

Gol Intelligent Airlines Inc.  
Form F-3  
April 13, 2007

As filed with the Securities and Exchange Commission on April 13, 2007

Registration No. 333-

---

**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**Form F-3**  
**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

---

**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)*

**Federative Republic of Brazil**

*(State or other jurisdiction of  
incorporation or organization)*

**Not Applicable**

*(I.R.S. Employer  
Identification No.)*

**Rua Gomes de Carvalho 1629**  
**04547-006 São Paulo, São Paulo**  
**Federative Republic of Brazil**  
**Attention: Investor Relations**  
**(+55 11 3169-6800)**

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

---

**Puglisi & Associates**  
**850 Library Avenue, Suite 204**  
**P.O Box 885**  
**Newark, Delaware**  
**(302-738-6680)**

*(Name, address, including zip code, and telephone number, including area code, of agent for service)*

---

**With copies to:**

**Andrew B. Jánszky, Esq.**  
**Shearman & Sterling LLP**  
**Av. Brig. Faria Lima, 3400**  
**04538 132 São Paulo, Brazil**

**Approximate date of commencement of proposed sale to the public:** From time to time after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. [ ]

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, please check the following box. [x]

Edgar Filing: Gol Intelligent Airlines Inc. - Form F-3

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this Form is a registration statement pursuant to General Instruction I.C. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. [x]

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.C. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. [ ]

**CALCULATION OF FEE TABLE**

<b>Title of Each Class of Securities to be Registered</b>	<b>Proposed Maximum Aggregate Offering Price(1)</b>	<b>Amount of Registration Fee(2)</b>
Preferred shares, no par value(3)	US\$72,097,769(4)	US\$2,213

(1) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

(2) Pursuant to Rule 457(p) under the Securities Act of 1933, as amended, the Registrant is offsetting against this registration fee of US\$2,213.40 of the US\$55,956.99 in filing fees previously paid by the Registrant upon the filing of a Registration Statement on Form F-3 (Registration No. 333-134188) on May 17, 2006.

(3) Includes preferred shares that may be offered and sold in the United States, including preferred shares in the form of American Depositary Shares, each of which represents one preferred share of the Registrant and which are evidenced by American Depositary Receipts. The American Depositary Shares have been registered under a separate registration statement on Form F-6 (Registration No. 333-116181).

(4) No separate consideration will be received for the preferred share rights or the American Depositary Share rights.

---

**PROSPECTUS**

***Rights Offering of 2,470,794 Preferred Shares,  
Including Preferred Shares in the form of American Depositary Shares***

---

In this rights offering, Gol Linhas Aéreas Inteligentes S.A., or the Registrant, is offering:

- holders of its preferred shares preemptive rights to subscribe for new preferred shares; and
- holders of American depository shares, or ADSs, each representing one preferred share of the Registrant, preemptive rights to subscribe for new ADSs.

**Offering to holders of ADSs**

We will grant 0.043422249663 ADS right for every ADSs you own of record on April 19, 2007. One ADS right will entitle you to purchase one new ADS at US\$31.44 per ADS, which is the U.S. dollar equivalent of R\$2.0310 per US\$1.00 on April 10, 2007, comprised of the ADS subscription price of R\$60.81 plus certain fees and expenses as described in this prospectus. You will also have the opportunity to purchase additional ADSs in the proportions described in this prospectus at the same price if not all of the preferred share rights and ADS rights are exercised. You will bear the risk of exchange rate fluctuations between the U.S. dollar and the Brazilian *real* relating to the exercise of your ADS rights. **Rights to subscribe for ADSs will expire at 5:00 p.m. (New York City time) on May 16, 2007.**

**Offering to holders of preferred shares**

We will grant 0.043422249663 transferable preferred share right for every preferred shares you own of record on April 10, 2007. One preferred share right will entitle you to purchase one new preferred share at R\$60.81 per preferred share. We will reoffer unsubscribed preferred shares and you will have the opportunity to purchase additional preferred shares in the proportions described in this prospectus at the same price if not all of the preferred share rights and ADS rights are exercised. **Rights to subscribe for preferred shares will expire at 6:00 p.m. (São Paulo time) on May 21, 2007.** The preferred shares will not be offered to the public.

---

The ADSs trade on the New York Stock Exchange under the symbol GOL. The preferred shares trade on the São Paulo Stock Exchange under the symbol GOLL4. The preferred share rights are expected to trade on the São Paulo Stock Exchange. On April 12, 2007, the last reported sale price of the ADSs on the New York Stock Exchange was US\$28.10 per ADS. The last reported sale price of the preferred shares on the São Paulo Stock Exchange was R\$57.28 per preferred share.

**See Risk Factors beginning on page 6 to read about factors you should consider before investing in the preferred shares or the ADSs.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

We expect to deliver the new ADSs and preferred shares purchased through the exercise of rights on or as soon as practicable after June 4, 2007.

The date of this prospectus is April 13, 2007.

---

## TABLE OF CONTENTS

	<u>Page</u>
<u>Where You Can Find More Information</u>	<u>ii</u>
<u>Incorporation By Reference</u>	<u>ii</u>
<u>Special Note About Forward-Looking Statements</u>	<u>iv</u>
<u>Summary of the Rights Offering</u>	<u>1</u>
<u>Risk Factors</u>	<u>6</u>
<u>Exchange Rates</u>	<u>7</u>
<u>Use of Proceeds</u>	<u>8</u>
<u>Dilution</u>	<u>9</u>
<u>Capitalization</u>	<u>10</u>
<u>Price Range of the ADSs and Preferred Shares</u>	<u>11</u>
<u>Rights offering</u>	<u>13</u>
<u>Taxation</u>	<u>22</u>
<u>Principal Shareholders</u>	<u>30</u>
<u>Expenses of the Offering</u>	<u>31</u>
<u>Validity of Securities</u>	<u>31</u>
<u>Experts</u>	<u>31</u>
<u>Enforcement Of Judgments Against Foreign Persons</u>	<u>32</u>

You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with information that is different from the information contained in this prospectus. This document may only be used where it is legal to sell the securities offered hereunder. The information in this prospectus is accurate only as of the date of this prospectus, regardless of when this prospectus is delivered or when any sale of the notes occurs.

---

In this prospectus, 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.

## **WHERE YOU CAN FIND MORE INFORMATION**

We have filed with the Securities and Exchange Commission, which we refer to as the Commission, a registration statement (including amendments and exhibits to the registration statement) on Form F-3 under the Securities Act of 1933, as amended ( "Securities Act" ). This prospectus, which is part of the registration statement, does not contain all of the information set forth in the registration statement and the exhibits and schedules to the registration statement. For further information, we refer you to the registration statement and the exhibits and schedules filed as part of the registration statement. If a document has been filed as an exhibit to the registration statement, we refer you to the copy of the document that has been filed. Each statement in this prospectus relating to a document filed as an exhibit is qualified in all respects by the filed exhibit.

We are subject to the informational requirements of the U.S. Securities Exchange Act of 1934, which is also known as the Exchange Act. Accordingly, we are required to file reports and other information with the Commission, including annual reports on Form 20-F and reports on Form 6-K. You may inspect and copy reports and other information to be filed with the Commission at the public reference facilities maintained by the Commission at 100 F. Street, N.E, Washington D.C. 20549 and at the Commission's regional offices at 500 West Madison Street, Suite 1400, Chicago Illinois 60661, and 233 Broadway, New York, New York 10279. Copies of the materials may be obtained from the Public Reference Room of the Commission at 100 F. Street, N.E, Washington, D.C. 20549 at prescribed rates. The public may obtain information on the operation of the Commission's Public Reference Room by calling the Commission in the United States at 1-800-SEC-0330. In addition, the Commission maintains an internet website at <http://www.sec.gov>, from which you can electronically access the registration statement and its materials.

