig Productive Unit (UPV) performed on July 20, 2006 by the 1st Business Court of the Capital of the State of Rio de Janeiro, in which VRG originated.

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The September 30, 2007 Condensed Balance Sheet and the Condensed Statements of Income for the period from April 9, 2007 to September 30, 2007 of subsidiary VRG Linhas Aéreas S.A. are presented below:

Condensed Balance Sheets

| | 09.30.2007 | 06.30.2007 |
|--|-------------------|-------------------|
| Current assets | 831,217 | 871,296 |
| Non-current assets | 402,823 | 246,924 |
| Total assets | 1,234,040 | 1,118,220 |
| Current liabilities | 441,984 | 391,811 |
| Non-current liabilities | 986,734 | 896,005 |
| Total liabilities | 1,428,718 | 1,287,816 |
| Shareholders' equity (capital deficiency) | (194,678) | (169,596) |
| Total liabilities and shareholders' equity (capital deficiency) | 1,234,040 | 1,118,220 |

Condensed Statements of Income

| | 04.09.2007 to 09.30.2007 | 04.09.2007 to 06.30.2007 |
|---|---|---|
| Gross operating revenue | 389,795 | 187,647 |
| Income taxes and contributions | (7,758) | (6,874) |
| Net operating revenue | 382,037 | 180,773 |
| Cost of services rendered | (456,920) | (247,939) |
| Gross loss | (74,883) | (67,166) |
| Operating expenses | (36,351) | (26,726) |
| Operating loss | (111,234) | (93,892) |
| Deferred income tax and social contribution | 252,808 | 235,121 |
| Net income for the period | 141,574 | 141,229 |

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The changes in investments for the nine-month period ended September 30, 2007, are presented below:

| | Gol Transportes Aéreos S.A. | GAC Inc. | Gol Finance | GTI S.A. | Total of investments |
|--|--|---------------------|------------------------|---------------------|---------------------------------|
| | | 478,53 | | | |
| Balance at December 31, 2006 | 700,692 | 7 | - | - | 1,179,229 |
| Capital increase | - | - | - | 62,148 | 62,148 |
| Equity accounting | 51,945 | 28,992 | (4,255) | - | 76,682 |
| Unrealized hedge results | 8,302 | - | - | - | 8,302 |
| Dividends paid | (11,386) | - | - | - | (11,386) |
| | | 507,52 | | | |
| Balance at March 31, 2007 | 749,553 | 9 | (4,255) | 62,148 | 1,314,975 |
| | | | | 507,00 | |
| Capital increase | - | - | - | 0 | 507,000 |
| | | | | 142,06 | |
| Equity accounting | (46,506) | 46,428 | (995) | 7 | 140,993 |
| Unrealized hedge results | 5,167 | 609 | - | 44 | 5,820 |
| | | 554,56 | | 711,25 | |
| Balance at June 30, 2007 | 708,214 | 6 | (5,250) | 9 | 1,968,788 |
| Equity accounting | 23,718 | (5,114) | (568) | (118) | 17,918 |
| Exchange rate variation on overseas investments | - | (10,47 8) | - | - | (10,478) |
| Unrealized hedge results | (5,162) | (609) | - | (361) | (6,132) |
| Dividends | 8,857 | - | - | - | 8,857 |
| | | 554,56 | | 711,25 | |
| Balance at September 30, 2007 | 735,627 | 538,365 | (5,818) | 710,780 | 1,978,954 |

The relevant information about direct and indirect subsidiaries as of September 30, 2007, is presented below:

| Subsidiaries | Total owned shares | Participation % | Capital stock | Equity | Net income (loss) of subsidiaries |
|-----------------------------|-------------------------------|----------------------------|--------------------------|---------------|--|
| Direct | | | | | |
| Gol Transportes Aéreos S.A. | 451,072,643 | 100 | 526,489 | 735,627 | 29,157 |
| GAC Inc. | 1 | 100 | - | 538,365 | 70,306 |
| Gol Finance | 1 | 100 | - | (5,818) | (5,818) |
| GTI S.A. | 800,000 | 100 | 169,148 | 710,780 | 141,948 |
| Indirect | | | | | |

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| | | | | | |
|------------------------|-------------|-----|---------|-----------|---------|
| VRG Linhas Aéreas S.A. | 307,395,493 | 100 | 307,395 | (194,678) | 141,574 |
|------------------------|-------------|-----|---------|-----------|---------|

As part of VRG acquisition process, on April 9, 2007, the Company increased capital in the subsidiary GTI S.A in the amount of R\$ 507,000 composed of a capital increase in national currency of R\$ 107,000 and R\$ 400,000 paid in shares issued by the Company that were destined to a capital reserve.

9. Property, Plant and Equipment

| | Consolidated | | | | |
|---|------------------------------|-------------|-------------------------------------|------------------|-------------------|
| | Depreciation rate | Cost | 09.30.2007 | | 06.30.2007 |
| | | | Accumulated depreciation | Net value | Net value |
| Flight equipment | | | | | |
| Replacement part kits | 20% | 365,330 | (139,586) | 225,744 | 205,081 |
| Aircraft | 13% | 184,139 | (27,857) | 156,282 | 95,351 |
| Spare engines | 20% | 101,914 | - | 101,914 | 88,333 |
| Tools | 10% | 7,669 | (1,026) | 6,643 | 6,051 |
| Aircraft and safety equipment | 20% | 1,174 | (335) | 839 | 746 |
| | | 660,226 | (168,804) | 491,422 | 395,562 |
| Property, plant and equipment in service | | | | | |
| Work in progress | - | 37,764 | - | 37,764 | 22,088 |
| Maintenance Center | 7.27% | 36,893 | (2,617) | 34,276 | 34,860 |
| Software licenses | 20% | 34,642 | (13,657) | 20,985 | 14,524 |
| Computers and peripherals | 20% | 18,173 | (6,963) | 11,210 | 11,025 |
| Machinery and equipment | 10% | 14,223 | (2,163) | 12,060 | 11,893 |
| Furniture and fixtures | 10% | 10,960 | (2,322) | 8,638 | 8,369 |
| Vehicles | 20% | 5,404 | (2,017) | 3,387 | 3,200 |
| Leasehold improvements | 4% | 4,085 | (2,939) | 1,146 | 966 |
| Facilities | 10% | 3,629 | (630) | 2,999 | 2,936 |
| Communication equipment | 10% | 1,605 | (459) | 1,146 | 1,189 |
| | | 167,378 | (33,767) | 133,611 | 111,050 |
| | | 827,604 | (202,571) | 625,033 | 506,612 |
| Advances for aircraft acquisition | | | | | |
| | - | 410,149 | - | 410,149 | 420,092 |
| | | 1,237,753 | (202,571) | 1,035,182 | 926,704 |

Advances for aircraft acquisition, net of returns, refer to prepayments made based on the agreements entered into with Boeing Company for the purchase of remaining 69 Boeing 737-800 Next Generation (74 aircraft at June 30, 2007), as further explained in Note 17, and capitalized interest of R\$ 25,780 are included (R\$ 32,060 at June 30, 2007).

According to the Note 10, at September 30, 2007, R\$ 114,931 (R\$ 120,387 at June 30, 2007) of replacement part kits are related to borrowing contract guarantee.

10. Loans and Financings

| | Annual | Consolidated | |
|--|-----------------|---------------------|-------------------|
| | interest | | |
| Current: | rate | 09.30.2007 | 06.30.2007 |
| Brazilian Currency | | | |
| Working capital | 10.75% | 495,074 | 382,725 |
| BNDES loan | 9.15% | 14,835 | 14,644 |
| BDMG loan | 10.18% | 69 | - |
| | | 509,978 | 397,369 |
| Foreign Currency | | | |
| IFC loan | 7.24% | 16,571 | 13,077 |
| Interest on borrowings and financings | | 24,644 | 17,348 |
| | | 41,215 | 30,425 |
| Total short-term borrowings and financings | | 551,193 | 427,794 |
| Long term: | | | |
| Brazilian Currency | | | |
| BDMG Loan | 10.18% | 14,000 | - |
| BNDES Loan | 9.15% | 54,359 | 57,904 |
| VRG convertible debentures | 8.40% | 100,000 | 100,000 |
| | | 168,359 | 157,904 |
| Foreign Currency | | | |
| Bank loans | 5.36% | 111,936 | 116,004 |
| IFC loan | 7.24% | 83,385 | 86,800 |
| | | 195,321 | 202,804 |
| | | 363,680 | 360,708 |
| Senior notes | 7.50% | 419,760 | 435,015 |
| Perpetual notes | 8.75% | 373,120 | 386,680 |
| | | 792,880 | 821,695 |
| Total long-term borrowings and financings | | 1,156,560 | 1,182,403 |
| Total borrowings and financings | | 1,707,753 | 1,610,197 |

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The long-term maturity schedules of loans, excluding the perpetual bonds, considering the 12-month period from October 1 to September 30 of each year are as follows:

| | 2009 | 2010 | 2011 | 2012 | 2013 | Beyond 2013 | Total |
|----------------------------|---------|--------|--------|--------|-------|----------------|---------|
| Brazilian Currency: | | | | | | | |
| BDMG loan | | | | | | | |
| | 1,867 | 2,800 | 2,800 | 2,800 | 2,800 | 933 | 14,000 |
| BNDES loan | | | | | | | |
| | 14,181 | 14,181 | 14,181 | 11,816 | - | - | 54,359 |
| VRG convertible debentures | | | | | | | |
| | - | - | - | - | - | 100,000 | 100,000 |
| | 16,048 | 16,981 | 16,981 | 14,616 | 2,800 | 100,933 | 168,359 |
| Foreign Currency: | | | | | | | |
| Bank loans | | | | | | | |
| | 111,936 | - | - | - | - | - | 111,936 |
| IFC loan | | | | | | | |
| | 19,620 | 19,620 | 19,620 | 19,620 | 4,905 | - | 83,385 |
| Senior notes | | | | | | | |
| | - | - | - | - | - | 419,760 | 419,760 |
| | 131,556 | 19,620 | 19,620 | 19,620 | 4,905 | 419,760 | 615,081 |
| Total | | | | | | | |
| | 147,604 | 36,601 | 36,601 | 34,236 | 7,705 | 420,693 | 783,440 |
| Perpetual notes | | | | | | | |
| | - | - | - | - | - | 373,120 | 373,120 |

(a) Working Capital

At September 30, 2007, the Company maintained five short-term credit lines with three financial institutions that allow borrowings up to R\$ 652,000. Four of those lines are guaranteed by promissory notes which allow borrowings of up to R\$ 650,000. At September 30, 2007, the outstanding borrowings under these facilities amounted R\$495,074.

(b) Perpetual notes

On April 5, 2006, the Company, through its subsidiary Gol Finance, issued perpetual notes guaranteed by the Company and GOL. The perpetual notes are denominated in U.S. Dollar, have no fixed final maturity date and are callable at par by the Company after five years of the issuance date guaranteed by the Company. At September 30, 2007, there was R\$ 373,120 (US\$ 202,904 thousand) outstanding under this facility.

The Company will use the proceeds to finance the acquisition of aircraft, supplementing its own funds and bank financings guaranteed by assets obtained with the U.S. Exim Bank.

The fair value of perpetual notes, at September 30, 2007, reflecting the frequent market price oscillations of such instrument is R\$ 371,400 (US\$ 201,969 thousand).

(c) Senior notes

On March 22, 2007, the Company, through its subsidiary Gol Finance, issued senior notes in the amount of R\$ 463,545 (US\$ 225,000 thousand) guaranteed by the Company and GOL. The senior notes mature in 2017, and bear interest rate of 7.50% p.a. which are senior unsecured debt obligations of the Company and GOL. At September 30, 2007, there was R\$ 419,760 (US\$ 228,267 thousand) outstanding under this facility.

The Company will use the proceeds to finance the acquisition of aircraft, supplementing its own funds and the bank financings guaranteed by assets obtained with the U.S. Exim Bank.

The fair value of senior notes, at September 30, 2007, reflecting the frequent market price oscillations of such instrument is R\$ 396,445 (US\$ 215,588 thousand).

(d) Bank Loans

The Company, through its subsidiary GAC Inc., maintains a loan agreement for up to R\$ 126,930 (US\$ 60,000 thousand) with Credit Suisse guaranteed by promissory notes. The term of the loan is 2.7 years with annual interest rate of 3-month Libor (approximately 5.36% p.a.). At September 30, 2007, there was R\$ 111,936 (US\$60,871 thousand) outstanding under this facility.

(e) Other Financings

The approved BNDES credit line was used to finance a major portion of the construction and expansion of the Gol Aircraft Maintenance Center at the International Airport of Confins, in the state of Minas Gerais, the acquisition of national equipment and materials. The loan has a term of five years with interest of TJLP plus 2.65% p.a. and is guaranteed by accounts receivable from travel agencies administrators in the amount of R\$ R\$ 17,979 (US\$ 9,777 thousand). As of September 30, 2007, there was R\$ 69,194 (US\$ 37,628 thousand) outstanding under this facility.

The financing with the International Finance Corporation (IFC) is being used to acquire spare parts inventories and working capital. The loan has a term of six years with interest of LIBOR plus 1.875% p.a. and will be guaranteed by spare parts with a cost of R\$ 114,931 (US\$ 62,500 thousand). As of September 30, 2007, there was R\$ 99,956 (US\$ 54,356 thousand) outstanding under this facility.

On July 4, 2007, GOL entered a long-term borrowing agreement for R\$ 14,000 (US\$7,330 thousand) with BDMG (the Minas Gerais Development Bank), which will be used to finance a portion of the investments and operational expenses of the Gol Aircraft Maintenance Center at the International Airport of Confins, in the state of Minas Gerais. The loan has a term of five years with interest of IPCA plus 6% p.a. and is guaranteed by the Company by receivable accounts from travel agencies in the amount of R\$ 3,870 (US\$ 2,105 thousand). As of September 30, 2007, there was R\$ 14,069 (US\$7,651 thousand) outstanding under this facility.

(f) VRG Convertible Debentures

As part of VRG acquisition, the subsidiary GTI S.A. became debtor of the debentures issued by VRG on January 17, 2007 with a total and nominal amount of R\$ 50,000 each one, in favor of the creditors of Varig S.A. in compliance with obligations specified in the invitation to the public auction for judicial sale of the Varig Productive Unit. These will due in 10 years from the issuance date, if not converted into stocks and bear fixed interest rate of 8.4% p.a. paid monthly, and do not have any security interest. At September 30, 2007, there was R\$ 100,000 (US\$54,380 thousand) outstanding under this facility.

11. Provision for Contingencies

At September 30, 2007, the balance of the provision for contingencies amounts to R\$38,948 (R\$35,813 at June 30, 2007). The provisions for contingencies, tax obligations and respective judicial deposits are as follows:

| | Consolidated | | | |
|---------------------|---------------------|-----------------------|----------------|-------------------|
| | | 09.30.2007 | | 06.30.2007 |
| | Gross provision | (-) Judicial deposits | Provision, net | Provision, net |
| Labor contingencies | 823 | (4,830) | (4,007) | (1,847) |
| Civil contingencies | 7,741 | (7) | 7,734 | 7,197 |
| | 8,564 | (4,837) | 3,727 | 5,350 |
| Tax obligations | 30,384 | (34,964) | (4,580) | (5,752) |
| Total | 38.948 | (39.801) | (853) | (402) |

| | Contingencies | | | |
|--------------------------------|----------------------|--------------|------------|--------------|
| | Labor | Civil | Tax | Total |
| Balances at June 30, 2007 | 672 | 7,204 | 27,937 | 35,813 |
| Constitution of provisions | 151 | 537 | 2,447 | 3,135 |
| Balances at September 30, 2007 | 823 | 7,741 | 30,384 | 38,948 |

a) Tax Contingencies

The Company is questioning in court VAT (ICMS) levy on aircraft and engine imports under operating lease without purchase option in transactions made with lessors headquartered in foreign countries. The Company's Management understands that these transactions represent simple rent in view of the contractual obligation to return the asset subject matter of the contract, which will never integrate the Company's assets. Given that there is no circulation of goods, the tax triggering event is not characterized. The estimated aggregated value of the current lawsuits considering the judicial discussion above is R\$ 47,683 as of September 30, 2007 (R\$ 46,386 as of June 30, 2007) monetarily adjusted and excluding charges on arrears. Management, based on the evaluation of this subject by its legal advisors and supported by case law in favor of taxpayers from the High Court (STJ) and the Supreme Federal Court (STF) handed down in the third quarter of 2007, understands that it is unlikely for the Company to lose these lawsuits. The accounting practices adopted in the preparation of its financial statements, in line with international standards, do not require setting up a provision for losses in these circumstances.

b) Labor and civil contingencies

There were no significant changes in the provisions related to the civil and labor proceedings as compared to the disclosures in the financial statements for the year ended December 31, 2006 and in the Quarterly Information for the

period ended June 30, 2007.

c) Tax obligations

The Company is judicially discussing several aspects regarding to the levy and calculation base of PIS and COFINS on its operations that were recorded as long-term tax obligations.

