

Gol Intelligent Airlines Inc.
Form 6-K
November 10, 2009

**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, 2009

(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)

**R. Tamoios, 246
Jd. Aeroporto
04630-000 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):

GOL Linhas Aéreas Inteligentes S.A.

*Condensed Consolidated Financial Statements for the
period ended September 30, 2009
and Independent Accountants' Review Report*

Deloitte Touche Tohmatsu Auditores Independentes

GOL LINHAS AÉREAS INTELIGENTES S.A.

Condensed Consolidated Financial Statements

September 30, 2009 and 2008
(In thousands of Brazilian reais)

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Gol Linhas Aéreas Inteligentes S.A.
São Paulo - SP - Brazil

1. We have reviewed the accompanying condensed consolidated balance sheet of Gol Linhas Aéreas Inteligentes S.A. and subsidiaries (the “Company”) as of September 30, 2009, and the related condensed consolidated statements of operations, changes in shareholders’ equity and cash flows for the three-month and nine-month periods then ended, and explanatory notes. Management is responsible for the preparation and fair presentation of the interim financial information in accordance with International Financial Reporting Standards. Our responsibility is to express a conclusion on this interim financial information based on our review.
2. We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the financial position of the Company as of September 30, 2009, and of its financial performance and its cash flows for the three-month and nine-month periods then ended in accordance with International Financial Reporting Standards.

Deloitte Touche Tohmatsu Auditores Independentes

São Paulo, Brazil
November 9, 2009

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders
Gol Linhas Aéreas Inteligentes S.A.

We have reviewed the condensed consolidated statements of operations cash flows and comprehensive income for the three-month and nine-month periods ended September 30, 2008 and the condensed consolidated statements of shareholders' equity and for the three-month periods ended March 31, 2008, June 30, 2008 and September 30, 2008 of Gol Linhas Aéreas Inteligentes S.A. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the condensed consolidated statements of operations, cash flows and changes in shareholders' equity and comprehensive income referred to above for them to be in conformity with International Financial Reporting Standards, issued by the International Accounting Standards Board.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP015199/O-6

Luiz Carlos Passetti
Partner

São Paulo, Brazil
November 9, 2009

GOL LINHAS AÉREAS INTELIGENTES S.A.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands of Brazilian Reais, except amounts per share)

	Notes	Three-month period ended September 30,		Nine-month period ended September 30,	
		2009	2008	2009	2008
Operating revenues					
Passenger		1,268,513	1,610,313	3,901,400	4,449,736
Cargo and other		228,144	177,958	506,333	407,824
Total operating revenues		1,496,657	1,788,271	4,407,733	4,857,560
Expenditures on operation					
Salaries	5	(278,015)	(246,558)	(801,165)	(734,898)
Aircraft fuel		(485,372)	(748,504)	(1,361,232)	(2,146,278)
Aircraft rent		(152,345)	(124,300)	(506,239)	(436,074)
Aircraft insurance		(13,299)	(11,030)	(44,513)	(32,037)
Sales and marketing		(101,824)	(193,884)	(270,472)	(456,469)
Landing fees		(77,596)	(86,095)	(238,024)	(266,507)
Aircraft and traffic servicing		(100,669)	(90,789)	(278,399)	(317,716)
Maintenance materials and repairs		(69,508)	(90,267)	(268,918)	(233,003)
Depreciation and amortization		(47,245)	(25,879)	(116,407)	(91,494)
Other operating expenses		(71,697)	(67,409)	(228,237)	(285,595)
Total expenditures on operation		(1,397,570)	(1,684,715)	(4,113,606)	(5,000,071)
Income (loss) before finance income and expenses		99,087	103,556	294,127	(142,511)
Income and finance costs					
Interest expense		(75,747)	(60,584)	(213,416)	(178,732)
Capitalized interest		2,674	6,850	5,198	21,094
Exchange variation gain (loss)		163,520	(482,349)	697,992	(255,587)
Interest income		22,058	28,061	157,396	79,607
Other expense, net		(54,016)	(48,238)	(231,608)	(70,992)
Total income and finance cost		58,489	(556,260)	415,562	(404,610)
Income (loss) before income taxes		157,576	(452,704)	709,689	(547,121)
Income taxes	6	(79,691)	(58,029)	(216,681)	(150,651)
Net income (loss) for the period		77,885	(510,733)	493,008	(697,772)

