

Gol Intelligent Airlines Inc.
Form 6-K
November 12, 2014

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, 2014
(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)

Praça Comandante Linneu Gomes, Portaria 3, Prédio 24
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):

São Paulo, November 11, 2014 - GOL Linhas Aéreas Inteligentes S.A.

(BM&FBOVESPA: GOLL4 and NYSE: GOL), (S&P: B, Fitch: B-, Moody's: B3), the largest low-cost and best-fare airline in Latin America, announces today its results for the third quarter of 2014. All the information herein is presented in accordance with International Financial Reporting Standards (IFRS) and in Brazilian Reais (R\$), and all comparisons are with the third quarter of 2013, unless otherwise stated.

Highlights

Operating income (EBIT) registered **R\$ 152 million** in 3Q14, R\$ 115 million up over 3Q13, with an **operating margin (EBIT)** of **6.2%**, up by 4.5 percentage points. The **last twelve months (LTM) EBIT** totaled **R\$ 497 million**, with an **operating margin of 4.9%**.

Net revenue reached **R\$ 2.5 billion**, 10% up over the 3Q13, of which R\$ 2.2 billion refers to **passenger revenues**. **Net revenue from cargo and others** totaled R\$ 272 million, increasing its share from 8% in 3Q13 to 11% of the total revenue. **Net revenue LTM** stood at R\$ 10 billion, a new record, with **international revenue** accounting for 11% of total revenues, reaching R\$ 1.1 billion.

EBITDAR totaled R\$ 463 million, 24% up on 3Q13. The EBITDAR LTM came to a record registering R\$ 1.9 billion, reducing the **financial leverage ratio** (adjusted gross debt/EBITDAR) by 4.6 points, from 10.9x in 3Q13, to 6.3x in 3Q14.

Total load factor increased by 8 percentage points to 77.5% in the quarter. This increase more than compensates the 2% decline in **yield**. As a result, **RASK and PRASK** increased by 13% and 9% over 3Q13, respectively.

Total CASK grew 7% over 3Q13, while **CASK ex-fuel** increased by 10%. As RASK moved up 3 percentage points above

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Conference Calls

Wednesday
November 12, 2014

Portuguese

10:30 a.m. (Brazil)
07:30 a.m. (US ET)
Tel.: +55 (11) 2188 0155
Code: GOL
Replay: +55 (11) 2188
0400
Replay Code: GOL

English

12:00 p.m. (Brazil)
09:00 a.m. (US ET)
+1 (412) 317-6776
Code: GOL
Replay: +1(412)317 0088
Replay Code: 10055436

the CASK ex-fuel, GOL maintained its margin expansion in the quarter reflecting its focus on controlling the manageable costs and increasing revenue.

Live Webcast

www.voegol.com.br/ir

GOL continued its **liability management** initiatives in the quarter, which aims to optimize the amortization schedule and reduce the Company's cost of debt. GOL concluded two senior notes tender offer, totaling US\$ 411 million, besides the new issuance of US\$ 325 million in bonds due to 2022, at a rate of 8.875%. Its subsidiary Smiles S.A. also concluded a R\$ 600 million debenture issuance to finance part of its capital reduction.

GOL Linhas Aéreas Inteligentes S.A

Message from Management

In the 3Q14, we recorded operating income (EBIT) of R\$ 152 million, an expansion of R\$ 115 million when compared to the same period last year, while the EBIT margin moved up 4.5 percentage points registering 6.2%. This was the seventh consecutive quarterly improvement in this indicator, reflecting the continuity and consistent delivery on our results.

Net revenue in the last 12 months totaled R\$ 10 billion, a new record, even in a scenario of soft economic growth. GOL's demand for seats (RPK) grew by 8.3% year over year in the first nine months, representing 53% of the industry's growth, which reflects the greater attractiveness of our products and services. Domestic supply, however, fell by 2.9%, demonstrating the rationalization strategy that the Company took in place since April 2012. From January to September, 2014, we were the market leader in terms of passengers boarded in the domestic market, reaching the record mark of 27.5 million.