12. Transactions with Related Parties

GOL maintains operating agreements with associated companies for passenger and luggage transportation between airports and for the transportation of employees, executed under normal market conditions.

GOL is the tenant of the property located at Rua Tamoios, 246, in the city of São Paulo, State of São Paulo, owned by associated company whose agreement expires on March 31, 2008 and has an annual price restatement clause based on the General Market Price Index (IGP-M) variation.

The balances payable to the associated companies, in the amount of R\$ 383 (R\$ 84 at June 30, 2006) are included in the suppliers' balance jointly with third-party operations. The amount of expenses which affected income for the quarter ended on September 30, 2007 is R\$ 2,024 (R\$ 1,154 for the quarter ended September 30, 2006).

At September 30, 2007 the parent company had balances receivable from the subsidiary GAC Inc. in the amount of R\$ 33,581 (R\$ - at June 30, 2007), R\$51,391 (R\$ 40,402 at June 30, 2007) from the subsidiary VRG Linhas Aéreas S.A. and R\$290 (R\$ 290 at June 30, 2007) from the subsidiary GTI S.A. related to intercompany loans.

13. Shareholders' Equity

a) Capital

At June 30, 2007, the Company's capital is represented by 107,590,792 common shares and 94,704,377 preferred shares, held as follows:

| | 09.30.2007 | | | 06.30.2007 | | |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Common | Preferred | Total | Common | Preferred | Total |
| ASAS Fund | 100.00% | 34.97% | 69.56% | 100.00% | 34.15% | 69.17% |
| Others | - | 2.82% | 1.32% | - | 2.82% | 1.32% |
| Market | - | 62.21% | 29.12% | - | 63.03% | 29.51% |
| | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

The authorized capital at September 30, 2007 is R\$ 2,000,000. Within the authorized limit, the Company may, by means of the Board of Directors' resolution, increase capital, regardless of any amendment to the Bylaws, through issue of shares, without keeping any proportion between the different classes of shares. The Board of Directors shall determine the conditions for the issue, including the payment price and period. At the discretion of the Board of Directors, the preemptive right may be excluded, or the period for its exercise be reduced, in the issue of preferred shares, when these are placed through sale on a stock exchange or by public subscription, or also through the exchange for shares, in a control acquisition public offering, as provided by the law. Issue of founders' shares is prohibited under the terms of the Company's Bylaws.

Preferred shares have no voting rights, except concerning the occurrence of specific facts allowed by the Brazilian legislation. These shares have priority in the reimbursement of capital, without premium and right to be included in the public offering arising from the sale of control, at the same price paid per share of the controlling block, being assured of dividends at least equal to those attributed to common shares.

On April 9, 2007, the Company's Board of Directors approved a capital increase amounting up to R\$ 518,100 by means of the issuance of 8,519,979 preferred shares in order to meet the obligations assumed by its subsidiary GTI S.A. in connection with the buy and sell agreement of the controlling interest in VRG Linhas Aéreas S.A.

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On June 14, 2007, the Company increased its capital through the issue of 6,082,220 preferred shares, of which 6,049,185, amounting to R\$ 367,851, were used to increase capital in the subsidiary GTI S.A., through constitution of a capital reserve and later transferred to third parties in connection with the buy and sell agreement of the controlling interest in VRG Linhas Aéreas S.A.

The quote of the shares of Gol Linhas Aéreas Inteligentes S.A., at September 30, 2007, on the São Paulo Stock Exchange BOVESPA, corresponded to R\$ 44.44 and US\$ 24.00 on the New York Stock Exchange NYSE. The net asset value per share at September 30, 2007 was R\$ 12.45 (R\$ 12.61 at June 30, 2007).

b) Dividends and Interest on Equity

In accordance with the Company's Bylaws, to the shareholders are assured of mandatory minimum dividends of 25% of the net income for the period adjusted under the terms of article 202 of Corporation Law. The Board of Directors Meeting of January 29, 2007 approved a Dividend Policy for 2007 that, without prejudice to the Company's Bylaws, approved the quarterly interim distribution of dividends in the fixed amount of R\$ 0.35 (thirty five cents of reais), per quarter, per common and preferred shares of the Company.

The payment of interim dividends and interest on shareholders' equity (JSCP) referring to the third quarter of 2007, is demonstrated as below:

| Deliberation | Income | R\$ per lot of 100 shares | Credit | Payment | Income during quarter 09.30.2007 |
|---|---------------------------------------|--|---------------|----------------|---|
| Board of Directors Meeting on September 25, 2007 | Interest on shareholders equity | 18.83 | 09/30/2007 | 11/05/2007 | 38,094 |
| Board of Directors Meeting on September 25, 2007 | Dividends | 18.99 | 09/30/2007 | 11/05/2007 | 38,423 |
| Total of dividends and interest on shareholders' equity | | | | | 76,517 |
| Credited value per lot of 100 shares | | | | | 37.82 |
| Total shares | | | | | 202,295,169 |

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The payment of interest on shareholders' equity will be input in mandatory minimum dividends. The calculation base for determining mandatory minimum dividends was as follows:

| | 09.30.2007 | 09.30.2006 |
|--|-------------------|-------------------|
| Net income for the quarter | 49,416 | 232,232 |
| Legal reserve | (2,471) | (11,610) |
| Income base for the determination of the minimum mandatory dividend | 46,945 | 220,622 |
| Mandatory minimum dividend, equivalent to 25 % of the base income | 11,736 | 55,156 |
| Proposed dividends and interest on shareholders' equity: | | |
| Interest on shareholders' equity - R\$ 18.83 per lot of 100 shares (R\$ 15.04 per lot of 100 shares in 2006) | 38,094 | 29,506 |
| Proposed dividends - R\$ 18.99 per lot of 100 shares (R\$ 16.61 per lot of 100 shares in 2006) | 38,423 | 32,592 |
| Income tax (IRRF) | 76,517 (1,509) | 62,098 (1,266) |
| Total, net of income tax | 75,008 | 60,832 |

The changes in payable interest on shareholders' equity and dividends at September 30, 2007 are as follows:

| | |
|---|----------|
| Balances at December 31, 2006 | 42,961 |
| Dividends and interest on shareholders' equity declared | 73,716 |
| Withholding income tax (IRRF) | (1,380) |
| Payment | (42,760) |
| Balances at March 31, 2007 | 72,537 |
| Dividends and interest on shareholders' equity declared | 76,021 |
| Withholding income tax (IRRF) | (1,282) |
| Payment | (70,708) |
| Balances at June 30, 2007 | 76,568 |
| Dividends and interest on shareholders' equity declared | 76,517 |
| Withholding income tax (IRRF) | (1,509) |
| Payment | (72,604) |
| Balances at September 30, 2007 | 78,972 |

14. Gross Revenue by Geographic Segment

The Company operates domestic and international flights. The geographic information for gross revenues, presented below, was calculated based on the passenger and cargo revenues based on the place of origin of their transportation.

| | 07.01.2007 | | 01.01.2007 | | 07.01.2006 | | 01.01.2006 | |
|---------------|-------------------|----------|-------------------|----------|-------------------|----------|-------------------|----------|
| | to | % | to | % | to | % | to | % |
| | 09.30.2007 | | 09.30.2007 | | 09.30.2006 | | 09.30.2006 | |
| Brazil | 1,196,748 | 89.5 | 3,297,648 | 91.4 | 1,084,062 | 96.3 | 2,811,650 | 96.9 |
| International | 139,716 | 10.5 | 310,743 | 8.6 | 41,629 | 3.7 | 88,503 | 3.1 |
| | 1,336,464 | 100.0 | 3,608,391 | 100.0 | 1,125,691 | 100.0 | 2,900,153 | 100.0 |

15. Cost of Services Rendered, Selling and Administrative Expenses**Consolidated 3Q07**

| | 07.01.2007 to 09.30.2007 | | | | 07.01.2006 to 09.30.2006 | | |
|-------------------------------------|--|-----------------------------|------------------------------------|--------------|---|--------------|----------|
| | Cost of Services Rendered | Selling Expenses | Administrative Expenses | Total | % | Total | % |
| Aircraft fuel | 495,170 | - | - | 495,170 | 39.1 | 357,711 | 42.2 |
| Salaries, wages and benefits | 174,404 | - | 25,419 | 199,823 | 15.8 | 111,432 | 13.1 |
| Aircraft leasing | 128,412 | - | - | 128,412 | 10.1 | 80,978 | 9.5 |
| Sales and marketing | - | 98,968 | - | 98,968 | 7.8 | 126,041 | 14.9 |
| Maintenance materials and repair | 97,896 | - | - | 97,896 | 7.7 | 41,267 | 4.9 |
| Aircraft and traffic servicing | 48,254 | - | 32,299 | 80,553 | 6.4 | 45,129 | 5.3 |
| Landing fees | 73,601 | - | - | 73,601 | 5.8 | 50,181 | 5.9 |
| Depreciation and amortization | 22,198 | - | 2,453 | 24,651 | 1.9 | 16,473 | 1.9 |
| Other operating expenses | 57,223 | - | 11,066 | 68,289 | 5.4 | 19,432 | 2.3 |
| | 1,097,158 | 98,968 | 71,237 | 1,267,363 | 100.0 | 848,644 | 100.0 |

Consolidated Accumulated 2007

| | 01.01.2007 to 09.30.2007 | | | | 01.01.2006 to 09.30.2006 | | |
|-------------------------------------|--|---------------------------|------------------------------------|--------------|---|--------------|----------|
| | Cost of Services Rendered | Sales Expenses | Administrative Expenses | Total | % | Total | % |
| Aircraft fuel | 1,352,661 | - | - | 1,352,661 | 38.6 | 895,773 | 40.0 |
| Salaries, wages and benefits | 444,441 | - | 64,777 | 509,218 | 14.5 | 280,383 | 12.5 |
| Aircraft leasing | 396,612 | - | - | 396,612 | 11.3 | 220,907 | 9.9 |
| Sales and marketing | - | 261,332 | - | 261,332 | 7.5 | 329,001 | 14.7 |
| Aircraft and traffic servicing | 153,931 | - | 84,503 | 238,434 | 6.8 | 117,310 | 5.2 |
| Maintenance materials and repair | 220,646 | - | - | 220,646 | 6.3 | 101,479 | 4.5 |
| Landing fees | 198,862 | - | - | 198,862 | 5.7 | 112,190 | 5.0 |
| | 60,188 | - | 6,622 | 66,810 | 1.9 | 44,149 | 2.0 |

| | | | | | | | | |
|----------------------------------|-----------|---------|---------|-----------|-------|-----------|-------|--|
| Depreciation and amortization | | | | | | | | |
| Other operating expenses | 234,024 | - | 26,513 | 260,537 | 7.4 | 140,263 | 6.2 | |
| | 3,061,365 | 261,332 | 182,415 | 3,505,112 | 100.0 | 2,241,455 | 100.0 | |

At September 30, 2007, aircraft fuel expenses include R\$ 10,210 (US\$ 5,552) of gains, arising from results with derivatives represented by fuel hedge contract results expired in the period and measured as effective to hedge the expenses against fuel price fluctuations.

16. Net Financial Income

| | Parent Company | | Consolidated | |
|--|-----------------------|-------------------|---------------------|-------------------|
| | 07.01.2007 | 01.01.2007 | 07.01.2007 | 01.01.2007 |
| | to | to | to | to |
| | 09.30.2007 | 09.30.2007 | 09.30.2007 | 09.30.2007 |
| Financial Expenses: | | | | |
| Interest on loans | - | (2) | (43,212) | (110,122) |
| Foreign exchange variations on liabilities | (39,186) | (77,026) | (30,069) | (49,023) |
| Losses on financial instruments | (413) | (413) | (10,465) | (39,665) |
| CPMF tax | (90) | (1,595) | (2,851) | (10,289) |
| Monetary variations on liabilities | - | - | (859) | (2,304) |
| Others | 33 | (81) | (25,073) | (47,078) |
| | (39,656) | (79,117) | (112,529) | (258,481) |
| Financial income: | | | | |
| Interest and gains on financial investments | 38 | 45 | 12,922 | 75,654 |
| Foreign exchange variations on assets | 33,074 | 60,503 | 50,411 | 95,659 |
| Gains on financial instruments | 8,014 | 35,632 | 49,119 | 147,872 |
| Capitalized interest | - | - | 4,174 | 12,880 |
| Interest on shareholders' equity | 10,948 | 33,721 | - | - |
| Monetary variations on assets | 649 | 1,510 | 1,439 | 4,875 |
| Others | 4,449 | 7,807 | 11,452 | 19,235 |
| | 57,172 | 139,218 | 129,517 | 356,175 |
| Net financial income before interest on shareholders' equity | 17,516 | 60,101 | 16,988 | 97,694 |
| Interest on shareholders' equity | (38,095) | (106,495) | (38,095) | (106,495) |
| Net financial expense | (20,579) | (46,394) | (21,107) | (8,801) |

| | Parent Company | | Consolidated | |
|--|-----------------------|-------------------|---------------------|-------------------|
| | 07.01.2006 | 01.01.2006 | 07.01.2006 | 01.01.2006 |
| | to | to | to | to |
| | 09.30.2006 | 09.30.2006 | 09.30.2006 | 09.30.2006 |
| Financial Expenses: | | | | |
| Interest on loans | - | - | (24,497) | (51,409) |
| Foreign exchange variations on liabilities | (1,150) | - | - | (24,468) |
| Losses on financial instruments | - | - | (3,933) | (5,642) |
| CPMF tax | (120) | (1,620) | (3,303) | (10,444) |
| Monetary variations on liabilities | - | - | (1,059) | (2,446) |
| Others | (29) | (240) | (2,092) | (4,352) |

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| | | | | |
|---|----------|----------|----------|----------|
| | (1,299) | (1,860) | (34,884) | (98,761) |
| Financial income: | | | | |
| Interest and gains on financial investments | - | 390 | 16,943 | 35,499 |
| Foreign exchange variations on assets | 6,268 | - | 3,810 | 23,881 |
| Gains on financial instruments | 16,709 | 38,084 | 26,219 | 95,485 |
| Capitalized interest | - | - | 9,149 | 16,854 |
| Monetary variations on assets | - | - | 2,277 | 3,750 |
| Others | - | - | 6,660 | 6,853 |
| | 22,977 | 38,474 | 65,058 | 182,322 |
| Net financial income before interest on shareholders' equity | 21,678 | 36,614 | 30,174 | 83,561 |
| Interest on shareholders' equity | (29,504) | (96,947) | (29,504) | (96,947) |
| Net financial expense | (7,826) | (60,333) | 670 | (13,386) |

17. Commitments

The Company and its subsidiaries lease operating aircraft and rent airport terminals, other airport facilities, offices and other equipment. At September 30, 2007, the Company and its subsidiaries maintained operational lease agreements on 94 aircraft, being 74 from GOL and 20 from VRG (69 aircraft from GOL and 19 from VRG at June 30, 2006), with expiration dates from 2007 to 2019.

