



Cosan S/A

3Q16 EARNINGS PRESENTATION

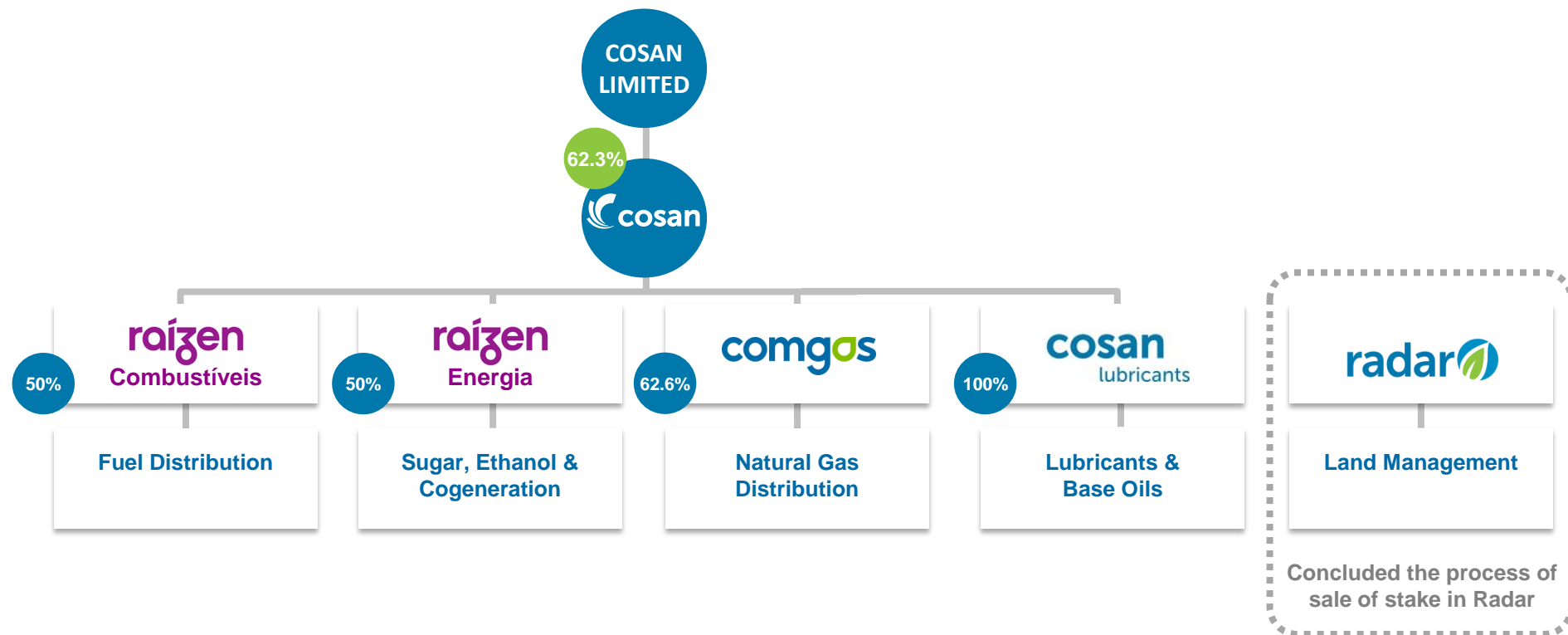
November 10, 2016

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This presentation contains estimates and forward-looking statements regarding our strategy and opportunities for future growth. Such information is mainly based on our current expectations and estimates or projections of future events and trends, which affect or may affect our business and results of operations. Although we believe that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are made in light of information currently available to us. Our estimates and forward-looking statements may be influenced by the following factors, among others: (1) general economic, political, demographic and business conditions in Brazil and particularly in the geographic markets we serve; (2) inflation, depreciation and devaluation of the real; (3) competitive developments in the ethanol and sugar industries; (4) our ability to implement our capital expenditure plan, including our ability to arrange financing when required and on reasonable terms; (5) our ability to compete and conduct our businesses in the future; (6) changes in customer demand; (7) changes in our businesses; (8) government interventions resulting in changes in the economy, taxes, rates or regulatory environment; and (9) other factors that may affect our financial condition, liquidity and results of our operations.

The words “believe”, “may”, “will”, “estimate”, “continue”, “anticipate”, “intend”, “expect” and similar words are intended to identify estimates and forward-looking statements. Estimates and forward-looking statements speak only as of the date they were made and we undertake no obligation to update or to review any estimate and/or forward-looking statement because of new information, future events or other factors. Estimates and forward-looking statements involve risks and uncertainties and are not guarantees of future performance. Our future results may differ materially from those expressed in these estimates and forward-looking statements. In light of the risks and uncertainties described above the estimates and forward-looking statements discussed in this presentation might not occur and our future results and our performance may differ materially from those expressed in these forward-looking statements due to, inclusive, but not limited to the factors mentioned above. Because of these uncertainties you should not make any investment decision based on these estimates and forward-looking statements.