As a foreign private issuer, we are not subject to the same disclosure requirements as a domestic U.S. registrant under the Exchange Act. For example, we are not required to prepare and issue quarterly reports. However, we furnish our shareholders with annual reports containing financial statements audited by our independent auditors and make available to our shareholders quarterly reports containing unaudited financial data for the first three quarters of each fiscal year. We file quarterly financial statements with the Commission within two months of the end of the first three quarters of our fiscal year, and we file annual reports on Form 20-F within the time period required by the Commission, which is currently six months from December 31, the end of our fiscal year.

## **INCORPORATION BY REFERENCE**

The Commission allows us to "incorporate by reference" the information we submit to it, which means that we can disclose important information to you by referring you to those documents that are considered part of this prospectus. Information that we submit to the Commission in the future and incorporate by reference will automatically update and supersede the previously submitted information. We incorporate herein by reference the documents listed below that we have submitted to the Commission:

- Annual Report on Form 20-F for the year ended December 31, 2006; and
- Our Reports on Form 6-K dated March 19, 2007 (Gol announces payment of 1Q2007 dividends) and both reports on Form 6-K dated March 28, 2007.

We incorporate by reference in this prospectus all subsequent annual reports filed with the Commission on Form 20-F under the Securities Exchange Act of 1934 and those of our reports submitted to the Commission on Form 6-K that we specifically identify in such form as being incorporated by reference until this offering has been terminated.

As you read the above documents, you may find inconsistencies in information from one document to another. If you find inconsistencies, you should rely on the statements made in the most recent document. All information appearing in this prospectus is qualified in its entirety by the information and financial statements, including the notes

thereto, contained in the documents we have incorporated by reference.

You may obtain a copy of these filings at no cost by writing or telephoning us at the following address:

(ii)

---

Gol Linhas Aéreas Inteligentes S.A., Rua Gomes de Carvalho 1629, 04547-006 São Paulo, SP, Brazil, Attn: Investor Relations, Telephone (+55 11 3169 6800).

We will send the depositary a copy of all notices that we give relating to meetings of our shareholders or to distributions to shareholders or the offering of rights and a copy of any other report or communication that we make generally available to our shareholders. The depositary will make all these notices, reports and communications that it receives from us available for inspection by registered holders of ADSs at its office. The depositary will mail copies of those notices, reports and communications to you if we ask the depositary to do so and furnish sufficient copies of materials for that purpose.

**WHERE YOU CAN FIND INFORMATION ABOUT THE RIGHTS OFFERING**

The terms and procedures of the rights offering are described in this prospectus under Summary of the Rights Offering and The Rights Offering. You may refer any questions regarding the rights offering to MacKenzie Partners, Inc., our information agent:

**MacKenzie Partners, Inc.**

105 Madison Avenue  
New York, New York 10016  
proxy@mackenziepartners.com  
Call Collect: (212) 929-5500  
or  
Toll-Free: (800) 322-2885

You may obtain copies of this prospectus and the documents incorporated by reference without charge from the information agent.

In addition, you may refer questions regarding the ADS rights offering to The Bank of New York, our ADS rights agent, by calling 1-800-507-9357 or contacting the ADS rights agent at the appropriate address below:

***By mail:***  
The Bank of New York  
Tender and Exchange Department  
P.O. Box 11248  
Church Street Station  
New York, New York 10286-1248

***By hand or overnight courier:***  
The Bank of New York  
Tender and Exchange Department 11 West  
101 Barclay Street  
Receive & Deliver, Street Level  
New York, New York 10286



**SPECIAL NOTE ABOUT FORWARD-LOOKING STATEMENTS**

This prospectus and the documents incorporated by reference herein include forward-looking statements. 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 prospectus and those discussed in our Annual Report on Form 20-F for the year ended December 31, 2006 which is incorporated by reference herein, 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 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 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 prospectus 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 prospectus might not occur and are not guarantees of future performance.

**SUMMARY OF THE RIGHTS OFFERING****Overview**

When we agreed to acquire the capital stock of VRG Linhas Aéreas S.A. ( VRG , the airline that operates the Varig brand) in March 2007, we agreed to pay a portion of the acquisition price in our preferred shares (representing approximately 3.1% of our total shares outstanding). According to Brazilian law, the issuance of preferred shares to be transferred to Varig Logística S.A, the seller of VRG, triggers preemptive rights of our existing shareholders. Our board of directors has authorized the issuance of a total of 8,519,979 preferred shares, of which we will deliver 6,049,185 preferred shares to Varig Logística S.A. Our shareholders (other than Fundo de Investimento em Participações Asas, our principal shareholder) have the preemptive right to subscribe for 2,470,794 preferred shares (representing approximately 1.3% of our total shares outstanding) proportionally to their respective participation in our capital. Although we are not obligated under the existing arrangements to extend the preemptive rights to U.S. holders of its preferred shares and ADRs, we have voluntarily elected to register this rights offering with the Securities and Exchange Commission (SEC), in order to enable U.S. holders to participate in the rights offering.

We are offering up to 2,470,794 preferred shares, in the form of preferred shares or ADSs, in this preemptive rights offering to holders of our preferred shares and ADSs.

**Offering to Holders of ADSs**

**ADS rights offering**            You will receive 0.043422249663 ADS right for every ADS you hold on the ADS record date (as defined below). One ADS right will entitle you to purchase one new ADS. You will only receive a whole number of ADS rights. You will only receive a whole number of ADS rights. The rights agent will aggregate and arrange for the sale of any preferred share rights underlying fractional ADS rights and will distribute the net proceeds of such sale, if any, to ADS rights holders entitled to such proceeds.

**Additional ADSs**            If you are exercising ADS rights, you may subscribe for additional ADSs in excess of the number of ADSs that your ADS rights entitle you to purchase. You must indicate the number of additional ADSs for which you wish to subscribe and pay the estimated ADS subscription payment in U.S. dollars for these additional ADSs when you exercise your ADS rights in the initial ADS rights exercise period. Following the expiration of the initial preferred share rights exercise period, to the extent unsubscribed preferred shares are reoffered to the depositary in one reoffering round, you will be allocated your pro rata portion of additional ADSs. If the number of additional ADSs available is not sufficient to satisfy your subscription in full, the estimated ADS subscription payment related to any additional ADSs not delivered will be returned to you without interest. We cannot guarantee that you will receive any of the additional ADSs for which you subscribe.

If any ADSs remain unsubscribed following the reoffering round, we may reduce the size of this rights offering. After the announcement of any such decrease in the size of the offering, holders of our preferred shares in Brazil will have the opportunity to reconsider their intention to further subscribe for the preferred shares. This opportunity will not be granted to U.S. persons (as defined in Regulation S under the Securities Act) and other holders of our preferred shares and ADSs in the United States. See **The Rights Offering**    **Offering to Holders of Preferred Shares**    **Reoffering of Unsubscribed**

Preferred Shares.

Subscription Card

The Bank of New York, as ADS rights agent, will send to each record holder of ADSs a subscription card indicating the number of ADS rights the holder owns.

ADS record date April 19, 2007.