The current and long-term debt obligations, due to operating lease contracts and aircraft purchase commitments considering the 12-month period from October 1 to September 30 of each year are demonstrated as below:

| | 2008 | 2009 | 2010 | 2011 | 2012 | Beyond 2012 | Total |
|-----------------------------------|-----------|------------------|------------------|------------------|-----------|----------------|------------|
| Operating lease commitments (1) | 483,706 | 412,663 | 331,992 | 292,230 | 238,396 | 731,259 | 2,490,246 |
| Pre-delivery deposits (2) | 184,608 | 266,875 | 281,043 | 275,537 | 120,397 | - | 1,128,460 |
| Aircraft purchase commitments (3) | 1,848,574 | 1,415,390 | 2,377,374 | 1,759,443 | 1,676,919 | - | 9,077,700 |
| Total | 2,516,888 | <u>2,094,928</u> | <u>2,990,409</u> | <u>2,327,210</u> | 2,035,712 | 731,259 | 12,696,406 |

(1) The future commitments based on the operating lease contracts are denominated in U.S. Dollars. The Company has letters of credit in the amount of R\$ 54,352 (US\$29,957 thousand) for aircraft leasing contracts guarantee and R\$ 133,629 (US\$72,668 thousand) for maintenance of leased assets guarantee.

(2) The Company has been making payments arising from the construction phase for aircraft acquisitions using own proceeds from share offerings, loans and supplier financing.

(3) The Company has a purchase contract with Boeing for the acquisition of Boeing 737-800 Next Generation aircraft. On September 30, 2007, there were 69 firm orders and 34 purchase options. The firm orders have an approximate value of R\$ 9,078 million (corresponding to approximately US\$ 4,936 million) based on the aircraft list price, including estimated amounts for contractual price escalations and pre-delivery deposits during the phase of the aircraft construction. The commitments arising from the aircraft acquisition do not include the portion that will be financed by long-term financings with guarantee of the aircraft by the U.S. Exim Bank (Exim), corresponding to approximately 85% of the total cost of the aircraft.

18. Employees

The Company keeps a profit sharing plan and stock option plans. The employee profit sharing plan is linked to the economic and financial results measured with basis on the Company's performance indicators that assume the achievement of the Company's, its business units and individual performance goals. At September 30, 2007, considering that the goals established by the Company were not accomplished, no provisions had been accrued.

At December 31, 2006, the Board of Directors, within the scope of its functions and in conformity with the Company's Stock Option Plan, approved the granting of 113,379 options for the purchase of the Company's preferred shares at the

price of R\$ 65.85 per share.

The transactions are summarized below:

| | Quantity of Stock options | Weighted average price for the year |
|---|--------------------------------------|--|
| Outstanding at December 31, 2006 | 187,234 | 40.65 |
| Granted | 113,379 | 65.85 |
| Exercised | (5,823) | 37.13 |
| Outstanding at March 31, 2007 | 294,790 | 50.44 |
| Granted | - | - |
| Exercised | - | - |
| Outstanding at June 30, 2007 | 294,790 | 50.44 |
| Granted | - | - |
| Exercised | 660 | 33.06 |
| Outstanding at September 30, 2007 | 294,130 | 50.48 |
| Quantity of options to be exercised at December 31, 2005 | 158,353 | 6.50 |
| Quantity of options to be exercised at December 31, 2006 | 17,484 | 33.06 |
| Quantity of options to be exercised at March 31, 2007 | 49,109 | 38.51 |
| Quantity of options to be exercised at June 30, 2007 | 49,109 | 38.51 |
| Quantity of options to be exercised at September 30, 2007 | 48,449 | 38.59 |

The weighted average fair values on the granting dates of the stock options, at September 30, 2007 and June 30, 2007, were R\$ 24.30 and R\$ 25.47 respectively, and they were estimated based on the Black-Scholes stock option pricing model, assuming a 2.50 % dividend payment, an estimated volatility of 40.45%, a weighted average risk free rate of 11.53 % and average maturity of 3.36 years.

The accounting practices adopted in Brazil do not require recognition of compensation expenses through the Company's stock options. If the Company had recorded in its results the compensation expenses by means of stock options, based on the fair value on the date of the options granting, the income of the third quarter of 2007 would have been R\$ 381 lower (R\$ 275 in the third quarter of 2006 and R\$ 3,239 in the year of 2006).

The exercise price range and the remaining weighted average maturity of the outstanding options, as well as the exercise price range for the options to be exercised at September 30, 2007 are summarized below:

| Exercise price range | Outstanding Options | | | Options to be exercised | | |
|-------------------------|--|--|---------------------------------------|---|---------------------------------------|--|
| | Quantity of outstanding options at 09.30.2007 | Remaining weighted average maturity | Weighted average exercise price | Quantity of options to be exercised 09.30.2007 | Weighted average exercise price | |
| 33.06 | 82,094 | 2.25 | 33.06 | 29,644 | 33.06 | |
| 47.30 | 98,657 | 3.25 | 47.30 | 18,805 | 47.30 | |
| 65.85 | 113,379 | 4.25 | 65.85 | - | 65.85 | |

33.06 65.85 294,130 3.36 50.48 48,449 38.59

19. Financial Derivative Instruments

The Company is exposed to several market risks arising from its operations. Such risks involve mainly the effects of changes in fuel price and foreign exchange rate risk, since its revenues are generated in Reais and the Company has significant commitments in U.S. dollars, credit risks and interest rate risks. The Company uses derivative financial instruments to minimize those risks. The Company maintains a formal risk management policy under the management of its executive officers, its Risk Policy Committee and its Board of Directors.

The management of these risks is performed through control policies, establishing limits, as well as other monitoring techniques, mainly mathematical models adopted for the continuous monitoring of exposures. The exclusive investment funds in which the Company and its subsidiary GOL are quota holders are used as means for the risk coverage contracting according to the Company's risk management policies.

Airlines are exposed to aircraft fuel price change effects. Aircraft fuel consumption in the third quarter of 2007 and 2006 represented approximately 39.1% and 42.4% of the Company's operating, selling and administrative expenses, respectively. To manage these risks, the Company periodically uses futures contracts, swaps and oil and oil-products options to manage those risks. The subject matter of fuel hedge are fuel acquisition operating expenses. As the aircraft fuel is not traded on a commodities exchange, the liquidity and alternatives for contracting hedge operations of that item are limited. However, the Company has found effective commodities to hedge aircraft fuel costs, mainly crude oil. Historically, oil prices have been highly related to aircraft fuel prices, which makes oil derivatives effective in hedging oil price fluctuations, in order to provide short-term protection against sudden fuel price increases. The futures contracts are listed on NYMEX, swaps are contracted with prime international banks and the options can be either those listed on NYMEX or those traded with prime international banks.

The Company also engages in financial derivative instruments agreements contracted with first-tier banks for cash management purposes. The financial derivative instruments are composed of synthetic fixed income option agreements and swap contracts to obtain the Brazilian overnight deposit rate for investments in securities with fixed-rates or denominated in U.S. Dollars.

a) Fuel price risk

The Company's derivatives contracts, at September 30, 2007, are summarized as follows (in thousands, except otherwise indicated):

| | 09.30.2007 | 06.30.2007 |
|---|-------------------|-------------------|
| Fair value of derivative financial instruments at the end of the period | R\$ 18,703 | R\$ 19,526 |
| Average term (months) | 2 | 4 |
| Hedged volume (barrels) | 1,771,800 | 2,011,000 |
| Period ended September 30: | 2007 | 2006 |
| Gains with hedge effectiveness recognized as aircraft fuel expenses | R\$ 10,210 | R\$ 0 |
| Gains (Loss) with hedge ineffectiveness recognized as financial income | R\$ 5,716 | R\$ (322) |
| Current percentage of hedged consumption (during the quarter) | 53% | 85% |

The Company utilizes financial derivative instruments for short and long-term time frames and holds position for future months. On September 30, 2007 the Company currently had a combination of purchased call options, collar structures, and fixed price swap agreements in place to hedge approximately 37%, 7% and 6% of its jet fuel requirements for the fourth quarter of 2007, first and second quarters of 2008, respectively, at average oil equivalent prices of approximately US\$ 75.5, US\$ 62.6 and US\$ 62.9 per barrel, respectively.

The Company classifies fuel hedge as cash flow hedge, and recognizes the changes of market fair value of effective hedges accounted in shareholders' equity until the hedged fuel is consumed. The fuel hedge effectiveness is estimated based on correlation statistical methods or by the proportion of fuel purchase expense variations that are offset by the fair market value variation of derivatives. Effective hedge results are recorded as decrease or increase in the cost of acquisition of fuel, and the hedge results that are not effective are recognized as financial income/expenses. Ineffective hedges arise when the change in the value of derivatives is not between 80% and 125% of the hedged fuel value variation. When the aircraft fuel is consumed and the related derivative financial instrument is settled, the unrealized gains or losses recorded in shareholders' equity are recognized in the statement of income adjusting aircraft fuel expenses. The Company is exposed to the risk that periodic changes in the fair value of derivative instruments contracted will not be effective to offset fuel price variations, or that unrealized gains or losses of derivative instruments contracted will no longer qualify for being maintained in shareholders' equity. As financial derivative instruments become ineffective, the agreements are recognized in the statement of income for the period.

Ineffectiveness is inherent in hedging jet fuel with derivative instruments based on other oil related commodities, especially given the recent volatility in the prices of oil refined products. When the Company determines that specific hedges will not regain effectiveness in the time period remaining until settlement, any changes in fair value of the derivative instruments are recognized in the statement of income for the period in which the change occurs.

During the quarter ended September 30, 2007, the Company recognized R\$10,210 (US\$ 5,552 thousand) of additional gains in fuel expenses, net, related to the effectiveness of its hedges and R\$ (328) (US\$(178) thousand) of additional loss in financial income (expenses), net, related to the ineffectiveness of its hedges and losses in accounting of certain hedge instruments. The Company also recognized R\$ 6,044 (US\$ 3,287 thousand) related to gains within the ineffective portion of the contracted hedges for future periods. As of September 30, 2007 there was an unrealized fuel hedge gain of R\$ 12,174 (US\$ 6,620 thousand) referring to the effective portion of the contracted hedges for future periods recorded in shareholders' equity. During the period, there were no derivative transactions not designated as hedges.

The fair market value of swaps is estimated by discounted cash flow methods, and the fair value of the options is estimated by the Black-Scholes model adapted to commodities options.

Market risk factor: Jet fuel price

Exchange market

Future contracts bought

| | 4Q07 | 1Q08 | 2Q08 | Total |
|---|---------|--------|--------|---------|
| Nominal volume in barrels (thousands) | 1,298 | 234 | 240 | 1,772 |
| Nominal volume in liters (thousands) | 205,084 | 36,972 | 37,920 | 279,976 |
| Future agreed rate per barrel (USD)* | 75.48 | 62.63 | 62.88 | 67.72 |
| Total in Reais ** | 180,161 | 26,948 | 27,749 | 234,857 |

* Weighted average between the strikes of the collars and callspreads.

** The exchange rate at 09/30/2007 was R\$ 1.8389/ US\$ 1.00

b) Exchange rate risk

At September 30, 2007 the main assets and liabilities denominated in foreign currency recorded in the balance sheet are related to aircraft leasing and acquisition operations.

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The Company's foreign exchange exposure at September 30, 2007 and June 30, 2007 is set forth below:

| | Consolidated | |
|---|---------------------|-------------------|
| | 09.30.2007 | 06.30.2007 |
| Assets | | |
| Cash, cash equivalents and financial investments | 1,407,567 | 1,217,681 |
| Deposits for aircraft leasing contracts | 182,984 | 240,316 |
| Prepaid leasing expenses | 30,991 | 20,630 |
| Others | 57,631 | 46,668 |
| | 1,679,173 | 1,525,295 |
| Liabilities | | |
| Foreign suppliers | 43,425 | 37,806 |
| Operating leases payable | 11,695 | 13,582 |
| | 55,120 | 51,388 |
| Foreign exchange exposure in R\$ | 1,624,053 | 1,473,907 |
| Total foreign exchange exposure in US\$ | 883,165 | 765,189 |
| Obligations not recorded in the balance sheet | | |
| Future obligations in US\$ arising from operating lease agreements | 2,490,246 | 2,230,154 |
| Future obligations in US\$ arising from firm orders for aircraft purchase | 9,077,700 | 10,150,048 |
| | 11,567,946 | 12,380,202 |
| Total foreign exchange exposure in R\$ | 13,191,999 | 13,854,109 |
| Total foreign exchange exposure in US\$ | 7,173,853 | 7,192,456 |

The foreign exchange exposure concerning amounts payable resulting from operating leases, insurances, maintenance, and the exposure to fuel price variations caused by the foreign exchange rate are managed by hedge strategies with U.S. Dollar futures contracts and U.S. Dollar options listed on BM&F (Brazilian Mercantile and Futures Exchange). The expense accounts that are the subject matter of foreign exchange rate hedge are: fuel expenses, lease, maintenance, insurance and international IT services.

Company's Management believes that the derivatives it uses are extremely correlated to the U.S. Dollar/Real foreign exchange rate variation in order to provide short-term hedge against foreign exchange rate changes. The Company classifies hedge for exposure to U.S. Dollar variations as cash flow hedge and recognizes the fair market value variations of highly effective hedges in the same period in which the estimated expenses which are the subject matter of the hedge occur. The market value changes of the highly effective hedges are recorded in Financial Income or Expenses until the period the hedged item is recognized, when they are recognized as decrease or increase in incurred expenses. The market value changes of hedges that are not highly effective are recognized as financial income or

expense. The U.S. Dollar hedge effectiveness is estimated by statistical correlation methods or by the proportion of expenses variation that are offset by the fair market value variation of the derivatives.

The fair market value of swaps is estimated by discounted cash flow methods; the fair value of options is estimated by the Black-Scholes method adapted to the currency options; and the futures fair value refers to the last owed or receivable adjustment already accounted and not settled yet.

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The Company uses short-term financial derivative instruments. The following table summarizes the position of the foreign exchange derivative contracts (in thousands, except otherwise indicated):

| | 09.30.2007 | 06.30.2007 |
|---|-------------|-------------|
| Fair value of financial derivative instruments at period end | R\$ (10) | R\$ 916 |
| Longest remaining term (months) | 3 | 6 |
| Hedged volume | R\$ 287,788 | R\$ 355,480 |
| Period ended September 30: | 2007 | 2006 |
| Hedge effectiveness losses recognized in operating expenses | R\$ (459) | R\$ (6,655) |
| Hedge ineffectiveness losses recognized in financial expenses | R\$ (2,621) | R\$ (1,560) |
| Percentage of expenses hedged during the quarter | 50% | 52% |

At September 30, 2007, the unrealized losses measured as effective and recorded in shareholders' equity totaled R\$ (5,808) (US\$ (3,158) thousand).

Market risk factor: Exchange rate
Exchange market
Future agreements bought

| | 4Q07 | Total |
|-------------------------------|---------|---------|
| Nominal value in U.S. Dollars | 156,500 | 156,500 |
| Future agreed rate | 2.16 | 2.16 |
| Total in Reais | 337,311 | 337,311 |

c) Credit risk of financial derivative instruments

The derivative financial instruments used by the Company are conducted with top quality credit counterparts, AA+ or better rated international banks, according to Moody's and Fitch agencies or international futures exchange or the Brazilian Mercantile and Futures Exchange (BM&F). The Company believes that the risk of not receiving the owed amounts by its counterparties in the derivative operations is not material.

d) Interest rate risk

The Company's results are affected by fluctuations in international interest rates due to the impact of such changes on expenses of operating lease agreements. In the quarter ended September 30, 2007, the Company contracted derivatives to protect itself from interest rate oscillations of its aircraft leasing contracts. At September 30, 2007, the contracts value amounted to R\$ 325,485 (US\$177 million) whose maximum term is 7 years. At September 30, 2007, the Company recognized R\$ 613 (US\$ 333 thousand) of net gains in financial income. The fair value changes are recognized in the period as financial income (expense). These financial instruments were not considered hedge.

