TORO CO
Form 4
November 30, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
DRAZAN MICHAEL D

(Last) (First) (Middle)

8111 LYNDALE AVENUE SOUTH

(Street)

BLOOMINGTON, MN 55420-1196

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
TORO CO [TTC]

3. Date of Earliest Transaction (Month/Day/Year)
11/28/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
CIO, VP Corp Services

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock								29,135	D	
Performance Share Units								12,432.7974 (1)	D	
Common Stock								1,594.6211 (2)	I	The Toro Company Investment, Savings & ESOP

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	$ 54.93	11/28/2007		A		5,900		11/28/2008 (3)	11/28/2017	Common Stock	5,900

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DRAZAN MICHAEL D 8111 LYNDALE AVENUE SOUTH BLOOMINGTON, MN 55420-1196			CIO, VP Corp Services	

Signatures

Stacy L. Bogart, Atty-In-Fact	11/30/2007
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(3) The option vests in three equal annual installments commencing on the first anniversary of the date of grant.

(1) Includes 26.1392 Performance Share Units acquired by the reporting person on October 17, 2007 under the dividend reinvestment feature of The Toro Company Deferred Compensation Plan for Officers.

(2) Includes 3.0939 Shares of Common Stock acquired by the reporting person on July 12, 2007 and 3.3741 Shares of Common Stock acquired by the reporting person on October 17, 2007 under the dividend reinvestment feature of The Toro Company Investment, Savings & ESOP Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. : ; FONT-SIZE: 8pt" lang=EN-US face="times new roman">Advances for acquisition of

aircraft

-
350,096
-
350,096
323,661
4,644,286
(862,515)
3,781,771
3,460,968

Changes in property, plant and equipment balances are as follows:

	Property, plant and equipment under finance lease	**Other flight equipment (a)**	**Advances for acquisition of property, plant and equipment**	**Other**	**Total**
As of December 31, 2009	2,021,083	601,164	538,898	164,568	3,325,713
Additions	381,078	200,543	293,239	29,926	904,786

Write-offs	-	(2,740)	(508,476)	(297)	(511,513)
Depreciation	(191,728)	(47,151)	-	(19,139)	(258,018)
As of December 31, 2010	2,210,433	751,816	323,661	175,058	3,460,968
Additions	298,066	217,808	193,859	29,604	739,337
Write-offs	-	(223)	(167,424)	(3,934)	(171,581)
Depreciation	(153,249)	(77,262)	-	(16,442)	(246,953)
As of September 30, 2011	**2,355,250**	**892,139**	**350,096**	**184,286**	**3,781,771**

(a) Additions in 2011 primarily represent total estimated costs to be incurred relating to the reconfiguration of aircraft when returned and improvement costs relating to major overhauled of engine under operating lease.

16. Intangible assets

Consolidated

	Goodwill	**Trademarks**	**Airport operating licenses**	**Software**	**Total**
Balance at December 31, 2009	542,302	63,109	560,842	65,532	1,231,785
Additions	-	-	-	58,512	58,512
Amortization	-	-	-	(23,120)	(23,120)
Balance at December 31, 2010	542,302	63,109	560,842	100,924	1,267,177
Additions	-	-	-	26,211	26,211
Write-offs	-	-	-	(1,762)	(1,762)
Amortization	-	-	-	(24,533)	(24,533)
Balance at September 30, 2011	**542,302**	**63,109**	**560,842**	**100,840**	**1,267,093**

The Company has allocated goodwill and intangible assets with indefinite useful lives, acquired through business combinations, for the purposes of impairment testing, to one single cash-generating unit, which is the operating subsidiary VRG. The Company tests annually the recoverable amount of these assets for impairment at the year end.

17. Short and Long-term Debt

		Effective average interest rate (p.a.)	**Parent Company**		**Consolidated**	
	Maturity	**09/30/11**	**09/30/11**	**12/31/10**	**09/30/11**	**12/31/10**
Short-term debt:						
Local currency:						
BNDES	Jul, 2012	**8.66%**	**-**	-	**10,908**	14,352
BNDES loan Safra	Mar, 2014	**11.46%**	**-**	-	**22,286**	27,550
BDMG	Jan, 2014/ March, 2018	**8.05%**	**-**	-	**3,353**	3,376
Working Capital	Oct, 2011	**12.93%**	**-**	-	**50,000**	-
Santander	Ago, 2012	**12.75%**	**23,205**	-	**23,205**	-
Interests			**-**	-	**29,669**	19,721
			23,205	-	**139,421**	64,999
Foreign currency (in U.S. Dollars):						
Working Capital	Mar, 2012	**3.42%**	**-**	-	**94,468**	83,803
IFC	Jul, 2013	**4.15%**	**-**	-	**30,202**	13,885
FINIMP	Jun, 2011	**2.69%**	**-**	-	**-**	2,718
Interests			**17,668**	34,229	**18,886**	33,969
			17,668	34,229	**143,556**	134,375
			40,873	34,229	**282,977**	199,374
Finance lease	Dec, 2021		**-**	-	**158,623**	146,634
Total short-term debt			**40,873**	34,229	**441,600**	346,008
Long-term debt:						
Local currency:						
BNDES	Jul, 2012	**8.66%**	**-**	-	**-**	8,372
BNDES – loan Safra	Mar, 2014	**11.46%**	**-**	-	**50,062**	70,934
BDMG	Jan, 2014/ March, 2018	**8.05%**	**-**	-	**26,334**	27,332
Debentures IV	Sep, 2015	**12.63%**	**-**	-	**594,837**	593,870
Debentures V	Jun, 2017	**12.26%**	**-**	-	**492,980**	-
			-	-	**1,164,213**	700,508
Foreign currency (in U.S. Dollars):						
IFC	Jul, 2013	**4.15%**	**-**	-	**-**	27,770
Senior bond I	Apr, 2017	**7.50%**	**416,286**	372,494	**388,470**	347,501

Senior bond II	Jul,2020	**9.25%**	**543,838**	487,887	**543,838**	487,887
Perpetual bond	-	**8.75%**	**370,880**	332,935	**331,937**	297,944
			1,331,004	1,193,316	**1,264,245**	1,161,102
			1,331,004	1,193,316	**2,428,458**	1,861,610
Finance lease	Dec, 2021		**-**	-	**1,853,985**	1,533,470
Total long-term debt			**1,331,004**	1,193,316	**4,282,443**	3,395,080
			1,371,877	1,227,545	**4,724,043**	3,741,088

The maturities of long-term debt for the next twelve months as from September 30, 2011, are as follows:

	Parent Company		
	After 2015	**Without maturity date**	**Total**
<u>Foreign currency</u> (Dollars):			
Senior bond I	416,286	-	416,286
Senior bond II	543,838	-	543,838
Perpetual bond	-	370,880	370,880
Total	**960,124**	**370,880**	**1,331,004**

	Consolidated						
	2012	**2013**	**2014**	**2015**	**After 2015**	**Without maturity date**	**Total**
<u>Local currency:</u>							
BNDES – Safra	27,841	21,418	803	-	-	-	50,062
BDMG	5,539	5,567	4,400	4,400	6,428	-	26,334
Debêntures	-	-	-	594,837	492,980	-	1,087,817
	33,380	26,985	5,203	599,237	499,408	-	1,164,213
<u>Foreign currency</u> (U.S. Dollars):							
Senior bond I	-	-	-	-	388,470	-	388,470
Senior bond II	-	-	-	-	543,838	-	543,838
Perpetual bond	-	-	-	-	-	331,937	331,937
	-	-	-	-	932,308	331,937	1,264,245
Total	**33,380**	**26,985**	**5,203**	**599,237**	**1,431,716**	**331,937**	2,428,458

The fair values of senior and perpetual bonds, as of September 30, 2011, reflecting the regular adjustment of market quotations of these instruments, based on the exchange rate effective at the end of the reporting period, are as follows:

	Parent Company		**Consolidated**	
	Book	**Market**	**Book**	**Market**
Senior bonds (I and II)	960,124	823,701	932,308	795,885
Perpetual bonds	370,880	308,528	331,937	269,585

<u>Working Capital</u>

During the three-month period ended September 30, 2011 the Company, through its subsidiary VRG, raised a working capital loan in the amount of R$50,000 in local currency, subject to a rate of 108.4% of CDI Over p.a. and maturity date to October 28, 2011. This loan will be used as a brig loan for the engine maintenance financing transaction with Eximbank.

Finimp

On June 14, 2011 the Company settled R$2,659, related to the *Banco do Brasil* foreign-currency denominated loan, raised in June 2010.

Debentures

On June 10, 2011, the Company approved the fifth public issue of 500 nonconvertible, unsecured debentures in a single series by VRG, at the par value of R$1,000 each, totaling R$500,000. This issue is intended to meet VRG's working capital requirements. The issue costs were R$7,264, comprising the net amount of R$492,736. The debentures mature within six years after the issue date and they will be fully repaid on June 10, 2017. Debentures bear interest equivalent to 120% of CDI.