In order to offer greater connectivity, we launched during this quarter two new regional destinations on the domestic market, Carajás and Altamira (Pará), as well as new international flights to Santiago (Chile) from Guarulhos (São Paulo), Miami from Campinas, and to Punta Cana from Guarulhos (São Paulo), Confins (Minas Gerais) and Brasília. In this way, we are the Brazilian airline with the greater supply to the Caribbean, with 78 weekly flights.

The strategy of increasing our international presence has been further reinforced by the expansion of our alliances. This has also strengthened revenue in other currencies, which accounted for 11% of our total revenue in the last 12 months. We implemented a two-way codeshare partnership with Aerolineas Argentinas, allowing us to sell its tickets on our website. We will shortly begin offering the same facility for AirFrance-KLM flights.

In order to ensure an even better flying experience, we extended our GOL+ Conforto seating to our entire domestic route network, with an even greater reclining angle and even more distance between seats. Currently, 94% of our fleet is configured as GOL+ and, by the end of the year, 100% of our fleet will have this configuration. In the third quarter, we also launched an exclusive service in Brazil, our *express bag drop* service at Congonhas airport. With this new service, the customers can complete one more check-in stage at the self-service totems, labeling and weighing their own baggage, as well as paying for any excess. This is one more simple and intelligent innovation providing our passengers with even greater control and visibility throughout the entire process, since the ticket purchase to the flight.

These new facilities have strengthened our capacity to ensure an even better flying experience for leisure passengers, and to be more attractive to the corporate client. Even in the midst of a challenging economic scenario in Brazil, resulting in reduced demand from corporate customers, GOL was the airline company leader in tickets issued for the corporate segment, according to Abracorp (Brazilian Travel Agents' Association).

Continuing with our measures to strength our balance sheet, we concluded two senior notes tender offers totaling US\$ 411 million. Also, we concluded a senior notes issuance this quarter, totaling US\$ 325 million at 8.875% p.a. due on 2022. These actions aim to optimize the debt profile, avoiding major amortization pressure in the next three years and reduce the financial cost. We closed the quarter with R\$ 2.7 billion in cash position, equivalent to 27% of

revenue in the last 12 months, which is essential to pass through periods of high market volatility. The financial leverage ratio (adjusted gross debt/EBITDAR) stood at 6.3x, 4.6 points down on 3Q13.

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I would like to thank our customers for their loyalty, our Team of Eagles for their commitment and investors for their confidence posted on the Company. We celebrated on September 8, 2014 in the New York Stock Exchange (NYSE) the 10-year listing of GOL, in which we reiterated our commitment to the transparency and communication with our shareholders, which reinforces our vision of being the best company to fly with, work for and invest in.

Paulo Sérgio Kakinoff

CEO of GOL Linhas Aéreas Inteligentes S.A.

GOL Linhas Aéreas Inteligentes S.A

Operating and Financial Indicators

Aviation Market - Industry

RPK Industry - Total	31,035	29,692	4.5%	90,069	85,649	5.2%
RPK Industry - Domestic	23,406	22,677	3.2%	68,448	64,943	5.4%
RPK Industry - International	7,628	7,016	8.7%	21,621	20,707	4.4%
ASK Industry - Total	38,219	38,326	-0.3%	112,392	113,480	-1.0%
ASK Industry - Domestic	29,316	29,529	-0.7%	86,201	86,324	-0.1%
ASK Industry - International	8,903	8,797	1.2%	26,191	27,155	-3.6%
Industry Load Factor - Total	81.2%	77.5%	3.7 p.p	80.1%	75.5%	4.7 p.p
Industry Load Factor - Domestic	79.8%	76.8%	3.0 p.p	79.4%	75.2%	4.2 p.p
Industry Load Factor - International	85.7%	79.8%	5.9 p.p	82.6%	76.3%	6.3 p.p