The Company's results are affected by changes in the interest rates in Brazil, on financial investments, short-term investments, liabilities in reais and assets and liabilities denominated in US dollars, due to the impact of such changes

on the market value of financial derivative instruments conducted in Brazil, on the market value of prefixed securities in reais and on the remuneration of the cash balance and financial investments. The Company uses Interbank Deposit futures of the Brazilian Mercantile and Futures Exchange (BM&F) solely to protect itself against

domestic interest rate impacts on the prefixed portion of its investments. At September 30, 2007, the nominal value of Interbank Deposit futures contracts with the Brazilian Mercantile and Futures Exchange (BM&F) totaled R\$ 120,600 with periods of up to 7 months, with a fair market value of R\$ (15), corresponding to the last owed or receivable adjustment, already determined and not yet settled. The total variations in market value, payments and receivables related to the DI futures are recognized as increase or decrease in financial income in the same period they occur.

e) Derivative contracts applied in cash management

The Company utilizes financial derivative instruments for cash management purposes. The Company enters into option contracts known as boxes with first tier banks and registered in the Brazilian CETIP clearing house with the objective of investing cash at fixed rates. As of September 30, 2007, the total amount invested in boxes was R\$ 82,040 with average term of 195 days. The Company utilizes swap contracts with first-tier banks to change the remuneration of part of its short term investments to the Brazilian overnight deposit rate, the CDI. Investments in box combinations are swapped from fixed rates to a percentage of the CDI and investments in U.S. Dollar denominated securities are swapped from U.S. Dollar based remuneration to Reais plus a percentage of CDI rate. As of September 30, 2007, the notional amount of fixed-rate swaps to CDI was R\$ 80,000 with a fair value of R\$ 142; and the notional amount of currency swaps to CDI was R\$174,695 with a fair value of R\$ 27,381. The changes in fair value of these swaps are reflected in the statement of income for the period of change.

20. Insurance Coverage

Management holds an insurance coverage in amounts that it deems necessary to cover possible accidents, due to the nature of its assets and the risks inherent to its activity, observing the limits established in lease agreements. At September 30, 2007 the insurance coverage, by nature, considering GOL's and VRG's aircraft fleet and in relation to the maximum indemnifiable amounts, is the following:

| Aeronautic Type | R\$ (000) | US\$(000) |
|---|-----------|-----------|
| Warranty Hull | 5,036,183 | 2,738,693 |
| Civil Liability per occurrence/aircraft | 3,218,075 | 1,750,000 |
| Warranty Hull/War | 5,036,183 | 2,738,693 |
| Inventories | 358,586 | 195,000 |

By means of Law No 10744, dated October 09, 2003, the Brazilian government undertook to supplement possible civil liability expenses before third parties caused by acts of war or terrorist attacks, occurred in Brazil or abroad, for which GOL and VRG may be demanded, for the amounts that exceed the insurance policy limit effective at September 10, 2001, limited to the equivalent in reais to one billion U.S. Dollar.

21. Subsequent Events

On October 15, 2007, GOL concluded a committed aircraft pre-delivery payments (PDP) loan facility in the amount of R\$ 560,418 (corresponding to US\$ 310 millions), with 8 international banks, for all of its 21 Boeing 737-800 Next Generation aircraft to be delivered in 2008 and 2009. On October 15, 2007, there was disbursement of R\$ 273,592 for payment of obligations with Boeing (corresponding to US\$ 151 million) and the remaining is available for use in the future scheduled disbursements. The loan has a term of 1.6 years with interest of LIBOR plus 0.5% p.a. and is guaranteed by the purchase contract of the 21 aircraft and by GOL.

04.01 NOTES TO THE FINANCIAL STATEMENTS**EXHIBIT I CASH FLOW STATEMENTS**

| | Parent Company | | | |
|--|-----------------------|-------------------|-------------------|-------------------|
| | 07.01.2007 | 07.01.2006 | 01.01.2007 | 01.01.2006 |
| | to | to | to | to |
| | 09.30.2007 | 09.30.2006 | 09.30.2007 | 09.30.2006 |
| Net income for the period | 49,416 | 232,232 | 298,068 | 491,079 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | |
| Deferred income taxes | (16,241) | 38,697 | (7,161) | 23,920 |
| Equity accounting | (16,698) | (202,335) | (235,584) | (436,476) |
| Variations in operational assets and liabilities: | | | | |
| Prepaid expenses, taxes recoverable and other receivables | 95,239 | (65,650) | 121,250 | (67,232) |
| Credits with related companies | (44,570) | - | (85,262) | - |
| Suppliers | (77) | (475) | (161) | 109 |
| Taxes payable | (4,920) | 10,189 | (20,081) | (2,856) |
| Dividends and interest on shareholders equity | 2,404 | (28,628) | 36,011 | 17,251 |
| Other liabilities | (305) | 35,280 | (7,538) | 34,508 |
| Net cash generated by operating activities | 64,248 | 19,310 | 99,542 | 60,303 |
| Investing activities: | | | | |
| Short-term investments | 15,311 | (141,352) | 311,387 | (280,218) |
| Investments in permanent assets | 6,532 | 138,342 | (196,290) | 468,805 |
| Deferred charges | - | - | (274) | - |
| Net cash generated by (used in) investing activities | 21,843 | (3,010) | 114,823 | 188,587 |
| Financing activities: | | | | |
| Capital increase | 23 | 473 | 2,247 | 2,450 |
| Unrealized hedge result, net of taxes | (5,811) | (7,715) | 8,326 | (8,371) |
| Dividends and interest on shareholders equity paid, | (76,517) | (32,050) | (226,254) | (193,389) |
| Net cash used in financing activities | (82,305) | (39,292) | (215,681) | (199,310) |
| Net cash increase (decrease) | 3,786 | (22,992) | (1,316) | 49,580 |
| Cash and cash equivalents at the beginning of the period | 131,230 | 109,204 | 136,332 | 36,632 |

| | | | | |
|--|---------|--------|---------|--------|
| Cash and cash equivalents at the end of the period | 135,016 | 86,212 | 135,016 | 86,212 |
|--|---------|--------|---------|--------|

Additional information:

| | | | | |
|-------------------------------|---|---|-----|---|
| Interests paid for the period | - | - | (2) | - |
|-------------------------------|---|---|-----|---|

| | | | | |
|--|---|---|---|---|
| Income tax and social contribution paid for the period | - | - | - | - |
|--|---|---|---|---|

Transactions not affecting cash:

| | | | | |
|--|---|---|---------|---|
| Issuance of shares for VRG acquisition | - | - | 367,851 | - |
|--|---|---|---------|---|

| | Consolidated | | | |
|--|---------------------|-------------------|-------------------|-------------------|
| | 07.01.2007 | 07.01.2006 | 01.01.2007 | 01.01.2006 |
| | to | to | to | to |
| | 09.30.2007 | 09.30.2006 | 09.30.2007 | 09.30.2006 |
| Net income for the period | 49,416 | 232,232 | 298,068 | 491,079 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | |
| Depreciation and amortization | 24,651 | 16,472 | 66,810 | 44,149 |
| Allowance for doubtful accounts | 4,600 | 3,207 | 10,001 | 4,908 |
| Capitalized interest | 6,280 | (5,914) | (25,780) | (32,410) |
| Deferred income taxes | 29,008 | 20,766 | (270,887) | 214 |
| Changes in operating assets and liabilities: | | | | |
| Receivables | (62,009) | (141,777) | (171,131) | (135,226) |
| Inventories | (71,803) | (25,359) | (132,238) | (33,736) |
| Credits with lessors | 53,207 | - | 113,945 | - |
| Prepaid expenses, taxes recoverable and other receivables | (65,244) | (139,636) | 8,617 | (177,640) |
| Suppliers | 54,529 | 73,114 | 113,093 | 45,692 |
| Air traffic liability | (27,176) | 81,743 | (32,067) | 93,639 |
| Smiles mileage program | 5,128 | - | (2,327) | - |
| Taxes payable | 6,601 | (3,965) | (33,102) | 10,685 |
| Payroll and related charges | 23,907 | 13,007 | 55,844 | 31,449 |
| Provision for contingencies | 3,135 | 2,109 | (49,518) | (1,971) |
| Dividends and interest on shareholders equity | 2,404 | 5,078 | 36,011 | 17,251 |
| Other liabilities | 4,969 | 23,093 | (53,890) | (32,403) |
| Net cash generated by (used in) operating activities | 41,603 | 154,170 | (68,551) | 325,680 |
| Investing activities: | | | | |
| Financial investments | 222,497 | (132,409) | 364,061 | (199,686) |
| Investments in permanent assets | (25,065) | 56 | (225,387) | (511) |
| Deposits for leasing contracts | (105,297) | 7,630 | (144,137) | (12,301) |
| Deferred charges | (4,048) | (678) | (24,748) | (13,175) |
| Property, plant and equipment acquisition includes deposits | | | | |
| for aircraft acquisition | (139,409) | 26,385 | (280,782) | (183,756) |
| Others | - | - | 6,325 | - |
| Net cash used in investing activities | (51,322) | (97,016) | (304,668) | (409,429) |
| Financing activities: | | | | |
| Short term borrowings | 97,556 | 201,245 | 739,408 | 820,533 |
| Capital increase | 23 | 473 | 2,247 | 2,450 |
| Unrealized hedge result, net of taxes | (5,811) | (7,715) | 8,326 | (8,371) |
| Dividends and interest on shareholders equity paid | (76,517) | (32,050) | (226,254) | (193,389) |

| | | | | |
|--|---------|---------|---------|---------|
| Net cash generated by financing activities | 15,251 | 161,953 | 523,727 | 621,223 |
| Net cash increase | 5,532 | 218,463 | 150,509 | 537,474 |
| Cash and cash equivalents at the beginning of the period | 844,967 | 448,315 | 699,990 | 129,304 |
| Cash and cash equivalents at the end of the period | 850,499 | 666,778 | 850,499 | 666,778 |
| Additional information: | | | | |
| Interests paid for the period | 43,212 | 24,497 | 110,122 | 51,409 |
| Income tax and social contribution paid for the period | 19,839 | 69,352 | 42,650 | 198,677 |
| Transactions not affecting cash: | | | | |
| Special goodwill reserve | - | 13,624 | 29,817 | 15,082 |
| Issuance of shares for VRG acquisition | - | - | 367,851 | - |
| Goodwill on capital deficiency of VRG | 25,065 | - | 437,383 | - |

EXHIBIT II ADDED VALUE STATEMENTS

| | Parent Company | | | |
|---|-----------------------|-------------------|-------------------|-------------------|
| | 07.01.2007 | 07.01.2006 | 01.01.2007 | 01.01.2006 |
| | to | to | to | to |
| | 09.30.2007 | 09.30.2006 | 09.30.2007 | 09.30.2006 |
| REVENUES | | | | |
| Passenger, cargo and other transportation revenues | - | 48,665 | - | 48,665 |
| Allowance for doubtful accounts | - | - | - | - |
| INPUTS ACQUIRED FROM THIRD PARTIES (including ICMS and IPI) | | | | |
| Fuel and lubricant suppliers | - | - | - | - |
| Material, energy, third-party services and others | (1,039) | (2,049) | (4,778) | (6,756) |
| Aircraft insurance | - | - | - | - |
| Sales and marketing | - | - | - | - |
| GROSS ADDED VALUE | (1,039) | 46,616 | (4,778) | 41,909 |
| RETENTIONS | | | | |
| Depreciation and amortization | - | - | - | - |
| NET ADDED VALUE GENERATED BY THE COMPANY | (1,039) | 46,616 | (4,778) | 41,909 |
| ADDED VALUE RECEIVED IN TRANSFER | | | | |
| Results of equity pickup | 17,909 | 202,335 | 235,584 | 436,476 |
| Interest expense | (21,790) | (7,826) | (46,392) | (60,333) |
| TOTAL ADDED VALUE TO BE DISTRIBUTED | (4,920) | 241,125 | 184,414 | 418,052 |
| ADDED VALUE DISTRIBUTION | | | | |
| Employees | - | - | - | - |
| Government | 16,241 | (38,397) | 7,161 | (23,920) |
| Financing companies | - | - | (2) | - |
| Lessors | - | - | - | - |
| Shareholders | (76,517) | 26,543 | (226,254) | 9,816 |
| Reinvested | 65,196 | (229,771) | 34,681 | (403,948) |
| TOTAL DISTRIBUTED ADDED VALUE | 4,920 | (241,125) | (184,414) | (418,052) |

| | Consolidated | | | |
|---|---------------------|-------------------|-------------------|-------------------|
| | 07.01.2007 | 07.01.2006 | 01.01.2007 | 01.01.2006 |
| | to | to | to | to |
| | 09.30.2007 | 09.30.2006 | 09.30.2007 | 09.30.2006 |
| REVENUES | | | | |
| Passenger, cargo and other transportation revenues | 1,336,464 | 1,125,689 | 3,608,391 | 2,900,153 |
| Allowance for doubtful accounts | (4,600) | (3,207) | (20,367) | (9,798) |
| INPUTS ACQUIRED FROM THIRD PARTIES (including ICMS and IPI) | | | | |
| Fuel and lubricant suppliers | (495,170) | (357,711) | (1,352,661) | (895,773) |
| Material, energy, third-party services and others | (295,232) | (112,647) | (793,559) | (365,961) |
| Aircraft insurance | (11,142) | (7,540) | (32,716) | (20,365) |
| Sales and marketing | (98,968) | (126,041) | (261,332) | (329,001) |
| GROSS ADDED VALUE | 431,352 | 518,543 | 1,147,756 | 1,279,255 |
| RETENTIONS | | | | |
| Depreciation and amortization | (24,651) | (16,473) | (66,810) | (44,149) |
| NET ADDED VALUE GENERATED BY THE COMPANY | | | | |
| | 406,702 | 502,070 | 1,080,947 | 1,235,106 |
| ADDED VALUE RECEIVED IN TRANSFER | | | | |
| Interest income | 22,105 | 25,167 | 101,321 | 38,023 |
| TOTAL ADDED VALUE TO BE DISTRIBUTED | | | | |
| | 428,806 | 527,237 | 1,182,267 | 1,273,129 |
| ADDED VALUE DISTRIBUTION | | | | |
| Employees | (199,823) | (111,432) | (509,218) | (280,383) |
| Government | (36,673) | (150,105) | 97,095 | (326,298) |
| Financing companies | (43,212) | (24,497) | (110,122) | (51,409) |
| Lessors | (137,777) | (38,475) | (468,449) | (220,907) |
| Shareholders | (76,517) | 17,894 | (226,254) | 9,816 |
| Reinvested | 65,196 | (220,622) | 34,681 | (403,948) |
| TOTAL DISTRIBUTED ADDED VALUE | (428,806) | (527,237) | (1,182,267) | (1,273,129) |

05.01 - COMMENTS ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

Comments on the Company's performance will be presented in chart 8, considering only consolidated results.

