

Company Name: Cosan
Company Ticker: CSAN3 BZ
Date: 2012-11-08
Event Description: Q2 2013 Earnings Call

Market Cap: 16,080.90
Current PX: 39.49
YTD Change(\$): +12.49
YTD Change(%): +46.259

Bloomberg Estimates - EPS
Current Quarter: 0.620
Current Year: 1.749
Bloomberg Estimates - Sales
Current Quarter: 8004.000
Current Year: 29159.333

Q2 2013 Earnings Call

Company Participants

- Marcelo Eduardo Martins, Chief Financial Officer and Investor Relations Officer
- Marcos Marinho Lutz, Chief Executive Officer

Other Participants

- Chelsea Konsko
- Pedro Herrera
- Christian Audi
- Analyst

Presentation

Operator

Good afternoon ladies and gentlemen. At this time, we would like to welcome everyone to Cosan's Second Quarter of the Fiscal Year of 2013 Results Conference Call. Today with us we have Mr. Marcos Marinho Lutz, Cosan's CEO; Mr. Marcelo Martins, CFO and Investors Relations Officer and Mr. Guilherme Machado, IR Manager.

We would like to inform you that this event is recorded and all participants' will be in a listen-only mode during the company's presentation. After Cosan's remarks, there will be a question-and-answer session for industry analysts. At that time further instructions will be given. [Operator Instructions]. The audio and slideshow of this presentation are available through live webcast at www.cosan.com.br/ir. The slides can be downloaded from the webcast platform.

Before proceeding, let me mention that forward-looking statements will be made under the Safe Harbor of the Securities Litigation Reform Act of 1996. Forward-looking statements are based on the beliefs and assumptions of Cosan's management and on information currently available to the company. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur in the future.

Investors should understand that general economic conditions, industry conditions and other operating factors could also affect to the future results of Cosan and could cause results to differ materially from those expressed in such forward-looking statements.

Now, I will turn the conference over to the Mr. Martins. You may begin your conference.

Marcelo Eduardo Martins, Chief Financial Officer and Investor Relations Officer

Thanks. Good morning everyone and welcome to our quarterly results conference call. I'd like to start by explaining the differences in terms of our portfolio allocation since last quarter.

We sold as you probably know, Cosan Alimentos to Camil. Initially we actually time to keep a 11.7% stake in that company. But we decided to sell 100% of the business to Camil recently. And we closed the deal in October, and from now on we will no longer consolidate Cosan Alimentos. On the other hand, as a function of an increase in our stake in

Company Name: Cosan
 Company Ticker: CSAN3 BZ
 Date: 2012-11-08
 Event Description: Q2 2013 Earnings Call

Market Cap: 16,080.90
 Current PX: 39.49
 YTD Change(\$): +12.49
 YTD Change(%): +46.259

Bloomberg Estimates - EPS
 Current Quarter: 0.620
 Current Year: 1.749
 Bloomberg Estimates - Sales
 Current Quarter: 8004.000
 Current Year: 29159.333

Radar, through the contribution of residual land we had in Cosan's portfolio, we will from this quarter onwards start to consolidate Radar under Cosan's assets as well.

Now turning to page four, I'd like to start with the Cosan consolidated figures. We had increased of 2.4% in the net revenues of the company, which were in the range R\$6.8 million in last year's second quarter. And during this second quarter of 2013, we had net revenues of R\$7 billion approximately. We had a jump of 350% in the net income of the company from R\$63 million to R\$283 million, the main reason for the increase in the gross profit compared to last year's performance had to do with operational efficiency captured mainly at the Raízen's upstream business and a positive effect of the exchange rate variation when compared to the second quarter of 2012.

When we compared the exchange variation, for the first quarter of this fiscal year, we had a negative impact of approximately R\$20 million in this quarter. The EBITDA also increased 6% from R\$677 million to R\$720 million and EBITDA margin jumped from 10% to 10.2% in the second quarter.

Now moving to the separate business units. I would like to start with Raízen Combustíveis. We had an increase in the volume sold of almost 5% compared to second quarter of 2012. We had actually growth in the volume sold of all the products except for ethanol, where we had a reduction of approximately 30 million liters in this quarter compared to the last year's second quarter. The net revenue also jumped by 10% and the biggest increase actually happened in diesel sales, moving from R\$4.15 billion to R\$4.63 billion, and we also had a major increase in the sales of gasoline and aviation fuel or jet fuel.