As of September 30, 2011, the amount recorded in noncurrent liabilities was R$492.980.

Repurchase of own shares

On September 08, 2011, the Company's Board of Directors authorized the repurchase of its own shares, through call options ("calls"), and the launch of put options ("puts", together referred to as options) linked to shares issued by the Company, for purposes of cancellation, holding in treasury or disposal, in accordance with the CVM Instruction 10/80 and Instruction 390/03, as set forth below, whose transaction was negotiated by Santander.

The number of calls and puts to be launched or acquired correspond to up to 9,305,754 registered preferred shares, without par value, issued by the Company, representing up to 10% of outstanding shares, totaling 93,057,541 preferred shares on September 8, 2011.

The options will be settled through physical delivery of shares upon the payment of the strike price, which will be determined based on the stock price, plus related financial charges.

Through September 30, 2011, the Company carried out option transactions maturing through August 20, 2012 with an strike price of R$14.25 per share.

The deadline for the performance of the abovementioned transactions is 180 (one hundred and eighty) days counted from September 9, 2011 and the maturity of the options shall not exceed 365 (three hundred sixty-five) days from the date of each transaction.

The program's objective is the acquisition of the Company's preferred shares to be held in treasury for subsequent disposal and / or cancellation. The registration of acquired shares can be canceled or they can be held in treasury, during which time they will no longer be entitled to political and economic rights.

The Company shares repurchase transactions began on September 12, 2011 and through September 30, 2011, the Company bought back 1,862,700 shares, with maturities from June 18 to August 20, 2012, and a weighted average price of R$12.46, total notional amount of R$ 23,205, premiums paid of R$3,931 and premiums received of R$4,348, recorded in shareholders' equity as a balancing item of short-term debt, and which will be written off on the option vesting date.

Since the beginning of the repurchase financing program, no option was vested by the parties involved in the operation.

Finance leases

Future payments of US dollar-denominated finance lease installments are as follows:

	Consolidated	
	09/30/11	**12/31/10**
2011	**58,582**	227,174
2012	**284,601**	227,174
2013	**283,573**	227,174
2014	**283,557**	227,174
2015	**275,101**	219,576
After 2015	**1,329,843**	935,450
Total minimum lease payments	**2,515,257**	2,063,722
Less: total interest	**(502,649)**	(383,618)
Present value of minimum lease payments	**2,012,608**	1,680,104
Less: short-term installment portion	**(158,623)**	(146,634)
Long-term installment portion	**1,853,985**	1,533,470

The discount rate used to calculate the present value of the minimum leasing payments is 6.20% as of September 30, 2011 (6.23% at December 31, 2010). There are no significant differences between the present value of minimum leasing payments and the fair value of these financial liabilities.

The Company extended the maturity date of financing for some of its aircraft leased for 15 years using the SOAR framework (mechanism for extending financing amortization and repayment), which enables performing calculated withdrawals to be made for a bullet payment settlement at the end of the lease agreement. As of September 30, 2011, the withdrawals made for the repayment at maturity date of the lease agreement amount to R$54,312 (R$37,407 as of December 31, 2010).

Restrictive covenants

VRG has restrictive covenants in loan agreements with the following financial institutions: IFC, BNDES, and *Banco do Brasil*.

As of September 30, 2011, the Company and its subsidiaries did not comply with the minimum ratios set with the financial institution IFC.

VRG has a letter of credit with BNDES in the amount of R$14.5 million, an amount higher than the current debt, avoiding liquidity problems in case of debt repayment needs.

Management allocated IFC noncurrent balance to current, in order to comply with Brazilian and international accounting standards laid down in technical pronouncement *CPC 25 - Provisões, Passivos Contingentes e Ativos Contingentes* (Provisions, Contingent Liabilities and Contingent Assets) and IAS 37 - Provisions, Contingent Liabilities and Contingent Assets (IASB), respectively.

18. Advance Ticket Sales

As of September 30, 2011, the balance of advance ticket sales in current liabilities of R$657,691 (R$517,006 at December 31, 2010) is represented by 3,219,527 tickets sold and not yet used with 97 days of average term of use (95 days as of December 31, 2010).

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19. Smiles Deferred Revenue

Since VRG's acquisition, the Company has a mileage program called Smiles ("Smiles Program"), which consists of awarding mileage credits, though accumulation of mileage credits by the passengers, to be used for additional trips. The obligations assumed under the frequent flyer program, ("Smiles Program") were valued on VRG's acquisition date at the estimated fair value that represents the estimated price that the Company could pay to a third party to assume the mileage obligation expected to be recovered on the mileage program.

As of September 30, 2011, the balance of Smiles deferred revenue is R$61,233 and R$ 178,596 classified in the current and non-current liabilities, respectively (R$55,329 and R$152,327 as of December 31, 2010).

20. Advances from Customers

The Company completed, through its subsidiary VRG, a partnership with *Banco Bradesco S.A.* and *Banco do Brasil S.A.* under an operational agreement for issuing and managing co-branded credit cards. As part of the agreement, the Company received initially the amount of R$252,086, related to the purchase of miles of the mileage program, access rights and use of the program customers database, plus an additional based on variable compensation contingent to the right to access and use customer credit cards by the financial institutions and participation in the billing recognized in the issued cards over a five-year term.

As of September 30, 2011, the balance reported as advances from customers in the current liabilities, related to this agreement, is R$ 19,419 (R$24,581 in current liabilities and R$33,262 in non-current liabilities at December 31, 2010).

21. Taxes Payable

	Parent Company		**Consolidated**	
	09/30/11	**12/31/10**	**09/30/11**	**12/31/10**
PIS and COFINS	**-**	-	**115,910**	84,022
REFIS	**8,372**	10,257	**24,723**	38,247
IRRF on payroll	**5**	5	**15,385**	20,895
ICMS	**-**	-	**9,901**	7,165
Import tax	**-**	-	**3,323**	3,712
CIDE	**2**	5	**1,114**	354
IOF	**83**	125	**83**	125
IRPJ and CSLL	**2,404**	-	**3,364**	779
Others	**57**	10	**4,703**	2,513
	10,923	10,402	**178,506**	157,912
Current	**3,031**	719	**51,111**	58,197
Noncurrent	**7,892**	9,683	**127,395**	99,715

<u>PIS and COFINS</u>

With the start of the non-cumulative calculation system of taxes on revenue PIS (Law 10637/02) and COFINS (Law 10833/03), the subsidiary VRG implemented those rules and challenged in the courts the rate used to calculate these taxes. The provision recorded in balance sheet as of September 30, 2011, amounting to R$115,910 (R$84,022 as of December 31, 2010), includes the unpaid portion, adjusted for inflation using the SELIC rate (Central Bank's policy rate). There are escrow deposits in the amount of R$80,257 (R$66,963 as of December 31, 2010) to ensure the stay of the tax collection.

Adhesion to the Federal Tax Installment Plan (REFIS)

On November 30, 2009, the Company and its subsidiary VRG filed its adherence to the Program of Subdivision of Federal Taxes (REFIS), as prescribed by Law no. 11941 of May 27, 2009, including all debts with the *Receita Federal do Brasil* (Brazilian Federal Revenue Service) and *Procuradoria-Geral da Fazenda Nacional* (Brazilian National Treasury Attorney General's Office), maturing through November 30, 2008.

Management decided to pay debts in the amount of R$11,610 related to GLAI and R$35,012 related to VRG in 180 installments. This payment method offers reductions of 60% (sixty percent) of the late payment fines, 25% (twenty-five percent) of interest, and 20% (twenty percent) of assessment fines, reducing the GLAI and VRG debt to R$10,257 and R$27,990, respectively.

The debts consolidation occurred on June 29, 2011, according with to PGFN/RFB Resolution 2/2011, and upon such consolidation the Company and its subsidiary VRG used a portion of their tax credits relating to tax loss carry forwards and negative basis of social contribution to settle amounts related to interest and penalties amounting to R$1,637 and R$8,013 for GLAI and VRG, respectively.

The Company and its subsidiary VRG have paid REFIS installments on the consolidated debt in June/11.

22. Provisions

			Consolidated		
	Insurance provision	**Aircraft and engine return**	**Onerous contracts**	**Litigation**	**Total**
Balance at December 31, 2010	31,070	33,287	9,885	70,636	144,878
Additional provisions recognized	12,623	145,494	15,274	4,224	177,615
Utilized provisions	(43,410)	(43,620)	(6,542)	(1,453)	(95,025)
Balance at September 30, 2011	**283**	**135,161**	**18,617**	**73,407**	**227,468**
Current	283	9,352	8,314	-	17,949
Noncurrent	-	125,809	10,303	73,407	209,519
	283	**135,161**	**18,617**	**73,407**	**227,468**

Insurance provision

Management obtains aircraft insurance in amounts considered necessary to cover any claims, in view of the nature the Company's assets and the risks inherent to its operating activities, with due heed being paid to the limits set in the lease agreements, in compliance with Law 10744/03.