ADS subscription price R\$60.81 per ADS, equivalent to the subscription price per preferred share. **You must pay the ADS subscription price in U.S. dollars.**

In order to exercise your ADS rights, you must pay to the ADS rights agent the estimated ADS subscription payment of US\$31.44 per ADS, which is the ADS subscription price of R\$60.81 per ADS, converted into U.S. dollars at the Federal Reserve Bank of New York's Noon buying rate of R\$2.0310 per US\$1.00 on April 10, 2007, plus an additional 5%, as required by the ADS rights agent. The additional 5% represents an allowance for potential fluctuations in the exchange rate between the Brazilian *real* and the U.S. dollar, conversion expenses, ADS issuance fees of the depository of US\$0.05 per new ADS and financial transaction taxes in Brazil. When you exercise your ADS rights, you must also pay the ADS rights agent US\$31.44 per ADS for any additional ADSs that you wish to subscribe for should any unsubscribed preferred shares be reoffered to the depository after the expiration of the initial preferred share rights exercise period. You will bear the risk of all exchange rate fluctuations relating to the exercise of ADS rights.

If the amount of the estimated ADS subscription payment you paid to the ADS rights agent is insufficient to cover the actual ADS subscription price in *reais* plus conversion expenses, ADS issuance fees and financial transaction taxes for ADSs you are subscribing for or are allocated, the ADS rights agent will pay the deficiency to the extent the deficiency does not exceed 20% of your payment. You must reimburse the ADS rights agent for the amount of any deficiency financed by the ADS rights agent prior to your receiving any new ADSs. For further descriptions see "Rights Offering".

If the amount of the estimated ADS subscription payment you paid to the ADS rights agent is greater than the subscription price plus conversion expenses, ADS issuance fees and financial transaction taxes for ADSs you are subscribing for or are allocated, the ADS rights agent will pay you the excess without interest.

Initial ADS rights exercise period From April 23, 2007 through 5:00 p.m. (New York City time) on May 16, 2007.

Procedure for exercising ADS rights If you hold ADSs directly, you may exercise your ADS rights during the exercise period by delivering a properly completed subscription card and full payment of the estimated ADS subscription payment for the new ADSs to the ADS rights agent prior to 5:00 p.m. (New York City time) on May 16, 2007.

If you hold ADSs through The Depository Trust Company, you may exercise your ADS rights by timely delivering to the ADS rights agent completed subscription instructions through DTC's PSOP Function on the agent subscriptions over PTS procedure accompanied by payment in full of the estimated ADS subscription price.

If you are a beneficial owner of ADSs and wish to exercise your ADS rights, you should timely contact the securities intermediary through which you hold ADS rights to arrange for their exercise and for the payment of the estimated ADS subscription price in U.S.

dollars.

We provide more details on how to exercise ADS rights under The Rights Offering Offering to ADS Holders.

Exercise of ADS rights      The exercise of ADS rights is irrevocable and may not be canceled or modified.

irrevocable

Unexercised rights	If you do not exercise your ADS rights within the initial ADS rights exercise period, they will expire and you will have no further rights.
Listing	The ADSs are listed on the New York Stock Exchange under the symbol GOL.
ADS rights agent	The Bank of New York.
Depository	The Bank of New York.
Delivery of new ADRs	The Bank of New York will deliver new ADRs evidencing the new ADSs subscribed in the rights offering as soon as practicable after receipt of the underlying new preferred shares by the custodian.
ADR issuance fee	Subscribing holders will be charged an ADS issuance fee of US\$0.05 per new ADS issued, payable to the depository. The ADS rights agent will deduct the ADS issuance fee from the estimated ADS subscription payment in respect of each holder's subscription.
New ADSs	Your specific rights in the new ADSs and in the preferred shares underlying the new ADSs are set out in a deposit agreement among us, The Bank of New York, as depository, and the owners and beneficial owners of ADRs. To understand the terms of the ADSs, you should read the deposit agreement, which is incorporated by reference as an exhibit to the registration statement of which this prospectus is a part.

For additional information regarding the rights offering to holders of our ADSs, see *The Rights Offering Offering to ADS Holders* which also includes a summary timetable containing some important dates relating to the ADS rights offering.

**Offering to Holders of Preferred Shares**

Preferred share rights offering	You will receive 0.043422249663 preferred share right for every preferred share you hold on the preferred share record date (as defined below). One preferred share right will entitle you to purchase one new preferred share. We will only issue whole numbers of preferred share rights. We will not issue any fractional preferred shares.
Additional preferred shares	<p>If you are exercising preferred share rights, you may indicate an interest in purchasing additional preferred shares in excess of the number of preferred shares that your preferred share rights entitle you to purchase. Following the expiration of the initial preferred share rights exercise period, we will reoffer any unsubscribed preferred shares in one reoffering round to those holders that indicated an interest in purchasing additional preferred shares. You will then have an opportunity to purchase your pro rata portion of the additional preferred shares at the preferred share subscription price.</p> <p>If any preferred shares remain unsubscribed following the reoffering round, we may reduce the size of this rights offering. After the announcement of any such decrease in the size of the offering, holders of our preferred shares in Brazil will have the opportunity to reconsider their intention to further subscribe for the preferred shares. This opportunity will not be granted to U.S. persons (as defined in Regulation S promulgated under the Securities Act) and other holders of our ADSs in the United States. See <a href="#">The Rights Offering</a> <a href="#">Offering to Holders of Preferred Shares</a> <a href="#">Reoffering of Unsubscribed Preferred Shares</a>.</p>
Preferred share record date	April 10, 2007.
Preferred share subscription price	R\$60.81 per share.
Preferred share rights exercise period	From April 11, 2007 through 6:00 p.m. (São Paulo time) on May 21, 2007.
Procedure for exercising preferred share rights	You may exercise your preferred share rights by delivering to your broker or custodian a properly completed subscription form and full payment of the preferred share subscription price for the new preferred shares being purchased.
Exercise of share rights irrevocable	The exercise of preferred share rights is irrevocable and may not be canceled or modified.
Unexercised rights	If you do not exercise your preferred share rights within the preferred share rights exercise period, they will expire and you will have no further rights.
Transferability	You may transfer all or any portion of your preferred share rights. If you transfer or sell your preferred share rights, you will have no further right to purchase new preferred shares in the preferred share rights offering with respect to the preferred share rights transferred or sold.

## Listing

Edgar Filing: Gol Intelligent Airlines Inc. - Form F-3

The preferred shares are listed on the São Paulo Stock Exchange under the symbol GOLL4. The preferred share rights are expected to be listed on the São Paulo Stock Exchange during the preferred share rights trading period set forth below.

Expected preferred share rights trading period	From April 11, 2007 through May 14, 2007.
--	---



Ratification of the capital increase	On April 10, 2007, our board of directors authorized a capital increase in an aggregate amount of R\$518,099,923.00. We will issue the new preferred shares subscribed in this rights offering following ratification of the capital increase by our board of directors at a meeting that is expected to be held on or about May 28, 2007.
Delivery of new shares	We expect to deliver the new preferred shares subscribed in this rights offering on or about June 4, 2007.

For additional information regarding the rights offering to holders of our preferred shares, see [The Rights Offering Offering to Holders of Preferred Shares](#) which also contains a summary timetable containing some important dates relating to the preferred shares rights offering.