Aviation Market - GOL

RPK GOL - Total	9,459	8,659	9.2%	27,732	25,199	10.1%
RPK GOL - Domestic	8,289	7,761	6.8%	24,550	22,676	8.3%
RPK GOL - International	1,170	898	30.3%	3,183	2,524	26.1%
ASK GOL - Total	12,201	12,447	-2.0%	36,349	36,955	-1.6%
ASK GOL - Domestic	10,587	11,049	-4.2%	31,876	32,817	-2.9%
ASK GOL - International	1,614	1,397	15.5%	4,473	4,138	8.1%
GOL Load Factor - Total	77.5%	69.6%	7.9 p.p	76.3%	68.2%	8.1 p.p
GOL Load Factor - Domestic	78.3%	70.2%	8.1 p.p	77.0%	69.1%	7.9 p.p
GOL Load Factor - International	72.5%	64.2%	8.3 p.p	71.2%	61.0%	10.2 p.p

Revenue Passengers - Pax on board ('000)	9,978	9,028	10.5%	29,039	26,298	10.4%
Aircraft Utilization (Block Hours/Day)	11.4	11.8	-3.5%	11.3	11.7	-3.4%
Departures	79,853	79,510	0.4%	234,252	236,137	-0.8%
Average Stage Length (km)	903	894	1.0%	905	897	0.9%
Fuel consumption (mm liters)	380	376	1.1%	1,130	1,121	0.8%
Full-time equivalent employees at period end	16,354	16,209	0.9%	16,354	16,209	0.9%
Average Operating Fleet	125	120	4.2%	125	121	3.6%

Net YIELD (R\$ cents)	23.15	23.58	-1.9%	23.82	22.50	5.8%
Net PRASK (R\$ cents)	17.94	16.41	9.4%	18.17	15.34	18.4%
Net RASK (R\$ cents)	20.18	17.92	12.6%	20.18	16.85	19.8%
CASK (R\$ cents)	18.92	17.62	7.4%	19.26	16.57	16.2%
CASK ex-fuel (R\$ cents)	11.29	10.28	9.8%	11.41	9.43	21.0%
Spread RASK - CASK (R\$ cents)	1.25	0.30	320.7%	0.93	0.28	231.7%
Average Exchange Rate¹	2.2745	2.2880	-0.6%	2.2857	2.1177	7.9%
End of period Exchange Rate ¹	2.4510	2.2300	9.9%	2.4510	2.2300	9.9%
WTI (avg. per barrel, US\$) ²	97.2	105.8	-8.1%	99.6	98.2	1.4%
Price per liter Fuel (R\$)	2.45	2.43	0.8%	2.52	2.35	7.2%
Gulf Coast Jet Fuel Cost (average per liter, US\$) ³	0.74	0.78	-4.8%	0.76	0.77	-1.3%

1. Source: Brazilian Central Bank; 2. Source: Bloomberg; 3. Fuel expenses /liters consumed.

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Aviation Market – Industry

The **domestic airline industry** maintained its dynamic of rationality in terms of **seat supply (ASK)**, with a 0.1% year-over-year decline in the first nine months, while the **demand** increased by 5.4%. The load factor moved up by 4.2 percentage points reaching 79.4%. In the quarter, industry **supply** fell by 0.7% while **demand** was up by 3.2%. As a result, the **load factor** came to 79.8%, 3.0 percentage points higher than in 3Q13.

The number of **passengers boarded** in the **domestic market** increased by 6.8% in the first nine months of 2014 to 70.3 million. In the **international market** more than 4.7 million passengers were transported, 4.4% more than in the same period last year.

Domestic Market - GOL

Domestic supply declined by 2.9% in the 9M14 and 4.2% in the quarter, in line with the Company's projections for 2014 of a reduction between -3% and -1%.

Domestic demand increased by 8.3% in 9M14, representing 53% of the growth in the industry demand. In 3Q14, domestic demand grew by 6.8%.

The **domestic load factor** stood at 77.0% and 78.3% in 9M14 and 3Q14, respectively, fueling PRASK growth in the period.

GOL registered a record of 26 million **passengers transported in the domestic market** in the first nine months, 2.6 million more than in 9M13, which account for 57% of the increase reported by the industry as a whole in the same period. These results arose from the Company's efforts to constantly improve its products and services, making them even more attractive to the customers.