Aircraft returns

Aircraft return costs includes provisions for costs to meet the contractual return conditions for engines held under operating leases, and the cost of returning the aircraft with no purchase option according to the conditions described in the lease agreements, whose contra entry is capitalized in the property, plant and equipment (see Note 15).

Onerous contracts

The provision for onerous contracts refers to losses on onerous operating lease agreements related to two Boeing 767-300 aircraft that are out of operation and are maintained under operating lease. The provision corresponds to the ne difference between the present value of the future lease payments and the revenue expected to be earned on the lease or sublease of these aircraft, when applicable. The assumptions used are judged estimates and the settlement of these transactions may result in amounts significantly different from those reported by the Company. The termination of the lease agreements ranges from 2 to 3 years.

Litigation

As of September 30, 2011, the Company and its subsidiaries are parties to 21,149 lawsuits and administrative proceedings. The lawsuits and administrative proceedings are classified into Operation (those arising from the Company's normal course of operations), and Succession (those arising from the succession of former Varig S.A. obligations). Under this classification, the number of proceedings is as follows:

	Operation	**Succession**	**Total**
Civil lawsuits	13,254	678	**13,932**
Civil proceedings	1,645	24	**1,669**
Civil miscellaneous	49	**-**	**49**
Labor lawsuits	1,548	3,874	**5,422**
Labor proceedings	75	2	**77**
Total	**16,571**	**4,578**	**21,149**

The civil lawsuits are primarily related to compensation claims generally related to flight delays, flight cancellations, baggage loss, and damages. The labor claims primarily consist of discussions related to overtime, hazard pay, and pay differences.

The provisions related to civil and labor suits, whose likelihood of loss is assessed as probable. are as follows:

	09/30/11	**12/31/10**
Civil	34,010	29,786
Labor	39,397	40,850
	73,407	70,636

Provisions are reviewed based on the progress of the proceedings and history of losses based on the best current estimate for labor and civil lawsuits.

There are other lawsuits assessed by management and its legal counsel as possible risks, in the estimated amount of R$ 15,097 for civil claims and R$10,149 for labor claims at September 30, 2011 (R$10,681 and R$7,530 as of December 31, 2010 respectively), for which no provisions is recognized.

The Company and its subsidiaries are parties to 4 labor claims in France, resulting from former Varig S.A. debts. During the period ended September 30, 2010, the Company and its subsidiaries obtained a favorable decision (lower court decision) in terms of non-succession. The amount involved (not accrued) is approximately R$5,237 (corresponding to €2,1 million).

The Company and its subsidiaries are challenging in court the ICMS levied on aircraft and engines imported under aircraft lease transactions without purchase options in transactions carried out with lessors headquartered in foreign countries. The Company's and its subsidiaries' management understands that these transactions represent simple leases in view of the contractual obligation to return the assets that are the subject matter of the contract. Management believes there's no evidence of goods circulation and so, there's no legal event to generate ICMS taxation.

The estimated aggregated amount of the ongoing lawsuits related to the non-levy of ICMS tax on said imports is R$202,377 as of September 30, 2011 (R$193,173 as of December 31, 2010), adjusted for inflation, not including later payment charges. Based on its legal counsel's opinion and supported by similar lawsuits with favorable decisions to taxpayers by the Superior Court of Justice (STJ) and Supreme Federal Court (STF) in the second quarter of 2007, the Company understands that the likelihood of loss is remote, and thus did not recognize provisions for these amounts. Although the outcome of these lawsuits and proceedings cannot be anticipated, the Company's management, based on the opinion of its outside legal counsel, understands that the final decisions on these lawsuits will not have any material adverse impact on the financial position, operating results, and cash flows of the Company.

23. Shareholders' Equity

a) Issued capital

As of September 30, 2011, the Company's capital is represented by 270,386,866 shares, of which 137,032,734 are common and 133,354,132 are preferred (270,336,668 shares as of December 31, 2010, of which 137,032,734 are common and 133,303,934 are preferred). The Fundo *de Investimento em Participações Volluto* is the Company's controlling fund, which is equally controlled by Constantino de Oliveira Júnior, Henrique Constantino, Joaquim Constantino Neto, and Ricardo Constantino.

Shares are held as follows:

		09/30/11			**12/31/10**	
	Common	**Preferred**	**Total**	**Common**	**Preferred**	**Total**
Fundo Volluto	**100.00%**	**28.43%**	**64.70%**	100.00%	26.98%	63.99%
Other	**-**	**1.50%**	**0.74%**	-	1.42%	0.70%
Treasury shares	**-**	**1.74%**	**0.86%**	-	0.34%	0.17%
Free float	**-**	**68.33%**	**33.70%**	-	71.26%	35.14%
	100.00%	**100.00%**	**100.00%**	100.00%	100.00%	100.00%

The authorized share capital as of September 30, 2011 is R$4 billion. Within the authorized limit, the Company can, as approved by the Board of Directors, increase its capital regardless of any amendment to its bylaws, by issuing shares, without necessarily keeping the proportion between the different types of shares. The Board of Directors will define the issuance conditions, including price and payment term.

At the discretion of the Board of Directors, preemptive rights can be suspended or its exercise term can be reduced upon the issuance of preferred shares, when placed on a stock exchange or for public subscription, or even through share exchange, in public takeover bids, as set forth by the law. Under the Company's bylaws, the Company cannot issue founder's shares.

Preferred shares are nonvoting, except in the case of specific events prescribed by the law. These shares are entitled to: priority in capital reimbursement, without premium and right to be included in public bid as a result from transfer of control , at the same price paid by share of the control block, with payment of dividends at least equal to the common shares. In addition, the Differentiated Corporate Governance Practices – Level 2 of BM&FBOVESPA, provides for the granting of voting rights to preferred shareholders in matters related to corporate restructuring, mergers and transactions with related parties.

On February 22, 2011, the Board of Directors approved the capital increase of R$669 through the private issue of 34,718 preferred shares, all registered with no par value, to the exercise of stock options .

On May 10, 2011, the Board of Directors approved the capital increase of R$181 through the issue of 15,480 preferred shares, due to the exercise of stock options mentioned on February 28, 2011.

Gol Linhas Aéreas Inteligentes S.A. shares as of September 30, 2011 are quoted, in the São Paulo Stock Exchange – BOVESPA, in the amount of R$10.24, and US$5.56 in New York Stock Exchange – NYSE. The book value per share as of September 30, 2011 is R$7.39 (R$10.83 as of December 31, 2010).

b) Retained earnings

i. Legal reserve

It is recognized by allocating 5% of profit for the year after the absorption of accumulated losses in accordance with Article 193 of Law 11638/07, limited to 20% of the capital, according to the Brazilian Corporate Law and the Company’s bylaws.

ii. Reinvestment reserve

The reinvestment reserve is aimed at meeting the planned investments under the Company's capital budget.

c) Dividends

The Company’s bylaws provide for a mandatory minimum dividend to common and preferred shareholders, in the aggregate of at least 25% of annual adjusted profit determined in accordance with the Brazilian corporate law, which permits the payment of cash dividends only from retained earnings, and certain reserves recognized in the Company’s statutory accounting records.

As of December 31, 2010, management proposed the payment of dividends amounting to R$50,873 (R$0.19 per share) based on profit earned as of December 31, 2010 and after the legal reserve, paid on June 22, 2011 in the amount of R$50,857. The remaining R$7 is available for payment to absent shareholders.

d) Treasury shares

As of September 30, 2011, the Company has 2,317,125 treasury shares, totaling R$34,675, with a fair value of R$23,727 (R$11,887 in shares with fair value of R$11,792 as of December 31, 2010).

In compliance with Item IV art.4 of CVM Instruction 390/03, the table below shows the changes in the number of outstanding shares held in treasury:

	Treasury shares	**Repurchase of shares**	**Total**
Balance as of December 31, 2010	454,425	-	454,425
Repurchase of shares by exercise of options (a)	-	1,862,700	1,862,700
Balance as of September 30, 2011	454,425	1,862,700	2,317,125

(a) Shares acquired through the repurchase program, see Note 17.

e) Share-based payments

As of September 30, 2011, the balance of share-based payments reserve was R$63,726. The Company recorded a share-based payment expense amounting to R$19,999 during the nine-month period ended September 30, 2011, with a balancing item in the income statement as personnel costs (R$20,664 as of September 30, 2010).

f) Other comprehensive income

The fair value measurement of short-term investments classified as available for sale and financial instruments designated as cash flow hedges is recognized in line item Valuation Adjustments to Equity, net of taxes, until contracts are terminated. The balance as of September 30, 2011 corresponds to a loss of R$75,474 (gain of R$11,073 as of December 31, 2010).