Again, as a function of the reduction in the volume and the reduction in the price, in the domestic market, we also had a reduction in net revenues coming from the ethanol business. The EBITDA margin jumped from 3% to 3.4% and there was an increase of 26.5% in the EBITDA of the company, moving from R\$297 million last year to R\$376 million during this fiscal year.

We had an EBITDA per cubic meter of R\$71 million as a function of R\$25 million non-recurring impact on the EBITDA during this quarter as a function of certain write-off in assets that were sold last year, and had not been actually written-off at the right time. So we were actually reducing R\$25 million in the normal EBITDA of the company in this quarter as a function of this write-off. So I would strongly recommend that you consider R\$71 per cubic meter as the actual EBITDA for the company during this quarter, as we based on recent market performance believe that this number should be sustainable during the rest of our fiscal year.

In terms of Raízen Energia, even though we have an increase of almost 4% in the sugarcane crushed moving from 26.3 million to 27.3 million tonnes during this quarter. We had a reduction in ethanol production of 4.4% and an increase in sugar production of 1%. We also saw an improvement in TSR moving from 143 kilos to 147 kilos per tonne in this quarter. But within this year, what we're seeing a reduction in the TSR, which despite the increase in the volume crushed, we should not have any growth in the production of sugar and ethanol during this fiscal year.

In terms of the cogeneration volumes sold, we had an increase of 46% as a function of three new mills increasing their cogeneration capacity and in fact that we had also some trading activity going on for power sold in this second quarter.

In terms of the financials of Raízen Energia, we had a reduction in the net revenues as I explained before of 15% from R\$2.7 billion to R\$2.25 billion in this quarter. But the reduction in the net revenue was compensated by better margins or a better EBITDA margin which jumped from 31% to 38% in this quarter, representing an EBITDA of R\$856 million for Raízen Energia during this second quarter.

When we look at the hedging operations in, up to the end of the second quarter, we were at 85% of our overall volume of sugar to be sold being already hedged and 22% for the projected sugar to be sold next year or during the next crop season being a hedged at that point in time. We have also as we normally do, hedged the exchange rate and the average price or the average exchange rate for this fiscal year is at 1.96, and for the next fiscal year, it's at R\$2.17 per U.S. dollar.

Now I want to talk a little bit about Rumo. Rumo had a reduction in the volume, as this activity loaded during this quarter. But that reduction in the volume was offset by better prices, which ended up increasing our net revenues by

Company Name: Cosan
 Company Ticker: CSAN3 BZ
 Date: 2012-11-08
 Event Description: Q2 2013 Earnings Call

Market Cap: 16,080.90
 Current PX: 39.49
 YTD Change(\$): +12.49
 YTD Change(%): +46.259

Bloomberg Estimates - EPS
 Current Quarter: 0.620
 Current Year: 1.749
 Bloomberg Estimates - Sales
 Current Quarter: 8004.000
 Current Year: 29159.333

2%. So Rumo presented R\$218 million in net revenues with an EBITDA margin higher than last year's at 39% with an effective EBITDA in the range of R\$86 million representing an 11.4% increase over 2012.

This is again as I mentioned before, the first quarter where we will consolidate Radar. Radar's revenues derived mainly from the activity of leasing land, the appreciation of the land portfolio and actually the assessment or the revaluation of the land portfolio that takes place every quarter, based on the index called F&B, and second valuation that is performed yearly based on the assessment done by an independent appraisal.

So what we had during this quarter was a net revenue of R\$21 million for Radar, out of which R\$16 million came from the land leased and R\$5 million came from the sale of a property during this quarter. Radar's EBITDA margin is fairly rich, it's been around 90% and the reason for that is because the company has a very lean corporate structure, very lean corporate structure as we have the small group of people that who work on the acquisition of identification and acquisition of agricultural land. And also the same team interfaces with the farmers in the process of leasing the land in our portfolio, mainly due to big agricultural production companies like Raízen and SLC.

So we have also projected an EBITDA for Radar during this fiscal year, as you will see at the end of my presentation and we have included it in the guidance for our 2013 results. In terms of the other businesses as you know well, we're talking basically about the lubricants and specialties business. We have during this quarter, the incorporation of Comma Oil and Chemicals in the UK which was an acquisition we have recently made, and therefore an increase of almost 28% in the net revenues of this business.

As you also know, we allocate under this other business line 100% of the corporate expenses related to Cosan. And therefore we had an EBITDA close to zero during this quarter, and it varies based on certain contingencies that we have in our balance sheet as a function of the sale of Raízen and other corporate expenses at the Cosan level.

