

ULTRAPAR HOLDINGS INC  
Form 424B1  
April 14, 2005  
Table of Contents

Filed Pursuant to Rule 424(b)(1)

Registration No. 333-122496

PROSPECTUS

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**7,869,671,318 Preferred Shares**  
**including Preferred Shares in the form of**  
**American Depositary Shares**

**Ultrapar Participações S.A.**

**R\$40.00 per 1,000 Preferred Shares**

**U.S.\$15.44 per American Depositary Share**

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The selling shareholders named in this prospectus are offering 7,869,671,318 preferred shares (including preferred shares in the form of American Depositary Shares, which we refer to as ADSs) to be sold in a global offering. Each ADS represents 1,000 preferred shares. Of the total being sold by the selling shareholders, the underwriters are offering 4,897,497,318 preferred shares and 2,972,174 ADSs in the United States and other jurisdictions outside Brazil. Preferred shares will be placed outside the United States by the Brazilian underwriters, settled in Brazil and paid for in reais and their offer is being underwritten by the Brazilian underwriters identified elsewhere in this prospectus, pursuant to an underwriting agreement governed by Brazilian law. We will not receive any proceeds from this offering unless the underwriters exercise their over-allotment option, as described below. The closings of the international and Brazilian offerings will be conditioned upon each other.

Our preferred shares are traded on the São Paulo stock exchange under the symbol `UGPA4` and our ADSs are traded on the New York Stock Exchange under the symbol `UGP`. On April 12, 2005, the last reported sale price on the São Paulo Stock Exchange of our preferred shares was R\$40.00 per 1,000 preferred shares and the last reported sale price on the New York Stock Exchange of our ADSs was U.S.\$15.62 per ADS.

Investing in the preferred shares or the ADSs involves risks. See Risk factors beginning on page 10.

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.

	<b>Per 1,000 preferred shares</b>	<b>Total</b>
Public offering price	U.S.\$15.4446	U.S.\$ 121,544,018
Underwriting discounts and commissions	U.S.\$ 0.4633	U.S.\$ 3,646,321
Proceeds, before expenses, to the selling shareholders	U.S.\$14.9813	U.S.\$ 117,897,698

The underwriters and the Brazilian underwriters may also purchase up to an additional aggregate 1,180,450,697 preferred shares (which may include preferred shares in the form of ADSs), from us at the public offering price, less the underwriting discounts and commissions, within 30 days from the date of this prospectus to cover over-allotments, if any. If the underwriters and the Brazilian underwriters exercise the option in full, the total underwriting discounts and commissions will be U.S.\$4,193,269, and the total proceeds, before expenses, to the selling shareholders and us will be U.S.\$135,582,352.

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The underwriters are offering the preferred shares and ADSs and the Brazilian underwriters are offering the preferred shares to non-U.S. investors as set forth under "Underwriting." Delivery of the preferred shares will be made in Brazil through the facility of the Companhia Brasileira de Liquidação e Custódia (the Brazilian Settlement and Custodial Company), which we refer to as the CBLC, on or about April 18, 2005. Delivery of the ADSs will be made through the book-entry facilities of the Depository Trust Company on or about April 18, 2005.

**UBS Investment Bank**

**Pactual Capital Corporation**

**Credit Suisse First Boston**

**Itaú BBA**

The date of this prospectus is April 12, 2005.