24. Costs of Services, Administrative and Selling Expenses

	Parent Company							
	Three months periods ended on 09/30/11				Nine months periods ended on 09/30/10			
	Administrative expenses				Administrative expenses			
	Total	**%**	**Total**	**%**	Total	%	Total	%
Salaries	**5,438**	**72.4**	**6,715**	**63.0**	21,182	71.6	21,882	72.2
Services Rendered	**1,952**	**26.0**	**1,490**	**14.0**	6,112	20.7	4,357	14.4
Sales and marketing	**-**	**-**	**-**	**-**	590	2.0	238	0.8
Depreciation and amortization	**22**	**0.3**	**22**	**0.2**	67	0.2	67	0.2
Other expenses	**100**	**1.3**	**2,422**	**22.8**	1,620	5.5	3,766	12.4
	7,512	**100.0**	**10,649**	**100.0**	29,571	100.0	30,310	100.0

	Consolidated								
	Three months periods ended on								
	09/30/11					09/30/10			
	Cost of services	**Selling expenses**	**Administrative expenses**	**Total**	**%**	**Cost of services**	**Selling expenses**	**Administrative expenses**	**Total**
Salaries	**299,852**	**20,828**	**47,441**	**368,121**	[illegible]	258,559	20,608	33,797	312,9
Aircraft fuel	**745,335**	**-**	**-**	**745,335**	[illegible]	580,096	-	-	580,0
Aircraft rent	**108,641**	**-**	**-**	**108,641**	[illegible]	130,439	-	-	130,4
Maintenance materials and repairs	**129,961**	**-**	**-**	**129,961**	[illegible]	134,003	-	-	134,0

				Total	%				
Aircraft and traffic servicing	**58,174**	**20,396**	**39,861**	**118,431**	6.2	52,053	14,356	43,982	110,3
Sales and marketing	**-**	**99,700**	**-**	**99,700**	5.2	-	90,713	-	90,7
Landing fees	**99,910**	**-**	**-**	**99,910**	5.2	83,658	-	-	83,6
Depreciation and amortization	**75,665**	**-**	**14,998**	**90,663**	4.7	52,966	-	10,287	63,2
Other operating expenses	**96,987**	**26,047**	**34,961**	**157,995**	8.2	66,565	21,787	7,867	96,2
	1,614,525	**166,971**	**137,261**	**1,918,757**	100.0	1,358,339	147,464	95,933	1,601,7

	Consolidated								
	Nine months periods ended on								
	09/30/11					09/30/10			
	Cost of services	**Selling expenses**	**Administrative expenses**	**Total**	**%**	**Cost of services**	**Selling expenses**	**Administrative expenses**	
Salaries	**923,275**	**66,131**	**123,457**	**1,112,863**	**20.2**	742,619	61,121	105,803	
Aircraft fuel	**2,145,299**	**-**	**-**	**2,145,299**	**38.9**	1,702,779	-	-	1
Aircraft rent	**349,397**	**-**	**-**	**349,397**	**6.3**	416,790	-	-	
Maintenance materials and repairs	**298,924**	**-**	**-**	**298,924**	**5.4**	368,372	-	-	
Aircraft and traffic servicing	**170,064**	**52,869**	**120,819**	**343,752**	**6.2**	157,822	36,579	115,945	
Sales and marketing	**-**	**281,013**	**-**	**281,013**	**5.1**	-	260,974	-	
Landing fees	**281,804**	**-**	**-**	**281,804**	**5.1**	238,955	-	-	
Depreciation and amortization	**227,766**	**-**	**43,721**	**271,487**	**4.9**	173,000	-	34,384	
Other operating expenses	**258,499**	**69,348**	**103,978**	**431,825**	**7.9**	180,425	61,090	17,060	
	4,655,028	**469,361**	**391,975**	**5,516,364**	**100.0**	3,980,762	419,764	273,192	4

25. Sales Revenue

a) The net sales revenue for the period is broken down as follow:

	Consolidated			
	Three-month periods ended		**Nine-month periods ended**	
	09/30/11	**09/30/10**	**09/30/11 (Restated)**	**09/30/10**
Passenger transportation	**1,689,529**	1,675,811	**4,879,182**	4,792,160
Cargo transportation and other revenue	**240,491**	196,532	**675,417**	554,282
Gross revenue	**1,930,020**	1,872,343	**5,554,598**	5,346,442
Related taxes	**(86,322)**	(83,408)	**(248,838)**	(236,837)
Net revenue	**1,843,698**	1,788,935	**5,305,760**	5,109,605

The revenues are net of federal, state and municipal taxes, which are paid and transferred to the appropriate government entities.

b) Revenue by geographical segment is as follows:

	Three-month periods ended				**Nine-month periods ended**			
	09/30/11	**%**	**09/30/10**	**%**	**09/30/11 (Restated)**	**%**	**09/30/10**	**%**
Domestic	**1,702,701**	**92.4**	1,653,131	92.4	**4,880,680**	91.9	4,789,851	93.7
International	**140,997**	**7.6**	135,804	7.6	**425,080**	8.1	319,754	6.3
Net revenue	**1,843,698**	**100.0**	1,788,935	100.0	**5,305,760**	100.0	5,109,605	100.0

26. Commitments

As of September 30, 2011 the Company had 94 firm orders placed with Boeing, 10 purchase rights and 40 purchase options granted on non-onerous basis, for aircraft acquisition. The commitments to purchase aircraft include estimates for contractual price increases during the construction phase. The approximate amount of firm orders, not including contractual discount is R$15,996,043 (corresponding to US$8,625,994) and are broken down according to the following periods:

	09/30/11
2011 (three months)	396,063
2012	885,864
2013	2,905,259
2014	4,292,344
2015	3,697,466
After 2015	3,819,047
	15,996,043

As of September 30, 2011, out of the commitments mentioned above, the Company will be required to pay the amount of R$2,046,018, as advances for aircraft acquisition, as follows:

	09/30/11
2011 (three months)	77,334
2012	438,845
2013	531,009
2014	496,249
2015	402,470
After 2015	100,111
	2,046,018

The installment financed by Long-term debt, collateralized by the aircraft, by the U.S. Ex-Im Bank (“Exim”) corresponds approximately to 85% of total cost of the aircraft. Other agents finance the acquisitions with percentages equal or above this percentage, reaching up to the limit of 100%.

The Company is making payments related to the acquisition of aircraft using its own funds, loans, cash provided by operating activities, short- and medium-term credit facilities, and supplier financing.

The Company, through its subsidiary VRG, leases its entire fleet of aircraft fleet using a combination of finance and operating leases. As of September 30, 2011, the fleet was comprised of 124 aircraft, of which 80 were operating leases and 44 were recorded as finance leases. VRG has 38 aircraft that have purchase option. During the three-month period ended on September 30, 2011, the Company received three aircraft based on financial lease contracts, and returned three 767-300 aircraft.

a) Operating leases

Future lease payments of non-cancelable operating leases are denominated in U.S. dollars, and are as follows:

	09/30/11	**12/31/10**
2011	**133,392**	504,784
2012	**514,994**	481,109
2013	**456,155**	414,202
2014	**304,731**	261,098
2015	**180,680**	149,637
After 2015	**503,129**	360,132
Total minimum leasing payments	**2,093,081**	2,170,963

b) Sale-leaseback transactions

As of September 30, 2011, the Company recognized R$7,564 and R$17,822 as ‘Other payables’ in current and non-current liabilities, respectively (R$7,564 and R$23,495 as of December 31, 2010), related to gains on sale-leaseback transactions conducted by its subsidiary GAC Inc. in 2006, related to eight 737-800 Next Generation aircraft. This gain is being deferred proportionally to the monthly payments of the related lease agreements over the contractual term of 124 months.

On the same date, the Company recorded R$9,373 and R$47,171 reported in ‘Prepaid expenses’, in current and non-current assets, respectively (R$9,373 and R$54,201 as of December 31, 2010), related to losses on sale-leaseback transactions conducted by its subsidiary GAC Inc. during the years of 2007, 2008 and 2009, related to nine aircraft. These losses are being deferred and amortized proportionally to the monthly payments of the related lease agreements over the contractual term of 120 months.

Additionally, in the nine month period ended September 30, 2011, the Company recorded a gain of R$7,356 recognized directly in profit or loss, since gains and losses on sale-leaseback transactions were not offset over lease terms.

27. Financial instruments

The Company and its subsidiaries have financial asset and financial liability transactions, which consist partially of derivative financial instruments.

The financial derivative instruments are used to hedge against the inherent risks relating to the operation. The Company and its subsidiaries consider fuel price, exchange rate and interest rate as the most material risks, together with the credit risk associated with its operations. These risks are mitigated by using exchange swap derivatives, U.S. dollar futures contracts, and oil, U.S. dollar and interest options.

