

Gol Intelligent Airlines Inc.  
Form 20-F/A  
May 02, 2006

As filed with the Securities and Exchange Commission on May 2, 2006

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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 20-F/A**  
**(Amendment No. 1)**

**.. REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

**OR**

**x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005**

**OR**

**.. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**OR**

**.. SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Commission file number 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)

**The Federative Republic of Brazil**

(Jurisdiction of incorporation or organization)

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Federative Republic of Brazil

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(Address, including zip code and telephone number, including area code, of registrant's principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

<u>Title of each class:</u>	<u>Name of each exchange on which registered:</u>
Preferred Shares, without par value	New York Stock Exchange*
American Depositary Shares (as evidenced by American Depositary Receipts), each representing one share of Preferred Stock	New York Stock Exchange

\* Not for trading purposes, but only in connection with the trading on the New York Stock Exchange of American Depositary Shares representing those preferred shares.

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

The number of outstanding shares of each class of stock of Gol Linhas Aéreas Inteligentes S.A. as of December 31, 2005:

109,448,497  
86,524,136

Shares of Common Stock  
Shares of Preferred Stock

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

If this is an annual or transition report, indicate by check mark if the registrant is not required to file pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 Yes  No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large accelerated Filer

Accelerated Filer

Non-accelerated Filer

Indicate by check mark which financial statement item the Registrant has elected to follow.

Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No



**EXPLANATORY NOTE**

This Amendment No. 1 to our Annual Report on Form 20-F for the fiscal year ended December 31, 2005, as filed with the Securities and Exchange Commission on March 20, 2006 (the 2005 Form 20-F ), is being filed solely to correct a typographical error in Exhibits 13.1 and 13.2 to the 2005 Form 20-F by making reference to the fiscal year ended December 31, 2005, rather than the fiscal year ended December 31, 2004, in the certifications pursuant to Section 906 of the U.S. Sarbanes Oxley Act of 2002.

Other than the foregoing items, and amendments to the Exhibit Index in Item 19 to refer to the corrected exhibits, no part of the 2005 Form 20-F is being amended, and the filing of this Amendment No. 1 should not be understood to mean that any other statements in the 2005 Form 20-F are true or complete as of any date subsequent to March 20, 2006.

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## INTRODUCTION

In this annual report, we use the terms *the Registrant* to refer to Gol Linhas Aéreas Inteligentes S.A., *Gol* to refer to Gol Transportes Aéreos S.A. and *we*, *us* and *our* to refer to the Registrant and Gol together, except where the context requires otherwise. References to *preferred shares* and *ADSs* refer to non-voting preferred shares of the Registrant and American depositary shares representing those preferred shares, respectively, except where the context requires otherwise.

The phrase *Brazilian government* refers to the federal government of the Federative Republic of Brazil, and the term *Central Bank* refers to the *Banco Central do Brasil*, or the Central Bank of Brazil. The term *Brazil* refers to the Federative Republic of Brazil. The terms *U.S. dollar* and *U.S. dollars* and the symbol *US\$* refer to the legal currency of the United States. The terms *real* and *reais* and the symbol *R\$* refer to the legal currency of Brazil. *U.S. GAAP* refers to generally accepted accounting principles in the United States, and *Brazilian GAAP* refers to generally accepted accounting principles in Brazil, which are accounting principles derived from Law No. 6,404 of December 15, 1976, as amended and supplemented, or the Brazilian corporation law and the rules of the CVM.

This annual report contains terms relating to operating performance within the airline industry that are defined as follows:

- *Revenue passengers* represents the total number of paying passengers flown on all flight segments.
- *Revenue passenger kilometers* represents the numbers of kilometers flown by revenue passengers.
- *Available seat kilometers* represents the aircraft seating capacity multiplied by the number of kilometers the seats are flown.
- *Load factor* represents the percentage of aircraft seating capacity that is actually utilized (calculated by dividing revenue passenger kilometers by available seat kilometers).
- *Breakeven load factor* is the passenger load factor that will result in passenger revenues being equal to operating expenses.
- *Aircraft utilization* represents the average number of block hours operated per day per aircraft for the total aircraft fleet.
- *Block hours* refers to the elapsed time between an aircraft's leaving an airport gate and arriving at an airport gate.
- *Yield per passenger kilometer* represents the average amount one passenger pays to fly one kilometer.
- *Passenger revenue per available seat kilometer* represents passenger revenue divided by available seat kilometers.
- *Operating revenue per available seat kilometer* represents operating revenues divided by available seat kilometers.
- *Average stage length* represents the average number of kilometers flown per flight.

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- Operating expense per available seat kilometer represents operating expenses divided by available seat kilometers.

**PRESENTATION OF FINANCIAL AND OTHER DATA**

We make statements in this annual report about our competitive position and market share in, and the market size of, the Brazilian and South American airline industry. We have made these statements on the basis of statistics and other information from third-party sources, governmental agencies or industry or general publications that we believe are reliable. Although we have no reason to believe any of this information or these reports are inaccurate in any material respect, we have not independently verified the competitive position, market share and market size or market growth data provided by third parties or by industry or general publications. All industry and market data contained in this annual report is based upon the latest publicly available information as of the date of this annual report.

Certain figures included in this annual report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

The consolidated financial statements included in this annual report have been prepared in accordance with U.S. GAAP and reflect our financial condition and results of operations as if the Registrant had been incorporated and held all of the capital stock of Gol, with the exception of five common shares and three Class B preferred shares of Gol held by members of Gol's board of directors for eligibility purposes, since January 1, 2001. See Item 10.B. Memorandum of Articles of Association Description of Capital Stock General. We publish our consolidated financial statements in Brazil in accordance with Brazilian GAAP, which differ in certain significant respects from U.S. GAAP.