In terms of the net debt position, on a consolidated basis for Cosan, we had a net debt of R\$3.463 billion in this quarter which was very much in line with last quarter's net debt position. We had a capital subscription that was done by Shell as you know well which had a positive impact on the cash position of the company. We also with the consolidation of Radar, have increased our cash position with the cash that was sitting at Radar when we consolidated the numbers.

So when we look at the last 12 months, the EBITDA or the net debt to EBITDA ratio is in the range of 1.4 times. Our currency exposure is roughly 60% in U.S. dollars and 41% in reais. And the bulk of the maturity of our debt is long-term, roughly 75% and 25% being short-term.

Just to talk a little bit about the guidance for the year 2013, we have basically revised the volume of sugarcane crushed to a range of 54 million to 56 million tonnes. It's a function of an increase in the crushing of cane in the Southeast region. In our specific case, we've had a very good quarter in terms of crushing performance. But that increase in crushing should be offset by a reduction in GFR over this crop year, and we do not predict any increase in the volume of sugar or ethanol sold until the end of this fiscal year of 2013.

We have also changed slightly the forecast for Rumo's EBITDA which is now in the range of R\$250 million to R\$280 million, which is slightly lower than the initially projected EBITDA for the fiscal year. And the reason for that is actually a reduction in the sugarcane availability in the system for the railroad transportation and then the loading at Port of Santos. We have also included Radar's projected EBITDA which we believe will be in range of R\$120 million to R\$140 million. And we have not updated Cosan's consolidated EBITDA, because we think that the reduction in gross EBITDA will be actually compensated by the EBITDA being generated by Radar.

After the closing of the second quarter, we had three subsequent events which are widely known to the market at this point in time, which were the conclusion of the acquisition of Comgás 60.1% stake that belongs to BG at R\$3.4 billion which took place this last Monday, the 5th of November. We have also concluded the sale of Docelar or Cosan Alimentos to Camil in the amount of R\$454 million, and we continued with our conversations with ALL's controlling shareholders and with the objective of acquiring a minority stake equivalent to 5.7% of ALL from these shareholders.

We don't have any transaction closed yet. We will continue to make progress in the conversations with the shareholders. We will probably now move to discussions around the corporate governance of the company, as well as

Company Name: Cosan
Company Ticker: CSAN3 BZ
Date: 2012-11-08
Event Description: Q2 2013 Earnings Call

Market Cap: 16,080.90
Current PX: 39.49
YTD Change(\$): +12.49
YTD Change(%): +46.259

Bloomberg Estimates - EPS
Current Quarter: 0.620
Current Year: 1.749
Bloomberg Estimates - Sales
Current Quarter: 8004.000
Current Year: 29159.333

the business model for ALL moving forward. And as soon as we have any news or any relevant improvement in the negotiations, we'll let the market know.

With that, I would like to turn back to you, and Marcos and I will be here to answer your questions. Thank you.

Questions And Answers

Operator

Thank you. We will now begin the question-and-answer session. [Operation Instructions]. Our first question comes from Chelsea Konsko with TIAA.

Chelsea Konsko

Hi, congratulations on the results. I just had a question regarding sales volumes, particularly of sugar, because it appears as though your sugar production with that 1%, however the volumes were down close to 20% year-over-year. So I was just wondering the cause of that. And also I was wondering about the continued decline in domestic sugar prices and what your outlook is there?

Marcos Marinho Lutz, Chief Executive Officer

Chelsea, the reason is this year, the sales profile was pretty much, let's say flat. Last year we had a peak this month, in this last quarter. So we comparison year-to-year had that reduction because of that the total year reduction won't very much, and the sale will be probably very in line with last year. In terms of domestic prices, can you be more specific in terms of which market, the domestic markets are quite fragmented and with various natures. Chelsea?

Chelsea Konsko

Chelsea. Just I guess you're largest market, just how are you seeing prices developing, because they seem to have been declining as compared to the export market.

Marcos Marinho Lutz, Chief Executive Officer

Okay. In most concerns, sugar, the largest market is international and again, the total sugar market is very correlated with the New York 11 screen, and so the end of our view for the New York 11 prices is as we have to basically, what we have already accounted for is that you have a larger production next year in Brazil. You have a possible reduction in crops in India. If that reduction goes a little larger than expected, we might have a price spike. If not prices, probably prices will be in the range we are at today, maybe varying a little bit through the upside.