Management follows a documented guideline when managing its financial instruments, set out in its Risk Management Policy, which is periodically revised by the Financial Policy and Risk Committee, after approved by the Board of Directors. The Committee sets the guidelines and limits, monitors controls, including the mathematical models adopted for a continuous monitoring of exposures and possible financial effects and also prevents the execution of speculative financial instruments transactions.

The gains on these transactions and the application of risk management controls are part of the Committee's monitoring and are satisfactory to the objectives proposed.

The fair values of financial assets and liabilities of the Company and its subsidiaries are established through information available on the market and according to valuation methodologies.

Most of the financial instruments entered into with the purpose of hedging against fuel and currency risks provide scenarios with low probability of occurrence, and thus have lower costs compared to other instruments with higher probability of occurrence. Consequently, despite of high correlation between the hedged item and the derivative financial instruments contracted, a significant portion of the transactions presents ineffective results upon settlement, which are presented in the tables below.

The breakdown of the consolidated account balances and the categories of financial instruments included in the balance sheet as of September 30, 2011 and December 31, 2010 is as follows:

	Measured at fair value through profit and loss			**Measured at amortized cost (a)**		**Measured at amortized cost but not through profit and loss (Assets available for sale)**	
	09/30/11		12/31/10	**09/30/11**	12/31/10	**09/30/11**	12/31/10
Assets							
Cash and cash equivalents	**1,302,673**		1,955,858	**-**	-	**-**	-
Short-term investments	**718,019**	**(b)**	-	**-**	-	**-**	22,606
Restricted cash	**166,737**		34,500	**-**	-	**-**	**-**
Gain on derivatives operation	**297**		10,420	**-**	-	**-**	**-**
Accounts receivable	**-**		-	**326,634**	303,054	**-**	-
Maintenance deposits	**-**		-	**415,501**	-	**-**	-
Other credits	**-**		-	**41,337**	57,246	**-**	-
Premiums	**24,105**		-	**-**	-	**-**	**-**
Liabilities							
Loans and financing	**-**		-	**4,724,043**	3,741,088	**-**	-
Suppliers	**-**		-	**221,001**	215,792	**-**	-
Loss on derivatives transactions	**186,637**	**(c)**	1,646	**-**	-	**-**	-

(a) Considering the short-term between the issuance date and the maturity date of the financial instruments measured at amortized cost, the Company understands that their fair values are approximate their book values, except by the amounts related to Perpetual Bonds and Senior Notes, as disclosed on Note 17.

(b) Of the amount classified as short-term investments, the amount of R$237,273 is considered as held-to-maturity investments.

(c) The Company records as of September 30, 2011 the amount of R$75,474 in shareholders' equity as valuation adjustment to equity as a balancing item of this liability.

Risks

The operating activities subject the Company and its subsidiaries to the following financial risks: market (including currency risk, interest rate risk, and fuel price risk), credit and liquidity risks. The Company's risk management policy aims at mitigating potential adverse effects from transactions that could affect its financial performance.

The Company’s and its subsidiaries’ decisions on the portion of its exposure to be hedged against financial risk, both for fuel consumption and currency and interest rate exposures, consider the risks and hedge costs. The Company and its subsidiaries do not usually contract hedging instruments for its total exposure, and thus they are subject to the portion of risks resulting from market fluctuations. The portion of exposure to be hedged is determined and reviewed at least quarterly in compliance with the strategies determined in the Risk Policies Committees.

The relevant information on the main risks affecting the Company’s and its subsidiaries’ operations is as follows:

a) Fuel price risk

As of September 30, 2011, fuel expenses accounted for 39% of the costs of services, and administrative and selling expenses of the Company and its subsidiaries. The aircraft fuel price fluctuates both in the short and in the long terms, in line with crude oil and oil byproduct price fluctuations.

In order to mitigate the fuel price risk, the Company and its subsidiaries contract derivatives linked mainly to crude oil and possibly its byproducts. As of September 30, 2011, the Company used options, collar and swap agreements.

Fuel hedge transactions, classified as cash flow hedges are contracted with counterparties rated as investment grade, or are performed on the NYMEX.

b) Exchange rate risk

The exchange rate risk derives from the possibility of unfavorable fluctuation of foreign currencies to which the Company’s liabilities or cash flows are exposed. The exposure of the Company’s and its subsidiaries’ assets and liabilities to the foreign currency risk mainly derives from foreign currency-denominated leases and financing.

The Company’s and its subsidiaries’ revenues are mainly denominated in Reais, except for a small portion in U.S. dollars, Argentinean pesos, Bolivian bolivianos, Chilean peso, Colombian peso, Paraguay guarani, Uruguayan peso, Venezuela bolivar, etc.

In order to mitigate the currency risk, the Company contracts the following currency derivatives: U.S. dollar futures and options conducted on the BM&F-BOVESPA. These transactions may be conducted using exclusive investment funds, as described in the Company’s Risk Management Policy.

The Company’s foreign exchange exposure as of September 30, 2011 and December 31, 2010 is as follows:

	Parent Company		Consolidated	
	09/30/2011	**12/31/2010**	**09/30/2011**	**31/12/2010**
Assets				
Cash, cash equivalents and short-term investments	**55,820**	123,640	**222,304**	218,909
Deposits in guarantee for lease agreements	**-**	-	**98,688**	127,963
Maintenance deposits	**-**	-	**415,501**	-
Advance expenses	**-**	-	**24,105**	33,322
Others	**13,436**	14,679	**16,955**	14,679
Total assets	**69,256**	138,319	**777,553**	394,873
Liabilities				
Foreign suppliers	**-**		**28,254**	27,831
Short- and long-term debt	**1,348,672**	1,227,545	**1,407,801**	1,371,323
Finance leases payable	**-**	-	**2,012,608**	1,639,981
Other leases payable	**-**	-	**54,312**	37,407
Provision for aircraft return	**-**	-	**118,164**	-
Other U.S. dollar-denominated liabilities	**-**	-	**34,577**	46,435
Total liabilities	**1,348,672**	1,227,545	**3,655,716**	3,122,977
Exchange exposure in R$	**1,279,416**	1,089,226	**2,878,163**	2,728,104
Obligations not recognized in balance sheet				
Future obligations resulting from operating leases	**2,046,018**	1,943,880	**2,046,018**	1,943,880
Future obligations resulting from firm aircraft orders	**15,996,043**	16,427,824	**15,996,043**	16,427,824
Total	**18,042,061**	18,371,704	**18,042,061**	18,371,704
Total exchange exposure R$	**19,321,477**	19,460,930	**20,920,224**	21,099,808
Total exchange exposure US$	**10,419,261**	11,679,828	**11,281,398**	12,663,431
Exchange Rate (R$/US$)	**1,8544**	1,6662	**1,8544**	1,6662

c) Credit risk

The credit risk is inherent in the Company’s and its subsidiaries’ operating and financing activities, mainly represented by trade receivables, cash and cash equivalents, including bank deposits.

The trade receivable credit risk consists of amounts falling due of the largest credit card companies, with credit risk better than or equal to those of the Company and its subsidiaries, and receivables from travel agencies, installment sales, and government sales, with a small portion exposed to risks from individuals or other entities.

As defined in the Risk Management Policy, the Company and its subsidiaries are required to assess the counterparty risks in financial instruments and diversify the exposure. Financial instruments are contracted with counterparties rated at least as investment grade by S&P and Moody’s, or they are mostly contracted on commodities and futures exchanges (BM&FBOVESPA and NYMEX), which substantially mitigates the credit risk. The Company’s and its subsidiaries’ Risk Management Policy establishes a maximum limit of 20% per counterparty for short-term investments.

d) Interest rate risk

The Company and its subsidiaries are exposed to fluctuations in domestic and foreign interest rates, particularly the CDI and Libor, respectively. The highest exposure is in lease transactions, indexed to the Libor, and domestic loans.

In the nine-month period ended September 30, 2011, for interest rate hedges, the Company and its subsidiaries conduct swap transactions with counterparties rated as investment grade.

e) Liquidity risk

Liquidity risk arises in two distinct forms: market liquidity risk and cash flow liquidity risk. The first is related to current market prices and varies in accordance with the types of assets and the markets where they are traded. Cash flow liquidity risk, however, is related to difficulties in meeting the contracted operating obligations at the agreed dates.

As a way of managing the liquidity risk, the Company and its subsidiaries invest its funds in liquid assets (bonds, CDBs, and investment funds with daily liquidity), and the Cash Management Policy prescribes that the Company's and its subsidiaries' weighted average debt maturity should be higher than the weighted average maturity of the investment portfolio. As of September 30, 2011, the weighted average maturity of the Company's and its subsidiaries' financial assets was 13 days and of their financial liabilities was 5 years.