Cosan S/A | Business Units



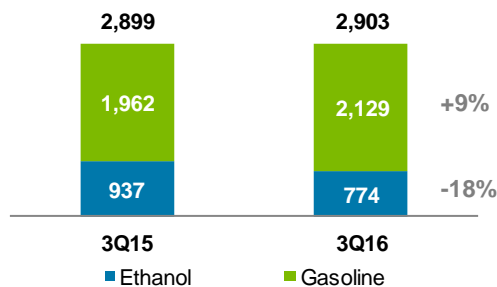
Raízen Combustíveis | Efficiency and consistent growth

Adjusted EBITDA and EBIT grew 29% and 40% in 3Q16, respectively, reflecting better sales mix and of the supply and commercialization strategies.

Sales Volume¹ – Otto Cycle²

'000 cbm

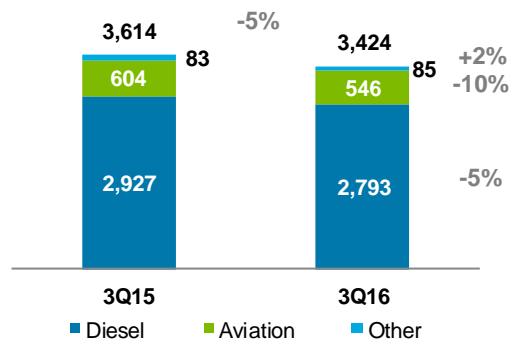
0%



Sales Volume¹ – Diesel and Other

'000 cbm

-5%

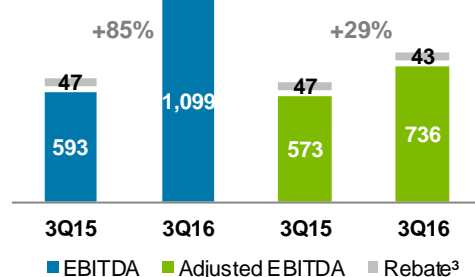


EBITDA & Adjusted EBITDA

BRL mln

+85%

+29%

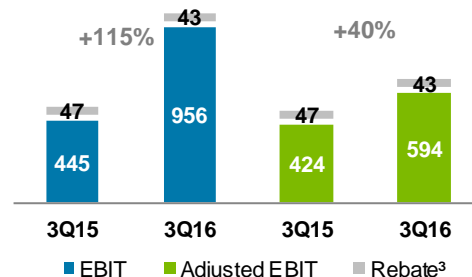


EBIT & Adjusted EBIT

BRL mln

+115%

+40%



- 344 stations added since 3Q15 resulting on a network of 5,904 service by the end of 3Q16
- Network expansion and maturation offsetting market weakness on Otto-cycle (-1%, source ANP). Gasoline-equivalent volumes up +2%.
- Diesel volumes down 5% due to weaker economic activity (vs 4% market, source ANP).
- Aviation still affected (-10%) by weaker demand.
- Adjusted EBITDA & EBIT exclude gains with:

Asset divestments: BRL 20 mln (3Q15) and BRL 1.5 mln (3Q16)

Other extraordinary effects: BRL 361 mln (3Q16)

Note 1: Volumes based on Sindicom methodology.

Note 2: Otto cycle composed of gasoline + ethanol volumes.

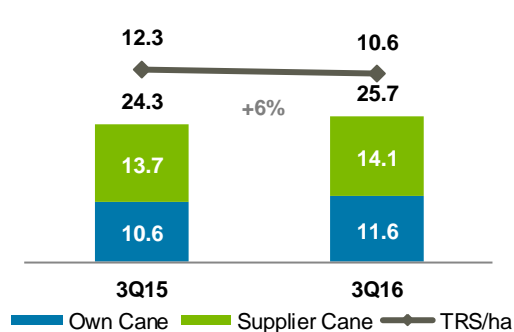
Note 3: The rebate represents the discounts granted to resellers for meeting the volume targets agreed upon at each contract signing.

Raízen Energia | Lower sugar sales volumes with better prices

The 3Q16 adjusted EBITDA reached BRL 791 million (-6%) due to lower sales of own sugar in the period and higher CONSECANA.