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Basic and diluted earnings (loss) per share	14	0.34	(2.54)	2.27	(3.47)
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The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands of Brazilian Reais)

	Notes	Three-month period ended September 30,		Nine-month period ended September 30,	
		2009	2008	2009	2008
Income (loss) for the period		77,885	(510,733)	493,008	(697,772)
Other comprehensive income (loss)					
Available for sale financial assets	18a	10,695	-	5,624	10,190
Cash flow hedges	17	(3,600)	(50,624)	17,659	(33,288)
Income tax		(2,412)	17,212	(7,916)	7,853
		4,683	(33,412)	15,367	(15,245)
Total comprehensive income (loss) for the period		82,568	(544,145)	508,375	713,017

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

CONDENSED CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2009
(In thousands of Brazilian Reais)

	Notes	September 30, 2009	December 31, 2008
Assets			
Non-current assets			
Property, plant and equipment	7	3,141,799	2,998,756
Intangible assets	8	1,225,073	1,210,320
Other non-current assets			
Prepaid expenses		65,917	58,793
Deposits		726,200	507,428
Deferred income tax	6	687,683	729,784
Restricted cash		7,112	6,589
Other non-current assets		18,795	84,987
Total other non-current assets		1,505,707	1,387,581
Total non-current assets		5,872,579	5,596,657
Current assets			
Inventories	9	195,156	200,514
Other current assets		53,426	52,386
Prepaid expenses		95,893	123,801
Deposits		181,282	237,914
Recoverable taxes	6	66,420	110,767
Trade and other receivables	10	553,165	344,927
Restricted cash	17	16,678	176,697
Short-term investments	18a	483,806	245,585
Cash and cash equivalents	11	162,341	169,330
Total current assets		1,808,167	1,661,921
Total assets		7,680,746	7,258,578

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2009
(In thousands of Brazilian Reais)

	Notes	September 30, 2009	December 31, 2008
Shareholders' equity and liabilities			
Shareholders' equity			
Issued capital	12	1,454,149	1,250,618
Capital reserves		89,556	89,556
Treasury shares		(41,180)	(41,180)
Retained earnings (accumulated losses)		284,518	(227,386)
Total shareholders' equity		1,787,043	1,071,608
Non-current liabilities			
Other non-current liabilities		198,135	196,894
Provisions	15	75,885	157,310
Deferred taxes	6	761,839	548,680
Smiles deferred revenue		301,275	262,626
Long-term debt	18b	2,148,654	2,438,881
Total non-current liabilities		3,485,788	3,604,391
Current liabilities			
Other current liabilities		124,537	219,885
Smiles deferred revenue		136,631	90,043
Provisions	15	32,966	165,287
Advance ticket sales	20	538,581	572,573
Sales taxes and landing fees		69,753	97,210
Current taxes		26,191	39,605
Salaries, wages and benefits		240,607	146,805
Accounts payable		342,845	283,719
Short-term debt	18b	895,804	967,452
Total current liabilities		2,407,915	2,582,579
Total shareholders' equity and liabilities		7,680,746	7,258,578

The accompanying notes are an integral part of these condensed consolidated financial statements

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2008

(In thousands of Brazilian Reais)

	Notes	Issued capital		Treasury Shares		Capital Reserves	Investments revaluation reserve	Hedging reserve	Retained Earnings (Accumulated Losses)
		Shares	Amount	Shares	Amount				
Balance at January 01, 2008		202,300,591	1,250,618	-	-	89,556	(6,726)	(229)	1,059,229
- Loss for the period		-	-	-	-	-	-	-	(20,518)
Total Comprehensive loss		-	-	-	-	-	6,726	2,991	(20,518)
Share-based payment	13	-	-	-	-	-	-	-	1,137
Treasury shares	12	-	-	(749,500)	(20,864)	-	-	-	-
Dividends paid		-	-	-	-	-	-	-	(36,258)
Balance at March 31, 2008		202,300,591	1,250,618	(749,500)	(20,864)	89,556	-	2,762	1,003,590
- Loss for the period		-	-	-	-	-	-	-	(166,521)
Total Comprehensive loss		-	-	-	-	-	-	-	(166,521)
Share-based payment	13	-	-	-	-	-	-	-	1,548
Treasury shares	12	-	-	(824,700)	(20,316)	-	-	-	-
Dividends paid		-	-	-	-	-	-	-	(36,119)
Balance at June 30, 2008		202,300,591	1,250,618	(1,574,200)	(41,180)	89,556	-	11,442	802,498
- Loss for the period		-	-	-	-	-	-	-	(510,733)
Total Comprehensive		-	-	-	-	-	(33,412)		(510,733)

loss								
Reversal of dividends	-	-	-	-	-	-	-	36,257
Balance at September 30, 2008	202,300,591	1,250,618	(1,574,200)	(41,180)	89,556	-	(21,970)	328,027