**Table of Contents**

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**Table of Contents**


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**TABLE OF CONTENTS**


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<u>Prospectus summary</u>	1
<u>The offering</u>	3
<u>Summary financial information</u>	6
<u>Risk factors</u>	10
<u>Forward looking statements</u>	20
<u>Presentation of information</u>	20
<u>Use of proceeds</u>	23
<u>Market information</u>	24
<u>Exchange rates</u>	27
<u>Capitalization</u>	29
<u>Selected consolidated financial information</u>	30
<u>Management's discussion and analysis of financial condition and results of operations</u>	34
<u>Business</u>	53
<u>Management</u>	91
<u>Principal and selling shareholders</u>	97
<u>Distribution policy and dividends</u>	101
<u>Description of capital stock</u>	105
<u>Description of American Depositary Receipts</u>	115
<u>Taxation</u>	123
<u>Underwriting</u>	130
<u>Expenses of issuance and distribution</u>	135
<u>Validity of securities</u>	135
<u>Experts</u>	135
<u>Where you can find more information about us</u>	136
<u>Enforcement of judgments against foreign persons</u>	137
<u>Index to consolidated financial statements</u>	F-1

You should rely only on the information contained in this prospectus or to which we have referred you. We, the selling shareholders and the underwriters have not authorized anyone to provide you with information different from that contained in this prospectus. The selling shareholders and the underwriters are not making an offer to sell the preferred shares or ADSs in a jurisdiction or state where such offer is not permitted. The information in this document is only accurate at the date of this prospectus, and our business, results of operations and financial condition may change after the date of this prospectus.

We have prepared this prospectus on the basis of information that we have or have obtained from external sources. The discussions of documents referred to in this prospectus summarize those documents and we refer you to those documents for more complete information. You should consult your own legal, tax and business advisors regarding an investment in our preferred shares or ADSs.

The offering of preferred shares is being made in Brazil by a Portuguese-language prospectus that has been filed with the CVM and has the same date as this prospectus but has a different format. This offering is being made in the United States and elsewhere outside Brazil solely on the basis of the information contained in this prospectus.

U.S. investors purchasing preferred shares must be authorized to invest in Brazilian Securities under the requirements established by the Brazilian National Monetary Council (Conselho Monetário Nacional, or CMN) and the Brazilian Securities Commission (Comissão de Valores Mobiliários, or CVM). The Brazilian underwriters are offering 4,897,497,318 preferred shares in Brazil to Brazilian investors and other non-U.S. international investors authorized to invest in Brazilian securities under the requirements established by the CMN and the CVM.

No offer or sale of ADSs may be made to the public in Brazil except in circumstances which do not constitute a public offer or distribution under Brazilian laws and regulations. Any offer or sale of ADSs in Brazil to non-Brazilian residents may be made only under circumstances that do not constitute a public offer or distribution under Brazilian laws and regulations.

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**Table of Contents****Prospectus summary**

*This summary highlights material information contained elsewhere in this prospectus. This summary does not contain all of the information that you should consider before buying shares in this offering. You should read the entire prospectus carefully.*

**OUR BUSINESS**

We are of Brazil's leading corporate groups. We are engaged in the distribution of liquified petroleum gas, or LPG, production of chemicals, and the provision of integrated logistics services. Our wholly-owned subsidiary, Ultragas, is the largest LPG distributor in Brazil with a national market share of 24%. In the chemicals business, our wholly-owned subsidiary, Oxiteno, is the sole producer of ethylene oxide and its principal derivatives in the Mercosur area (comprising Brazil, Argentina, Paraguay and Uruguay) and a major producer of specialty chemicals. Through our wholly-owned subsidiary, Ultracargo, we believe we are a leading provider of integrated road transport, storage and handling services for chemicals and fuels.

The table below sets forth certain financial information for us and our principal businesses<sup>1</sup>.