On ethanol, I think we are in a very narrow range today between gasoline prices sold domestically and export guarantee. So we are kind of stuck in the middle of those two prices with a big chance I would say, very relevant percentage of possibility of having prices of gasoline commented by Petrobras having in the next 12 months an increase. So if that happens, you have an upside on ethanol prices that is quite significant.

Chelsea Konsko

Thank you.

Company Name: Cosan
Company Ticker: CSAN3 BZ
Date: 2012-11-08
Event Description: Q2 2013 Earnings Call

Market Cap: 16,080.90
Current PX: 39.49
YTD Change(\$): +12.49
YTD Change(%): +46.259

Bloomberg Estimates - EPS
Current Quarter: 0.620
Current Year: 1.749
Bloomberg Estimates - Sales
Current Quarter: 8004.000
Current Year: 29159.333

Operator

Our next question comes from Mr. Pedro Herrera with HSBC.

Pedro Herrera

Good morning, gentlemen. Thank you for the measure on the earnings. Couple of quick questions. One is, your margins at Raízen Combustíveis were very strong. Are they sustainable over the medium to long-term. The second question quickly is, how do you see the market in the next six to 12 months in terms of your ability to reasonably acquire additional assets in terms of sugar mills, et cetera? Do you know what the M&A opportunities that you think might exist going forward?

Marcos Marinho Lutz, Chief Executive Officer

Pedro, in terms of sustainability of downstream margins, I would say that they are at this point in a very stable situation. We believe there is upside not in fields in fact, but downstream has also other sources of EBITDA. I mean no to say margins in convenient stores, margins in let's say payment methods like credit cards and things like that. Those are not very, let's say non-explored through the potential at this point in Raízen. So this is a strong effort started two years ago, that will bring additional margins. So I think answering your question, yes, the margins are stable. They can grow, but marginally not having closer the growth we have in the last three years, because we have actually captured most of the synergies we were seeking to capture at this point.

A more concerned M&A on upstream, we don't see, I mean there is a lot of opportunities, but not necessarily good opportunities. I mean we have 40 plus possible assets to acquire, but we are actually, as we always say, we're very disciplined. We don't see the right market now. We don't see the risk return at this point paying out for this move. So we are not active in that area. We always analyze our M&A area here in the company, do see everything and explore possibilities, but we, I mean there is not getting to our threshold of let's say profitability for an investment here.

Pedro Herrera

Okay. Thank you very much.

Operator

Our next question comes from Christian Audi with Santander.

Christian Audi

Thanks. Hi Lutz. A quick question on, related to how, what would you say as would there be the recurring EBITDA if we consider only the leasing revenues given that it's hard to predict when any upsell land. So if I just want to have a sense of recurring EBITDA for them gone on the leasing side, but what would you guide us to?

Marcos Marinho Lutz, Chief Executive Officer

This is, and leasing will be roughly 65 million, growing we'll obviously with other acquisitions and stuff like that. It is important to say that Radar will have let's say three things affecting the EBITDA. So the sale of land effects. We have obviously a pipeline of small portions of land that we sell for high prices, way above the price of the valuation that we have. So this happens and when the portfolio grows, those opportunities appear more and more. So this will be

Company Name: Cosan
 Company Ticker: CSAN3 BZ
 Date: 2012-11-08
 Event Description: Q2 2013 Earnings Call

Market Cap: 16,080.90
 Current PX: 39.49
 YTD Change(\$): +12.49
 YTD Change(%): +46.259

Bloomberg Estimates - EPS
 Current Quarter: 0.620
 Current Year: 1.749
 Bloomberg Estimates - Sales
 Current Quarter: 8004.000
 Current Year: 29159.333

recurring as well, but I mean this will be beyond 65.

And also another recurring EBITDA, but again, non-cash in this case which is because of the IFRS rules, we will see on the EBITDA the appreciation of portfolio. So in that case, you will see let's say something between 5% and 15% of appreciation per year of the total portfolio that will be on the EBITDA line, won't be on the cash line, okay. So this is something, but going back to your question in terms of lease, at this point, the portfolio will deliver something like R\$65 million.

Christian Audi

Okay. Understood. And then the other question, changing to the distribution side, as you look at the drivers that have allowed the product mix of gasoline and diesel versus ethanol having being sold have been positive to you. As you look out to 2013, any change in your views that this mix can continue to remain positive? Any threats or any concerns you may have of trends in the market that may somehow change this mix? Or are you keeping a continually positive view that the mix having on oil, sorry having on diesel and gasoline should continue to help your distribution results into next year?

