vivo Sinal de qualidade.

VIVO Participações S.A.

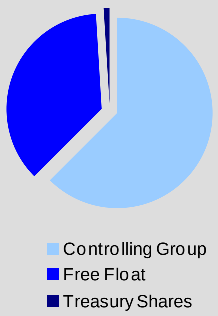
Vivo is the brand of a joint venture between Portugal Telecom and Telefonica in 2002.

It is the leading cell phone operator in Brazil with a market share of 36.8% in its operation area. It is also the largest mobile telephony group in the South Hemisphere and the world's 10th largest operator providing this service.

Tickers

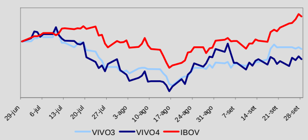
Common (Bovespa)	VIVO 3
Preferred (Bovespa)	VIVO 4
ADR (NYSE)	VIV

Stockholding Breakdown on 09/30/2007



Free Float – Common	10.7%
Free Float - Preferred	52.0%
Free Float - Total	36.9%
Treasury Shares	0.3%
Controlling Group	62.8%
Total Common	524,931,665
Total Preferred	917,186,080

Stock Performance over 3Q07



3Q07 Database

Daily Avrg. Volume	R$ 23mm
Vivo ON Upside	(3.3)%
Vivo PN Upside	(7.8)%
Ibovespa	11.2%
ITEL	5.1%

BOVESPA A Bolsa do Brasil COMPANHIA LISTADA

VIV LISTED NYSE

Message from the chief executive officer

"In recent months, with the acquisition of Telemig and Amazônia and the auction of the 1.9 GHz spectrum, Vivo took several important steps towards increasing its competitiveness and service capacity, as part of a wider plan, which includes the elimination of fraud and cloning, corporate restructuring, the consolidation of its systems and the GSM/EDGE overlay. For Vivo client recognition is the most important element, at the same time that the improvement in results and healthy balance sheet show the ability to progressively satisfy its shareholders and investors".

Roberto Lima

Consolidated Performance

The company recorded 31,320 thousand **customers** in the quarter. The growth in the **ARPU,** wich recorded R$ 30.8 evidences the quality of Vivo's customer base, representing an increase of 7.3% over 3Q06. **SAC** in the 3Q07 showed an increase of 9.5% over 3Q06, result of enhanced selling efforts and "entry barriers" implemented. **Churn** of 2.2% in the quarter and the improvement over the previous year was due to the implementation of quality-boosting initiatives.

Total net revenue grew 7.5% in the quarter, recording 3,248.5 million. The **Service revenues** grew 7.5% in relation to the previous quarter and 15.3% over the 3Q06. A large share of this increase was due to campaigns encouraging mobile phone usage and the huge popularity of the *Vivo Escolha* plans. **Data revenue** plus VAS grew 12.5% in the quarter, accounted for 8.3% of the service revenues.

Operating expenses remained stable in the quarter and increased 14.5% in relation to the 3Q06. The following facts have contributed to this increase: the growth in technical assistances, third-party services, rise in the provisions for roaming losses and interconnection costs due to the end of the partial Bill&Keep system. The Provision for Bad Debt – PDD was of R$ 80.4 million in the quarter, representing 1.7% of the total gross revenue, a 45.6% reduction in relation to the 3Q06 and 20.6% over 2Q07.

The **EBITDA** margin reached 25.7%, an amount of R$833 million. The 3Q07 EBITDA increased 31% when compared to the 2Q07 and 16% in relation to the 3Q06.

The **operating cash flow** (EBITDA-CAPEX) of R$ 464.1 million increased by 56.3% in relation to 2Q07. Added to the change in working capital recorded R$ 527.5 million in the quarter, 54.8% higher than the position recorded in 3Q06.

The **net debt** in the amount of R$ 2,957.7 million presented a reduction of 28.7% in relation to 3Q06. In relation to the previous quarter the net debt presented a reduction of 11% because of the improvement in generation of operational revenue.

The **CapEx** totaled R$ 369 million mainly related to increase the GSM network's quality and capacity, modernize the layout of our sales channels, open new stores, new Front Office, process unification project and adapting our systems and networks for the implementation of the number portability project. Besides, we continued to the installation of the GSM/EDGE overlay, having absorbed 90% of total CapEx defined in the initial project.

Net profit of R$ 4.4 million in the quarter reverting the position recorded both in 3Q06 and in 2Q07.

CONSOLIDATED INCOME STATEMENTS - VIVO

R$ million	3Q07	2Q07	%Δ	3Q06	%Δ
Net Revenues	3.248,5	3.021,0	7,5%	2.824,9	15,0%
Net service revenues	2.845,8	2.647,8	7,5%	2.467,7	15,3%
Net handset revenues	402,7	373,2	7,9%	357,2	12,7%
Operating Costs	(2.415,2)	(2.386,8)	1,2%	(2.109,3)	14,5%
Personnel	(151,3)	(165,0)	-8,3%	(150,9)	0,3%
Cost of services rendered	(780,0)	(758,6)	2,8%	(664,3)	17,4%
Cost of handsets	(585,0)	(548,5)	6,7%	(511,9)	14,3%
Selling expenses	(728,8)	(728,3)	0,1%	(697,4)	4,5%
General & administrative expenses	(159,3)	(161,6)	-1,4%	(112,7)	41,3%
Other operating revenue (expenses)	(10,8)	(24,8)	-56,5%	27,9	n.d.
Ebitda	833,3	634,2	31,4%	715,6	16,4%
Margin %	25,7%	21,0%	4,7 p.p.	25,3%	0,3 p.p.
Net Financial Income	(113,8)	(124,4)	-8,5%	(201,6)	-43,6%
Net Income	4,4	(112,8)	n.d.	(196,9)	n.d.
Total debt	4.038,4	3.705,7	9,0%	4.699,6	-14,1%
Net Debt	2.957,7	3.336,3	-11,3%	4.147,6	-28,7%
Capex	369,2	337,3	9,5%	444,8	-17,0%