## RISK FACTORS

*An investment in our preferred shares and ADSs involves a high degree of risk. Our Annual Report on Form 20-F for the year ended December 31, 2006, which is incorporated by reference herein, describes the risks with respect to our company, the airline industry and our operating environment, particularly Brazil, and the risks with respect to our ADSs and our preferred shares. You should carefully consider these risks and the ones set forth below before making your investment decision. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks. The trading price of our preferred shares or ADRs could decline due to any of these risks or other factors, and you may lose all or part of your investment. These risks are those that we currently believe may materially affect us.*

### **Risks Related to the Rights Offering**

*If you do not exercise all of your rights in this rights offering, you will suffer dilution of your percentage ownership of our preferred shares and ADSs.*

To the extent that you do not exercise your rights to subscribe for new preferred shares and ADSs, your proportionate ownership in our company will be reduced accordingly, and the percentage that your original preferred shares or ADSs represents of our increased capital stock after exercise of the rights will be disproportionately reduced.

*ADS holders will be subject to exchange rate and other risks if they participate in this rights offering.*

The ADS subscription price has been set at R\$60.81 per ADS but must be paid by ADS holders to the ADS rights agent in U.S. dollars. The U.S. dollar payment of US\$31.44 per ADS is the U.S. dollar equivalent of R\$2.0310 per US\$1.00 on April 10, 2007, comprised of the ADS subscription price of R\$60.81 plus an additional 5%, as required by the ADS rights agent, to provide for potential fluctuations in the exchange rate between the *real* and the U.S. dollar, conversion expenses, ADS issuance fees of the depositary and financial transaction taxes in Brazil.

The ADS rights agent will make the conversion from U.S. dollars into *reais* at any commercially reasonable rate in order to pay the subscription price for the preferred share rights underlying the ADS rights. If there is a deficiency in U.S. dollars because the U.S. dollar to *real* exchange rate at the time of actual conversion is lower than it was at the time of subscription, then the holder will have to pay the amount of any deficiency, including expenses, and will not receive any new ADSs subscribed for until this deficiency is paid.

An ADS holder must subscribe for any additional ADSs that it wishes to purchase, as a result of an under-subscription of the preferred shares underlying the ADSs in this rights offering, when it subscribes for the ADSs to which its rights entitle it during the initial ADS rights exercise period. The ADS holder must also pay the subscription price for these additional ADSs during the initial ADS rights exercise period. The holder will not know at this time whether any additional ADSs will be available to purchase after the expiration of the initial ADS rights exercise period, and we cannot guarantee that ADS holders will receive any of the additional ADSs for which they subscribe. The U.S. dollar amount that ADS holders pay for these additional ADSs will only be converted into *reais* after any reoffering round, to the extent preferred shares underlying the ADSs are reoffered to the depositary. Therefore, the U.S. dollar amount that ADS holders pay for additional ADSs will be exposed to the risk of exchange rate fluctuations for a longer period of time than the U.S. dollar amount that those holders pay for the ADSs to which their rights entitle them to purchase in the initial ADS rights exercise period.

**EXCHANGE RATES**

Before March 4, 2005, there were two principal legal foreign exchange markets in Brazil:

- the commercial rate exchange market; and
- the floating rate exchange market.

Most trade and financial foreign-exchange transactions were carried out on the commercial rate exchange market. These transactions included the purchase or sale of shares or payment of dividends or interest with respect to shares. Foreign currencies could only be purchased in the commercial exchange market through a Brazilian bank authorized to operate in these markets. In both markets, rates were freely negotiated.

In March 2005, the National Monetary Council, dated March 4, 2005, consolidated the foreign exchange markets into one single foreign exchange market. All foreign exchange transactions are now carried out through institutions authorized to operate in the consolidated market and are subject to registration with the Central Bank's electronic registration system. Foreign exchange rates continue to be freely negotiated, but may be influenced by Central Bank intervention.

Since 1999, the Central Bank has allowed the *real*/U.S. dollar exchange rate to float freely, and during that period, the *real*/U.S. dollar exchange rate has fluctuated considerably. In the past, the Central Bank has intervened occasionally to control unstable movements in foreign exchange rates. We cannot predict whether the Central Bank or the Brazilian government will continue to let the *real* float freely or will intervene in the exchange rate market through a currency band system or otherwise. The *real* may depreciate or appreciate against the U.S. dollar substantially in the future. For more information on these risks, see Item 3D. Risk Factors Risks Relating to Brazil in our Annual Report on Form 20-F for the year ended December 31, 2006, which is incorporated by reference herein.

The following tables set forth the commercial selling rate, expressed in *reais* per U.S. dollar (R\$/US\$), for the periods indicated.

	Period-end	Average for Period	Low	High
	(reais per US.dollar)			
<b>Year Ended</b>				
December 31, 2002	3.533	2.998(1)	2.271	3.955
December 31, 2003	2.889	3.060(1)	2.822	3.662
December 31, 2004	2.654	2.917(1)	2.654	3.205
December 31, 2005	2.341	2.412(1)	2.163	2.762
December 31, 2006	2.138	2.168(1)	2.059	2.371
<b>Month Ended</b>				
October 2006	2.143	2.148	2.133	2.168
November 2006	2.167	2.158	2.135	2.187
December 2006	2.138	2.150	2.138	2.169
January 2007	2.125	2.139	2.125	2.156
February 2007	2.110	2.095	2.077	2.114
March 2007	2.050	2.089	2.050	2.139
April 2007 (through April 10, 2007)	2.028	2.034	2.024	2.048

*Source: Central Bank*

(1) Represents the average of the exchange rates on the last day of each month during the period.

### **USE OF PROCEEDS**

Assuming that this rights offering is fully subscribed, our aggregate net proceeds from the sale of the new ADSs and preferred shares will be approximately R\$150,248,983, after deducting offering expenses. We intend to use the aggregate net proceeds for general corporate purposes.

## **DILUTION**

Existing holders of our preferred shares and the ADSs who do not exercise their preferred share and ADS rights, respectively, in this rights offering will have their ownership interests diluted such that a holder of our preferred shares or the ADSs who held one percent of our capital stock before this rights offering will be reduced to holding 0.97% after the issuance of new preferred shares, including preferred shares underlying ADSs, in this rights offering.

**CAPITALIZATION**

The following table sets forth our consolidated capitalization at December 31, 2006 on a historical basis and as adjusted. This table should be read in conjunction with, and is qualified in its entirety by reference to, our consolidated financial statements and the notes thereto included elsewhere in this prospectus.

The as adjusted columns give effect to (i) the issuance of an aggregate principal amount of US\$225,000,000 7.50% Senior Notes due 2017 issued on March 22, 2007 (ii) the receipt of R\$150,248,983 in net proceeds from the sale of preferred shares, including preferred shares in form of ADSs, upon exercise of rights in this rights offering, assuming the full exercise of all preemptive rights granted in this rights offering and (iii) the capital increase of R\$367,850,940 from the issuance of 6,049,185 preferred shares related to the acquisition of VRG, as described above.