For the first time, GOL **was the airline company leader in the sale of air tickets to the corporate segment** in the nine months accumulated, according to Abracorp (Brazilian Travel Agents' Association).

International Market - GOL

International supply increased by 8% in 9M14, in line with the annual growth guidance of up to 8% for 2014. The company announced new flights in the quarter to Santiago (Chile) from Guarulhos (São Paulo), Miami from Campinas, and to Punta Cana from Guarulhos (São Paulo), Confins (Minas Gerais) and Brasília.

International demand grew by 26.1% in 9M14, generating an increase of 10.2 percentage points in the period load factor.

GOL **carried 1.4 million boarded passengers in the international market** in the first nine months, 251 thousand more than in 9M13, versus an increase of 197 thousand for the industry as a whole. The Company maintained its focus on gradually increasing its presence in other countries, expanding the share of foreign-currency revenue.

PRASK and Yield

Due to the 8 percentage point upturn in the load factor, **PRASK** moved up by 9% over 3Q13. **Yield** recorded a 2% decline in the quarter, accompanying Brazil's challenging economic activity scenario, which reduced demand from business travelers.

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Income Statement in IFRS (R\$ million)

Gross Revenue	2,607.1	2,361.5	10.4%	7,761.5	6,596.1	17.7%
Passenger	2,282.4	2,110.9	8.1%	6,886.8	5,863.9	17.4%
Cargo and Other	324.7	250.6	29.6%	874.7	732.2	19.5%
Net operating revenues	2,461.7	2,230.5	10.4%	7,336.4	6,228.0	17.8%
Passenger	2,189.3	2,042.1	7.2%	6,605.0	5,670.8	16.5%
Cargo and Other	272.3	188.4	44.6%	731.3	557.2	31.3%
Operating Costs and Expenses	(2,309.0)	(2,193.5)	5.3%	(7,000.0)	(6,124.9)	14.3%
Salaries, wages and benefits	(357.6)	(322.8)	10.8%	(1,032.0)	(944.9)	9.2%
Aircraft fuel	(931.6)	(913.9)	1.9%	(2,851.0)	(2,638.8)	8.0%
Aircraft rent	(201.2)	(182.2)	10.4%	(627.2)	(490.6)	27.8%
Sales and marketing	(145.4)	(127.7)	13.9%	(467.6)	(327.1)	43.0%
Landing fees	(154.4)	(148.1)	4.3%	(448.2)	(416.7)	7.6%
Aircraft and traffic servicing	(175.7)	(173.4)	1.3%	(543.6)	(450.6)	20.6%
Maintenance materials and repairs	(110.0)	(115.5)	-4.8%	(337.9)	(290.2)	16.4%
Depreciation and Amortization	(109.6)	(153.3)	-28.5%	(369.2)	(380.5)	-3.0%
Other	(123.5)	(56.6)	118.1%	(323.3)	(185.6)	74.2%
Equity Income	(0.8)	-	NM	(2.2)	-	NM
Operating Result (EBIT)	152.0	37.0	310.3%	334.3	103.1	224.1%
EBIT Margin	6.2%	1.7%	4.5 p.p	4.6%	1.7%	2.9 p.p
Other Financial Income (expense)	(434.9)	(186.8)	132.8%	(734.4)	(718.7)	2.2%
Interest on loans	(150.1)	(136.2)	10.2%	(426.1)	(387.0)	10.1%
<i>Financial Leasing</i>	(23.1)	(27.2)	-15.1%	(72.3)	(79.7)	-9.3%
<i>Interest Expenses</i>	(127.0)	(109.0)	16.5%	(353.7)	(307.3)	15.1%
Gains from financial investments	30.2	77.7	-61.2%	97.7	98.6	-0.9%
Exchange and monetary variations	(270.5)	(24.8)	988.7%	(160.3)	(293.5)	-45.4%
Derivatives net result	34.4	(52.8)	NM	(136.8)	(39.5)	246.2%
Other expenses (revenues), net	(78.9)	(50.6)	55.9%	(108.9)	(97.2)	12.1%
Income (Loss) before income taxes	(282.9)	(149.8)	88.9%	(400.1)	(615.6)	-35.0%
Income Tax	37.8	(47.3)	NM	(86.2)	(89.7)	-4.0%
Current income tax	(30.2)	(27.7)	8.9%	(104.3)	(56.1)	85.8%
Deferred income tax	68.0	(19.6)	NM	18.1	(33.6)	NM
Net income (loss)	(245.1)	(197.0)	24.4%	(486.3)	(705.3)	-31.1%
Net Margin	-10.0%	-8.8%	-1.1 p.p	-6.6%	-11.3%	4.7 p.p
Participation of Non-controlling Shareholders	27.3	26.9	1.3%	91.5	43.5	110.4%
Participation of Controlling Shareholders	(272.4)	(224.0)	21.6%	(577.8)	(748.8)	-22.8%
EBITDA	261.6	190.3	37.4%	703.4	483.6	45.5%
EBITDA Margin	10.6%	8.5%	2.1 p.p	9.6%	7.8%	1.8 p.p
EBITDAR	462.8	372.5	24.2%	1,330.6	974.2	36.6%