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2008

(In thousands of Brazilian Reais)

	Notes	Issued capital		Treasury Shares		Capital Reserves	Investments revaluation reserve	Hedging reserve	Retained Earnings	Total
		Shares	Amount	Shares	Amount					
Balance at January 01, 2009		202,300,591	1,250,618	(1,574,200)	(41,180)	89,556	4,001	(20,373)	(211,014)	1,000,000
- Income for the period		-	-	-	-	-	-	-	61,434	
Total Comprehensive income		-	-	-	-	-	(1,345)	(10,989)	61,434	
Share-based payment	13	-	-	-	-	-	-	-	1,444	
Capital increase	12	-	100,084	-	-	-	-	-	-	100,084
Balance at March 31, 2009		202,300,591	1,350,702	(1,574,200)	(41,180)	89,556	2,656	(31,362)	(148,136)	1,200,000
- Income for the period		-	-	-	-	-	-	-	353,689	353,689
Total Comprehensive income		-	-	-	-	-	(2,002)	25,020	353,689	353,689
Share-based payment	13	-	-	-	-	-	-	-	1,052	
Capital increase		26,093,722	103,447	-	-	-	-	-	-	26,093,722
Balance at June 30, 2009		228,394,313	1,454,149	(1,574,200)	(41,180)	89,556	654	(6,342)	206,605	1,700,000
- Income for the period		-	-	-	-	-	-	-	77,885	77,885
Total Comprehensive income		-	-	-	-	-	7,059	(2,376)	77,885	77,885
Share-based payment	13	-	-	-	-	-	-	-	1,033	

Balance at
September 30,
2009

228,394,313	1,454,149	(1,574,200)	(41,180)	89,556	7,713	(8,718)	285,523	1,7
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The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of Brazilian reais)

	Notes	Three-month ended September 30,		Nine-month ended September 30,	
		2009	2008	2009	2008
Cash flows from operating activities					
Net income (loss)		77,885	(510,733)	493,008	(697,772)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Depreciation and amortization	7	47,245	25,879	116,407	91,494
Share-based payments	13	1,033	1,215	3,529	3,900
Net foreign exchange fluctuations		(163,520)	482,349	(697,992)	255,587
Allowance for doubtful accounts	10	(3,670)	3,863	7,715	15,393
Smiles deferred revenues	2 a	(3,144)	62,685	10,822	66,905
Loss in fair value of derivative financial instruments	17	49,700	33,412	60,385	54,054
Deferred income taxes	6	79,955	51,290	216,681	100,155
Other non-monetary items		37,595	11,238	67,617	30,080
Changes in operating assets and liabilities:					
Provisions	15	(80,185)	(468)	(213,746)	(128,289)
Trade and other receivables	10	(15,583)	(43,209)	(215,953)	508,424
Changes in inventories	9	36,057	(16,528)	5,358	56,135
Deposits		(11,485)	(15,435)	(198,865)	(8,960)
Prepaid expenses		14,693	(12,549)	20,784	22,711
Other assets		14,624	11,824	65,152	81,962
Advance ticket sales	20	52,156	33,209	(33,992)	(20,185)
Smiles deferred revenues	2 a	(896)	(105,504)	74,415	(121,430)
Accounts payable		23,034	92,843	59,126	16,375
Sales tax and landing fees		(4,406)	(6,375)	(27,457)	17,756
Income taxes	6	14,616	(15,939)	69,919	(77,023)
Other liabilities		(73,757)	5,175	(100,132)	(119,263)
Net cash provided by (used in) operating activities					
		91,947	88,242	(217,219)	148,009
Cash flows from investing activities					
Short term investment	18	(67,023)	20,814	(238,221)	474,952
Investments in restricted cash, net	18	(3,603)	11,412	159,496	(512)
Payment for property, plant and equipment	7	(88,878)	(49,105)	(210,530)	(261,777)
Payment for intangible assets	8	(22,097)	(3,216)	(28,623)	(16,997)
Net cash used in investing activities					
		(181,601)	(20,095)	(317,878)	195,666
Cash flows from financing activities					
Net proceeds from / repayment of debt <i>Captations</i>	18	114,252	51,327	478,195	(418,682)
		130,001	110,483	655,413	417,083