	<b>As of December 31, 2006</b>		<b>As adjusted as of December 31, 2006</b>	
	(in millions of <i>reais</i> )	(in millions of U.S. dollars) (1)	(in millions of <i>reais</i> )	(in millions of U.S. dollars) (1)
<b>Cash</b>				
Cash and cash equivalents	281.0	131.4	912.3	426.7
Short-term investments	1,425.4	666.7	1,425.4	666.7
<b>Total cash and financial investments</b>	<b>1,706.4</b>	<b>798.1</b>	<b>2,337.7</b>	<b>1,093.4</b>
<b>Short-term debt</b>	<b>128.3</b>	<b>60.0</b>	<b>128.3</b>	<b>60.0</b>
<b>Current portion of long-term debt</b>	<b>41.3</b>	<b>19.3</b>	<b>41.3</b>	<b>19.3</b>
<b>Long-term debt</b>	<b>949.0</b>	<b>443.9</b>	<b>1,430.1</b>	<b>668.9</b>
<b>7.50% Senior Notes due 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total debt</b>	<b>1,118.6</b>	<b>523.2</b>	<b>1,599.7</b>	<b>748.2</b>
<b>Shareholders equity</b>				
Preferred shares	846.1	395.8	1,364.2	638.1
Common shares	41.5	19.4	41.5	19.4
Additional paid-in capital	35.4	16.6	35.4	16.6
Appropriated retained earnings	39.6	18.5	39.6	18.5
Unappropriated retained earnings	1,246.8	583.2	1,246.8	583.2
Accumulated other comprehensive gain	(4.3)	(2.0)	(4.3)	(2.0)
<b>Total shareholders equity</b>	<b>2,205.2</b>	<b>1,031.4</b>	<b>2,723.3</b>	<b>1,273.7</b>
<b>Total capitalization<sup>(2)</sup></b>	<b>3,328.8</b>	<b>1,554.6</b>	<b>4,323.0</b>	<b>2,022.6</b>

(1) The *real* amounts for December 31, 2006 have been converted into dollars using the exchange rate of US\$1.00 = R\$2.1380, which is the selling rate reported by the Central Bank of Brazil on this date. This information is presented solely for the convenience of the reader. You should not interpret the currency conversions in this

prospectus as a statement that the amounts in *reais* currently represent such values in U.S. dollars. Additionally, you should not interpret such conversions as statements that the amounts in *reais* have been, could have been or could be converted into U.S. dollars at this or any other foreign exchange rates.

(2) Total capitalization is the sum of total debt and total shareholders' equity.



**PRICE RANGE OF THE ADSs AND PREFERRED SHARES**

In the United States, our preferred shares trade in the form of ADSs. Since December 2005 each ADS represents one preferred share, issued by The Bank of New York, as Depositary pursuant to a Deposit Agreement. On December 13, 2005, we executed a 2:1 ADS split, changing the ratio of one ADS representing two preferred shares to one ADS representing one preferred share, as approved by a meeting of the Board of Directors of the Company on November 8, 2005. The ADSs commenced trading on the NYSE on June 24, 2004. As of December 31, 2006, the ADSs represented approximately 47.4% of our preferred shares and 76.2% of our current global public float. Our preferred share and ADSs are included in various indexes at the BOVESPA and the New York Stock Exchange.

The following table sets forth the reported high and low closing sales prices for the ADSs on the NYSE for the periods indicated.

	US\$ per ADS(1)		
	Low	High	Average(2)
<b>2004</b>			
<b>Annual</b>	<b>8.20</b>	<b>16.45</b>	<b>10.47</b>
<b>2005</b>			
<b>Annual</b>	<b>12.20</b>	<b>28.74</b>	<b>16.57</b>
First quarter	12.57	16.51	14.60
Second quarter	12.20	16.56	14.62
Third Quarter	14.06	18.00	15.88
Fourth Quarter	15.50	28.74	21.17
<b>2006</b>			
<b>Annual</b>	<b>25.25</b>	<b>40.24</b>	<b>31.54</b>
First quarter	25.25	34.12	28.96
Second quarter	27.16	40.24	33.27
Third Quarter	28.21	36.67	33.08
Fourth Quarter	27.44	36.92	30.79
<b>Last Six Months</b>	27.44	36.92	31.56
October 2006	31.00	36.92	33.42
November 2006	27.85	31.85	29.53
December 2006	27.44	31.21	29.22
January 2007	27.55	30.52	29.21
February 2007	28.39	32.15	30.88
March 2007	25.78	30.43	27.12

---

Source: Bloomberg

(1) Reflecting the ADS ratio change from one ADS representing two preferred shares to one ADS representing one preferred share, occurred in December 2005.

(2) Calculated as average of closing prices for the period

Our preferred shares began trading on the São Paulo Stock Exchange on June 24, 2004. The following table sets forth the reported high and low closing sale prices for our preferred shares on the BOVESPA, for the periods indicated.

	<i>Reais per Preferred Share</i>		
	<b>Low</b>	<b>High</b>	<b>Average(1)</b>
<b>2004</b>			
<b>Annual</b>	<b>25.00</b>	<b>44.31</b>	<b>29.83</b>
<b>2005</b>			
<b>Annual</b>	<b>32.24</b>	<b>66.90</b>	<b>40.00</b>
First quarter	34.00	42.60	38.89
Second quarter	32.24	39.88	36.29
Third Quarter	33.53	42.00	37.19
Fourth Quarter	35.05	66.90	47.64
<b>2006</b>			
<b>Annual</b>	<b>54.80</b>	<b>82.80</b>	<b>68.44</b>
First quarter	54.80	72.00	63.14
Second quarter	58.30	82.80	72.30
Third Quarter	62.60	79.88	71.85
Fourth Quarter	59.40	79.60	66.30
<b>Last Six Months</b>	<b>59.40</b>	<b>79.88</b>	<b>67.99</b>
October 2006	65.90	79.60	71.60
November 2006	60.30	68.50	63.78
December 2006	59.40	66.70	62.98
January 2007	59.44	64.90	62.43
February 2007	59.90	67.50	64.36
March 2007	52.99	62.80	56.59

---

*Source: Bloomberg*

(1) Calculated as average of closing prices for the period

## RIGHTS OFFERING

### General Information

When we agreed to acquire the capital stock of VRG Linhas Aéreas S.A. ( VRG , the airline that operates the Varig brand) in March 2007, we agreed to pay a portion of the acquisition price in our preferred shares (representing approximately 3.1% of our total shares outstanding). According to Brazilian law, the issuance of preferred shares to be transferred to Varig Logística S.A, the seller of VRG, triggers preemptive rights of our existing shareholders. Our board of directors has authorized the issuance of a total of 8,519,979 preferred shares, of which we will deliver 6,049,185 preferred shares to Varig Logística S.A. Our shareholders (other than Fundo de Investimento em Participações Asas, our principal shareholder) have the preemptive right to subscribe for 2,470,794 preferred shares (representing approximately 1.3% of our total shares outstanding) proportionally to their respective participation in our capital. Although we are not obligated under the existing arrangements to extend the preemptive rights to U.S. holders of its preferred shares and ADRs, we have voluntarily elected to register this rights offering with the Securities and Exchange Commission (SEC), in order to enable U.S. holders to participate in the rights offering.

We are offering up to 2,470,794 preferred shares, in the form of preferred shares or ADSs, in this preemptive rights offering to holders of our preferred shares and of ADSs representing our preferred shares.

If you are a holder of ADSs on April 19, 2007, which is the ADS record date, you will receive ADS rights evidencing the right to subscribe for new ADSs. You will receive 0.04342229663 ADS rights for every ADS held on the ADS rights record date. One ADS right will entitle you to purchase one new ADS at a subscription price of R\$60.81 per ADS, payable in U.S. dollars. The Bank of New York, the depositary for the ADSs, will act as ADS rights agent in respect of the ADS rights offered hereby. The ADS right agent will send to each record holder of ADSs on the record date a subscription card, together with this prospectus and a letter of instructions for exercising ADS rights.