Marcelo Eduardo Martins, Chief Financial Officer and Investor Relations Officer

I am pretty positive. I don't think, this won't change in the medium run. Obviously, it's not to say that if you have a steep increase in gasoline prices, this will impact positively the sugar and ethanol production. So Raízen Energia will have a very important positive impact. On the other hand, we will have a reduction in demand probably. So the market will shrink a little bit, when you start selling at higher prices, the product you're distributing, it will reduce your volumes and therefore you have a smaller number on the downstream side.

In that case, the exports of ethanol that we saw this year, a number, we're seeing this year a number above 2 billion, 2.5 billion liters. This project will be probably sold, at least half of that, the other half of industrial grade, but half of that will be sold domestically with lower margin than gasoline is normally sold, so that's kind of the picture. But again, nothing here that we will change dramatically the scenario, and this is really marginal stuff.

Christian Audi

Okay. And can you just give us an update on the rebranding process as you did in the last conference call, in terms of how many gas stations you've already fully rebranded or found a contract on and any caller in terms of where you are as of the end of this quarter, in terms of the rebranding and how many gas stations have been done and how many are still left to be done?

Marcelo Eduardo Martins, Chief Financial Officer and Investor Relations Officer

I mean there is on page seven a more detailed number of that. But we are at this point, maybe 3% already rebranded. We plan to finish this year. So I mean business is developing faster than we anticipated.

Christian Audi

Right. So as we go into 2013, given that you've done such a great job in 2012 in making this rebranding happen more quickly than that what we expected, what will really be the driver for continually improving EBITDA per cubic meter

Company Name: Cosan
Company Ticker: CSAN3 BZ
Date: 2012-11-08
Event Description: Q2 2013 Earnings Call

Market Cap: 16,080.90
Current PX: 39.49
YTD Change(\$): +12.49
YTD Change(%): +46.259

Bloomberg Estimates - EPS
Current Quarter: 0.620
Current Year: 1.749
Bloomberg Estimates - Sales
Current Quarter: 8004.000
Current Year: 29159.333

margins, is taking over white flags or is there another driver that could continue to push this 70 per cubic meter higher into 2013?

Marcelo Eduardo Martins, Chief Financial Officer and Investor Relations Officer

I mean as we always say, I mean we always can handle a little bit of the cost marginally. Yes, you're right. I mean rebranding white flags is still an important trend. And I think what is major here and something we are a little let's say behind and we are actually accelerating, we started after at the end, but we have a very strong potential on that, and I believe to bring important results on the next couple of years is under convenient stores, is also, I mean we have very aggressive program there. We are growing very fast and we have a lot of contracts already signed to implement our modeling in convenient stores, I mean our current fuel sites. And also let's say payment methods, I mean credit cards and other things as we also can extract additional value. So those drivers altogether, I mean they allow us to not only maintain the current levels, but grow them little bit more.

Christian Audi

Can you just remind me on the convenient store, how many you have now and what's your plan in terms of growth for this year and next year? And in terms of how many convenient stores you would add?

Marcelo Eduardo Martins, Chief Financial Officer and Investor Relations Officer

Again, we have got 720 at this point. We have 4,500 stations in total. We have a plan to have 1.5, so 1,500 convenient stores in some years. But again, I won't be specific here, because we don't have let's say a budgeted number for next year that I can actually tell you at this point.

Christian Audi

Great. And then last question, the ALL, you can't afford just to wait until the controlling shareholders of ALL figure out a solution themselves, or does it have a point that it just run out of patience and time. I mean to tell you a little bit about your mindset in terms of just keeping waiting for something to finally happen on that front?

Marcelo Eduardo Martins, Chief Financial Officer and Investor Relations Officer

Well Christian, again this is more the action, so they have been sometimes more active and sometimes less active in that discussions, we are involved in some point. I mean more recently I think the trend is to accelerate this process. I think the whole incentive mold and let's say opportunities and everything are actually becoming more and more clear. So everybody is more and more, let's say incentivized to make this happen.

On our side, I mean we don't have a time line and to say you know what, I am not talking anymore. We have rather the, as we always say, we have discipline to basically say okay, we will do a deal that makes sense, that's it. But I am not reading the table because of the time expired, and obviously also not looking three days a week on this, we are committed, we want to do this. We believe it's very important, makes all the sense to do this given where we want to be in the future. I mean the fact that we are, to be stronger in infrastructure and energy. I mean this brings a lot of alignment with that direction if we want. So that's kind what I have so say. There is nothing more than that.

