

Gol Intelligent Airlines Inc.
Form 20-F/A
September 08, 2011

As filed with the Securities and Exchange Commission on September 7, 2011

**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, 2010

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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(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

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 American Depositary Shares (as evidenced by American Depositary Receipts), each representing one share of Preferred Stock	New York Stock Exchange* 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:
7.50% Senior Notes Due 2017

The number of outstanding shares of each class of stock of Gol Linhas Aéreas Inteligentes S.A. as of December 31, 2010:

137,032,734

Shares of Common Stock

133,303,934

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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). 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 basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financial Reporting
Standards as issued by the
International Accounting Standards
Board

Other

If "Other" has been checked in response to the previous question, 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

We are amending our Annual Report on Form 20-F for the year ended December 31, 2010 (the “Annual Report”) as originally filed with the U.S. Securities and Exchange Commission (the “SEC”) on April 8, 2011 to include, the report of Ernst & Young Terco Auditores Independentes as independent registered public accounting firm for us during 2008, in connection with our financial information, for the year ended December 31, 2008, included in our financial statements contained in Item 18 in our Annual Report.

Other than as set forth above, this Form 20-F/A does not, and does not purport to, amend, update or restate the information in any other item of the Annual Report as originally filed with the SEC. As a result, this Form 20-F/A does not reflect any events that may have occurred after the Annual Report was filed on April 8, 2011.

Table of Contents

<u>Presentation of Financial and Other Data</u>	1
<u>Cautionary Statements about Forward-Looking Statements</u>	2
<u>ITEM 1. Identity of Directors, Senior Management and Advisors</u>	3
<u>ITEM 2. Offer Statistics and Expected Timetable</u>	3
<u>ITEM 3. Key Information</u>	3
<u>A. Selected Financial Data</u>	3
<u>B. Capitalization and Indebtedness</u>	7
<u>C. Reasons for the Offer and Use of Proceeds</u>	7
<u>D. Risk Factors</u>	8
<u>ITEM 4. Information on the Company</u>	17
<u>A. History and Development of the Company</u>	17
<u>B. Business Overview</u>	17
<u>C. Organizational Structure</u>	38
<u>D. Property, Plant and Equipment</u>	38
<u>ITEM 4A. Unresolved Staff Comments</u>	38
<u>ITEM 5. Operating and Financial Review and Prospects</u>	39
<u>A. Operating Results</u>	39
<u>B. Liquidity and Capital Resources</u>	54
<u>C. Research and Development, Patents and Licenses, etc</u>	60
<u>D. Trend Information</u>	60
<u>E. Off-Balance Sheet Arrangements</u>	60
<u>F. Tabular Disclosure of Contractual Obligations</u>	61
<u>ITEM 6. Directors, Senior Management and Employees</u>	61
<u>A. Directors and Senior Management</u>	61
<u>B. Compensation</u>	65
<u>C. Board Practices</u>	66
<u>D. Employees</u>	67
<u>E. Share Ownership</u>	68
<u>ITEM 7. Major Shareholders and Related Party Transactions</u>	69
<u>A. Major Shareholders</u>	69
<u>B. Related Party Transactions</u>	69
<u>C. Interests of Experts and Counsel</u>	70
<u>ITEM 8. Financial Information</u>	70
<u>A. Consolidated Statements and Other Financial Information</u>	70
<u>B. Significant Changes</u>	75
<u>ITEM 9. The Offer and Listing</u>	75
<u>A. Offer and Listing Details</u>	75
<u>B. Plan of Distribution</u>	77
<u>C. Markets</u>	77
<u>D. Selling Shareholders</u>	82
<u>E. Dilution</u>	82
<u>F. Expenses of the Issue</u>	82
<u>ITEM 10. Additional Information</u>	82
<u>A. Share Capital</u>	82
<u>B. Memorandum and Articles of Association</u>	82
<u>C. Material Contracts</u>	91
<u>D. Exchange Controls</u>	91

<u>F. Dividends and Paying Agents</u>	<u>100</u>
<u>G. Statement by Experts</u>	<u>100</u>
<u>H. Documents on Display</u>	<u>100</u>
<u>I. Subsidiary Information</u>	<u>101</u>
<u>ITEM 11. Quantitative and Qualitative Disclosures about Market Risk</u>	<u>101</u>
<u>ITEM 12. Description of Securities other than Equity Securities</u>	<u>102</u>
<u>A. American Depositary Shares</u>	<u>102</u>
<u>ITEM 13. Defaults, Dividend Arrearages and Delinquencies</u>	<u>104</u>
<u>ITEM 14. Material Modifications to the Rights of Security Holders and Use of Proceeds</u>	<u>104</u>
<u>ITEM 15. Controls and Procedures</u>	<u>104</u>
<u>ITEM 16. [Reserved]</u>	<u>105</u>
<u>ITEM 16A. Audit Committee Financial Expert</u>	<u>105</u>
<u>ITEM 16B. Code of Ethics</u>	<u>105</u>
<u>ITEM 16C. Principal Accountant Fees and Services</u>	<u>105</u>
<u>ITEM 16D. Exemptions from the Listing Standards for Audit Committees</u>	<u>106</u>
<u>ITEM 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers</u>	<u>106</u>
<u>ITEM 16F. Change in Registrant's Certifying Accountant</u>	<u>106</u>
<u>ITEM 16G. Corporate Governance</u>	<u>106</u>
<u>ITEM 17. Financial Statements</u>	<u>109</u>
<u>ITEM 18. Financial Statements</u>	<u>109</u>
<u>ITEM 19. Exhibits</u>	<u>109</u>
<u>Signature</u>	<u>110</u>

Presentation of Financial and Other Data

The consolidated financial statements included in this annual report have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), in *reais*.