If you are a holder of preferred shares on April 10, 2007, which is the preferred share record date, you will receive preferred share rights evidencing the right to subscribe for new preferred shares. You will receive 0.04342229663 preferred share rights for every preferred share held on the preferred share record date. The preferred share rights will be transferable and are expected to trade on the São Paulo Stock Exchange up to the fifth business day prior to the end of the preferred shares rights exercise period. One preferred share right will entitle you to purchase one new preferred share at a subscription price of R\$60.81 per preferred share.

Preferred share rights and ADS rights that are not exercised during their respective rights exercise periods will expire. Following the expiration of the preferred share rights exercise period, we will reoffer any unsubscribed preferred shares at the same price to all holders that exercised preferred share rights and indicated interest in purchasing additional preferred shares pro rata. The pro rata portion of unsubscribed preferred shares to be allocated to each holder participating in a reoffering will be calculated in proportion to the number of preferred shares purchased by all subscribing holders in the initial subscription period. To the extent unsubscribed preferred shares are reoffered to the depositary, additional ADSs representing such unsubscribed preferred shares will be allocated to subscribing ADS holders in proportion to the relationship that the number of additional ADSs they have requested bears to the additional ADSs representing the unsubscribed preferred shares allocated to the depositary.

If any preferred shares or ADSs remain unsubscribed following the reoffering round, we may reduce the size of this rights offering. After the announcement of any such decrease in the size of the offering, holders of our preferred shares in Brazil will have the opportunity to reconsider their intention to further subscribe for the preferred shares. This opportunity will not be granted to U.S. persons (as defined in Regulation S promulgated under the Securities Act) and other holders of our preferred shares and ADSs in the United States.

Preferred shareholders and ADS holders generally will be treated alike in the rights offering, except that:

The timing of certain actions and periods will differ for holders of ADS rights and for holders of preferred share rights. In particular, the record date is later for holders of ADS rights and last date for exercise and payment is earlier for holders of ADS rights.

If any preferred shares or ADSs remain unsubscribed following the reoffering round, we may reduce the size of this rights offering. After the announcement of any such decrease in the size of the offering, holders

of our preferred shares in Brazil will have the opportunity to reconsider their intention to further subscribe for the preferred shares. This opportunity will not be granted to U.S. persons (as defined in Regulation S promulgated under the Securities Act) and other holders of our preferred shares and ADSs in the United States.

Holders of preferred share rights must pay the subscription price in *reais*, whereas holders of ADS rights must pay an estimated ADS subscription price in U.S. dollars under an arrangement with the ADS rights agent. The estimated ADS subscription price includes an allowance for potential fluctuations between the Brazilian *real* and the U.S. dollar, conversion expenses, the payment of ADS issuance fees of the depositary and financial transaction taxes in Brazil.

The ADR rights will not be transferable and the preferred shares rights are transferable.

The allocation of unsubscribed preferred shares to holders of preferred share rights in the reoffering round will be different from the allocation of additional ADSs representing unsubscribed preferred shares to holders of ADS rights following the reoffering round. In addition, ADS holders are required to decide whether to participate in the reoffering rounds and to pay for any additional ADSs during the initial ADS rights exercise period. At this time, ADS holders will not know if any additional ADSs will be available in reoffering round. See the description of the rights offering that follows for more details on the reoffering procedures.

The procedures for exercising ADS rights and preferred share rights and information about the purchase and sale of such rights are summarized below.

## Offering to ADS Holders

### Summary Timetable

The summary timetable below lists some important dates relating to the ADS rights offering:

ADS record date – date for determining holders of ADSs receiving ADS rights:	April 19, 2007
Subscription card sent to ADS holders:	April 23, 2007
ADS rights expiration date – end of period during which ADS rights holders can subscribe for new ADSs, 5:00 p.m. (New York City time):	May 16, 2007
Initial Settlement date – ADS rights agent converts U.S. dollars into <i>reais</i> to pay the subscription price for ADSs purchased in the rights offering on or as soon as practicable after:	May 17, 2007
Reoffering settlement date – ADS rights agent converts U.S. dollars into <i>reais</i> to pay the subscription price for additional ADSs purchased in the reoffering round on:	On or about May 25, 2007
Registrant deposits new preferred shares with the custodian:	On or about June 4, 2007
ADRs evidencing new ADSs expected to be delivered as soon as practicable after:	On or about June 4, 2007

The following is a summary of the important provisions of the rights agency agreement between us and The Bank of New York, as ADS rights agent, pursuant to which you will receive the ADS rights. For a complete description of the ADS rights offering, you should read the rights agency agreement, which is filed as an exhibit to the registration statement of which this prospectus is a part.

### Rights Offering to Holders of ADSs

If you hold ADSs on the ADS record date, you will receive ADS rights evidencing the right to subscribe for new ADSs. You will receive 0.04342229663 ADS right for every ADSs you hold on the ADS record date. One ADS right will entitle you to purchase one new ADS at a subscription price of R\$60.81 per ADS, payable in U.S. dollars. You

will only receive a whole number of ADS rights. The rights agent will aggregate and arrange for the sale of any preferred share rights underlying fractional ADS rights and will distribute the net proceeds of such sale, if any, to ADS rights holders entitled to such proceeds.

If you are exercising ADS rights, you may subscribe for additional ADSs in excess of the number of ADSs that your ADS rights entitle you to purchase. You must subscribe for any additional ADSs when you subscribe for the

ADSs to which your rights entitle you during the initial ADS rights exercise period. You must also pay the estimated ADS subscription payment for these additional ADSs at this time. You will not know at that time whether any additional ADSs will be available after the expiration of the initial ADS rights exercise period, and we cannot guarantee that you will receive any of the additional ADSs for which you subscribe.

To the extent unsubscribed preferred shares are reoffered to the depositary after expiration of the preferred share rights exercise period, you will be allocated additional ADSs up to a maximum number equal to the lesser of:

- the number of additional new ADSs for which you have over-subscribed; and
- the pro rata amount of the additional new ADSs available based on the percentage of unsubscribed preferred shares allocated to the depositary. See [Offering to Holders of Preferred Shares](#) [Reoffering of Unsubscribed Preferred Shares](#).

If the number of new ADSs available in the reoffering round is not sufficient to satisfy your additional subscription in full, the estimated ADS subscription payment related to any additional new ADSs not delivered to you will be returned to you in U.S. dollars without interest. The U.S. dollars you that you pay for additional ADSs will only be converted into *reals* following the reoffering round to the extent preferred shares underlying the ADSs are reoffered to the depositary. Therefore, the U.S. dollar amount that you pay for additional ADSs will be exposed to the risk of exchange rate fluctuations for a longer period of time than the U.S. dollar amount that you pay for ADSs that your rights entitle you to purchase in the initial ADS rights exercise period.

You may subscribe for all or a portion of the ADSs to which the ADS rights you receive entitle you, but you may only subscribe for a whole number of new ADSs. You will not receive any fractional new ADSs.

### ***Subscription Card***

The subscription card will state the number of ADS rights corresponding to the number of ADSs registered in the name of the holder to whom such subscription card is sent, with 0.043422249663 ADS rights being issued for every ADSs held. The ADS rights agent will mail the subscription card, together with a letter of instructions and this prospectus on or about May 23, 2007 to all holders of record of ADSs.

### ***ADS Record Date***

The record date for determining the holders of ADSs entitled to ADS rights is April 19, 2007. Only holders of record of ADSs at the close of business (New York City time) on the ADS record date will be entitled to receive ADS rights.