06.01 CONSOLIDATED BALANCE SHEET - ASSETS (in thousands of Reais)

| 1 - CODE | 2 - DESCRIPTION | 3 09/30/2007 | 4 06/30/2007 |
|---------------|---|--------------|--------------|
| 1 | Total Assets | 5,402,019 | 5,253,347 |
| 1.01 | Current Assets | 2,904,343 | 3,003,803 |
| 1.01.01 | Cash Equivalents | 1,542,175 | 1,759,143 |
| 1.01.01.01 | Cash and Banks | 850,499 | 844,967 |
| 1.01.01.02 | Short-term Investments | 691,679 | 914,176 |
| 1.01.02 | Credits | 910,672 | 830,217 |
| 1.01.02.01 | Clients | 820,436 | 763,027 |
| 1.01.02.01.01 | Accounts Receivable | 840,803 | 778,794 |
| 1.01.02.01.02 | Allowance for Doubtful Accounts | (20,367) | (15,767) |
| 1.01.02.02 | Sundry Credits | 90,236 | 67,190 |
| 1.01.03 | Inventories | 217,733 | 145,930 |
| 1.01.04 | Others | 233,760 | 268,513 |
| 1.01.04.01 | Prepaid Expenses | 85,394 | 92,087 |
| 1.01.04.02 | Deposits for Aircraft Leasing Contracts | 0 | 0 |
| 1.01.04.03 | Credits with Leasing Companies | 90,491 | 143,698 |
| 1.01.04.04 | Other Credits and Values | 57,875 | 32,728 |
| 1.02 | Non-current Assets | 2,497,676 | 2,249,554 |
| 1.02.01 | Long-term Assets | 609,491 | 498,950 |
| 1.02.01.01 | Sundry Credits | 484,754 | 377,800 |
| 1.02.01.01.01 | Deposits for Aircraft Leasing Contracts | 198,546 | 93,249 |
| 1.02.01.01.02 | Income taxes | 286,208 | 284,551 |
| 1.02.01.02 | Credits with Related Parties | 0 | 0 |
| 1.02.01.02.01 | Affiliates | 0 | 0 |
| 1.02.01.02.02 | Subsidiaries | 0 | 0 |
| 1.02.01.02.03 | Other Related Parties | 0 | 0 |
| 1.02.01.03 | Others | 124,737 | 121,150 |
| 1.02.01.03.01 | Credits with Leasing Companies | 81,755 | 81,755 |
| 1.02.01.03.02 | Judicial Deposits and Others | 42,982 | 39,395 |
| 1.02.02 | Permanent Assets | 1,888,185 | 1,750,594 |
| 1.02.02.01 | Investments | 815,041 | 789,976 |
| 1.02.02.01.01 | In Affiliates | 0 | 0 |
| 1.02.02.01.02 | In Affiliates Goodwill | 0 | 0 |
| 1.02.02.01.03 | In Subsidiaries | 0 | 0 |
| 1.02.02.01.04 | In Subsidiaries Goodwill | 0 | 0 |
| 1.02.02.01.05 | Other Investments | 815,041 | 789,976 |
| 1.02.02.02 | Property, Plant and Equipment | 1,035,182 | 926,704 |
| 1.02.02.03 | Deferred charges | 37,962 | 33,914 |

06.02 CONSOLIDATED BALANCE SHEET - LIABILITIES (in thousands of Reais)

| 1 - CODE | 2 - DESCRIPTION | 3 09/30/2007 | 4 06/30/2007 |
|---------------|--|--------------|--------------|
| 2 | Total Liabilities | 5,402,019 | 5,253,347 |
| 2.01 | Current Liabilities | 1,625,760 | 1,431,999 |
| 2.01.01 | Loans and Financing | 551,193 | 427,794 |
| 2.01.02 | Debentures | 0 | 0 |
| 2.01.03 | Suppliers | 270,721 | 216,192 |
| 2.01.04 | Taxes, Charges and Contributions | 133,943 | 128,876 |
| 2.01.04.01 | Provision for income tax and social contribution | 70,818 | 64,217 |
| 2.01.04.02 | Airport Fees and Duties Payable | 63,125 | 64,659 |
| 2.01.05 | Dividends Payable | 78,972 | 76,568 |
| 2.01.06 | Provisions | 0 | 0 |
| 2.01.07 | Debts with Related Parties | 0 | 0 |
| 2.01.08 | Others | 590,930 | 582,569 |
| 2.01.08.01 | Payroll and related charges | 131,507 | 107,600 |
| 2.01.08.02 | Air traffic liabilities | 341,661 | 368,837 |
| 2.01.08.03 | Employee Profit Sharing | 0 | 0 |
| 2.01.08.04 | Mileage Program Smiles | 68,564 | 63,436 |
| 2.01.08.05 | Accruals | 0 | 0 |
| 2.01.08.06 | Insurance Payable | 0 | 0 |
| 2.01.08.07 | Others Obligations | 49,199 | 42,696 |
| 2.02 | Non-current Liabilities | 1,258,062 | 1,270,262 |
| 2.02.01 | Long-Term Liabilities | 1,258,062 | 1,270,262 |
| 2.02.01.01 | Loans and Financing | 1,156,560 | 1,182,403 |
| 2.02.01.02 | Debentures | 0 | 0 |
| 2.02.01.03 | Provisions | 0 | 0 |
| 2.02.01.04 | Debts with Related Parties | 0 | 0 |
| 2.02.01.05 | Advances for Future Capital Increase | 0 | 0 |
| 2.02.01.06 | Others | 101,502 | 87,859 |
| 2.02.01.06.01 | Accounts Payable and Provisions | 38,948 | 35,813 |
| 2.02.01.06.02 | Others Obligations | 62,554 | 52,046 |
| 2.02.02 | Deferred Income | 0 | 0 |
| 2.03 | Minority Interest | 0 | 0 |
| 2.04 | Shareholder s equity | 2,518,197 | 2,551,086 |
| 2.04.01 | Capital Stock | 1,363,752 | 1,363,729 |
| 2.04.02 | Capital Reserves | 89,556 | 89,556 |
| 2.04.03 | Revaluation Reserve | 0 | 0 |
| 2.04.03.01 | Own Assets | 0 | 0 |
| 2.04.03.02 | Subsidiaries/Affiliates | 0 | 0 |
| 2.04.04 | Profit Reserves | 1,064,889 | 1,097,801 |
| 2.04.04.01 | Legal | 0 | 0 |
| 2.04.04.02 | Statutory | 0 | 0 |
| 2.04.04.03 | For Contingencies | 0 | 0 |
| 2.04.04.04 | Realizable Profit | 0 | 0 |
| 2.04.04.05 | Profit Retention | 1,060,885 | 1,087,986 |

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| | | | |
|---------------|---------------------------------------|-------|-------|
| 2.04.04.06 | Special for Non-Distributed Dividends | 0 | 0 |
| 2.04.04.07 | Other Profit Reserves | 4,004 | 9,815 |
| 2.04.04.07.01 | Unrealized Hedge Result, Net | 4,004 | 9,815 |
| 2.04.05 | Accrued Profit/Loss | 0 | 0 |
| 2.04.06 | Advances for Future Capital Increase | 0 | 0 |

07.01 CONSOLIDATED STATEMENT OF INCOME (in thousands of Reais)

| 1 - CODE | 2 DESCRIPTION | 3 07/01/2007 to 09/30/2007 | 4 - 01/01/2007 to 09/30/2007 | 5 - 07/01/2006 to 09/30/2006 | 6 - 01/01/2006 to 09/30/2006 |
|------------|--|----------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 3.01 | Gross Revenue from Sales and/or Services | 1,336,464 | 3,608,391 | 1,125,689 | 2,900,153 |
| 3.01.01 | Passenger | 1,235,453 | 3,329,773 | 1,050,024 | 2,730,583 |
| 3.01.02 | Cargo | 43,469 | 116,188 | 36,088 | 87,925 |
| 3.01.03 | Others | 57,542 | 162,430 | 39,577 | 81,645 |
| 3.02 | Gross Revenue Deductions | (51,453) | (131,142) | (42,718) | (110,138) |
| 3.02.01 | Income taxes and contributions | (51,453) | (131,142) | (42,718) | (110,138) |
| 3.03 | Net Revenue from Sales and/or Services | 1,285,011 | 3,477,249 | 1,082,971 | 2,790,015 |
| 3.04 | Cost of Goods and Services Sold | (1,097,158) | (3,061,365) | (682,380) | (1,814,962) |
| 3.05 | Gross Income | 187,853 | 415,884 | 400,591 | 975,053 |
| 3.06 | Operating Expenses/Revenue | (191,312) | (452,548) | (165,594) | (439,879) |
| 3.06.01 | Sales | (98,968) | (261,332) | (126,041) | (329,001) |
| 3.06.02 | General and Administrative | (71,237) | (182,415) | (40,223) | (97,492) |
| 3.06.03 | Financial | (21,107) | (8,801) | 670 | (13,386) |
| 3.06.03.01 | Financial Revenues | 129,517 | 356,175 | 65,058 | 182,322 |
| 3.06.03.02 | Financial Expenses | (150,624) | (364,976) | (64,388) | (195,708) |
| 3.07 | Operating Income | (3,459) | (36,664) | 234,997 | 535,174 |
| 3.08 | Non-Operating Income | 0 | 0 | 75,118 | 75,118 |
| 3.08.01 | Revenues | 0 | 0 | 75,118 | 75,118 |
| 3.09 | Income Before Tax/Holding | (3,459) | (36,664) | 310,115 | 610,292 |
| 3.10 | Provision for Income Tax and Social Contribution | (19,839) | (42,650) | (86,621) | (215,946) |
| 3.11 | Deferred Income Tax | 34,619 | 270,887 | (20,766) | (214) |
| 3.12 | Statutory Holding/Contributions | 0 | 0 | 0 | 0 |
| 3.13 | Reversal of Interest on Own Capital | 38,095 | 106,495 | 29,504 | 96,947 |
| 3.14 | Minority Interest | 0 | 0 | 0 | 0 |
| 3.15 | Income/Loss for the Period | 49,416 | 298,068 | 232,232 | 491,079 |
| | No. SHARES, EX-TREASURY (in thousands) | 202,295 | 202,295 | 196,206 | 196,206 |
| | EARNINGS PER SHARE | 0.50085 | 1.73001 | 1.18361 | 2.50287 |
| | LOSS PER SHARE | | | | |

08.01 - COMMENTS ON THE CONSOLIDATED PERFORMANCE IN THE QUARTER

The following financial and operational information, except where indicated in the contrary, are presented in USGAAP and in Reais (R\$), and the comparisons refer to the third quarter of 2006 (3Q06).

MANAGEMENT'S COMMENTS ON 3Q07 RESULTS

The third quarter of 2007 was a period of growth, consolidation and innovation. GOL's best management practices are rationalizing VRG's costs to GOL levels. Fuel, leasing, maintenance, commercial and IT costs were reduced further in the quarter, and a new VARIG product was developed to serve the premium passenger segment. Our main focus was the re-launch of VRG's international operations. With the launch of our Paris and Rome routes, the signing of six interline agreements with international carriers and the launch of the new VARIG product, we hope to make flying an enjoyable experience for both Brazilian and international passengers, said Constantino de Oliveira Junior, GOL's president and CEO.

The Brazilian air transportation system is returning to regular and efficient standards of operation. The Company's top priority is the safety of its passengers and quality of its service. Following the accident at Congonhas airport in July, the Company reduced landings during peak hours by rerouting certain flights from Congonhas airport to Guarulhos airport, both in the city of São Paulo. In August, Brazilian authorities reduced operations and traffic at Congonhas airport. By the end of September, the Company had implemented adjustments to its flight network, redirecting connecting passengers through other airports and alleviating passenger traffic in the São Paulo airspace. The implementation of measures outlined by the airlines and the government in the third quarter represent the industry's long-term commitment to investing in infrastructure for the growth of the air passenger transportation market in Brazil, added Oliveira.

Passengers transported in 3Q07 increased 15.7% over 3Q06. Consolidated load factor decreased 17.6 percentage points to 61.2%, mainly due to the strong demand retraction experienced in August. Even in this challenging environment, the Company maintained high aircraft utilization rates of 13.4 block hours per day, while further reducing costs and maintaining market cost leadership.

Consolidated operating costs per ASK excluding fuel decreased 7.9% to 8.69 cents (R\$) year-over-year. Fuel costs per available seat kilometer (ASK) decreased 19.4% year-over-year and helped to decrease total consolidated operating cost per seat kilometer (CASK) by 12.8% to 14.23 cents (R\$). Cost reductions per ASK were also driven by lower selling expenses and lower landing fees. Our demonstrated ability to grow while continuing to reduce costs is a key success factor as we implement best practices into VRG's operations, modernizing and standardizing the fleet, rejuvenating an 80-year old brand and increasing operating and administrative productivity, added Richard Lark, GOL's executive vice president and CFO.

In terms of future performance, short and medium-term growth will be driven by the addition of new aircraft, new destinations and new frequencies. The addition of four B737-800 NG aircraft to the GTA fleet, and seven B737-800 NGs and six B767s to the VRG fleet in the third quarter of 2007 will increase 3Q07 ASKs by approximately 80%, as compared to the Company's capacity in the same quarter of 2006. During 4Q07, GTA will return two B737-300 and VRG will return six B737-300 aircraft.

GOL remains committed to its strategy of profitable expansion based on a low-cost structure and high quality customer service. We are very proud that 71 million passengers have chosen to fly with us, and we will continue to make every effort to offer our customers the best in air travel: new, modern aircraft, frequent flights in major markets, an ever-expanding integrated route system and the lowest fares, all of which is made possible by our dedicated team

of employees who are the key to our success," stated Oliveira. By remaining focused on our low-cost business model while continuing to grow, innovate and provide the highest quality service through both GTA and VRG, we will continue to create value for our customers, employees and shareholders.

REVENUES

Net operating revenues, principally revenues from passenger transportation, increased 20.4% to R\$1.3bn, primarily due to a 71.6% increase in capacity and the incorporation of VRG's revenue, which generated 33.2% more revenue passenger kilometers (RPK), offset by lower yields and load factors. External factors related to events at the end of July at Congonhas airport generated a demand retraction that contributed to a load factor reduction. GOL's consolidated RPK growth was driven by a 43.9% increase in departures and an 18.6% increase in stage length, offset by a 17.6 percentage point decrease in load factor to 61.2%. Consolidated RPKs grew 33.2% to 5,470mm and revenue passengers grew 15.7% to 5.5mm.

Average fares increased 1.1% from R\$217.9 to R\$220.3 and yields decreased 11.7% to 21.7 cents (R\$) per passenger kilometer, mainly due to an 18.6% increase in aircraft stage length. Consolidated operating revenues per ASK (RASK) decreased 29.9% to R\$14.6 cents in 3Q07 (compared to R\$20.8 cents in 3Q06).

The 71.6% year-over-year capacity expansion, measured by ASKs, facilitated the addition of 14 new daily flight frequencies for GTA in 3Q07, as well as four new daily flight frequencies for VRG. The addition of 39.7 average operating aircraft compared to 3Q06 (from 51.3 to 91.0 average aircraft) drove the ASK increase.

GTA's domestic market share averaged 38% and VRG's averaged 3% during the quarter. Through its regular international flights, GTA achieved an international market share of 14% (share of Brazilian airlines flying to international destinations) in the same period. VRG's international market share was 14%. Approximately 22.6% of consolidated RPKs were related to international passenger traffic in 3Q07.

Cargo transportation activities primarily contributed to the expansion of other operating revenues, increasing from R\$72.8mm in 3Q06 to R\$114.8mm in 3Q07.

OPERATING EXPENSES

Total consolidated CASK decreased 12.8% to 14.23 cents (R\$), due to lower selling expenses, a reduction in fuel expenses and lower landing fees expenses per ASK. Operating expenses per ASK excluding fuel decreased by 7.9% to 8.69 cents (R\$). Total operating expenses increased 49.8%, reaching R\$1,272.8mm, due to higher fuel expenses, increased air traffic servicing expenses, higher maintenance expenses and the expansion of the Company's operations (fleet and employee expansion as well as a higher volume of landing fees) and an increase in salaries, wages and benefits. The R\$137.5mm increase in fuel expenses was due to an increase in fuel consumption, partially offset by a reduction in fuel price per liter in 3Q07. Breakeven load factor decreased two percentage points to 59.8% versus 61.8% in 3Q06.

Results from GOL's operating expense (jet fuel price and USD exchange rate) hedging programs are accounted for in accordance with SFAS 133 (*Statement of Financial Accounting Standards No 133*), Accounting for Derivatives and Hedging Activities.