CONSOLIDATED OPERATING PERFORMANCE - VIVO

	3Q07	2Q07	%Δ	3Q06	%Δ
Customers (thousand)	31.320	30.240	3,6%	28.726	9,0%
Market Share	36,8%	37,3%	-0,5 p.p.	39,3%	-2,5 p.p.
Net additions (thousand)	1.079	1.210	-10,8%	201	436,8%
Share of net additions	26,4%	34,7%	-8,3 p.p.	7,6%	18,8 p.p.
Market penetration (*)	59,3%	56,3%	3,0 p.p.	53,3%	6,0 p.p.
SAC (R$)	115	107	7,5%	105	9,5%
Monthly Churn	2,2%	2,3%	-0,1 p.p.	2,6%	-0,4 p.p.
ARPU (in R$/month)	30,8	29,9	3,0%	28,7	7,3%
Total MOU (minutes)	77	77	0,0%	78	-1,3%

(*) source: Anatel

NET DEBT - VIVO

	Sep 30. 07	Jun 30. 06	Sep 30. 06
Short Term	1.815,0	1.226,9	1.524,1
Long Term	2.223,4	2.478,8	3.175,5
Total debt	**4.038,4**	**3.705,7**	**4.699,6**
Cash and cash equivalents	(1.588,3)	(955,2)	(966,9)
Derivatives	507,6	585,8	414,9
Net Debt	**2.957,7**	**3.336,3**	**4.147,6**

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VIVO Participações S.A.

Telemig and Amazônia Celular

On August 2nd, entered into an agreement to acquire control of Telemig and Amazônia Celular. The transaction will give us a direct entry into Minas Gerais, reinforce our presence in the North and add at least 4.9 million customers to our customer base. The stock purchase and sale agreement with Telpart Participações S.A. aiming at the acquisition of 22.72% and 19.34% of the total capital stock of Telemig and Tele Norte Participações, respectively, for an aggregate total of R$ 1.2 billion. Additionally, Vivo will purchase from Telpart stock subscription rights for R$ 87 million. The Board of Directors of Anatel, on October 23, unanimously approved the acquisition of Telemig. As for the Amazon region, we are currently awaiting the approval in order to acquire the share control of the Company.

Loyalty and retention efforts payback

In 3Q07 Vivo maintained its retention and customer loyalty efforts focused on high and medium-value customers in the individual customers. The Reward Program continued to be strongly used in the exchange of handsets and the **Vivo Escolha** plans have already been adopted by 63% of our postpaid customer base, contributing to customer base growth, increased customer loyalty and higher revenue. As a result, in 3Q07 we managed to retain 22% more customers than in the 3Q06; the volume of cancellation intentions continued to fall as well as the volume of complains to Anatel.

Nationwide Coverage: a reality

Vivo acquired the 1.9 GHz frequencies. As a result, will be able to reinforce its quality signal in the regions where it already operated, by the acquisition of further spectrum, and will be able to operate in all the regions where did not yet have Anatel's authorization, especially the Northeastern states: Pernambuco, Alagoas, Ceará, Piauí, Rio Grande do Norte and Paraíba.

347 thousand recharge points	**Reliable Brands Prize awarded by Seleções magazine**	**Total of 8,020 points of sale**	**Market Share of 36.8% in its operational area**

Vivo, the best choice for consumers

The Brazilian Consumer Rights Association (Proteste) just published an independent survey which confirmed that Vivo's plans are the most economical for different usage profiles in all the regions in which it operates, being the only ones that permit customization with free add-ons, which is most important for the client.

Technology: CDMA + GSM/EDGE

Vivo has become the sole cell phone operator in Brazil to offer a full range of products and services using two technologies. This initiative provides us national digital coverage and international roaming in more than 200 countries. VIVO has continued significantly expanding its coverage, increasing the number of municipalities served, in addition to enlarging and optimizing the 1xRTT coverage and installing the new GSM/EDGE network convertible into W-CDMA. The GSM/EDGE network is already present in 2,303 municipalities.

Organizational Structure Simplification

In 2006, changes have simplified its organization, made it easier to instruct customers and improved results. VIVO Participações and VIVO S.A. were created as a result of the merger of the 5 holding companies and the 14 operators. Simplification of the corporate structure, increased transparency, management and functional modernization and cost reductions are some of the key gains provided by the Merger Project.

Corporate Governance

A permanent search for improving corporate governance practices to assure maximum transparency and reliability for its operations and the results of its business offers in the market. Vivo is managed by a Board of Directors comprised of at least 3 and a maximum of 12 members, all of them shareholders of the holding company, besides a Statutory Audit Council, a Disclosure Committee and an Audit Committee.

Social Responsibility

TODOS PELA EDUCACAO

A Vivo apóia esta causa.

Vivo, as a company aware of its role in the social development of Brazil, is committed to education. As a result, it supports the "All for Education" commitment by helping to spread the principles of mobilization and awareness of our society about the importance of this issue for the future of our country.

Environment

The "Vivo's Handset Recycling" project, which is responsible for collecting handsets, accessories and cellular batteries in its owned stores, having been expanded to Vivo's regional offices in ES, PR, SC and RS states, in the stores where it is already available in RJ, SP and DF, as well as the continuance and expansion of the Overlay Project in the regional stores of CO/N and RS.

Investor Relations

Our Investor Relations Office acts with a focus on the improvement of the disclosure of information to shareholders and analysts, in order to keep a close relationship with the market and supply the material required for the fair pricing and valuation of our Company.

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