### ***ADS Rights Exercise Period***

ADS rights may be exercised during the period from April 23, 2007 through 5:00 p.m. (New York City time) on May 16, 2007, which is the ADS rights expiration date. If you do not exercise your ADS rights within the ADS rights exercise period, your ADS rights will expire and you will have no further rights.

### ***ADS Rights Agent***

The Bank of New York, which is the depositary for the ADSs under our deposit agreement, is acting as the ADS rights agent to accept the exercise of the ADS rights for the subscription for the new ADSs offered hereby.

### ***ADS Subscription Price***

The ADS subscription price is R\$ 60.81 per ADS. **You must pay the ADS subscription price in U.S. dollars.**

In order to exercise your ADS rights and to subscribe for any additional ADSs, you must pay the estimated ADS subscription payment of US\$31.44 per ADS, which is the ADS subscription price converted into U.S. dollars at the Federal Reserve Bank of New York's noon buying rate of R\$2.0310 per US\$1.00 on April 10, 2007, plus an additional 5%, as required by the ADS rights agent. The additional 5% represents an allowance for potential fluctuations in the exchange rate between the Brazilian *real* and the U.S. dollar, conversion expenses, the payment of ADS issuance fees of the depositary and financial transaction taxes in Brazil.



The ADS rights agent will make the conversion from U.S. dollars into *reais* on or about May 17, 2007 to pay the subscription price for new ADSs for which your rights entitle you to subscribe in the initial ADS rights exercise period at any commercially reasonable rate. If there is any excess in U.S. dollars as a result of this conversion, after deducting conversion expenses, ADS issuance fees and financial transaction taxes, the ADS rights agent will refund the amount of any excess in U.S. dollars promptly to the subscriber without interest. After the reoffering round, the ADS rights agent will make a second conversion of U.S. dollars into *reais* on or about May 25, 2007 to pay, if applicable, the subscription price for additional ADSs purchased, and, after deducting conversion expenses, ADS issuance fees and financial transaction taxes, will refund the amount of any excess in U.S. dollars promptly to the subscriber without interest. After the expiration of the reoffering round, the ADS rights agent will pay any refund to you at the same time as it delivers the additional ADSs to you. We do not expect to conduct more than one reoffering round.

In connection with each exchange rate conversion and subscription payment in Brazil, the ADS rights agent will deduct from each subscribing holder's estimated ADS subscription payment the amount of ADS issuance fees payable to the depository in respect of new ADSs being subscribed, conversion expenses and the amount of financial transaction taxes payable to the Brazilian government. The ADS issuance fees are US\$0.05 per new ADS issued, and the financial transaction taxes are approximately 0.16% of the subscription price.

If your payment is insufficient to pay the actual ADS subscription price in *reais* plus ADS issuance fees, conversion expenses and financial transaction taxes in respect of the number of new ADSs you are subscribing for and are allocated, the ADS rights agent will pay the deficiency to us on your behalf to the extent the deficiency does not exceed 20% of your payment. You will then have to pay promptly the amount of the difference, including expenses, and will not receive any of the new ADSs you subscribed for until the ADS rights agent receives your payment. If you do not pay the amount of the deficiency financed by the ADS rights agent by May 31, 2007, the ADS rights agent may sell enough of your new ADSs to cover the amount of the deficiency. The ADS rights agent would then send you promptly a new ADR representing the remaining new ADSs and a check in the amount of any excess proceeds from the sale, net of ADS issuance fees, conversion expenses, financial transaction taxes and sales commissions. If, however, the amount of excess proceeds from the sale of your new ADSs is less than US\$5.00, the ADSs rights agent will, after deductions for ADS issuance fees, conversion expenses, financial transaction taxes and sales commissions, aggregate it and pay it to us.

If the amount of any deficiency in your estimated ADS subscription payment exceeds 20% of the amount of your payment, then you will receive fewer ADSs than you were entitled to purchase unless you deliver to the ADS rights agent sufficient funds to cover the deficiency prior to the relevant deadline for subscription in the share rights offering. See Offering to Holders of Preferred Shares.

### ***Procedure for exercising ADS rights***

The exercise of ADS rights is irrevocable and may not be canceled or modified. You may exercise your ADS rights as follows:

**Subscription by DTC Participants.** If you hold ADS rights through The Depository Trust Company (DTC), you can exercise your ADS rights by delivering completed subscription instructions for new ADSs through DTC's PSOP Function on the agent subscriptions over PTS procedure and instructing DTC to charge your applicable DTC account for the estimated ADS subscription price for the new ADSs and to deliver such amount to the ADS rights agent. DTC must receive the subscription instructions and the payment of the estimated ADS subscription price for the new ADSs by the ADS rights expiration date.

Edgar Filing: Gol Intelligent Airlines Inc. - Form F-3

Subscription by Registered ADS Holders. If you are a registered holder of ADSs, you can exercise your ADS rights by delivering to the ADS rights agent a properly completed subscription card and paying in full the estimated ADS subscription price for the new ADSs. You may make such payment by certified check, bank draft drawn upon a U.S. bank or postal or express money order payable to The Bank of New York, as ADS rights agent.

The properly completed subscription card and payment should be delivered to:

***By hand or overnight courier:***

The Bank of New York  
Tender and Exchange Department 11 West  
101 Barclay Street  
Receive & Deliver, Street Level  
New York, New York 10286

***By mail:***

The Bank of New York  
Tender and Exchange Department  
P.O. Box 11248  
Church Street Station  
New York, New York 10286-1248

***For additional information, contact:***

The Bank of New York  
by telephone (800-507-9357) or  
by fax (212-815-6433)

The ADS rights agent must receive the subscription card and payment of the ADS subscription price on or before the ADS rights expiration date. **Deposit in the mail will not constitute delivery to the ADS rights agent.** The ADS rights agent has discretion to refuse to accept any improperly completed or unexecuted subscription card.

*Subscription by Beneficial Owners.* If you are a beneficial owner of ADSs and wish to subscribe for new ADSs but are neither a registered holder of ADSs nor a DTC participant, you should timely contact the securities intermediary through which you hold ADS rights to arrange for their exercise and to arrange for payment of the estimated ADS subscription price in U.S. dollars.

The ADS rights agent will determine all questions about the timeliness, validity, form and eligibility of exercising ADS rights. We, in our sole discretion, may waive any defect or irregularity, or permit you to correct a defect or irregularity within the time we determine. The subscription card will not be considered received or accepted until we have waived all irregularities or you have cured them in time. Neither we nor the ADS rights agent has to notify you of any defect or irregularity in submitting the subscription cards. We and the ADS rights agent will not incur any liability for failing to do so.

You will elect the method of delivering the subscription card and paying the subscription price to the ADS rights agent, and you will bear any risk associated with it. If you send the subscription card, notices or payments by mail, you should use registered mail, properly insured, with return receipt requested, and allow sufficient time to ensure delivery to the ADS rights agent and clearance of payment before the appropriate time.

***Information Agent.* For additional information regarding the ADS rights offering and the procedures for exercising ADS rights, contact our information agent, MacKenzie Partners, Inc.:**

**MacKenzie Partners, Inc.**

105 Madison Avenue  
New York, New York 10016  
proxy@mackenziepartners.com  
Call Collect: (212) 929-5500  
or  
Toll-Free: (800) 322-2885

***ADR Issuance Fee***

Subscribing holders will be charged an ADR issuance fee of US\$0.05 per new ADS issued, payable to the depository. The ADS rights agent will deduct the ADS issuance fee from the estimated ADS subscription payment in

respect of each subscription at the time it makes the relevant subscription payment in Brazil.