	Year ended December 31,				
	2004	2003	2002	2001	2000
	(in millions of reais)				
Net sales and services					
Ultrapar	4,784.2	4,000.3	2,994.5	2,284.7	1,878.0
Ultragas	2,968.1	2,622.7	1,942.7	1,381.1	1,125.7
Oxiteno	1,662.7	1,237.8	956.1	832.1	686.1
Ultracargo	197.3	177.1	131.5	105.4	94.2
Adjusted EBITDA <sup>2</sup>					
Ultrapar	736.6	498.5	487.3	372.5	304.3
Ultragas	268.9	208.2	219.8	163.0	140.9
Oxiteno	421.0	243.2	232.7	176.8	132.4
Ultracargo	40.5	40.0	29.2	28.1	25.9
Net Income					
Ultrapar	414.5	246.4	222.3	132.2	128.5
Net cash (debt) <sup>3</sup> :					
Ultrapar	46.0	(78.1)	54.5	241.3	436.3

- (1) Segment information for our businesses are presented on an unconsolidated basis. See Presentation of information for more information.
- (2) See footnote 3 under Summary financial information for a more complete discussion of adjusted EBITDA and its reconciliation to information in our financial statements.
- (3) See footnote 4 under Summary financial information for a more complete discussion of net cash (debt) and its reconciliation to information in our financial statements.

Our origins date to 1937 when our founder, Ernesto Igel, brought LPG to be used as cooking gas in Brazil. In 1966, we formed the operating subsidiaries of Ultracargo to satisfy the demand for high quality transportation services for chemicals and LPG. We were also one of the pioneers in developing Brazil's petrochemical industry with the creation of Oxiteno in 1970.



## **Table of Contents**

### **RECENT DEVELOPMENTS**

#### **Stock dividend and share exchange by controlling shareholders**

At our Board of Directors meeting held on February 2, 2005, our directors approved a stock dividend of 10,453,690,324 preferred shares of Ultrapar, or 15 shares for each 100 outstanding common or preferred shares on February 16, 2005. As a result of the stock dividend, we issued 10,453,690,324 new preferred shares to our shareholders through a capitalization of reserves.

At an extraordinary shareholders meeting held on February 22, 2005, our shareholders approved the issuance of additional preferred shares by us to permit certain shareholders, including Ultra, to exchange common shares of Ultrapar held indirectly by them into preferred shares at a ratio of one common share for one preferred share. Common shares tendered for exchange into preferred shares will be cancelled.

#### **Bond offering in Brazil**

On February 2, 2005, our shareholders approved an offering to Brazilian investors of R\$ 300 million principal amount of Ultrapar bonds due 2008. The proceeds from this bond offering will be used to retire outstanding debt and/or for general corporate purposes.

#### **Investment in fatty alcohol plant**

On February 16, 2005, we announced that we will invest, through our subsidiary Oxiteno, approximately US\$94 million in the next two years for the construction of a fatty alcohols production plant, with co-production of fatty acids and glycerin. This plant will be a pioneer unit in Latin America for the production of fatty alcohols. Fatty alcohol is a raw material used in the manufacture of specialty chemicals derived from ethylene oxide, widely used in the production of personal care products and also has various applications in domestic cleaning products, agrichemicals and textiles, among others. Fatty alcohol and its derivatives are currently imported and already widely used in Oxiteno's surfactant line. We are the largest consumer of fatty alcohols in Brazil and we estimate that 30% of the total volume produced by the new plant will be used by us. Total production capacity should amount to approximately 100,000 tons per year, considering the entire product line. Besides adding value to the existing surfactants product line, this new plant is expected to generate additional net sales of US\$ 80 million/year when running at full capacity. We expect that the plant will be operational in the first half of 2007.

#### **Other projects under study**

We have signed a protocol with Petróleo Brasileiro S.A., or Petrobras, to study the viability of a project to produce basic petrochemicals, including ethylene, from heavy oil. Currently, we purchase ethylene from Brazilian suppliers whose production is based on naphtha. We have not made a commitment to invest in this project should it prove to be viable and we can give no assurance that the project will prove viable or, if so, that we will participate or make an investment in such project.



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We are also studying the viability of building a pipeline together with Petrobras to transport ethanol from the producing regions of Ribeirão Preto to Paulínia, one of Brazil's principal centers of ethanol distribution. We have not made a commitment to invest in this project should it prove to be viable and we can give no assurance that the project will prove viable or, if so, that we will participate or make an investment in such project.