Company Name: Cosan
Company Ticker: CSAN3 BZ
Date: 2012-11-08
Event Description: Q2 2013 Earnings Call

Market Cap: 16,080.90
Current PX: 39.49
YTD Change(\$): +12.49
YTD Change(%): +46.259

Bloomberg Estimates - EPS
Current Quarter: 0.620
Current Year: 1.749
Bloomberg Estimates - Sales
Current Quarter: 8004.000
Current Year: 29159.333

Christian Audi

Okay, thank you.

Operator

[Operator Instructions]. Our next question comes from Mr. Jason Trujillo with Nordic --

Analyst

Hi, good morning. Just had a question on the Raízen Combustíveis business. When it comes to the volume growth, how much out of that is dependent on GDP growth, or probably GDP growth as you look over the trends say over the last couple of years and even now, I mean is that pretty important organic volume growth within that business?

Marcos Marinho Lutz, Chief Executive Officer

Jason, our diesel sales is very correlated with GDP growth. Gasoline and ethanol sales actually have been growing a lot faster than GDP, and the big driver there is new car sales. And car sales has been incentivised in Brazil quite a lot. So I mean the combination of this, and then you have aviation fuel that is obviously related to air traffic and how much, I mean how many airlines are, how much airlines are flying in Brazil, domestically or internationally and this one has also a stronger correlation with GDP. So we have a combination of GDP and kind of accelerator of the GDP which is that combined with the cost fleet, that has been actually surprising substantially the GDP growth.

Analyst

Okay. Very helpful. And then just on that 4.8% volume growth for the quarter, how much of that comes from existing stations versus the growth coming from new stations in the quarter?

Marcos Marinho Lutz, Chief Executive Officer

I mean there is a lot, I mean when we convert, we rebrand a old Shell side, or vessel side to Shell brand. Normally the volume increase more than 10%, between 10% and 15%, so that's an important driver. We have been doing that quite a lot. When you switch the mix from gasoline to ethanol, which is the opposite of what we are doing now, but when we do that, you improve also your sales, because to the same mileage you would have to sell more cubic meters. There's a 70% relation here, so you need, let's say 30% more ethanol than gasoline to run the same number of miles.

And I don't know, I don't have the number to give to you, calculator here in front me. But I have to say that probably more than half of this number is without new or existing, without the addition of new stations.

Analyst

Got it. Thank you very much and great job on the quarter.

Operator

Company Name: Cosan
Company Ticker: CSAN3 BZ
Date: 2012-11-08
Event Description: Q2 2013 Earnings Call

Market Cap: 16,080.90
Current PX: 39.49
YTD Change(\$): +12.49
YTD Change(%): +46.259

Bloomberg Estimates - EPS
Current Quarter: 0.620
Current Year: 1.749
Bloomberg Estimates - Sales
Current Quarter: 8004.000
Current Year: 29159.333

[Operator Instructions]. This concludes today's question-and-answer session for investors and analysts. I would like to Mr. Martins to proceed with his closing statements. Please go ahead sir.

Marcelo Eduardo Martins, Chief Financial Officer and Investor Relations Officer

Thank you. Well, I just wanted to remind you of our close on date next week in New York on the 12th of November starting at 8:30 AM at St. Regis Hotel in 55th Street at Fifth Avenue. We will have the whole team of managers, of top, of top managers of our company. And we think it will be a very good opportunity not only to talk about the improvements in our business portfolios, but in terms of our brands moving ahead with a main focus on increasing our operational efficiency. So I would like to invite you once again to be there Monday. And we hope that you have found this helpful and we'll see you on Monday in New York. Thank you very much.

Operator

That does concludes the Cosan's audio conference for today. Thank you very much for your participation. Have a good afternoon.

This transcript may not be 100 percent accurate and may contain misspellings and other inaccuracies. This transcript is provided "as is", without express or implied warranties of any kind. Bloomberg retains all rights to this transcript and provides it solely for your personal, non-commercial use. Bloomberg, its suppliers and third-party agents shall have no liability for errors in this transcript or for lost profits, losses, or direct, indirect, incidental, consequential, special or punitive damages in connection with the furnishing, performance or use of such transcript. Neither the information nor any opinion expressed in this transcript constitutes a solicitation of the purchase or sale of securities or commodities. Any opinion expressed in the transcript does not necessarily reflect the views of Bloomberg LP.

© COPYRIGHT 2012, BLOOMBERG LP. All rights reserved. Any reproduction, redistribution or retransmission is expressly prohibited.