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The breakdown of our costs and operational expenses for 3Q07, 3Q06 and 2Q07 is as follows:

Operating Expenses (R\$ cents / ASK)

| | 3Q07 | 3Q06 | % Chg. | 2Q07 | % Chg. |
|------------------------------------|--------------|--------------|---------------|--------------|---------------|
| Aircraft fuel | 5.54 | 6.87 | -19.4% | 5.62 | -1.4% |
| Salaries, wages and benefits | 2.24 | 2.14 | 4.7% | 2.02 | 10.9% |
| Aircraft rent | 1.56 | 1.30 | 20.0% | 1.54 | 1.3% |
| Sales and marketing | 1.11 | 2.42 | -54.1% | 0.97 | 14.4% |
| Landing fees | 0.82 | 0.96 | -14.6% | 0.80 | 2.5% |
| Aircraft and traffic servicing | 0.90 | 0.87 | 3.4% | 1.13 | -20.4% |
| Maintenance, materials and repairs | 1.09 | 0.61 | 78.7% | 0.87 | 25.3% |
| Depreciation | 0.26 | 0.32 | -18.8% | 0.33 | -21.2% |
| Other operating expenses | 0.71 | 0.82 | -13.4% | 0.82 | -13.4% |
| Total operating expenses | 14.23 | 16.31 | -12.8% | 14.10 | 0.9% |

Operating expenses ex- fuel **8.69** 9.44 **-7.9%** 8.48 **2.5%**

Operating Expenses (R\$ million)

| | 3Q07 | 3Q06 | % Chg. | 2Q07 | % Chg. |
|------------------------------------|----------------|--------------|---------------|----------------|---------------|
| Aircraft fuel | 495.2 | 357.7 | 38.4% | 496.2 | -0.2% |
| Salaries, wages and benefits | 200.2 | 111.7 | 79.2% | 178.1 | 12.4% |
| Aircraft rent | 139.5 | 67.5 | 106.7% | 136.1 | 2.5% |
| Sales and marketing | 99.1 | 126.0 | -21.4% | 85.8 | 15.5% |
| Landing fees | 73.6 | 50.2 | 46.6% | 70.3 | 4.7% |
| Aircraft and traffic servicing | 80.5 | 45.1 | 78.5% | 100.0 | -19.5% |
| Maintenance, materials and repairs | 97.9 | 32.0 | 206.0% | 76.5 | 28.0% |
| Depreciation | 23.1 | 16.7 | 38.3% | 29.5 | -21.7% |
| Other operating expenses | 63.7 | 42.9 | 48.5% | 72.5 | -12.1% |
| Total operating expenses | 1,272.8 | 849.9 | 49.8% | 1,245.0 | 2.2% |

Operating expenses ex- fuel **777.6** 492.2 **58.0%** 748.8 **3.9%**

Aircraft fuel expenses per ASK decreased 19.4% over 3Q06 to 5.54 cents (R\$), mainly due to lower fuel prices per liter and a proportionally more fuel efficient fleet (additional larger, winglet-equipped aircraft in the fleet) partially offset by an increase in fuel consumption. The decrease in average fuel price per liter versus 3Q06 was primarily due to an increase in international flights (with lower taxes on fuel) and an 11.5% Brazilian Real appreciation against the U.S. Dollar, partially offset by increases of 6.8% in international crude oil (WTI) prices and 5.6% in Gulf Coast jet fuel prices (factors influencing the determination of Brazilian jet fuel prices). The Company has hedged approximately 37%, 7% and 6% of its fuel requirements for 4Q07, 1Q08 and 2Q08, respectively.

Salaries, wages and benefits expenses per available seat kilometer (ASK) increased 4.7% to 2.24 cents (R\$) in 3Q07 -- primarily due to a 5% cost of living increase on salaries in December 2006 and a 79.4% increase in the number of

full-time equivalent employees to 14,436 -- related to planned 3Q07 and 4Q07 capacity expansion and internalization of call center employees, partially offset by higher productivity per ASK in the quarter.

Aircraft rent per ASK increased 20.0% to 1.56 cents (R\$) in 3Q07, primarily due to a lower aircraft utilization rate (6.3% less block hours per day) resulting from airport closings, flight delays and cancellations that affected the Brazilian air transportation industry during 3Q07, partially offset by an 11.5% Brazilian Real appreciation against the U.S. Dollar.

Sales and marketing expenses per ASK decreased 54.1% to 1.11 cents (R\$) due to reductions in percentage of commission paid to travel agencies that took effect in January 2007, and a reduction in marketing and advertising expenses. During the quarter, GTA booked a majority of its ticket sales through a combination of its website (78.6%) and its call center (9.7%) . VRG booked 8% of its sales on the web since the re-launch of its website on October 23.

Landing fees per ASK decreased 14.6% to 0.82 cents (R\$), due to an 18.6% increase in average stage length, partially offset by an increase in landings at international airports (with higher tariffs).

Aircraft and traffic servicing expenses per ASK increased 3.4% to 0.90 cents (R\$), mainly due to higher ground handling services expenses (landings increased 43.9%) and increases in consulting and technology services, partially offset by a higher average stage length.

Maintenance, materials and repairs per ASK increased 78.7% to 1.09 cents (R\$), primarily due to a higher number of scheduled maintenance services during 3Q07, partially offset by an 11.5% appreciation of the Brazilian Real against the U.S. Dollar. Main expenses during the quarter were related to the scheduled maintenance of 11 aircraft in the amount of R\$53.3mm, the use of spare parts inventory in the amount of R\$19.1mm and the repair of rotatable materials in the amount of R\$17.4mm.

Depreciation per ASK decreased 18.8% to 0.26 cents (R\$), due to the dilution of expenses in a higher number of ASKs, partially offset by a higher amount of fixed assets (mainly spare parts inventory) and an increase of R\$7.5mm related to depreciation of ten new 737-800 NG aircraft which entered the fleet between 4Q06 and 3Q07, and two 737-700 aircraft classified as capital leases.

Other operating expenses per ASK were 0.71 cents (R\$), a 13.4% decrease when compared to the same period of the previous year, due to a decrease in travel expenses, lodging of flight crews and direct passenger expenses, as well as lower provisions related to allowance for doubtful accounts. Insurance expenses were 0.12 cents (R\$) per ASK (R\$11.1mm total), a 13.7% decrease over 3Q06.

COMMENTS ON EBITDA AND EBITDAR¹

The impact of a 6.21 cent (R\$) RASK decrease partially offset by a CASK decrease of 2.08 cents (R\$) resulted in a decrease of EBITDA per available seat kilometer to 0.61 cents (R\$) in 3Q07. EBITDA totaled R\$53.9mm in the period compared to R\$249.8mm in 3Q06 and R\$(63.9)mm in 2Q07.

EBITDAR Calculation (R\$ cents / ASK)

| | 3Q07 | 3Q06 | Chg. % | 2Q07 | Chg. % |
|-----------------------------|--------------|--------------|-----------------|--------------|----------------|
| Net Revenues | 14.58 | 20.79 | -29.9% | 13.05 | 11.7% |
| Operating Expenses | 14.23 | 16.31 | -12.8% | 14.10 | 0.9% |
| EBIT | 0.35 | 4.48 | -92.2% | -1.05 | nm |
| Depreciation & Amortization | 0.26 | 0.32 | -18.8% | 0.33 | -21.2% |
| EBITDA | 0.61 | 4.80 | -87.3% | -0.72 | nm |
| <i>EBITDA Margin</i> | <i>4.2%</i> | <i>23.1%</i> | <i>-18.9 pp</i> | <i>-5.5%</i> | <i>+9.7 pp</i> |
| Aircraft Rent | 1.56 | 1.30 | 20.0% | 1.54 | 1.3% |
| EBITDAR | 2.17 | 6.10 | -64.4% | 0.82 | 164.6% |
| <i>EBITDAR Margin</i> | <i>14.9%</i> | <i>29.3%</i> | <i>-14.4 pp</i> | <i>6.3%</i> | <i>+8.6 pp</i> |

EBITDAR Calculation (R\$ million)

| | 3Q07 | 3Q06 | Chg. % | 2Q07 | Chg. % |
|-----------------------------|--------------|--------------|-----------------|--------------|----------------|
| Net Revenues | 1,303.5 | 1,083.0 | 20.4% | 1,151.5 | 13.2% |
| Operating Expenses | 1,272.8 | 849.8 | 49.8% | 1,244.9 | 2.2% |
| EBIT | 30.8 | 233.1 | -86.8% | -93.4 | nm |
| Depreciation & Amortization | 23.1 | 16.7 | 38.3% | 29.5 | -21.7% |
| EBITDA | 53.9 | 249.8 | -78.4% | -63.9 | nm |
| EBITDA Margin | 4.2% | 23.1% | -18.9 pp | -5.5% | +9.7 pp |
| Aircraft Rent | 139.5 | 67.5 | 106.7% | 136.1 | 2.5% |
| EBITDAR | 193.4 | 317.3 | -39.0% | 72.2 | 167.9% |
| EBITDAR Margin | 14.9% | 29.3% | -14.4 pp | 6.3% | +8.6 pp |

¹EBITDA (earnings before interest, taxes, depreciation and amortization) and EBITDAR (earnings before interest, taxes, depreciation, amortization and rent) are non-USGAAP measures and are presented as supplemental information because we believe they are useful indicators of our operating performance for our investors. We usually present EBITDAR, in addition to EBITDA, because aircraft leasing represents a significant operating expense of our business, and we believe the impact of this expense should be considered in addition to the impact of depreciation and amortization. However, neither figure should be considered in isolation, as a substitute for net income prepared in accordance with US GAAP, BR GAAP or as a measure of a company's profitability. In addition, our calculations may not be comparable to other similarly titled measures of other companies.

Aircraft rent represents a significant operating expense for the Company. As the Company today leases most of its aircraft, we believe that EBITDAR, equivalent to EBITDA before aircraft rent expenses (which are USD-denominated) is a useful measure of relative operating performance for users of our financial statements. On a per-ASK basis, EBITDAR was 2.17 cents (R\$) in 3Q07, compared to 6.10 cents (R\$) in 3Q06. EBITDAR amounted to R\$193.4mm in 3Q07, compared to R\$317.3mm in the same period last year and R\$72.2mm in 2Q07.

FINANCIAL RESULTS

Net financial income increased R\$10.6mm and totaled R\$ 31.6mm in 3Q07. Interest expenses increased R\$8.7mm year-over-year primarily due to an increase in long-term debt and a higher amount of short-term working capital debt related to growth in operations. Interest income increased R\$19.5mm primarily due to a higher volume of cash and short-term investments versus 3Q06 and was partially offset by a 3.1 percentage point reduction in average Brazilian interest rates (as measured by the CDI rate).

| Financial Results (R\$ thousands) | 3Q07 | 3Q06 | 2Q07 |
|--|---------------|---------------|---------------|
| Interest expense | (33,194) | (24,497) | (40,991) |
| Capitalized interest | 16,561 | 9,149 | 4,089 |
| Interest and investment income | 62,041 | 42,578 | 72,879 |
| Other gains (losses) | (13,817) | (6,237) | 8,983 |
| Net Financial Results | 31,591 | 20,993 | 44,960 |

NET INCOME AND EARNINGS PER SHARE

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Reported net income in 3Q07 was R\$45.5mm, representing a 3.5% net income margin, versus R\$190.0mm of net income in 3Q06.

Reported net earnings per share, basic, was R\$0.22 in 3Q07 compared to net earnings per share of R\$0.97 in 3Q06. Basic weighted average shares outstanding were 202,295,169 in 3Q07 and 196,206,466 in 3Q06. Reported net earnings per share, diluted, was R\$0.22 in 3Q07 compared to net earnings per share of R\$0.97 in 3Q06. Fully-diluted weighted average shares outstanding were 202,319,917 in 3Q07 and 196,287,466 in 3Q06.

Reported net earnings per ADS, basic, was US\$0.12 in 3Q07 compared to net earnings per ADS of US\$0.45 in 3Q06. Basic weighted average ADS outstanding were 202,295,169 in 3Q07 and 196,206,466 in 3Q06. Reported net earnings per ADS, diluted, was US\$0.12 in 3Q07 compared to net earnings per ADS of US\$0.45 in 3Q06. Fully-diluted weighted average ADS outstanding were 202,319,917 in 3Q07 and 196,287,466 in 3Q06.

3Q07 earnings per share in BRGAAP was R\$0.24 (US\$0.13 per ADS). 3Q07 net income in BRGAAP was R\$49.4mm (US\$27.0mm), representing a net margin of 3.8% .

Based on GOL's quarterly dividend policy for fiscal 2007, Management recommended a net payment to common and preferred shareholders of R\$0.35 per share. The gross total payout approved for 3Q07 was R\$76.5mm (R\$70.8mm net of withholding tax consisting of R\$32.4mm paid as interest on shareholders' equity and R\$38.4mm paid in dividends both paid on November 5, 2007, to shareholders of record on September 27, 2007) equivalent to approximately R\$0.3500 per share and US\$0.1826 per ADS.

CASH FLOW

Cash, cash equivalents and short-term investments decreased R\$217.0mm during 3Q07. Net cash provided by operating activities was R\$75.4mm, mainly due to R\$45.5mm in earnings from operations and an increase of R\$54.6mm in accounts payable and other accrued liabilities, partially offset by an increase in inventories (R\$71.8mm), accounts receivable (R\$62.0mm) and a reduction in air traffic liability (R\$27.2mm).

Net cash used in investing activities was R\$268.2mm, consisting primarily of R\$209.3mm in acquisition of property and equipment (spare parts, aircraft equipment, IT) and R\$144.1mm in deposits for aircraft leasing contracts and the international clearing house IATA (related to VRG's international expansion).

Net cash used in financing activities during 3Q07 was R\$24.2mm, mainly due to R\$76.5mm in dividends paid, partially offset by an increase in short-term borrowings (R\$48.9mm) .

| Cash Flow Summary (R\$ million) | 3Q07 | 3Q06 | % Change | 2Q07 | % Change |
|--|----------------|--------------|---------------------|--------------|---------------------|
| Net cash provided by (used in) operating activities | 75.4 | 316.1 | -76.2% | (25.8) | nm |
| Net cash used in investing activities ¹ | (268.2) | (35.7) | 651.3% | (188.5) | 42.3% |
| Net cash provided by financing activities | (24.2) | 70.5 | nm | 470.3 | nm |
| Net increase in cash, cash equivalents & short term investments | (217.0) | 350.9 | nm | 256.0 | nm |

1. Excluding R\$11.8mm in change in available-for-sale securities in 3Q07, R\$314.5mm in 3Q06 and R\$138.3mm in 2Q07 of cash invested in highly-liquid short-term investments with maturities above 90 days, as defined by SFAS 115.

COMMENTS ON THE BALANCE SHEET

The Company's net cash position on September 30, 2007, was R\$1,542.2mm, a decrease of R\$217.0mm over 2Q07. The Company's total liquidity was R\$2,362.6mm (cash, short-term investments and accounts receivable) at the end of 3Q07. The Company had R\$698.3mm on deposits with lessors and had R\$410.1mm deposited with Boeing as advances for aircraft acquisitions. On September 30, 2007, the Company had 5 revolving lines of credit allowing borrowings up to R\$652.0mm; the amount utilized under these lines of credit was R\$495.3mm.

| Cash Position and Debt (R\$ million) | 9/30/2007 | 6/30/2007 | % Change |
|---|------------------|------------------|-----------------|
| Cash, cash equivalents & short-term investments | 1,542.2 | 1,759.1 | -12.3% |
| Short-term debt | 495.3 | 382.7 | 29.4% |
| Long-term debt | 1,669.6 | 1,444.7 | 15.6% |
| Net cash | (622.7) | (68.3) | 811.7% |

The Company currently leases most of its aircraft, as well as airport terminal space, other airport facilities, office space and other equipment. On September 30, 2007, the Company operated 81 aircraft under operating leases with initial lease term expiration dates ranging from 2007 to 2019, and has 12 aircraft under capitalized leases. Future minimum lease payments under leases are denominated in U.S. Dollars.

As of September 30, 2007, the Company had 69 firm orders (net of 18 already delivered) and 34 options to purchase new Boeing 737-800 Next Generation aircraft. The firm orders had an approximate value of US\$5.0bn (based on aircraft list price) and are scheduled for delivery between 2007 and 2012. As of September 30, 2007, GOL has made deposits in the amount of US\$224.1mm related to these orders.