EBITDAR Margin	18.8%	16.7%	2.1 p.p	18.1%	15.6%	2.5 p.p
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Net income (loss)	(245.1)	(197.0)	24.4%	(486.3)	(705.3)	-31.1%
(-) Income taxes	37.8	(47.3)	NM	(86.2)	(89.7)	-4.0%
(-) Net financial result	(434.9)	(186.8)	132.8%	(734.4)	(718.7)	2.2%
EBIT	152.0	37.0	10.3%	334.3	103.1	22.1%
(-) Depreciation and amortization	(109.6)	(153.3)	-28.5%	(369.2)	(380.5)	-3.0%
EBITDA	261.6	190.3	37.4%	703.4	483.6	45.5%
(-) Aircraft rent	(201.2)	(182.2)	10.4%	(627.2)	(490.6)	27.8%
EBITDAR	462.8	372.5	24.2%	1,330.6	974.2	36.6%

*In accordance with CVM Instruction 527, the Company presents the reconciliation of EBIT and EBITDA, whereby: EBIT = net income (loss) plus income and social contribution taxes and the net financial result; and EBITDA = net income (loss) plus income and social contribution taxes, the net financial result, and depreciation and amortization. We also show the reconciliation of EBITDAR, given its importance as a specific aviation industry indicator, whereby: EBITDAR = net income (loss) plus income and social contribution taxes, the net financial result, depreciation and amortization, and aircraft operating lease expenses.

Net Revenue

Net revenue totaled **R\$ 2.5 billion** in 3Q14, 10% more than in 3Q13. In the last twelve months, the Company's net revenue reached **R\$ 10 billion**, a new record.

Net passenger revenue came to **R\$ 2.2 billion** in 3Q14 and **R\$ 9 billion** in the last twelve months, R\$ 1.5 billion more than the 3Q13 LTM figure. The new load factor level allows GOL to achieve this volume in terms of revenue passenger in the period.

International passenger revenue totaled **R\$ 311 million** in 3Q14, equivalent to 13% of total net revenue. This result was impacted due to GOL's international expansion, which increased the number of passengers transported in this market by 21%, year to date. Revenue from connections with partner airlines increased by 54% over 3Q13, also pushing up international revenue. The last twelve months international revenue totaled **R\$ 1.1 billion**, which represents 56% or R\$ 406 million higher than the 3Q13 LTM.

Net cargo and other revenue totaled **R\$ 272 million**, accounting for 11% of total net revenue, up from 8% in 3Q13 mainly driven by the cargo revenue development and the revenue from ticket rebooking, ticket refunds and cancellations.