### **PRINCIPAL EXECUTIVE OFFICES**

Our principal offices are located at Av. Brigadeiro Luis Antônio, 1343, 9º Andar, São Paulo, SP, Brazil 01317-910. Our telephone number is (011-55-11) 3177-6482. We maintain a website at [www.ultra.com.br](http://www.ultra.com.br). Information contained in our website does not constitute a part of this prospectus.

2

Table of Contents

## The offering

## Securities offered

7,869,671,318 preferred shares, including preferred shares in the form of ADSs, are being offered in a global offering. Of this total, the underwriters are offering 4,897,497,318 preferred shares in Brazil and 2,972,174 ADSs in the United States and other jurisdictions outside Brazil. Preferred shares will be placed outside the United States by the Brazilian underwriters, settled in Brazil and paid for in *reais* and their offer is being underwritten by the Brazilian underwriters pursuant to the Brazilian underwriting agreement. U.S. investors purchasing preferred shares must be authorized to invest in Brazilian Securities under the requirements established by the CMN and the CVM. The Brazilian underwriters are offering 4,897,497,318 preferred shares in Brazil to Brazilian investors and to other non-U.S. international investors that are authorized to invest in Brazilian securities under the requirements established by the CMN and the CVM.

## Selling shareholders

Fábio Igel, Márcia Igel Joppert, Rogerio Igel, Maria Teresa Igel, Joyce Igel de Castro Andrade, Lúcio de Castro Andrade Filho, Paulo Guilherme Aguiar Cunha, Ana Maria Levy Igel, Fabio Schvartsman, José Carlos Guimarães de Almeida, Pedro Wongtschowski, Maria da Conceição de Moraes Coutinho Beltrão, Helio Marcos Coutinho Beltrão, Cristiana Coutinho Beltrão, Maria Coutinho Beltrão and Monteiro Aranha S.A. Following this offering, the holdings beneficially owned by each of these shareholders will be as follows:

	Shares beneficially owned	
	after this offering	
	Common	Preferred
Fábio Igel	5.7%	0.0%
Márcia Igel Joppert	7.1%	0.1%
Rogerio Igel	4.7%	0.0%
Maria Teresa Igel	2.0%	0.0%
Joyce Igel de Castro Andrade	6.7%	0.0%
Lúcio de Castro Andrade Filho	2.8%	0.0%
Paulo Guilherme Aguiar Cunha	9.9%	0.0%
Ana Maria Levy Villela Igel	18.3%	2.8%
Fabio Schvartsman	1.2%	0.0%
José Carlos Guimarães de Almeida	0.1%	0.0%
Pedro Wongtschowski	1.2%	0.0%
Maria da Conceição de Moraes Coutinho Beltrão	3.0%	0.0%
Helio Marcos Coutinho Beltrão	1.8%	0.0%
Cristiana Coutinho Beltrão	1.8%	0.0%
Maria Coutinho Beltrão	1.8%	0.0%
Monteiro Aranha S.A.	10.5%	3.3%