As shown in Note 26, in order to hedge future commitments, the Company and its subsidiaries use derivative financial instruments contracted with prime banks for cash management purposes.

f) Capital management

The table below shows the financial leverage rate as of September 30, 2011 and December 31, 2010:

	Consolidated	
	09/30/11	**12/31/10**
Shareholder's equity	1,997,371	2,929,169
Cash and cash equivalents	(1,302,673)	(1,955,858)
Restricted cash	(166,737)	(34,500)
Short-term investments	(718,019)	(22,606)
Short- and long-term debts	4,724,043	3,741,088
Net debt (a)	2,536,614	1,728,124
Total capital (b)	4,533,985	4,657,293
Leverage ratio (a) / (b)	**56%**	**37%**

Additionally, the Company and its subsidiaries are still committed to keep the amount of cash and cash equivalent close to 25% of the net revenue for the last twelve months, as observed on September 30, 2011.

Derivative financial instruments

The derivative financial instruments were recognized in the following balance sheet line items:

Description	**Balance sheet account**	**09/30/11**	**12/31/10**
Gain on derivatives operation (assets)	Other receivables	**297**	10,420
Loss on derivatives operation (liabilities)	Loss on derivatives operation	**186,637**	1,646
Premiums of options contracts (assets)	Prepaid expenses	**24,105**	23,334

The Company and its subsidiaries adopt hedge accounting and classifies derivative contracted to hedge currency risks, interest rate risk and fuel price risk as "cash flow hedge" or as " fair value hedge ", according to the parameters described in the Brazilian accounting standard CPC 38 and International Accounting Standard IAS 39. Derivative financial instruments contracted are formally identified, classified and designated through documentation and control when acquired, as follows:

Classification of derivatives financial instruments

i) Cash flow hedges

The Company and its subsidiaries use cash flow hedges to hedge against future revenue or expense fluctuations resulting from changes in the exchange rates, interest rates or fuel price, and accounts for actual fluctuations of the fair value of derivative financial instruments in shareholders' equity until the hedged revenue or expense is recognized.

The Company and its subsidiaries estimates the effectiveness based on statistical correlation methods and the ratio between gains and losses on the financial instruments used as hedge, and the cost and expense fluctuation of the hedged items.

The instruments are considered as effective when the fluctuation in the fair value of derivatives offsets between 80 to 125 percent the impact of the price fluctuation on the cost or expense of the hedged item.

The balance of the actual fluctuations in the fair values of the derivatives designated as cash flow hedges is transferred from shareholders' equity to profit or loss for the period in which the hedged costs or expenses impacts profit or loss. Gains or losses on effective cash flow hedges are recorded in balancing accounts of the hedged expenses, by reducing or increasing the operating cost, and the ineffective gains or losses are recognized as financial income or financial expenses for the year.

ii) Fair value hedges

The Company and its subsidiaries hedge against changes in the fair value of a recognized liability, or a part thereof, attributable to interest, fuel and currency risks. Fluctuations in the fair value of the derivatives designated as fair value hedges are recognized directly in profit or loss together with the related changes in the fair value of the hedged liability.

The Company and its subsidiaries estimate the effectiveness based on the ratio between the fluctuation in the fair value of the derivatives used as hedge and the fluctuation in the fair values of the hedged liabilities.

The instruments are considered effective when the fluctuation in the fair values of derivatives offset between 80 to 125 percent of the fair values of the hedged liabilities.

In the case of an exchange hedge of the fair value of a financial liability, the fluctuation in a derivative's fair value is recognized in financial income or financial expense for the same period in which it occurs. If the hedge is considered effective through the end of the period, the carrying amount of the hedged item is adjusted to reflect the fluctuation in its fair value caused by the risk covered, with a corresponding entry in financial income or financial expense.

Derivative financial instruments not designated as hedges

The Company and its subsidiaries contracts derivative financial instruments that are not formally designated for hedge accounting. This occurs when transactions are in the short term and the control and disclosure complexity make them unfeasible, or when the change in a derivative’s fair value must be recognized in profit or loss for the same period of the effects of the hedged risk.

<u>Designation of hedged item</u>

a) Fuel hedge

Due to the low liquidity of jet fuel derivatives traded in commodities exchanges, the Company and its subsidiaries contracts crude oil derivatives and its byproducts—West Texas Intermediate (WTI), Brent and Heating Oil—to hedge against fluctuations in jet fuel prices. Historically, oil prices are highly correlated with jet fuel prices.

As of September 30, 2011, the Company and its subsidiaries have fuel derivative hedging contracts performed at Nymex and over-the-counter (OTC) markets.

Oil derivative contracts, designated as fuel hedges of the Company and its subsidiaries, are summarized below:

Closing balance at:	**09/30/11**	**12/31/10**
Fair value at end of period (R$)	**(66,629)**	33,205
Average term (months)	**6**	4
Volume hedged for future periods (thousand barrels)	**4,344**	2,109
Gains (losses) with hedge effectiveness recognized in shareholders' equity, net of taxes (R$)	**(23,667)**	10,586

	Three months		**Nine months**	
Period ended:	**2011**	**2010**	**2011**	**2010**
Gains on effective hedges recognized in operating costs (R$)	**-**	217	**-**	217
Gains (losses) on ineffective hedges recognized in financial income (expenses) (R$)	**7,159**	(1,040)	**29,287**	(5,456)
Losses on ineffective hedges recognized in financial expenses for future periods (R$)	**(33,660)**	(8,939)	**(86,583)**	(37,130)
Total losses on ineffective hedges recognized as financial expenses (R$)	**(26,501)**	(9,979)	**(57,296)**	(42,586)
Current exposure percentage hedged during the period	**55%**	57%	**48%**	43%

The table below shows the notional amount of derivatives designated as hedges contracted by the Company and its subsidiaries to hedge future fuel expenses, the average rate contracted for the derivatives, and the percentage of fuel exposure hedged by reporting period as of September 30, 2011:

Market risk factor: Fuel price						
Over-the-counter market	**4T11**	**1T12**	**2T12**	**3T12**	**Total 12M**	**4T12**
Percentage of fuel exposure hedged	41%	51%	42%	27%	**40%**	5%

Notional amount in barrels (thousands)	1,713	1,984	1,687	1,162	**6,546**	216
Future rate agreed per barrel (US$) *	123,99	124,71	122,20	113,16	**121,82**	103,30
Total in reais **	**393,878**	**458,814**	**382,288**	**243,838**	**1,478,819**	**41,378**

* Weighted average between call strikes,

** The exchange rate as of 09/30/11 was R$1.8544/US$1.00.

b) Foreign Exchange Hedge

The Company and its subsidiaries uses derivative contracts as U.S. dollar hedges entered into on the BM&FBOVESPA, using an exclusive investments fund as vehicle for contracting risk coverage.

As of September 30, 2011, the Company and its subsidiaries have no financial assets or bank guarantee linked to margin deposits.

During September 2011, management, faced with a future economic scenario, decided to suspend temporarily the hedging of the Company's cash flows.

As of September 30, 2011, the Company and its subsidiaries did not have foreign exchange derivative contracts designated as U.S. dollar cash flow hedges. Losses from hedge ineffectiveness recognized during the three- and nine-month period ended September 30, 2011, are presented below:

Closing balance at:	**09/30/11**	**12/31/10**
Fair value at end of period (R$)	**-**	109
Longer remaining term (months)	**-**	4
Hedged volume for future periods (US$)	**-**	65,000

	Three months		**Nine months**	
Period ended:	**2011**	**2010**	**2011**	**2010**
Hedge effectiveness losses recognized in operating costs and expenses (R$)	**-**	-	**-**	-
Hedge ineffective gains (losses) recognized in financial income (expenses) (R$)	**882**	(2,814)	**823**	(5,566)
Hedge ineffective gains (losses) recognized in financial income (expenses) for future competences (R$)	**140**	(24,925)	**(530)**	(27,164)
Total hedge ineffective gains (losses) recognized in financial income (expenses) (R$)	**1,022**	(27,739)	**293**	(32,730)
Percentage exposure hedged during the period	**4.2%**	46%	**5.4%**	26%

As of September 30, 2011, the Company and its subsidiaries have no foreign currency derivative contracts designated as U.S. dollar fair value hedge. The hedge effective losses recognized in financial expenses for the nine-month period ended September 30, 2011(in thousands, unless otherwise indicated) are summarized below:

Closing balance at:	**09/30/11**	**31/12/10**
Fair value at end of period (R$)	-	(6,645)
Finance leasing (US$)	-	984,264
Volume hedged (US$)	-	388,750
Actual percentage of hedged exposure	-	39%

Period ended:	Three months 2011	2010	Nine months 2011	2010
Hedge effectiveness losses recognized in financial expenses (R$)	**-**	-	**(34,130)**	-
Percentage of exposure hedged during the period	**-**	-	**21%**	-

Foreign exchange derivative instruments not designated for hedge accounting

As of September 30, 2011, the Company and its subsidiaries have the following derivatives instruments to hedge against U.S. dollar fluctuations not designated for hedge accounting: currency swaps (USD x CDI) to hedge a credit facility (working capital). The table below shows the amounts recognized in financial income (expenses) related to these transactions:

Period ended:	Three months 2011	2010	Nine months 2011	2010
Gains (losses) recognized in financial expenses	**23,930**	(6,913)	**5,051**	(6,063)

(b) Interest rate hedges

As of September 30, 2011, the Company and its subsidiaries have swap derivatives for Libor hedge, in the notional amount of US$ 600 million.