Operating Expenses

Operating costs and expenses totaled **R\$ 2.3 billion** in the quarter, 5% up on 3Q13. In comparison with 2Q14, costs fell by R\$ 34 million. **Excluding the fuel line**, expenses came to **R\$ 1.4 billion**, 8% up on 3Q13 and 4% down on the previous quarter. In 3Q14, the **cost per ASK (CASK)** stood at R\$ 18.92 cents, 7% more than in 3Q13 and 6% less than in 2Q14.

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Aircraft fuel	(931.6)	(913.9)	1.9%	(2.851.0)	(2.638.8)	8.0%
Salaries, wages and benefits	(357.6)	(322.8)	10.8%	(1.032.0)	(944.9)	9.2%
Aircraft rent	(201.2)	(182.2)	10.4%	(627.2)	(490.6)	27.8%
Sales and marketing	(145.4)	(127.7)	13.9%	(467.6)	(327.1)	43.0%
Landing fees	(154.4)	(148.1)	4.3%	(448.2)	(416.7)	7.6%
Aircraft and traffic servicing	(175.7)	(173.4)	1.3%	(543.6)	(450.6)	20.6%
Maintenance, materials and repairs	(110.0)	(115.5)	-4.8%	(337.9)	(290.2)	16.4%
Depreciation and Amortization	(109.6)	(153.3)	-28.5%	(369.2)	(380.5)	-3.0%
Other operating expenses	(123.5)	(56.6)	118.1%	(323.3)	(185.6)	74.2%
Total operating expenses	(2,309.0)	(2,193.5)	5.3%	(7,000.0)	(6,124.9)	14.3%
Operating expenses excluding fuel	(1,377.4)	(1,279.6)	7.6%	(4,149.0)	(3,486.1)	19.0%

Aircraft fuel	(7.64)	(7.34)	4.0%	(7.84)	(7.14)	9.8%
Salaries, wages and benefits	(2.93)	(2.59)	13.0%	(2.84)	(2.56)	11.1%
Aircraft rent	(1.65)	(1.46)	12.6%	(1.73)	(1.33)	30.0%
Sales and Marketing	(1.19)	(1.03)	16.2%	(1.29)	(0.89)	45.4%
Landing Fees	(1.27)	(1.19)	6.4%	(1.23)	(1.13)	9.4%
Aircraft and Traffic Servicing	(1.44)	(1.39)	3.4%	(1.50)	(1.22)	22.6%
Maintenance, Materials and Repairs	(0.90)	(0.93)	-2.9%	(0.93)	(0.79)	18.4%
Depreciation and Amortization	(0.90)	(1.23)	-27.1%	(1.02)	(1.03)	-1.3%
Other Operating Expenses	(1.01)	(0.45)	122.5%	(0.89)	(0.50)	77.1%
CASK	(18.92)	(17.62)	7.4%	(19.26)	(16.57)	16.2%
CASK Excluding Fuel Expenses	(11.29)	(10.28)	9.8%	(11.41)	(9.43)	21.0%

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Aircraft Fuel per ASK totaled R\$ 7.64 cents in 3Q14, 4% up on 3Q13 due to the 1% period increase in the average per-liter fuel price (R\$ 2.45 in 3Q14). The variation was higher than the nominal upturn in the same line (2% variation), due to the 1% growth in the average flight distance, which also pushed up period consumption by 1%, and a lower dilution per ASK as a result of the 4% domestic supply reduction. The recent decline in the per-barrel oil price will be partially reflected in the fourth quarter results, due to the 45-day delay in jet fuel price formation.

Salaries, wages and benefits per ASK came to R\$ 2.93 cents, 13% more than in 3Q13, due to: (i) the approximate 6% pay rise following the collective pay rise agreement in December 2013; (ii) the constitution of provisions for profit sharing (PPR) totaling R\$ 15 million (in 2013, these provisions were constituted in the final quarter); (iii) from the salary accretion as risk premium to the airport, maintenance and CRC (Customer Relationship Center) employees of R\$ 5 million; and (iv) the 1% increase in the period workforce (from 16,209 in 3Q13 to 16,354 in 3Q14). The increase was higher than the nominal growth due to the reduction in ASK.