**Table of Contents**

Over-allotment option	We have granted the underwriters and the Brazilian underwriters an option to purchase up to an additional aggregate 1,180,450,697 preferred shares (or its equivalent in ADSs) from us, solely to cover over-allotments.
The ADSs	Each ADS represents 1000 preferred shares. The depositary for the ADSs is The Bank of New York. The preferred shares represented by the ADSs will be deposited with Banco Itaú S.A. Payments for the ADSs may be made only in U.S. dollars.
Use of proceeds	We will not receive any proceeds from the sale of the ADSs or preferred shares by the selling shareholders. If the underwriters exercise their over-allotment option, the proceeds from the sale of the over-allotment shares will be used by us for planned capital expenditures. See Management's discussion and analysis of financial condition and results of operations Liquidity and capital resources Investments in permanent assets and deferred charges.
Voting rights	Holder s of the preferred shares and the ADSs do not have voting rights except in limited circumstances such as if the company fails to pay fixed or minimum dividends for three consecutive years or in meetings called to decide upon changes to the preferences or rights attributed to the preferred shares. See Description of capital stock Preferred share rights and Description of American Depositary Receipts Voting of deposited securities.
Dividends	Pursuant to our by-laws, we are required to distribute annually dividends equal to at least 50% of our adjusted net income, as calculated under Brazilian GAAP and adjusted as required by Brazilian corporate law (which may differ significantly from net income under US GAAP). Holder s of our preferred shares are entitled to receive dividends per share in the same amount as the dividends per share paid to holder s of our common shares. Holder s of our preferred shares are entitled to receive dividends declared by us from the date of the acquisition of such shares. See Distribution policy and dividends.
Tag-along rights	In case our controlling shareholder s sell their controlling stake in our Company, holder s of our preferred shares are entitled to sell their shares pursuant to a public tender offer to be made by the purchaser of the controlling stake at the same price and with the same payment terms as our controlling shareholder s.

**Table of Contents**

Lock-up

We and each of our directors, executive officers and the selling shareholders have agreed, for 180 days following the date of the final prospectus, not to offer, sell, offer to sell, contract to sell, or otherwise dispose of any of our shares of our capital stock or any securities convertible into or exchangeable for or any other rights to purchase or acquire shares of our capital stock, including preferred shares and ADSs, without the prior written consent of UBS Securities LLC.

Listing and trading markets

The preferred shares are listed on the São Paulo Stock Exchange under the symbol UGPA4. The ADSs are listed on the New York Stock Exchange under the symbol UGP.

Risk factors

See [Risk factors](#) and the other information included in this prospectus for a discussion of factors you should consider before deciding to invest in the preferred shares or the ADSs.

5

Table of Contents

## Summary financial information

The following tables present summary consolidated financial data for our company under Brazilian GAAP. The consolidated balance sheet information as of December 31, 2004 and 2003 and the consolidated statements of income, cash flows, changes in financial position and changes in shareholders' equity for the years ended December 31, 2004, 2003 and 2002 are derived from our audited consolidated financial statements included in this prospectus. The consolidated balance sheet information as of December 31, 2002, 2001 and 2000 and the related consolidated statements of income, cash flows, changes in financial position and changes in shareholders' equity for the years ended December 31, 2001 and 2000 are derived from our audited consolidated financial statements that are not included in this prospectus. You should read the information below in conjunction with our consolidated financial statements included elsewhere in this prospectus, as well as Presentation of financial information and Management's discussion and analysis of financial condition and results of operations.