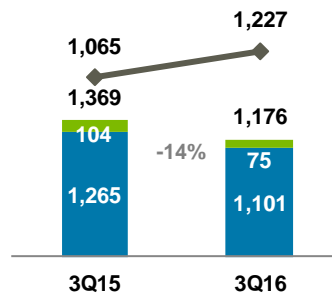
Crushing Volumes & Agri. Productivity⁴

'000 ton & ton of TRS/ha

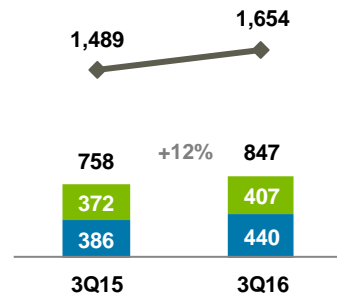


Volumes & Prices

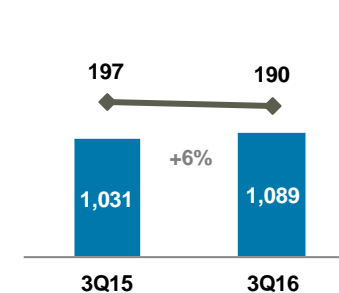
Sugar
('000 ton & BRL/ton)



Ethanol
('000 cbm & BRL/cbm)

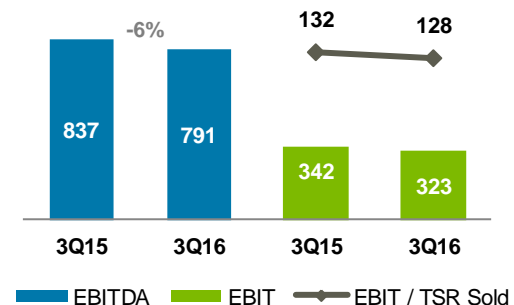


Cogeneration
('000 MWh & BRL/MWh)



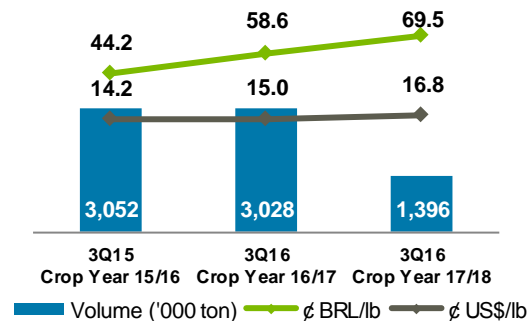
Adjusted EBITDA & EBIT⁵

BRL mln & BRL/ton



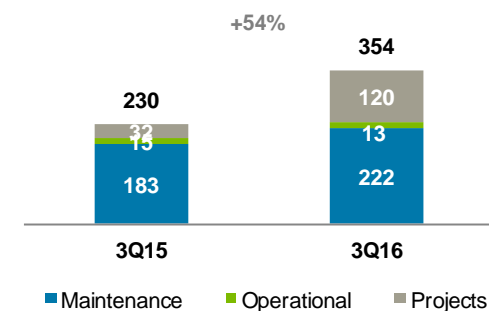
Hedge

Volumes & Prices



CAPEX

BRL mln



Note 4: Measured by tons of TRS per hectare.

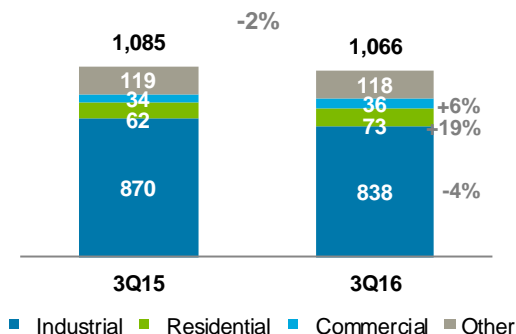
Note 5: EBITDA adjusted by (i) Variation in Biological Assets and (ii) Hedge Accounting.

Comgás | Growth of residential and commercial volumes

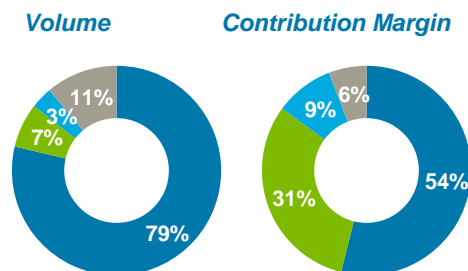
3Q16 normalized EBITDA reached BRL 448 million (+18%) positively impacted by richer sales mix and the inflation adjustment of the regulatory margin.

