

Gol Intelligent Airlines Inc.
Form 6-K
August 02, 2018

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 August, 2018
(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):

(Free translation into English from original previously issued in Portuguese)

**Individual and consolidated
Interim Financial Information
for the quarter ended June 30, 2018**

GOL Linhas Aéreas Inteligentes S.A.

June 30, 2018

with report on the review of interim financial information

Gol Linhas Aéreas Inteligentes S.A.

Individual and consolidated interim financial information

June 30, 2018

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Management report

We worked hard to achieve our results this second quarter. In 2018, the traditional low season in Brazilian air travel was particularly challenging due to accelerated appreciation of the US Dollar against the Real, and industry-wide supply disruption that affected demand for air travel. Our commitment to continuous improvement in our results has proven that our strategy of offering a differentiated, high quality product while relentlessly focusing on cost efficiency is bearing fruit. We remain focused on offering the best experience in air transportation, providing on-time, exclusive services to our clients on new, modern aircraft that connect our main markets with the most convenient schedules.

In May, the GOL team successfully navigated through the industry-wide disruption caused by an extensive national strike of truck drivers. From May 21 to 31, trucks stopped and blocked the roadways, and supplies of fuel were not delivered to distribution points. As a result of the efforts of GOL's team and its flight network strategy and single fleet type, the Company operated 99.8% of the schedule flights.

In June, GOL took delivery of its first 737 MAX 8 aircraft. The MAX 8 will permit the Company to serve Brazil's large addressable market of passengers traveling between Midwest/Northeast Brazil and the State of Florida. In 4Q18 GOL will begin nonstop flights from Brasilia and Fortaleza to the Miami and Orlando international airports. The Brasilia to Orlando flight will be the world's longest regular flight ever made with a 737 at approximately 6,079 kilometers. Also in June, GOL announced the launch of its 14th international destination: Quito, Ecuador. Three weekly nonstop flights from the Guarulhos International Airport to the Mariscal Sucre International are planned for December 2018. We will be the only airline to operate nonstop and connection-free flights between Brazil and Ecuador. Our new Boeing 737 MAX 8 aircraft, with next-gen technology, will offer customers all the convenience and comfort of GOL's flights, including in-flight internet and entertainment, eco-leather seats with ample leg room, and free on-board drinks and meals.

In July, GOL signed a new agreement to purchase another 15 737-MAX 8 aircraft, increasing the total order to 135 aircraft and converting 30 MAX 8 orders to MAX 10. The 737 MAX 10 will make it possible for GOL to comfortably add until 36 additional seats, up to until 222 passengers. The additional capacity will lead to a greater flexibility and further competitive advantage in cost, given that the MAX 10 will have a lower cost per seat when compared will all other aircraft available in the market with a single hallway. The Company plans to fly the MAX 10 beginning in 2022.

GOL continues its leadership as the lowest operating cost airline in the region for the 17th consecutive year. Its simplified, standardized fleet coupled with the Company's lean and productive operations, provides GOL with a significant and sustainable competitive advantage over its peers. In 2Q18, aircraft utilization was 11.2 block hours per day, and our load factor increased by 0.2 p.p., reaching 78.1%. Our operating efficiency and cost advantage support our competitive position as the #1 airline in Brazil. We continue to reduce our cost of financing and improve our liquidity and leverage profile.