	Year ended December 31,					
	2004(1)	2004	2003	2002	2001	2000
	U.S.\$	R\$	R\$	R\$	R\$	R\$
<b>Consolidated income statement data:</b>						
Net sales and services	1,802.4	4,784.2	4,000.3	2,994.5	2,284.7	1,878.0
Cost of sales and services	(1,382.6)	(3,669.9)	(3,196.4)	(2,247.1)	(1,698.3)	(1,399.6)
Gross profit	419.8	1,114.3	803.9	747.4	586.4	478.4
Selling, general and administrative expenses	(209.4)	(555.9)	(458.9)	(382.3)	(317.7)	(266.2)
<b>Operating income before financial items</b>	<b>212.5</b>	<b>563.9</b>	<b>351.6</b>	<b>365.5</b>	<b>278.9</b>	<b>213.5</b>
Financial income (expenses), net	(17.0)	(45.0)	(57.2)	28.5	(31.1)	43.4
Nonoperating income (expenses), net	(6.0)	(16.0)	1.0	(44.1)	(17.0)	(16.5)
Income before income and social contribution taxes, equity in earnings (losses) of affiliated companies and minority interest	189.5	502.9	295.4	349.9	230.8	240.4
<b>Net income</b>	<b>156.2</b>	<b>414.5</b>	<b>246.4</b>	<b>222.3</b>	<b>132.2</b>	<b>128.5</b>
<b>Balance sheet data:</b>						
Total current assets	506.6	1,344.9	1,218.7	1,186.9	1,045.2	1,190.8
Property, plant and equipment, net	394.6	1,047.4	968.6	779.5	707.9	655.9
Total assets	1,004.8	2,667.2	2,408.0	2,127.9	1,952.0	2,014.5
Short-term financing	143.8	381.6	381.6	219.8	124.5	134.1
Long-term financing	97.2	258.1	306.3	363.6	290.2	291.8
Total liabilities	391.2	1,038.5	1,019.1	905.8	712.3	705.6
Shareholders' equity	603.0	1,600.5	1,356.7	1,191.1	799.9	897.7
<b>Other financial data:</b>						
Depreciation and amortization(2)	65.1	172.7	146.9	121.8	102.4	90.8
<b>Adjusted EBITDA(3)</b>	<b>277.5</b>	<b>736.6</b>	<b>498.5</b>	<b>487.3</b>	<b>372.5</b>	<b>304.3</b>
Net cash (debt)(4):	17.3	46.0	(78.1)	54.5	241.3	436.3

(footnotes on following page)

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**Table of Contents**

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- (1) The *real* amounts for December 31, 2004 have been converted into dollars using the exchange rate of U.S.\$1.00 = R\$ 2.654, which is the commercial rate reported by the Central Bank 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. See Exchange rates .
- (2) Represents depreciation and amortization expenses included in cost of sales and services and in selling, general and administrative expenses.
- (3) The inclusion of adjusted EBITDA information is to provide a measure of assessing our ability to generate cash from our operations. Adjusted EBITDA is equal to operating income before financial items plus depreciation and amortization. In managing our business we rely on adjusted EBITDA as a means of assessing our operating performance and a portion of our management's compensation and employee profit sharing plan is linked to adjusted EBITDA performance. Because adjusted EBITDA excludes interest, income taxes, depreciation and amortization, it provides an indicator of general economic performance that is not affected by debt restructurings, fluctuations in interest rates or effective tax rates, or levels of depreciation and amortization. Accordingly, we believe that this type of measurement is useful for comparing general operating performance from period to period and making certain related management decisions. We also calculate adjusted EBITDA in connection with covenants related to some of our financings. We believe that adjusted EBITDA enhances the understanding of our financial performance and our ability to satisfy principal and interest obligations with respect to our indebtedness as well as to fund capital expenditures and working capital requirements. Adjusted EBITDA is not a measure of financial performance under U.S. GAAP or Brazilian GAAP. Adjusted EBITDA should not be considered in isolation, or as a substitute for net income, as a measure of operating performance or as a substitute for cash flows from operations or as a measure of liquidity. Adjusted EBITDA has material limitations that impair its value as a measure of a company's overall profitability since it does not address certain ongoing costs of our business that could significantly affect profitability such as financial expenses and income taxes, depreciation or capital expenditures and associated charges. The adjusted EBITDA presented herein relates to Brazilian GAAP, which is used in the primary financial statements included in this filing. This adjusted EBITDA calculation is expressly permitted by the Brazilian regulators that establish the accounting principles generally accepted for use in such financial statements and is included in the financial statements published in Brazil. See note 16 to our consolidated financial statements for a reconciliation of adjusted EBITDA to information in our financial statements.

**Table of Contents**

The tables below provide a reconciliation of net income to adjusted EBITDA and of operating income before financial items to adjusted EBITDA for the years ended December 31, 2004, 2003, 2002, 2001 and 2000:

<b>Ultrapar</b>				
<b>Reconciliation of net income to</b>				
<b>adjusted EBITDA</b>				
<b>Year ended December 31,</b>				
<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
<b>(in millions of reais)</b>				

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