The following table provides a summary of our principal payments under long-term obligations, operating lease commitments, aircraft purchase commitments, and other obligations as of September 30, 2007:

| Principal obligations (R\$ thousands) | | | | | | | | Beyond | Total |
|--|------------------|------------------|------------------|------------------|------------------|--------------|----------------|-------------------|--------------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2013 | | |
| Long-term debt obligations | - | 147,604 | 36,601 | 36,601 | 34,236 | 7,705 | 481,309 | 744,056 | |
| Pre-delivery deposits | 184,608 | 266,875 | 281,043 | 275,537 | 120,397 | - | - | 1,128,460 | |
| Aircraft purchase commitments | 1,848,574 | 1,415,390 | 2,377,374 | 1,759,443 | 1,676,919 | - | - | 9,077,700 | |
| Total | 2,033,182 | 1,829,869 | 2,695,018 | 2,071,581 | 1,831,552 | 7,705 | 481,309 | 10,950,216 | |

Expected fleet growth from 2007 to 2012 is as follows:

| Fleet Plan | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| GTA: 141-seat B737-300 | 12 | 7 | 3 | - | - | - |
| VRG: 141-seat B737-300 | 10 | 2 | - | - | - | - |
| GTA: 144-seat B 737-700 NG | 30 | 28 | 23 | 20 | 10 | 10 |

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| | | | | | | |
|---------------------------|------------|------------|------------|------------|------------|------------|
| VRG: 132-seat B737-700 NG | - | 6 | 6 | 7 | 8 | 9 |
| GTA: 177-seat B737-800 NG | 12 | 13 | 11 | 7 | 6 | 5 |
| GTA: 187-seat B737-800 NG | 22 | 29 | 45 | 61 | 74 | 82 |
| VRG: 177-seat B737-800 NG | 5 | 8 | 10 | 11 | 13 | 15 |
| VRG: 187-seat B737-800 NG | 2 | 4 | 4 | 4 | 4 | 4 |
| VRG: 218-seat B767-300 ER | 10 | 14 | 16 | 16 | 17 | 18 |
| Total | 103 | 111 | 118 | 126 | 132 | 143 |

RETURNS

GOL's return indicators for the twelve-month period ended in each quarter are presented below:

Returns

| | LTM 3Q07 | LTM 3Q06 | % Change | LTM 2Q07 | % Change |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| (US GAAP) | | | | | |
| Net Revenues / Aircraft (US\$000) | 30,097 | 33,759 | -10.8% | 32,891 | -8.5% |
| Operating Profit / Aircraft (US\$000) | 1,263 | 7,572 | -83.3% | 3,111 | -59.4% |
| Net Revenues / ASK (US\$ cents) | 7.9 | 9.1 | -13.2% | 8.0 | -1.3% |
| Operating Profit / ASK (US\$ cents) | 0.3 | 1.9 | -84.2% | 0.7 | -57.1% |
| ROE ⁽¹⁾ | 8.9% | 21.8% | -12.9 pp | 14.5% | -5.6 pp |
| ROA ⁽²⁾ | 3.3% | 8.8% | -5.5 pp | 5.9% | -2.6 pp |
| LTM Net Dividend Yield ⁽³⁾ | 2.8% | 1.0% | +1.8 pp | 1.9% | +0.9 pp |

(1) Net Income / Net Equity

(2) Net Income / Total Assets

(3) LTM Dividend / Share Price at period end

OUTLOOK

GOL continues to invest in its successful low-cost business model. We continue to evaluate opportunities to expand our operations by adding new flights in Brazil, as well as expanding into other high-traffic centers internationally. We expect to benefit from economies of scale as we continue to add new aircraft to our already well-established and highly efficient operating network. We expect to reduce our non-fuel cost per available seat-kilometer (CASK) as we continue to reduce the age of our fleet, operate an even more fuel efficient fleet, benefit from the cost savings associated with our Aircraft Maintenance Center, and improve upon our cost-efficient distribution channels. Through the VARIG brand name, VRG is providing an attractive service offering to business travelers in the domestic market and offer new services to high-traffic international destinations in South America, North America and Europe.

The air passenger transportation market in Brazil remains largely under-penetrated, and increasing available seats at low fares is important for the continued development of the sector and the economy. The scheduled net addition of two aircraft to the GTA fleet and seven to the VRG fleet in the fourth quarter of 2007 will permit an 80% increase in available seat capacity over GOL's reported capacity in 4Q06.

For the fourth quarter of 2007, we expect consolidated load factors in the range of 64 to 66% (a 3 to 5 point increase versus 3Q07) with consolidated passenger yields in the range of R\$22-24 cents (an increase of approximately 6% versus 3Q07). For the fourth quarter, we expect consolidated non-fuel CASK to be in the range of R\$8.4 cents. We expect that the incorporation of larger, more fuel-efficient aircraft will reduce our fuel costs per ASK by approximately 1% in 4Q07 in year-over-year comparison. We expect a stable foreign exchange rate environment for the near term, supported by good economic fundamentals in the Brazilian economy.

In the full-year 2007, we plan to increase revenues nearly 40% while reducing unit costs by more than 10%. We expect to stimulate air travel demand in the middle and lower income segments through our innovative payment mechanisms. Financial guidance for 2007 is based on planned capacity expansion and the expected high demand for our passenger transportation services both domestically and internationally, driven by strong Brazilian economic fundamentals and demand-stimulating fares. We plan to finish the year with 103 aircraft in the combined GTA and VRG fleets. Our planned ASK increase of approximately 76% will allow us to adequately serve expected passenger

demand and add new routes and markets in Brazil, South America, Europe and North America in 2007 and 2008. Average load factors for the year are expected to be in the 64 to 66% range. Passenger yields are expected to decrease approximately 13% in the full-year 2007, primarily due to an increase in stage length; RASK in the full-year comparison is expected to decrease approximately 21%.

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Our projections are for a 2007 full-year EPS in the range of R\$1.40 to R\$1.80, reflecting the impact of lower loads and yields. Full-year non-fuel CASK is expected to be in the R\$8.4 cent range, a reduction of 10% versus 2006. Fuel costs per ASK are expected to decrease over 10% in the year due to larger, more fuel-efficient aircraft and lower fuel prices. Full-year operating margins are expected to be in the 5 to 8% range. We plan to continue to popularize air travel through expansion, technological innovation, improved operating efficiency, strict cost management, the lowest fares and high quality passenger service.

The Company has reviewed its full-year guidance to account for expected 4Q07 results. GOL's old and new guidance for full-year 2007 can be found in the table below:

| 2007 Financial Outlook (US GAAP, Consolidated) | Previous | Updated |
|---|---------------------|---------------------|
| ASK Growth | +/- 75% | +/- 76% |
| Average Load Factor | +/- 64 - 66% | +/- 64 - 66% |
| Net Revenues (billion) | +/- R\$5.2 - R\$5.4 | +/- R\$5.2 - R\$5.3 |
| CASK ex-fuel (R\$ cents) | +/- 8.3 | +/- 8.4 |
| Operating Margin | +/- 7 - 11% | +/- 5 - 8% |
| Earnings per Share | R\$1.60 - R\$2.10 | R\$1.40 - R\$1.80 |

Consolidated Operating Data

US GAAP - Unaudited

| | 3Q07 | 3Q06 | % Change |
|--|------------|------------|----------|
| Revenue Passengers (000) | 5,543 | 4,791 | 15.7% |
| GTA | 4,951 | 4,791 | 3.3% |
| VRG ⁽¹⁾ | 592 | - | - |
| Revenue Passengers Kilometers (RPK) (mm) | 5,470 | 4,107 | 33.2% |
| GTA | 4,598 | 4,107 | 12.0% |
| VRG ⁽¹⁾ | 872 | - | - |
| Available Seat Kilometers (ASK) (mm) | 8,941 | 5,210 | 71.6% |
| GTA | 7,266 | 5,210 | 39.5% |
| VRG ⁽¹⁾ | 1,675 | - | - |
| Load factor | 61.2% | 78.8% | -17.6 pp |
| GTA | 63.3% | 78.8% | -15.5 pp |
| VRG ⁽¹⁾ | 52.1% | - | - |
| Break-even load factor | 59.8% | 61.8% | -2.0 pp |
| Aircraft utilization (block hours per day) | 13.4 | 14.3 | -6.3% |
| GTA | 13.8 | 14.3 | -3.5% |
| VRG ⁽¹⁾ | 11.5 | - | - |
| Average fare | R\$ 220.28 | R\$ 217.94 | 1.1% |
| Yield per passenger kilometer (cents) | 21.73 | 24.60 | -11.7% |
| Passenger revenue per available set kilometer (cents) | 13.30 | 19.39 | -31.4% |
| Operating revenue per available seat kilometer (RASK) (cents) | 14.58 | 20.79 | -29.9% |
| Operating cost per available seat kilometer (CASK) (cents) | 14.23 | 16.31 | -12.8% |
| Operating cost, excluding fuel, per available seat kilometer (cents) | 8.69 | 9.44 | -7.9% |
| Number of Departures | 61,160 | 42,514 | 43.9% |
| Average stage length (km) | 974 | 821 | 18.6% |
| Average number of operating aircraft during period | 91.0 | 51.3 | 77.4% |
| GTA | 71.9 | 51.3 | 40.2% |
| VRG ⁽¹⁾ | 19.1 | - | - |
| Fuel consumption (mm liters) | 305.6 | 186.6 | 63.8% |
| Full-time equivalent employees at period end | 14,436 | 8,045 | 79.4% |
| GTA | 11,914 | 8,045 | 48.1% |
| VRG ⁽¹⁾ | 2,522 | - | - |
| % of GTA Sales through website during period | 78.6% | 80.1% | -1.5 pp |
| % of GTA Sales through website and call center during period | 88.3% | 91.5% | -3.2 pp |
| Average Exchange Rate ⁽²⁾ | R\$ 1.92 | R\$ 2.17 | -11.5% |
| End of period Exchange Rate ⁽²⁾ | R\$ 1.83 | R\$ 2.17 | -15.7% |
| Inflation (IGP-M) ⁽³⁾ | 2.6% | 0.8% | +1.8 pp |
| Inflation (IPCA) ⁽⁴⁾ | 0.9% | 0.5% | +0.4 pp |
| WTI (avg. per barrel, US\$) ⁽⁵⁾ | \$75.24 | \$70.48 | 6.8% |
| Gulf Coast Jet Fuel Cost (average per liter, US\$) ⁽⁵⁾ | \$0.57 | \$0.54 | 5.6% |

⁽¹⁾ VRG data since April 9, 2007⁽⁴⁾Source: IBGE
Source:⁽²⁾Source: Brazilian Central Bank⁽⁵⁾Bloomberg⁽³⁾Source: Fundação Getulio Vargas

Consolidated Statement of Operations

US GAAP - Unaudited

R\$ 000

| | 3Q07 | 3Q06 | % Change |
|--|------------------|------------------|-----------------|
| Net operating revenues | | | |
| Passenger | R\$ 1,188,751 | R\$ 1,010,178 | 17.7% |
| Cargo and Other | 114,793 | 72,793 | 57.7% |
| Total net operating revenues | 1,303,544 | 1,082,971 | 20.4% |
| Operating expenses | | | |
| Aircraft fuel | 495,170 | 357,711 | 38.4% |
| Salaries, wages and benefits | 200,188 | 111,709 | 79.2% |
| Aircraft rent | 139,483 | 67,498 | 106.6% |
| Sales and marketing | 99,101 | 126,041 | -21.4% |
| Landing fees | 73,601 | 50,181 | 46.7% |
| Aircraft and traffic servicing | 80,553 | 45,129 | 78.5% |
| Maintenance materials and repairs | 97,896 | 31,990 | 206.0% |
| Depreciation | 23,125 | 16,716 | 38.3% |
| Other | 63,670 | 42,933 | 48.3% |
| Total operating expenses | 1,272,787 | 849,908 | 49.8% |
| Operating income (loss) | 30,757 | 233,063 | -86.8% |
| Other income (expense) | | | |
| Interest expenses | (33,194) | (24,497) | 35.5% |
| Capitalized interest | 16,561 | 9,149 | 81.0% |
| Interest and investment income | 62,041 | 42,578 | 45.7% |
| Other, net | (13,817) | (6,237) | 121.5% |
| Total other income (expense) | 31,591 | 20,993 | 50.5% |
| Income (loss) before income taxes | 62,348 | 254,056 | -75.5% |
| Income taxes (benefit) | (16,835) | (64,050) | -73.7% |
| Net income (loss) | 45,513 | 190,006 | -76.0% |
| Earnings (loss) per share, basic | \$0.22 | \$0.97 | -77.3% |
| Earnings (loss) per share, diluted | \$0.22 | \$0.97 | -77.3% |
| Earnings (loss) per ADS, basic - US Dollar | \$0.12 | \$0.45 | -73.3% |
| Earnings (loss) per ADS, diluted - US Dollar | \$0.12 | \$0.45 | -73.3% |
| Basic weighted average shares outstanding (000) | 202,295 | 196,206 | 3.1% |
| Diluted weighted average shares outstanding (000) | 202,320 | 196,287 | 3.1% |

Consolidated Balance Sheet

US GAAP - Unaudited

R\$ 000

**September 30,
2007****June 30, 2007**

| | | |
|---|------------------|------------------|
| ASSETS | 6,619,020 | 6,211,836 |
| Current Assets | 2,896,348 | 3,093,012 |
| Cash and cash equivalents | 324,943 | 553,669 |
| Short-term investments | 1,217,235 | 1,205,474 |
| Receivables, less allowance | 820,438 | 763,027 |
| Inventories | 217,733 | 145,930 |
| Recoverable taxes and deferred income tax | 93,289 | 88,640 |
| Prepaid expenses | 85,394 | 91,997 |
| Deposits with lessors | 79,443 | 211,457 |
| Other | 57,873 | 32,818 |
| Property and Equipment, net | 1,665,218 | 1,263,686 |
| Pre-delivery deposits | 410,149 | 478,864 |
| Flight equipment | 1,315,383 | 837,279 |
| Other | 167,378 | 140,764 |
| Accumulated depreciation | (227,692) | (193,221) |
| Other Assets | 2,057,454 | 1,855,138 |
| Deposits with lessors | 618,855 | 433,294 |
| Deferred income tax | 65,292 | 26,938 |
| Goodwill | 255,811 | 255,811 |
| Trade names | 219,603 | 219,603 |
| Routes | 778,561 | 778,561 |
| Other | 119,332 | 140,931 |
| LIABILITIES AND SHAREHOLDER'S EQUITY | 6,619,020 | 6,211,836 |
| Current Liabilities | 1,682,636 | 1,447,571 |
| Accounts payable | 270,721 | 216,151 |
| Salaries, wages and benefits | 131,275 | 107,305 |
| Sales tax and landing fees | 133,943 | 128,678 |
| Air traffic liability | 341,661 | 368,837 |
| Short-term borrowings | 495,290 | 382,726 |
| Dividends payable | 78,972 | 76,568 |
| Deferred gains on sale and leaseback transactions | - | 7,171 |
| Deferred revenue | 55,958 | 54,801 |
| Current portion of long-term debt | 92,845 | 58,062 |
| Other | 81,971 | 47,272 |
| Long Term Liabilities | 2,459,614 | 2,251,045 |
| Long-term debt | 1,669,550 | 1,444,710 |
| Deferred gains on sale and leaseback transactions | 41,458 | 47,582 |
| Deferred revenue | 590,571 | 610,262 |
| Other | 158,035 | 148,491 |
| Shareholder's Equity | 2,476,770 | 2,513,220 |
| Preferred shares (no par value) | 1,207,780 | 1,207,780 |
| Common shares (no par value) | 41,500 | 41,500 |
| Additional paid-in capital | 36,592 | 36,227 |
| Appropriated retained earnings | 39,577 | 39,577 |

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| | | |
|--------------------------------------|-----------|-----------|
| Unappropriated retained earnings | 1,147,317 | 1,178,321 |
| Accumulated other comprehensive loss | 4,004 | 9,815 |

Consolidated Statement of Cash Flows

US GAAP - Unaudited

R\$ 000

| | 3Q07 | 3Q06 | % Change |
|---|------------------|------------------|---------------|
| Cash flows from operating activities | | | |
| Net income (loss) | 45,513 | 190,006 | -76.0% |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation | 23,125 | 19,589 | 18.1% |
| Allowance for doubtful accounts receivable | 4,600 | 4,168 | 10.4% |
| Deferred income taxes | (30,078) | 7,220 | nm |
| Capitalized interest | (16,561) | (9,647) | 71.7% |
| Deferred revenue | (18,534) | - | nm |
| Changes in operating assets and liabilities | | | |
| Receivables | (62,011) | (142,738) | -56.6% |
| Inventories | (71,803) | (25,359) | 183.1% |
| Deposits with lessors | (1,457) | 24,763 | nm |
| Accounts payable and other accrued liabilities | 54,570 | 99,945 | -45.4% |
| Air traffic liability | (27,176) | 81,743 | nm |
| Dividends | 32,746 | 92,771 | -64.7% |
| Other, net | 142,431 | (26,373) | nm |
| Net cash provided by (used in) operating activities | 75,365 | 316,088 | -76.2% |
| Cash flows from investing activities | | | |
| Deposits for aircraft leasing contracts | (144,116) | (9,875) | 1359.4% |
| Acquisition of property and equipment | (209,319) | (45,450) | 360.5% |
| Pre-delivery deposits | 85,276 | 19,580 | 335.5% |
| Changes in available-for-sale securities, net | (11,761) | (314,467) | -96.3% |
| Net cash used in investing activities | (279,920) | (350,212) | -20.1% |
| Cash flows from financing activities | | | |
| Short term borrowings | 48,852 | 10,322 | 373.3% |
| Proceeds from issuance of long-term debt | 8,940 | 188,886 | -95.3% |
| Paid subscribed capital | - | (1,977) | -100.0% |
| Dividends paid | (76,517) | (119,743) | -36.1% |
| Others, net | (5,446) | (6,961) | -21.8% |
| Net cash provided by financing activities | (24,171) | 70,527 | nm |
| Net increase in cash and cash equivalents | | | |
| Net increase in cash and cash equivalents | (228,726) | 36,403 | nm |
| Cash and cash equivalents at beginning of the period | 553,669 | 233,994 | 136.6% |
| Cash and cash equivalents at end of the period | 324,943 | 270,397 | 20.2% |
| Cash, cash equiv. and ST invest. at beg. of the period | 1,759,143 | 1,255,324 | 40.1% |
| Cash, cash equiv. and ST invest. at end of the period | 1,542,178 | 1,606,194 | -4.0% |
| Supplemental disclosure of cash flow information | | | |
| Interest paid, net of amount capitalized | 43,212 | 24,497 | 76.4% |
| Income taxes paid | 3,636 | 69,352 | -94.8% |