Operational and Financial Indicators

RPK GOL – Total	8,337	8,135	2.5%	18,326	17,697	3.6%
RPK GOL – Domestic	7,611	7,302	4.2%	16,306	15,809	3.1%
RPK GOL – International	726	833	-12.9%	2,020	1,888	7.0%
ASK GOL – Total	10,673	10,447	2.2%	23,094	22,466	2.8%
ASK GOL – Domestic	9,618	9,324	3.2%	20,398	20,014	1.9%
ASK GOL – International	1,054	1,123	-6.1%	2,695	2,452	9.9%
GOL Load Factor – Total	78.1%	77.9%	0.2 p.p.	79.4%	78.8%	0.6 p.p.
GOL Load Factor – Domestic	79.1%	78.3%	0.8 p.p.	79.9%	79.0%	0.9 p.p.
GOL Load Factor – International	68.8%	74.2%	-5.3 p.p.	75.0%	77.0%	-2.0 p.p.
Average Fare (R\$)	284	268	6.0%	311	283	9.8%
Revenue Passengers - Pax on board ('000)	7,559	7,261	4.1%	15,920	15,471	2.9%
Aircraft Utilization (block hours/day)	11.2	11.3	-0.7%	12.0	11.8	2.2%
Departures	58,247	57,883	0.6%	122,696	121,983	0.6%
Total Seats ('000)	9,912	9,680	2.4%	20,712	20,414	1.5%
Average Stage Length (km)	1,045	1,061	-1.5%	1,097	1,082	1.3%
Fuel Consumption (mm liters)	315	311	1.4%	679	664	2.3%
Full-time Employees (at period end)	15,232	15,360	-0.8%	15,232	15,360	-0.8%
Average Operating Fleet ⁵	108	106	2.4%	109	108	0.3%
On-time Departures	93.6%	96.0%	-2.4 p.p.	93.9%	95.3%	-1.4 p.p.
Flight Completion	98.7%	98.1%	0.6 p.p.	98.3%	98.4%	-0.1 p.p.
Passenger Complaints (per 1000 pax)	2.00	1.35	47.7%	2.09	1.39	50.3%
Lost Baggage (per 1000 pax)	1.84	2.04	-9.9%	1.94	2.11	-7.7%
Net YIELD (R\$ cents)	25.74	23.92	7.6%	26.98	24.72	9.1%
Net PRASK (R\$ cents)	20.11	18.63	8.0%	21.41	19.47	10.0%
Net RASK (R\$ cents)	22.05	20.67	6.7%	23.03	21.15	8.9%
CASK (R\$ cents)	21.66	20.46	5.9%	20.66	19.91	3.7%
CASK ex-fuel (R\$ cents)	14.23	14.43	-1.4%	13.40	13.84	-3.2%
CASK ex-fuel ⁴ (R\$ cents)	15.12	14.43	4.8%	14.16	13.84	2.4%
Breakeven Load Factor	76.7%	77.1%	-0.4 p.p.	71.2%	74.2%	-3.0 p.p.
Average Exchange Rate ¹	3.6056	3.2174	12.1%	3.4274	3.2174	6.5%
End of period Exchange Rate ¹	3.8558	3.3082	16.6%	3.8558	3.3082	16.6%
WTI (avg. per barrel. US\$) ²	67.91	48.15	41.0%	65.46	49.95	31.1%
Price per liter Fuel (R\$) ³	2.73	2.08	31.4%	2.62	2.11	23.9%
Gulf Coast Jet Fuel (avg. per liter. US\$) ²	0.55	0.37	49.2%	0.53	0.30	75.3%

1. Source: Brazilian Central Bank; 2. Source: Bloomberg; 3. Fuel expenses excluding hedge results/liters consumed; 4. Excluding results of sale and sale-leaseback transactions; 5. Average operating fleet excluding aircraft in sub-leasing and MRO. *2Q17 and 1H17 results have been restated based on IFRS 15. Certain calculations may not match with the information in the quarterly financials due to rounding.

Domestic market – GOL

GOL's domestic supply increased by 3.2% and demand increased by 4.2% in 2Q18. As a result, the Company's domestic load factor reached 79.1%, an increase of 0.8 p.p. when compared to 2Q17. GOL transported 7.2 million domestic passengers in the quarter, an increase of 3.9% when compared with the same period in 2017. The Company is the leader in transported passengers in Brazil's domestic aviation market.

International market - GOL

GOL's international supply decreased by 6.1% and international demand decreased 12.9% in 2Q18 compared to 2Q17. The Company's international load factor in 2Q18 was 68.8%, decreasing 5.3 p.p. over 2Q17. During the quarter, GOL transported 0.3 million passengers in the international market, a decrease of 16.0% when compared to the second quarter of 2017.

Volume of Departures and Total seats - GOL

The total volume of GOL departures was 58,247, an increase of 0.6% in 2Q18 over 2Q17. The total number of seats available to the market was 9.9 million in the second quarter of 2018, an increase of 2.4% over the same period in 2017.

PRASK, Yield and RASK

Net PRASK increased by 8.0% in the quarter when compared to 2Q17, reaching 20.11 cents (R\$), driven by a growth in net passenger revenue of 10.3% in the quarter. GOL's Net RASK was 22.05 cents in (R\$) 2Q18, an increase of 6.7% over 2Q17. Net yield increased by 7.6 % in 2Q18 over 2Q17, reaching 25.74 cents (R\$), driven by a 6.0% increase in GOL's average fare.

Total Fleet

Boeing 737s

119