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<i>Payments</i>		(15,749)	(59,156)	(177,218)	(835,765)
Repayments of finance leases		(46,000)	(40,597)	(153,618)	(81,795)
Acquisition of treasury shares	12	-	-	-	(41,180)
Paid subscribed capital		-	-	203,531	-
Net cash provided by (used in) financing activities		68,252	10,730	528,108	(541,657)
Net increase (decrease) in cash and cash equivalents		(21,402)	78,877	(6,989)	(197,982)
Cash and cash equivalents at beginning of the period		183,743	296,262	169,330	573,121
Cash and cash equivalents at end of the period		162,341	375,139	162,341	375,139
Supplemental disclosure of cash flow information:					
Interest paid		15,390	151,657	71,020	(232,262)
Income tax paid		(143)	(3,116)	121	(64,180)

The accompanying notes are an integral part of these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(In thousand of Brazilian Reais)

1. Corporate information

Gol Linhas Aéreas Inteligentes S.A. (Company or GLAI) is a public listed company incorporated in accordance with Brazilian bylaws. The objective of the Company is to through its your operating subsidiary VRG Linhas Aéreas S.A. (VRG), to exploit (i) regular and non-regular air transportation services of passengers, cargo and mail bags, domestically or internationally, according to the concessions granted by the competent authorities; (ii) complementary activities of chartering air transportation of passengers, cargo and mail bags.

The Company s shares are traded on the New York Stock Exchange (NYSE) and on the São Paulo Stock Exchange (BOVESPA). The Company has entered into an Agreement for Adoption of Level 2 Differentiated Corporate Governance Practices with the BM&F BOVESPA, integrating indices of Shares with Differentiated Corporate Governance IGC and Shares with Differentiated Tag Along ITAG, created to identify companies committed to adopting differentiated corporate governance practices.

The Company s condensed consolidated financial statements for the period ended September 30, 2009 were authorized for issue by the Board of Directors on November 9, 2009. The registered office is located at Rua Tamoios, 246, Jd. Aeroporto, São Paulo, Brazil.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(In thousand of Brazilian Reais)

2. Basis of preparation and summary of significant accounting policies

The condensed consolidated financial statements for the period ended September 30, 2009 have been prepared in accordance with IAS 34 Interim Financial Reporting .

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2008.

Adoption of New and Revised Standards and Interpretations

a) New and revised standards and interpretations effective in 2009

As of the date of these condensed consolidated financial statements the following new and revised standards and interpretations were adopted by the Company: IFRS 8 Operating Segments (effective for annual periods beginning on or after January 1st, 2009) is a disclosure Standard. The Company has one business segment: the provision of air transportation services within South America, where it operates domestic and international flights.

- IAS 1 (revised 2007) Presentation of Financial Statements (effective for annual periods beginning on or after January 1st, 2009) has introduced a number of terminology changes (including revised titles for the condensed financial statements) and has resulted in a number of changes in presentation and disclosure. However, the revised Standard has had no impact on the reported results or financial position of the Company. IAS 1 requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (i.e. comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity. The Company had chosen to present comprehensive income in two statements, a separate statement of operations and a statement of comprehensive income.