We have translated some of the *real* amounts contained in this annual report into U.S. dollars. The rate used to translate such amounts in respect of the year ended December 31, 2005 was R\$2.3407 to US\$1.00, which was the commercial rate for the purchase of U.S. dollars in effect as of December 31, 2005, as reported by the Central Bank. The U.S. dollar equivalent information presented in this annual report is provided solely for convenience of investors and should not be construed as implying that the *real* amounts represent, or could have been or could be converted into, U.S. dollars at such rates or at any other rate. See Exchange Rates for more detailed information regarding the translation of *reais* into U.S. dollars.

**SPECIAL NOTE ABOUT FORWARD-LOOKING STATEMENTS**

This annual report includes forward-looking statements, principally under the captions Risk Factors, Operating and Financial Review and Prospects and Business Overview. We have based these forward-looking statements largely on our current beliefs, expectations and projections about future events and financial trends affecting our business. Many important factors, in addition to those discussed elsewhere in this annual report, could cause our actual results to differ substantially from those anticipated in our forward-looking statements, including, among other things:

- general economic, political and business conditions in Brazil and in other South American markets we serve;
- management's expectations and estimates concerning our future financial performance and financing plans and programs;
- our limited operating history;
- our level of fixed obligations;
- our capital expenditure plans;
- inflation and fluctuations in the exchange rate of the *real*;
- existing and future governmental regulations, including air traffic capacity controls;
- increases in fuel costs, maintenance costs and insurance premiums;
- changes in market prices, customer demand and preferences and competitive conditions;
- cyclical and seasonal fluctuations in our operating results;
- defects or mechanical problems with our aircraft;
- our ability to successfully implement our growth strategy; and
- the risk factors discussed under Risk Factors .

The words believe, may, will, aim, estimate, continue, anticipate, intend, expect and similar words are intended to identify forward-looking statements. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, the effects of future regulation and the effects of competition. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to update publicly or to revise any forward-looking statements after we distribute this annual report because of new information, future events or other factors. In light of

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the risks and uncertainties described above, the forward-looking events and circumstances discussed in this annual report might not occur and are not guarantees of future performance.

**PART I**

**ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

Not applicable.

**ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE**

Not applicable.

**ITEM 3. KEY INFORMATION**

**A. Selected Financial Data**

The following table presents summary historical consolidated financial and operating data for us for each of the periods indicated. You should read this information in conjunction with our consolidated financial statements and related notes, and the information under Selected Financial Data and Item 5. Operating and Financial Review and Prospects.

The Registrant is a holding company that was incorporated on March 12, 2004 and the shares of Gol, an offshore finance subsidiary, cash and cash equivalents and short-term investments are currently the Registrant's only material assets.

The consolidated financial statements and related notes included elsewhere in this annual report have been prepared in accordance with U.S. GAAP and reflect our financial condition and results of operations as if the Registrant had been incorporated and held all of the capital stock of Gol since January 1, 2001, except for five common shares and three Class B preferred shares of Gol held by members of Gol's board of directors for eligibility purposes. On June 29, 2004, the Registrant completed its initial public offering through the issuance of 18,750,000 preferred shares. See Item 10.B. Memorandum of Articles of Association Description of Capital Stock.

Solely for the convenience of the reader, *real* amounts as of and for the year ended December 31, 2005 have been translated into U.S. dollars at the commercial market rate in effect as of December 31, 2005 as reported by the Central Bank of R\$2.3407 to US\$1.00.

Year Ended December 31,					
2001	2002	2003	2004	2005	2005

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(in thousands)

<b>Net operating revenues:</b>						
Passenger	R\$ 223,384	R\$ 643,549	R\$ 1,339,191	R\$ 1,875,475	R\$ 2,539,016	US\$ 1,084,725
Cargo and other	7,089	34,330	61,399	85,411	130,074	55,571
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total net operating revenues	230,473	677,879	1,400,590	1,960,886	2,669,090	1,140,296
<b>Operating expenses:</b>						
Salaries, wages and benefits	33,263	77,855	137,638	183,037	260,183	111,156
Aircraft fuel	45,769	160,537	308,244	459,192	808,268	345,310
Aircraft rent	58,816	130,755	188,841	195,504	240,876	102,908
Aircraft insurance	7,556	23,186	25,850	25,575	29,662	12,672
Sales and marketing	35,299	96,626	191,280	261,756	335,722	143,428
Landing fees	14,602	32,758	47,924	57,393	92,404	39,477
Aircraft and traffic servicing	18,563	47,381	58,710	74,825	91,599	39,133
Maintenance, materials and repairs	4,773	16,160	42,039	51,796	55,373	23,657
Depreciation	2,383	7,885	13,844	21,242	35,014	14,959
Other operating expenses	7,741	22,654	44,494	54,265	98,638	42,140
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total operating expenses	228,765	615,797	1,058,864	1,384,585	2,047,739	874,840
<b>Operating income</b>	1,708	62,082	341,726	576,301	621,351	265,456
<b>Other income (expense):</b>						
Interest expense	(3,350)	(16,530)	(20,910)	(13,445)	(19,383)	(8,281)
Financial income (expense), net	(1,997)	7,447	(56,681)	24,424	115,554	49,367