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, 2010 was R\$1.6662 to US\$1.00, which was the commercial rate for the purchase of U.S. dollars in effect on December 31, 2010, as reported by the Central Bank. The U.S. dollar equivalent information presented in this annual report is provided solely for the 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 the above rate. See “Exchange Rates” for more detailed information regarding the Brazilian foreign exchange system and historical data on the exchange rate of the *real* against the into U.S. dollars.

In this annual report, we use the terms “the Registrant” to refer to Gol Linhas Aéreas Inteligentes S.A., and “Gol”, “Company”, “we,” “us” and “our” to refer to the Registrant and its consolidated subsidiaries together, except where the context requires otherwise. The term VRG refers to VRG Linhas Aéreas S.A., a wholly owned subsidiary of the Registrant. 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. 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. “IFRS” refers to the international financial reporting standards issued by the International Accounting Standards Board, or IASB. “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, or the Brazilian corporation law and the pronouncements, guidance, and interpretations issued by the Committee of Accounting Standards (*Comitê de Pronunciamentos Contábeis*), or the CPC, approved by the rules of the CVM.

We make statements in this annual report about our competitive position and market share in, and the market size of, the Brazilian and international 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 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 rounded. Accordingly, figures shown as totals in certain tables may not be an arithmetic sum of the figures that precede them.

This annual report contains terms relating to operating performance in 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 leg.
- “Operating expense per available seat kilometer” represents operating expenses divided by available seat kilometers.

Cautionary Statements 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 and Caribbean markets we serve;
- the effects of global financial markets and economic crises;
- management’s expectations and estimates concerning our future financial performance and financing plans and programs;
- our level of fixed obligations;
- our capital expenditure plans;
- our ability to obtain financing on acceptable terms;
- 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 strategy;
- developments in the Brazilian civil aviation infrastructure, including air traffic control, airspace and airport infrastructure, 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, and 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 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 Advisors

Not applicable.

ITEM 2. Offer Statistics and Expected Timetable

Not applicable.

ITEM 3. Key Information

A. Selected Financial Data

We changed our financial reporting from U.S. GAAP to IFRS, beginning with the financial statements as of and for the year ended December 31, 2008. We present in this section the following summary financial data:

- Summary financial and operating data derived from our audited financial statements included herein and prepared in accordance with IFRS as of and for the years ended December 31, 2010, 2009 and 2008;
- Summary financial and operating data derived from our audited financial statements not included herein and prepared in accordance with IFRS as of and for the year ended December 31, 2007; and
- Summary financial data derived from our audited financial statements not included herein and prepared in accordance with U.S. GAAP as of and for the year ended December 31, 2006.

The summary financial data prepared in accordance with IFRS and U.S. GAAP is not comparable.

The following tables present summary historical consolidated financial and operating data for us for each of the periods indicated. Solely for the convenience of the reader, *real* amounts as of and for the year ended December 31, 2010 have been translated into U.S. dollars at the commercial market rate in effect on December 31, 2010 as reported by the Central Bank of R\$1.6662 to US\$1.00.

IFRS Summary Financial and Operating Data

	Year Ended December 31,				
	2007	2008	2009	2010	2010
	(in thousands)				
Income Statement Data:					
Net operating revenues:					
Passenger	R\$4,566,691	R\$5,890,104	R\$5,306,530	R\$6,277,657	US\$3,767,649
Cargo and other	374,293	516,089	718,852	701,790	421,192
Total net operating revenues	4,940,984	6,406,193	6,025,382	6,979,447	4,188,841
Operating expenses:					
Salaries	(799,344)	(983,783)	(1,100,953)	(1,252,402)	(751,652)
Aircraft fuel	(1,898,840)	(2,630,834)	(1,813,104)	(2,287,410)	(1,372,830)
Aircraft rent	(525,785)	(645,089)	(650,683)	(555,645)	(333,480)
Sales and marketing	(367,866)	(588,735)	(364,551)	(367,757)	(220,716)
Landing fees	(273,655)	(338,370)	(312,637)	(331,883)	(199,186)
Aircraft and traffic servicing	(348,732)	(422,177)	(381,721)	(427,853)	(256,784)
Maintenance, materials and repairs	(339,281)	(388,030)	(417,212)	(422,950)	(253,841)
Depreciation and amortization	(62,548)	(125,127)	(142,853)	(281,604)	(169,010)
Other operating expenses	(315,068)	(372,696)	(428,376)	(354,147)	(212,548)
Total operating expenses	(4,931,119)	(6,494,841)	(5,612,090)	(6,281,652)	(3,770,047)
Operating profit (loss) before financial results	9,865	(88,648)	413,292	697,795	418,794
Interest expense	(182,618)	(269,278)	(288,112)	(338,609)	(203,222)
Financial income (expense), net	373,636	(837,116)	630,956	27,310	16,391
Profit (loss) before income taxes	200,883	(1,195,042)	756,136	386,496	231,963
Income taxes	(33,595)	(44,305)	134,696	(172,299)	(103,408)
Profit (loss) for the year	167,288	(1,239,347)	890,832	214,197	128,555
Earnings (loss) per share, basic (1):	0.842	(6.160)			