The following new and revised standards and interpretations have had no impact on the condensed consolidated financial statements of the Company:

- IFRIC 16 - Hedges of a Net Investment in a Foreign Operation (effective January 1st, 2009).
- Amendment to IAS 32 and IAS 1 - Puttable Financial Instruments and Obligations arising on Liquidation (effective January 1st, 2009).
- Improvements to IFRSs issued in May 2008 - the Improvements include 35 amendments across 20 different Standards that largely clarify the required accounting treatment where previous practice had varied, and have resulted in a number of changes in the detail of the Company's accounting policies. The improvements had no material impact on the Company's accounting policies.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(In thousand of Brazilian Reais)

2. Basis of preparation and summary of significant accounting policies (Continued)

Adoption of New and Revised Standards and Interpretations (Continued)

b) New and revised standards and interpretations not yet adopted

As of the date of these condensed financial statements the following new and revised standards and interpretations were in issue but not yet adopted by the Company since its adoption was not yet mandatory:

- IFRS 3 (revised 2008) Business Combinations - effective for business combinations for which the acquisition date is on or after the beginning of the first annual period beginning on or after July 1st, 2009.
- IAS 27 (revised 2008) Consolidated and Separate Financial Statements - effective for annual periods beginning on or after July 1st, 2009.
- IAS 28 (revised 2008) Investments in Associates - effective for annual periods beginning on or after July 1st, 2009.
- Amendment to IAS 1 The revised Standard introduced a number of terminology changes (including revised titles for the condensed financial statements) and resulted in a number of changes in presentation and disclosures. However, the revised Standard had no impact on the reported results or financial position of the Company. The Company was required to present the statement of comprehensive income (loss), it is often attributable to gains and losses yet to be realized from a variety of sources including unrealized gains and losses on securities and derivatives and foreign currency hedges.
- Amendment to IFRS 2 - Share-based payments: vesting conditions and cancellations (effective January 1, 2009). This amendment clarifies the accounting treatment of cancellations and vesting conditions. The introduction of this amendment had no impact on the reported results or financial position of the Company.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(In thousand of Brazilian Reais)

2. Basis of preparation and summary of significant accounting policies
(Continued)

Reconciliation with BR GAAP

As permitted by the SEC and in order to meet the information needs of the market in which it operates, the Company is presenting its financial statements under the International Financial Reporting Standards (IFRS), as well as those pursuant to Brazilian Corporation Law, on a simultaneous basis.

Considering the current stage of the convergence of accounting principles generally accepted in Brazil (BR GAAP) with IFRS, there are still differences between the Company's financial statements under Brazilian law and those prepared according to IFRS. The reconciliations of net income for the period ended September 30, 2009 and shareholders' equity as of September 30, 2009 are as follows:

	September 30, 2009	
Shareholders' equity under IFRS	1,787,043	
Smiles deferred revenue (a)	21,666	
Effects of acquisition of companies (b)	235,367	
Shareholders' equity under BR GAAP	2,044,076	
	Nine-month ended September 30, 2009	Three-month ended September 30, 2009
Net income under IFRS	493,008	77,885
Smiles deferred revenue (a)	(10,822)	3,144
Deferred income taxes (c)	(7,106)	(1,068)
Net income under BR GAAP	475,080	79,961

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(In thousand of Brazilian Reais)

2. Basis of preparation and summary of significant accounting policies
(Continued)

Reconciliation with BR GAAP (Continued)

a) Smiles deferred revenue

The wholly-owned subsidiary VRG sponsors a mileage program denominated Smiles that provides travel and other awards to members based on accumulated mileage credits.

The portion of revenue from sales related to miles is deferred, and is recognized in the results only when the transportation of passengers included the use of miles is provided. For IFRS purposes, the deferred revenue is recorded at fair value based on an estimated market price of the Company to pay to third parties for meeting the obligations of the Mileage Program. Under BR GAAP obligations are recognized based on the incremental cost that is the additional cost of providing services. Consequently, the accumulated balance of deferred revenue in IFRS is higher than in BR GAAP, causing a reduction of R\$21,666 in the Company's shareholders' equity under IFRS, compared to shareholders' equity in BRGAAP.

Due to the process of revamping the Mileage Program, the Company has been stimulating the usage of accrued miles through promotions and after the corporate structuring the benefit of Mileage Program was extended to all the passengers with accumulated miles, generating an increase of revenue. The effect of such increase in revenue generation was R\$7,143 in IFRS, net of taxes, when compared to BR GAAP.

b) Business combination

For IFRS purposes, the purchase method of accounting was used based on the fair value of the assets acquired and liabilities assumed, including contingent liabilities, being the excess of the consideration transferred over the net of the identifiable assets acquired and liabilities assumed registered as goodwill of the business. Under BR GAAP, the goodwill calculated on the acquisition of the company has been determined based on book shareholders' equity.

c) Deferred income taxes