Aircraft leasing per ASK stood at R\$ 1.65 cents, 13% or R\$ 19 million up on 3Q13, mainly due to the higher number of aircraft under operational leasing, which climbed from 95 in 3Q13 to 97 in 3Q14 and the higher average leasing price compared to 3Q13.

Sales and marketing per ASK totaled R\$ 1.19 cents, 16%, or R\$ 18 million, higher than in 3Q13, due to higher expenses with marketing and advertising, and the losses from direct sales channels which stood at R\$ 23 million. Compared to 2Q14, the level of losses in direct sales channels declined due to the Company's focus on improving prevention systems.

Landing fees per ASK totaled R\$ 1.27 cents, 6%, or R\$ 6 million, higher than in 3Q13, due to new international routes.

Aircraft and traffic servicing per ASK stood at R\$ 1.44 cents, 3% more than in 3Q13, primarily due to contractual adjustments and risk premium for ground services employees, partially offset by lower expenses with consulting services.

Maintenance materials and repairs per ASK totaled R\$ 0.90 cents, 3% down on 3Q13, due to the lower number of engines undergoing maintenance (12 engines in 3Q13 versus 6 in 3Q14).

Depreciation and amortization per ASK stood at R\$ 0.90 cents, 27% down year-over-year, due to the lower number of engines capitalized in the period in line with the Company's maintenance schedule.

Other expenses per ASK stood at R\$ 1.0 cent, 122% more than in 3Q13, mainly due to: (i) higher expenses with travel and accommodation (R\$ 7 million) due to the additional costs in the period of the World Cup and new international frequencies; (ii) increase in expenses with on-board service (R\$ 4 million); and (iii) the non-occurrence of gains from sale leaseback transactions in the period (versus 6 aircraft, or R\$ 49 million, in 3Q13). This result was partially offset by the higher number of aircraft subleased to the European companies (7 in 3Q14, versus 4 in 3Q13).

Operating Result

GOL recorded **operating income (EBIT)** of **R\$ 152 million** in 3Q14, R\$ 115 million up on 3Q13, and 6.2% margin, up by 4.5 percentage points when compared to the same period last year. The results represents the fifth consecutive quarter GOL has reported a positive **operating margin**.

GOL Linhas Aéreas Inteligentes S.A

Net Financial Result

GOL posted a net financial expense of **R\$ 435 million** in 3Q14, versus an expense of R\$ 187 million in 3Q13. The increase was primarily due to the net exchange variation, which corresponded to 62% of the total result. It is worth noting that this variation has no immediate cash effect.

Interest expenses increased by R\$ 14 million to R\$ 150 million, chiefly due to interest of the R\$ 600 million debenture issue by Smiles S.A. to finance part of its R\$ 1 billion capital reduction. Another factor that impacted the result was the increase of the SELIC rate in 2 percentage points higher than 2013.

The net exchange variation totaled a negative R\$ 270,5 million in 3Q14, versus a negative R\$ 25 million in 3Q13, due to the 10% appreciation of the Dollar against the Real, impacting the value of financial liabilities.

Interest income totaled R\$ 30 million in 3Q14, versus R\$ 78 million in 3Q13, due to the lower average cash volume invested in Reais in 3Q14 compared to 3Q13. The Company has maintained resources in Dollar, invested in order to reduce possible impacts of exchange rate fluctuations on its assets and liabilities.

Other financial expenses totaled R\$ 79 million negative in 3Q14, 56% more than in the same period in 2013, due to the premium paid on the two 2017, 2020 and 2023 senior note tender offer transactions. The tender offer transactions totaled US\$ 411 million.

Hedge Result

The Company uses hedge accounting to recognize some of its derivative instruments. In 3Q14, GOL recorded a book gain of R\$ 31.1 million from hedge operations.

Subtotal - Designated for Hedge Accounting	0.8	-	18.4	19.2
Subtotal – Not Designated for Hedge Accounting	(22.3)	34.2	-	11.9
Total	(21.5)	34.2	18.4	31.1

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