***Delivery of ADRs***

The depositary will execute and deliver ADRs evidencing new ADSs purchased pursuant to the ADS rights offering as soon as practicable after the receipt of the preferred shares by the depositary's custodian, which is expected to be on or about June 4, 2007. See Ratification of the Capital Increase. You will not receive the new ADRs you subscribed for when you exercised your ADS rights until the ADS rights agent has received any deficiency you may owe from payment of the estimated ADS subscription price. New ADSs will rank equally in all respects with existing ADSs.

**Offering to Holders of Preferred Shares*****Summary Timetable***

The timetable lists some important dates relating to the preferred share rights offering:

Board of directors meeting approving the preferred share rights offering:	April 10, 2007
Publication of notice to shareholders in Brazil:	April 10, 2007
Preferred share record date date for determining holders of preferred shares receiving preferred share rights:	April 10, 2007
Preferred share rights commencement date beginning of period during which preferred share rights holders may subscribe for new preferred shares:	April 11, 2007
Trading of preferred share rights expected to begin on the São Paulo Stock Exchange:	April 11, 2007
Last date for trading the preferred shares rights on the São Paulo Stock Exchange:	May 14, 2007
Preferred share rights expiration date end of period during which preferred share rights holders may subscribe for new preferred shares, 6:00 p.m. (São Paulo time):	May 21, 2007
Announcement of preferred shares to be available in the reoffering round:	On or about May 21, 2007
Commencement date of reoffering round of unsubscribed preferred shares on or about:	On or about May 21, 2007
Deadline for preferred shareholders to subscribe for allocated preferred shares in the reoffering round:	On or about May 28, 2007
Meeting of our board of directors to ratify the capital increase and expected issuance of new preferred shares:	On or about May 28, 2007
New preferred shares expected to be delivered on or about:	On or about June 4, 2007

***Rights Offering to Holders of Preferred Shares***

If you hold preferred shares on the preferred share record date, you will receive transferable preferred share rights evidencing the right to subscribe for new preferred shares. You will receive one preferred share right for every preferred shares you hold on the share record date. One preferred share right will entitle you to purchase one new preferred share at a subscription price of R\$60.81 per preferred share. We will only issue whole numbers of preferred share rights. We will not issue any fractional new preferred shares.

If you are exercising preferred share rights, you may indicate an interest in purchasing additional preferred shares in excess of the number of preferred shares that your preferred share rights entitle you to purchase. Following the expiration of the preferred share rights exercise period, we will reoffer the unsubscribed preferred shares in one reoffering round to those holders that indicated an interest in purchasing additional preferred shares according to the procedures described below under **Reoffering of Unsubscribed Preferred Shares**.

**Preferred Share Rights**

Preferred share rights will be registered in book-entry form at the Brazilian clearing system CBLC in an account in the preferred shareholder's or its nominee's name. If you were a preferred shareholder of record on the preferred share record date, you should receive from the broker or custodian through which you hold your preferred shares a written

confirmation of the issuance of preferred share rights. Preferred share rights will be entered into preferred shareholders' book-entry accounts on or about June 4, 2007.

Preferred share rights will be transferable and are expected to trade on the São Paulo Stock Exchange. Preferred share rights will not be listed on any stock exchange in the United States. If you transfer or sell your preferred share rights, you will have no further rights to purchase new preferred shares in the preferred share rights offering with respect to the preferred share rights transferred or sold.

***Preferred Share Record Date***

The record date for the determination of preferred shareholders entitled to preferred share rights is April 10, 2007. Only preferred shareholders of record at the close of business (São Paulo time) on the preferred share record date will be entitled to receive preferred share rights.

***Preferred Share Rights Exercise Period***

Preferred share rights may be exercised during the period from April 11, 2007 through 6:00 p.m. (São Paulo time) on May 21, 2007. Following the preferred share rights expiration date, the preferred share rights will expire and preferred shareholders will have no rights.

***Preferred Share Subscription Price***

The preferred share subscription price for new preferred shares purchased upon the exercise of preferred share rights is R\$60.81 per preferred share.

***Procedure for Exercising Preferred Share Rights***

**The exercise of preferred share rights is irrevocable and may not be canceled or modified.** Preferred shares held directly in Brazil are generally held either through CBLC or through Banco Itaú S.A., as custodians. Shareholders that have invested in our preferred shares through Resolution 2,689/00 of the National Monetary Council (*Conselho Monetário Nacional*), for example, hold their shares through CBLC. If you hold your shares through CBLC, as custodian, and you wish to subscribe for preferred shares in this rights offering, you should ask your broker to subscribe on your behalf. Please consult with your broker regarding the method of payment for the shares for which you wish to subscribe. Your broker may request that you fill out documentation in connection with the subscription.

If you hold shares through Banco Itaú S.A. and you wish to subscribe for preferred shares in this rights offering, you should ask any branch of that bank to provide you with a subscription bulletin (*boletim de subscrição*) to allow you to subscribe for shares. You must complete the subscription bulletin and ask Banco Itaú S.A. to submit it to us on your behalf. Please consult with Banco Itaú S.A. regarding the method of payment for the shares for which you wish to subscribe.

Any shareholder who is a natural person should be prepared to show to his or her broker or to Banco Itaú S.A., as the case may be, his or her identity card or passport, taxpayer registration card (CPF) and a document proving the residence of the shareholder. Any shareholder that is a legal entity must be prepared to present certified copies of its bylaws or other organization documents, the resolution by which that entity's executive officers were elected and any other documents requested by its broker or Banco Itaú S.A., as the case may be. In the case of proxies, an original or certified copy of the document that grants powers of representation must be presented.

**It is the shareholder's responsibility to contact a broker or Banco Itaú S.A., as the case may be, sufficiently in advance of the preferred share rights expiration date to enable the timely exercise of your rights.**

If you do not know whether you hold shares through CBLC or Banco Itaú S.A., you should ask your representative, broker or other nominee.

**If you or your custodian fails to exercise your preferred share rights by May 21, 2007, your rights will lapse and you will have no further rights.**

If you hold the preferred shares through a custodian in Brazil, please consult with your custodian as to the method of instruction and payment if you wish to exercise your rights. **You will elect the method of delivering the application for subscription and paying the subscription price, and you will bear any risk associated with it.**

We will determine all questions about the timeliness, validity, form and eligibility of exercising the rights. Our determinations will be final and binding. We may decide to waive a defect or irregularity in subscriptions for new



preferred shares, or permit you to correct a defect or irregularity within the time we determine. Instructions will not be considered, received or accepted until we have waived all irregularities or you have cured them in time. Neither we nor the custodian has to notify you of any defect or irregularity in submitting instructions. We and the custodian will not incur any liability for failing to do so.

***Purchase and Sale of Rights***

You may exercise, sell or transfer your preferred share rights to others. You may purchase and sell your rights through Banco Itaú S.A., as custodian, or through brokers.

***Reoffering of Unsubscribed Preferred Shares***

Following the preferred share rights expiration date, we will reoffer unsubscribed preferred shares to you in a reoffering round if you exercised preferred share rights and indicated an interest in purchasing additional preferred shares in the first reoffering round. You will then have an opportunity to purchase additional new preferred shares up to a maximum number equal to the total number of unsubscribed preferred shares multipli