Non cash investing activities

| | | | |
|------------------------------|---------|--------|-------|
| Accrued capitalized interest | 33,973 | 24,061 | 41.2% |
| Capital leases | 538,841 | - | nm |

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Consolidated Statement of Operations

BR GAAP - Unaudited

R\$ 000

| | 3Q07 | 3Q06 | % Change |
|--|------------------|------------------|-----------------|
| Net operating revenues | | | |
| Passenger | R\$ 1,187,890 | R\$ 1,010,178 | 17.6% |
| Cargo and Other | 97,121 | 72,793 | 33.4% |
| Total net operating revenues | 1,285,011 | 1,082,971 | 18.7% |
| Operating expenses | | | |
| Aircraft fuel | 495,170 | 357,711 | 38.4% |
| Salaries, wages and benefits | 199,823 | 111,432 | 79.3% |
| Aircraft leasing | 128,412 | 80,978 | 58.6% |
| Sales and marketing | 98,968 | 126,041 | -21.5% |
| Aircraft and traffic servicing | 80,553 | 45,129 | 78.5% |
| Landing fees | 73,601 | 50,181 | 46.7% |
| Maintenance materials and repairs | 97,896 | 41,267 | 137.2% |
| Depreciation and amortization | 24,651 | 16,473 | 49.6% |
| Other operating expenses | 68,289 | 19,432 | 251.4% |
| Total operating expenses | 1,267,363 | 848,644 | 49.3% |
| Operating income (loss) | 17,648 | 234,327 | -92.5% |
| Other expense | | | |
| Interest income (expense), net | (21,107) | 670 | nm |
| Non-operating income | - | 75,118 | -100.0% |
| Income (loss) before income taxes | (3,459) | 310,115 | nm |
| Income tax and social contribution | 14,780 | (107,387) | nm |
| Net income (loss) before reversal of interest on shareholder's equity | 11,321 | 202,728 | -94.4% |
| Reversal of interest on shareholder's equity | 38,095 | 29,504 | 29.1% |
| Net income (loss) | 49,416 | 232,232 | -78.7% |
| Earnings (loss) per share | R\$ 0.24 | R\$ 1.18 | -79.7% |
| Earnings (loss) per ADS - US Dollar | \$ 0.13 | \$ 0.54 | -75.9% |
| Number of outstanding shares on the balance sheet date (000) | 202,295 | 196,206 | 3.1% |

Consolidated Balance Sheet

BR GAAP - Unaudited

R\$ 000

| | September 30, 2007 | June 30, 2007 |
|--|-------------------------------|----------------------|
| ASSETS | 5,402,019 | 5,253,347 |
| Current Assets | 2,904,343 | 3,003,803 |
| Cash and cash equivalents | 850,499 | 844,967 |
| Short term investments | 691,679 | 914,176 |
| Accounts receivable | 820,436 | 763,027 |
| Inventories | 217,733 | 145,930 |
| Deferred taxes and carryforwards | 90,236 | 67,190 |
| Prepaid expenses | 85,394 | 92,087 |
| Credits with leasing companies | 90,491 | 143,698 |
| Other credits | 57,875 | 32,728 |
| Non-Current Assets | 609,491 | 498,950 |
| Deposits for aircraft leasing contracts | 198,546 | 93,249 |
| Credits with leasing companies | 81,755 | 81,755 |
| Deferred taxes and carryforwards | 286,208 | 284,551 |
| Judicial deposits and others | 42,982 | 39,395 |
| Permanent Assets | 1,888,185 | 1,750,594 |
| Investments | 815,041 | 789,976 |
| Pre-delivery deposits for flight equipment | 410,149 | 420,092 |
| Property, plant and equipment | 625,033 | 506,612 |
| Deferred | 37,962 | 33,914 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | 5,402,019 | 5,253,347 |
| Current liabilities | 1,625,760 | 1,431,999 |
| Suppliers | 270,721 | 216,192 |
| Payroll and related charges | 131,507 | 107,600 |
| Taxes obligations | 70,818 | 64,217 |
| Landing fees and duties | 63,125 | 64,659 |
| Air traffic liability | 341,661 | 368,837 |
| Short-term borrowings | 551,193 | 427,794 |
| Dividends and interest on shareholder's equity | 78,972 | 76,568 |
| Smiles mileage program | 68,564 | 63,436 |
| Other liabilities | 49,199 | 42,696 |
| Non-current | 1,258,062 | 1,270,262 |
| Long-term borrowings | 1,156,560 | 1,182,403 |
| Provision for contingencies | 38,948 | 35,813 |
| Other liabilities | 62,554 | 52,046 |
| Shareholders' Equity | 2,518,197 | 2,551,086 |
| Capital stock | 1,363,752 | 1,363,729 |
| Capital reserves | 89,556 | 89,556 |
| Profit reserves | 1,060,885 | 1,087,986 |
| Total comprehensive income, net of taxes | 4,004 | 9,815 |

15.01 INVESTMENT PROJECTS

2007 CAPITAL BUDGET PROPOSAL

According to the article No. 196 of the Law No. 6,404/76, updated by the Law No. 10,303 of 10/31/2001, the Management of Gol Linhas Aéreas Inteligentes S.A. (Company) presents:

1- The investment plan for 2007, amounting R\$ 619,852,857, being forecasted the following investments:

| | |
|---------------------------------|-------------------------|
| Pre-delivery deposits | (117,204,490,00) |
| Aircraft purchase rights | 68,618,141,00 |
| New aircraft | 411,062,677,00 |
| Engine | 127,996,116,00 |
| Spare parts | 58,491,229,00 |
| IT | 22,039,831,00 |
| Maintenance center | 5,599,214,00 |
| Others | 43,250,140,00 |
| | 619,852,858,00 |

General Description of the Investments

- **Aircraft Acquisition:** Acquisition of Boeing 737-800 Next Generation aircraft from Boeing in 2007.

- **Pre-delivery Deposits:** Payments made in advance for 737-800 new Boeing aircraft.

- **Spare Parts:** Aircraft spare parts.

- **Maintenance Center Confins, MG:** Conclusion and enlargement of the Maintenance Center in Confins, aiming the unification of the maintenance performed and the reduction of the dependency from third parties as well as a reduction in maintenance costs.

- **IT:**

- **Communication Equipment:** Acquisition of communication panels to the basis, expansion of the PABX central and acquisition of equipment for conference calls;

- **Softwares:** Implementation of auditing systems, cash management and a new platform for *e-commerce*;
- **Softwares Development and Improvement Oracle, RM and others:** Oracle ERP implementation consultancy and customizations adopted by the company in February 2004 and costs related to services rendered by employees allocated in various software development projects;
- **Computers and Peripherals:** Acquisition of microcomputers, notebooks, servers and other informatics peripherals.
- **Others:**
 - **Installations:** Acquisition of installations to the headquarters and basis;
 - **Tools:** Acquisition of power generators, hydraulic jacks and other tools for general maintenance;
 - **Safety Equipments:** Acquisition of mini-cameras and other safety equipments to the basis;
 - **Furniture:** Acquisition of mercenary material, wheelchairs to the basis and general furniture;
 - **Vehicles:** Acquisition of trucks to transport tires, brakes and other small vehicles for light operations in the basis;
 - **Machinery and Equipment:** Acquisition of air-conditioning equipment, sound and projections equipment, maintenance staircases, stacking machines and other small maintenance equipments.

2- The origin of the resources to subsidize these investments are:

- Own resources generated with the operating activity of the Company during the year;
- Allocation of part of the net income of the year amounting R\$ 469,103,894.75 to the profit reserves of the Company
- Resources from shareholders and third parties; and
- Resources obtained in sale-leaseback operations from suppliers.

This is the Proposal we have to present.

São Paulo, December 21, 2006.

THE MANAGEMENT

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Here follows a table containing the GOL fleet expansion as of 2012:

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|-----------------------------|------|------|------|------|------|------|
| GTA: 141-seats B 737-300 | 12 | 7 | 3 | - | - | - |
| VRG: 141-seats B 737-300 | 10 | 2 | - | - | - | - |
| GTA: 144-seats B 737-700 NG | 30 | 28 | 23 | 20 | 10 | 10 |
| VRG: 132-seats B 737-700 NG | - | 6 | 6 | 7 | 8 | 9 |
| GTA: 177-seats B 737-800 NG | 12 | 13 | 11 | 7 | 6 | 5 |
| GTA: 187-seats B 737-800 NG | 22 | 29 | 45 | 61 | 74 | 82 |
| VRG: 177-seats B 737-800 NG | 5 | 8 | 10 | 11 | 13 | 15 |
| VRG: 187-seats B 737-800 NG | 2 | 4 | 4 | 4 | 4 | 4 |
| VRG: 218-seats B 767-300 ER | 10 | 14 | 16 | 16 | 17 | 18 |
| Total fleet | 103 | 111 | 118 | 126 | 132 | 143 |

16.01 OTHER INFORMATION CONSIDERED MATERIAL BY THE COMPANY

Shareholders of Gol Linhas Aéreas Inteligentes S.A. holding more than 5% of the capital by type, up to the individual level, on September 30, 2007:

| Shareholders | Common Shares | % | Preferred Shares | % | Total | % |
|---|--------------------|---------------|---------------------|---------------|--------------------|---------------|
| FIP ASAS Wellington Management Co. LLP | 107,590,772 | 100.00 | 33,120,238 | 34.97 | 140,711,010 | 69.56 |
| * | - | - | 9,065,479 | 9.57 | 9,065,479 | 4.48 |
| US Trust Co. of New York * | - | - | 5,289,029 | 5.58 | 5,289,029 | 2.61 |
| Other | 20 | - | 47,229,631 | 49.87 | 47,229,651 | 23.35 |
| Total | 107,590,792 | 100.00 | 94,704,377 | 100.00 | 202,295,169 | 100.00 |

** Institution headquartered overseas, last information available at March 2007.*

Quotaholders of the Investment Fund in Holdings ASAS:

| Quotaholders | Quotes | % |
|---------------------------------------|---------------|---------------|
| Henrique Constantino | 9,587 | 25.00 |
| Ricardo Constantino | 9,587 | 25.00 |
| Joaquim Constantino Neto | 9,587 | 25.00 |
| Constantino de Oliveira Junior | 9,587 | 25.00 |
| Total | 38,348 | 100.00 |

Table indicating the direct and indirect stake of the Controlling Shareholder, Board of Directors and Board of Executive Officers of Gol Linhas Aéreas Inteligentes S.A. on September 30, 2007:

| Shareholders | Common Shares | % | Preferred Shares | % | Total | % |
|-------------------------|--------------------|---------------|---------------------|---------------|--------------------|---------------|
| Controlling Shareholder | 107,590,772 | 100.00 | 33,120,238 | 34.97 | 140,711,010 | 69.56 |
| Board Members | 20 | - | 1,857,705 | 1.96 | 1,857,725 | 0.92 |
| Fiscal Council Members | - | - | 1 | - | 1 | - |
| Executive Officers | - | - | 814,312 | 0.86 | 814,312 | 0.40 |
| Market | - | - | 58,912,121 | 62.21 | 58,912,121 | 29.12 |
| Total | 107,590,792 | 100.00 | 94,704,377 | 100.00 | 202,295,169 | 100.00 |

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On June 30, 2007 the number of outstanding shares was 58,912,121 corresponding to 29.12% of the total shares.

The Company has an Audit Committee and has a Fiscal Council.

The Company is in accordance with the rules issued by the National Monetary Council, by the Central Bank of Brazil and by the Securities and Exchange Commission, as well as the other rules applicable to the operation of the general capital markets, in addition to those in the Regulation, in the Agreement of Adoption of Differentiated Practices of Corporate Governance Level 2 of BOVESPA and in the Regulation of Arbitration of the Market Arbitration Chamber.

Table indicating the direct and indirect stake of the Controlling Shareholder, Board of Directors and Board of Executive Officers of Gol Linhas Aéreas Inteligentes S.A. on September 30, 2006:

| Shareholders | Common Shares | % | Preferred Shares | % | Total | % |
|-------------------------|--------------------|---------------|---------------------|---------------|--------------------|---------------|
| Controlling Shareholder | 107,590,772 | 100.00 | 31,715,638 | 35.79 | 139,306,410 | 70.99 |
| Board Members | 20 | - | 1,857,705 | 2.10 | 1,857,725 | 0.95 |
| Fiscal Council Members | - | - | - | - | - | - |
| Executive Officers | - | - | 853,312 | 0.96 | 853,312 | 0.44 |
| Market | - | - | 54,189,019 | 61.15 | 54,189,019 | 27.62 |
| Total | 107,590,792 | 100.00 | 88,615,674 | 100.00 | 196,206,466 | 100.00 |

On June 30, 2006 the number of outstanding shares was 54,189,019 corresponding to 27.62% of the total shares.

17.01 SPECIAL REVIEW REPORT

To Management and Shareholders
Gol Linhas Aéreas Inteligentes S.A.

We have performed a special review of the quarterly financial information (ITR) of Gol Linhas Aéreas Inteligentes S.A. (the Company) and subsidiaries for the quarters ended September 30, 2007 and 2006, including the balance sheets of the Company and consolidated, the related statements of income, the report on performance and significant information, prepared in accordance with the accounting practices adopted in Brazil.

We conducted our reviews in accordance with specific standards established by the Brazilian Institute of Independent Auditors (IBRACON), together with the Federal Accounting Council, which consisted of: (a) inquiries of and discussions with persons responsible for the Company's accounting, financial and operating areas as to the main criteria adopted in preparing the quarterly financial information, and (b) review of the information and subsequent events that had or might have had material effects on the financial position and results of operations of the Company

Based on our special review, we are not aware of any material modifications that should be made to the quarterly financial information (ITR) referred to above for it to be in conformity with the accounting practices adopted in Brazil and standards established by the Brazilian Securities Commission (CVM), specifically applicable to the preparation of mandatory quarterly financial information.

Our reviews were conducted with the objective of issuing a report on the special review of the quarterly financial information (ITR) referred to in paragraph one taken as a whole. The statements of cash flows and added value for the quarters ended September 30, 2007 and 2006, presented to provide additional information about the Company and its subsidiaries, are not required as an integral part of the basic quarterly financial information in accordance with the accounting practices adopted in Brazil. The statements of cash flows and added value were submitted to the same special review procedures described in paragraph two above and, based on our special review, we are not aware of any material modifications that should be made to this additional information for it to be fairly presented, in all material respects, in relation to the overall quarterly financial information (ITR) for the quarters ended September 30, 2007 and 2006.

The accounting practices adopted in Brazil differ, in certain significant aspects, from generally accepted accounting principles in the United States of America. Information related to the nature and the effect of these differences is presented in Note 2 to the quarterly financial information (ITR).

São Paulo, November 5, 2007

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP015199/O-1

Maria Helena Pettersson
Accountant CRC-1SP119891/O-0

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 07, 2007

GOL LINHAS AÉREAS INTELIGENTES S.A.

By: /s/ Richard F. Lark, Jr.

Name: Richard F. Lark, Jr.
Title: Executive Vice President Finance,
Chief Financial Officer

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.