The following is a summary of Company and its subsidiaries interest rate derivative contracts designated as Libor cash flow hedges:

Closing balance at:	**09/30/11**	**12/31/10**
Fair value at end of period (R$)	**(78,497)**	-
Face value at end of period (US$)	**505,061**	-
Face value at end of period (R$)	**936,584**	-
Hedge losses recognized in shareholders' equity, net of taxes (R$)	**(51,807)**	-

	Three months		**Nine months**	
Period ended:	**2011**	**2010**	**2011**	**2010**
Hedge effectiveness gains (losses) recognized in financial expenses (expenses) (R$)	**-**	115	**-**	(1,398)

Interest rate derivative instruments not designated for hedge accounting

In the nine-month period ended September 30, 2011 the Company and its subsidiaries held positions in Libor interest derivative contracts not designated for hedge accounting, in the notional amount of US$ 95 million The table below shows the amounts recognized in financial income and expenses related to these transactions:

	Three months		**Nine months**	
Period ended:	**2011**	**2010**	**2011**	**2010**
Losses recognized in financial expenses	**(13,985)**	(2,473)	**(22,920)**	(7,716)

In addition, the Company and its subsidiaries profit or loss are affected by interest rates fluctuations in Brazil, levied on cash investments, short-term investments, Brazilian real-denominated liabilities, and U.S. dollar-denominated assets and liabilities. These fluctuations affect the fair value of financial instruments, the fair value of Brazilian real-denominated fixed income securities and the interest on cash and short-term investments.

Sensitivity analysis of derivative financial instruments

The sensitivity analysis of financial instruments was prepared pursuant to CVM Instruction 475/08, in order to provide a 25% and 50% positive and negative change in the main risk factor of each financial instrument and, therefore, the impact of such changes on the Company’s financial income and expenses in case such changes occur.

The estimates presented, since they are based on simple statistics, do not necessarily reflect the amounts to be reported in the next financial statements. The use of different methodologies and /or assumptions may have a material effect on the estimates presented.

The tables below show the sensitivity analysis for market risks and financial instruments considered relevant by management, outstanding position as of September 30, 2011 and based on the scenarios described above.

Consolidated

(I) Fuel risk

As of September 30, 2011, the Company held derivative contracts for oil WTI, Brent and Heating Oil, which represent notional volumes of 6,762 million barrels. These contracts mature between October 2011 and December 2012.

In the probable and possible adverse scenarios (25% drop in oil prices) and remote adverse (50% drop), the impacts on the fair value of derivatives are shown in the table below.

Risk Factor	**Exposed amounts as of 09/30/11**	**Probable Scenario 09/30/11**	**-25%**	**-50%**
Drop in fuel price curve	**(R$66,629)**	**R$0**	**(R$165,807)**	**(R$344,276)**
Prices considered (US$/barrel)				
WTI		85,61	64,21	42,81
HO		123,22	92,42	61,61
Brent		109,91	82,43	54,95

(II) Foreign exchange risk

As of September 30, 2011, the Company held a derivative contract in US dollar in the notional value of US$51,122, with maturity in March 2012.

As of September 30, 2011, the Company held assets and liabilities indexed to the US dollar, totaling US$ 1,565,071 in foreign exchange exposure, equivalent to R$ 2,902,268.

	Risk Factor	Exposed amounts as of 09/30/11	Consolidated Addition -50%	-25%
US dollar-denominated assets and liabilities	Dollar appreciation curve	(R$2,902,268)	R$1,451,134	R$725,567
US dollar denominated derivative	Dollar depreciation curve	R$6,646	(R$47,400)	(R$23,700)
Net Total		**(R$2,895,622)**	**R$1,403,734**	**R$701,867**
	Exchange rate used		R$0.9272/US$	R$1.3908/U

(III) Interest rate risk

	Risk Factor	Exposed amounts in 09/30/11	Consolidated Additional changes in the account balance -50%	-25%	Probable Scenario 09/30/11	25%	50%
Short-term investments	CDI	R$845,939	(R$3,976)	(R$1,988)	R$0	R$1,988	R$3,976
Loans (Debentures)	CDI	(R$1,170,137)	R$20,148	R$10,074	R$0	(R$10,074)	(R$20,148)
Net Impact		**R$324,198**	**R$16,172**	**R$8,086**	**R$0**	**(R$8,086)**	**(R$16,172)**
Interest rate derivatives	Libor	(R$100,005)	(R$84,334)	(R$42,167)	R$0	R$42,167	R$84,334
Loans (IFC)	Libor	(R$31,182)	R$154	R$77	R$0	(R$77)	(R$154)
Finance Lease	Libor	(R$2,012,608)	R$2,479	R$1,239	R$0	(R$1,239)	(R$2,479)
Net Impact		**(R$2,143,795)**	**(R$81,701)**	**(R$40,850)**	**R$0**	**R$40,850**	**R$81,701**
Loans (BNDES-Loan Safra)	TJLP	(R$92,383)	R$1,315	R$658	R$0	(R$658)	(R$1,315)
Net Impact		**(R$92,383)**	**R$1,315**	**R$658**	**R$0**	**(R$658)**	**(R$1,315)**
Loans (BDMG)	IPCA	(R$30,255)	R$252	R$126	R$0	(R$126)	(R$252)
Net Impact		**(R$30,255)**	**R$252**	**R$126**	**R$0**	**(R$126)**	**(R$252)**

Parent Company

I) Foreign exchange risk

			Parent Company	
			Additional	
	Risk Factor	**Exposed amounts in 09/30/11**	**-50%**	**-25%**
US dollar-denominated assets and liabilities	Dollar appreciation curve	(R$1,279,416)	R$639,708	R$319,854
Net Total		**R$1,279,416**	**R$639,708**	**R$319,854**
Exchange rate used			R$0.9272/US$	R$1.3908/US$

As of September 30, 2011, the Company has assets and liabilities indexed to the US dollar, totaling US$689,935 in foreign exchange exposure, equivalent to R$1,279,416.

IFRS

Besides the sensitivity analysis based on the abovementioned standards, the Company and its subsidiaries also analyze the impact of the financial instrument quotation fluctuation on the Company's and its subsidiaries' profit or loss and shareholders' equity taking into consideration:

- Increase and decrease by 10 percentage points in fuel prices, by keeping constant all the other variables;
- Increase and decrease by 10 percentage points in dollar exchange rate, by keeping constant all the other variables;
- Increase and decrease by 10 percentage points in Libor interest rate, by keeping constant all the other variables;

The sensitivity analysis includes only outstanding monetary items that are material for the risks above. A positive number indicates an increase in income and equity when the risk appreciates by 10%.

The table below shows the sensitivity analysis made by the Company's management, at September 30, 2011 and 2010, based on the scenarios described above:

Fuel:

	Position as of September 30, 2011		**Position as of September 30, 2010**	
Increase/(decrease) in fuel prices (percentage)	**Effect on pretax income (R$ million)**	**Effect on equity (R$ million)**	**Effect on pretax income (R$ million)**	**Effect on equity (R$ million)**
10	(74.0)	(23.9)	(58.3)	(27.2)
(10)	74.0	2.9	58.3	40.6

Foreign exchange - USD:

	Position as of September 30, 2011		**Position as of September 30, 2010**	
Appreciation/(depreciation) of USD/R$ (percentage)	**Effect on pretax income (R$ million)**	**Effect on equity (R$ million)**	**Effect on pretax income (R$ million)**	**Effect on equity (R$ million)**
10	(100.5)	(66.3)	(87.3)	(37.3)
(10)	100.5	66.3	87.3	28.4

Interest rate - Libor:

	Position as of September 30, 2011		**Position as of September 30, 2010**	
Increase/(decrease) in Libor (percentage)	**Effect on pretax income (R$ million)**	**Effect on equity (R$ million)**	**Effect on pretax income (R$ million)**	**Effect on equity (R$ million)**
10	(0.2)	9.1	(0.0)	(0.0)
(10)	0.2	(9.1)	0.0	0.0

The Company and its subsidiaries sensitivity to fuel price increased during the current period when compared to with the previous period, is due to the growth in fuel consumption.

The sensitivity to the US dollar increased compared to the effect on income and on equity, due to the increase in US dollar-denominated expenses.

Regarding the Libor rate, the sensitivity increased compared to the effect on equity, due to the increase in notional amount of hedges.

Measurement of the fair value of financial instruments

In order to comply with the disclosure requirements for financial instruments measured at fair value, the Company and its subsidiaries must classify its instruments in Levels 1 to 3, based on observable fair value grades:

a) Level 1: Fair value measurements are calculated based on quoted prices (without adjustment) in active market or identical liabilities;

b) Level 2: Fair value measurements are calculated based on other variables besides quoted prices included in Level 1, that are observable for the asset or liability directly (such as prices) or indirectly (derived from prices); and

c) Level 3: Fair value measurements are calculated based on valuation methods that include the asset or liability but that are not based on observable market variables (unobservable inputs).

The following table states a summary of the Company's and its subsidiaries' financial instruments measured at fair value, including their related classifications of the valuation method, as of September 30, 2011:

Financial Instrument	**Carrying amount**	**Other Significant Observable Factors (Level 2))**
Cash equivalents	**1,140,491**	**1,140,491**
Short-term investments	**718,019**	**718,019**
Restricted cash	**166,737**	**166,737**
Gains on derivative transactions (assets)	**297**	**297**
Loss on derivate transactions (liabilities)	**186,637**	**186,637**

28. Non-cash Transactions

During the nine-months period ended September 30, 2011, the Company and its subsidiaries increased its property, plant and equipment under capital leases in the amount of R$298,066 and bought back shares through financing, in the amount of R$23,205, these transactions did not affect its cash position in the period.

During nine-months period ended September 30, 2010, the Company held transactions not affecting its cash from investing activities and financing, and therefore, these transactions were not reflected in the statements of cash flow.

During the nine-month period ended September 30, 2010, the Company and its subsidiaries made advances for acquisition of aircrafts in the amount of R$ 58,426 and write-offs in the amount of R$195,749 recorded as property, plant and equipment directly financed by loans.

29. Insurance

As of September 30, 2011, the insurance coverage by nature, considering the aircraft fleet, and related to the maximum reimbursable amounts indicated in U.S. Dollars, is as follows:

Aeronautical Type	**Reais**	**Dollar**
Guarantee – Hull/War	8,199,561	4,421,679
Civil Liability per event/aircraft	3,245,200	1,750,000
Inventories (base and transit)	231,800	125,000

Pursuant to Law 10744, of October 9, 2003, the Brazilian government assumed the commitment to complement any civil liability expenses related to third parties caused by war or terrorist events, in Brazil or abroad, which VRG may be required to pay, for amounts exceeding the limit of the insurance policies effective beginning September 10, 2001, limited to the amount in Brazilian reais equivalent to one billion U.S. Dollars.

30. Events after the Reporting Period

Acquisition of Webjet Linhas Aéreas S.A.

a) On October 3, 2011, the subsidiary VRG acquired the total share capital of Webjet at the adjusted price of R$ 70,000, subject to change after the due diligence process to be held within 55 days from the closing date of the transaction.

In this case, the amount originally deposited:

(i) R$ 63 million was paid to the former controlling shareholders of Webjet;

(ii) R$ 7 million was retained in the restricted account as agreement guarantee, and

(iii) R$ 26 million was reversed to the Company related to the purchase price adjustments

Webjet is an airline company based in Rio de Janeiro city, which provides regular passenger air transportation services, and has a fleet of twenty-four aircraft Boeing 737-300, with operations in 16 cities in Brazil and making approximately 1,000 weekly flights.

On October 27, 2011, CADE, VRG and Webjet signed the Agreement of Preservation to Reversibility of Operation ("APRO") for the acquisition of 100% (one hundred percent) of the capital of Webjet, which resulted from a negotiation between the companies and CADE and aims to ensure the reversibility of the operation and preservation of assets until CADE issues a final decision, through actions aimed to preserve market conditions during the evaluation of competitive effects of the operation.

The agreement ensures the independence in the management of both companies including those related to the Company’s frequent flyer program "Smiles". Without reducing the capacity of Webjet, the agreement foresees the sharing of flights between the companies in order to optimize the route network and increase the options for customers.

Both companies will continue operating as separate units until the final approval by the Administrative Council of Economic Defense (CADE).

b) On January 9, 2012 the Company filed, with the judiciary, the withdrawal of the legal proceedings in which it questions PIS and COFINS tax rate. The withdrawal and authorization for the conversion of escrow deposits in favor of public finance are under consideration by Judicial Court.

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c) On February 3, 2012 the Company informed its shareholders and the market that ended on January 26, 2012 the period for exercising the preemptive right to subscribe for shares to be issued due to increased capital of the Company approved by its Board of Directors meeting held on December 21, 2011. From this operation, 5,120,974 preferred shares (five million, one hundred twenty thousand, nine hundred seventy four) remained unsubscribed ("Surplus") out of 6,825,470 (six million, eight hundred twenty-five thousand, four hundred seventy) common shares and 6,619,765 (six million, six hundred and nineteen thousand, seven hundred and sixty-five) preferred shares issued. To the shareholders, including holders of ADRs and the assignees of the subscription rights of the shares, that have expressed their interest in reserving the Surplus in their respective application forms, had a period of five (5) working days from 06 February 2012 inclusive, being his final term on February 10, 2012, inclusive ("Subscription Period of Surplus") to subscribe the Surplus. The subscription price of the Surplus will be R$22.00 (twenty-two reais) per share, payable in cash in local currency, at the time of subscription.

d) On March 15, 2012, the Company obtained a waiver of anticipated maturity and/or application of any penalty on noncompliance of its covenants clauses. This was deliberated during General Meeting of Debenture Holders of the fourth and fifth issues of debentures. As a result of this waiver, on March 26, 2012 (the balance reporting date), the Company is complying its obligations in relation to the debentures.

e) On March 16, 2012, the Board of Directors, approved a new model for the Stock Option Plan of the Company which is being prepared.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To the Board of Directors and Shareholders of

Gol Linhas Aéreas Inteligentes S.A.

São Paulo - SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Gol Linhas Aéreas Inteligentes S.A. and its subsidiaries, included in the Interim Financial Information Form (ITR), for the quarter ended September 30, 2011, which comprises the balance sheet as of September 30, 2011 and the related income statement and statement of comprehensive income for the quarter and nine-month period then ended and statement of changes in equity and statement of cash flows for the nine-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual interim financial information in accordance with technical pronouncement CPC 21 - Interim Financial Reporting and the consolidated interim financial information in accordance with technical pronouncement CPC 21 and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of Interim Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). 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 the 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.

Conclusion on the individual interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual interim financial information included in the ITR referred to above is not prepared, in all material respects, in accordance with technical pronouncement CPC 21, applicable to the preparation of Interim Financial Information (ITR), and presented in accordance with the standards issued by the CVM.

Conclusion on the consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information included in the ITR referred to above is not prepared, in all material respects, in accordance with technical pronouncement CPC 21 and IAS 34, applicable to the preparation of Interim Financial

Information (ITR), and presented in accordance with the standards issued by the CVM.

Notes to the Consolidated Interim Financial Information

Other matters

Interim statements of value added

We also have reviewed the individual and consolidated interim statements of value added ("DVA"), for the nine-month period ended September 30, 2011, prepared under the responsibility of its Management, the presentation of which is required by the standards issued by CVM, applicable to the preparation of Interim Financial Information (ITR), and is considered as supplemental information for International Financial Reporting Standards - IFRS that do not require the presentation of DVA. These statements were subject to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they are not prepared, in all material respects, in relation to the individual and consolidated interim financial information taken as a whole.

Restatement of interim financial statements

As described in note 2.2, the Company decided to restate the interim financial statements, relating to the three and nine-month periods ended September 30, 2011, originally dated November 11, 2011. The purpose of the restatement is to adjust the opening retained earnings balance as of January 1, 2011, by the amounts originally recognized in the income statement for the three-month period ended March 31, 2011. The adjustment was identified after the Company concluded the implementation of a complementary revenue recognition system. The opening retained earnings as of January 1, 2011 was adjusted in accordance with paragraph 44 of CVM Deliberation 592, issued on September 15, 2009, due to certain system limitations that prevent the Company from allocating this error to the appropriate periods. The impacts are presented in the above mentioned note.

Convenience translation

The accompanying interim individual and consolidated financial information has been translated into English for the convenience of readers outside Brazil.

São Paulo, March 26, 2012

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

José Domingos do Prado
Engagement Partner

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: May 25, 2012

GOL LINHAS AÉREAS INTELIGENTES S.A.

By: /S/ Leonardo Porciúncula Gomes Pereira

Name: Leonardo Porciúncula Gomes Pereira
Title: Executive Vice-President and 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 offuture 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 a ctually 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.