Sales Volume⁷

'mln cbm



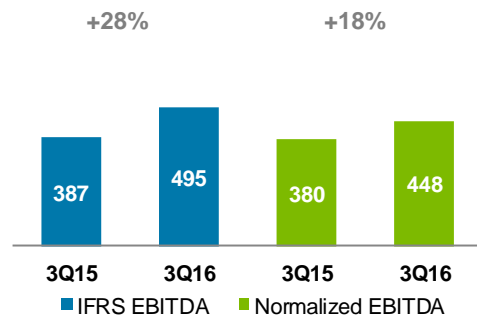
Contribution by segment 3Q16



- 19% growth in residential volumes reflecting new clients added to the network and lower average temperature on the period.
- New connections in the commercial segment supported sales volume growth (+6%) even though the unit consumption was weaker.
- Industrial segment still impacted by the economic slowdown; initial signs of recovery.
- BRL 60 million increase in regulatory current account in 3Q16, which ended the quarter with a positive balance (for consumers) of BRL 451 million.

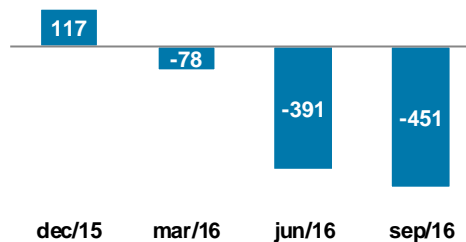
IFRS EBITDA & Normalized EBITDA⁸

BRL mln



Regulatory Current Account

BRL mln



- Extraordinary tariff readjustment announced in October 1st 2016.
- Comgás is waiting for the regulator (ARSESP) to define the next steps of the 2014-19 tariff revision cycle.

Note 7: Excludes thermal power.

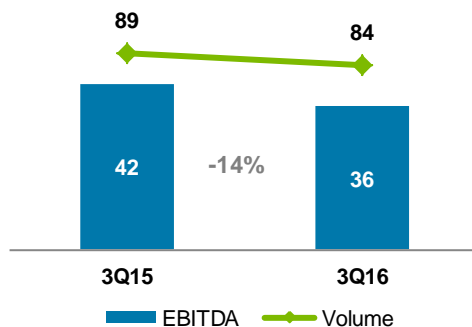
Note 8: Normalized EBITDA by the effect from the Regulatory Current Account.

Lubricants

- Sales volumes affected by Brazilian market performance (-6%, source SINDICOM); partially offset by higher sales volumes of international operations (+27%).
- Lower EBITDA reflecting lower sales volumes and higher selling expenses.

EBITDA & Sales Volume

BRL mln and '000 cbm

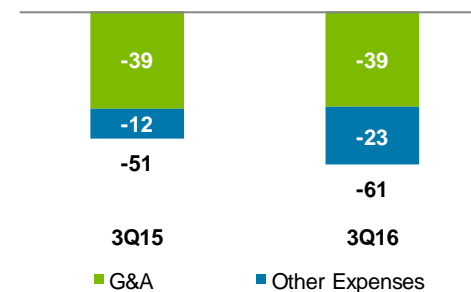


Cosan Corporate

- General and Administrative expenses reached BRL 39 million on 3Q16 in line with previous year.

EBITDA (ex- Equity Pick-up)

BRL mln

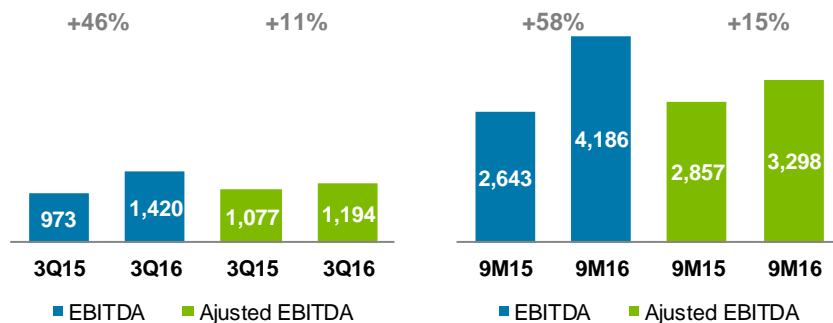


Cosan S/A Pro forma | Highlights

3Q16 Adjusted EBITDA reached BRL 1.2 billion (+11%), mainly driven by Raízen Combustíveis' and Comgás' better results. Net income reached BRL 328 million and cash generation BRL 908 million.

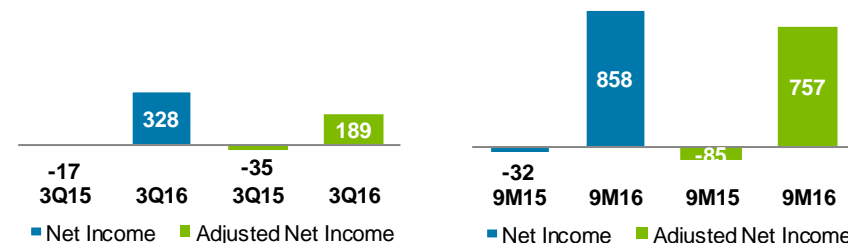
EBITDA⁹ & Adjusted EBITDA

BRL mln



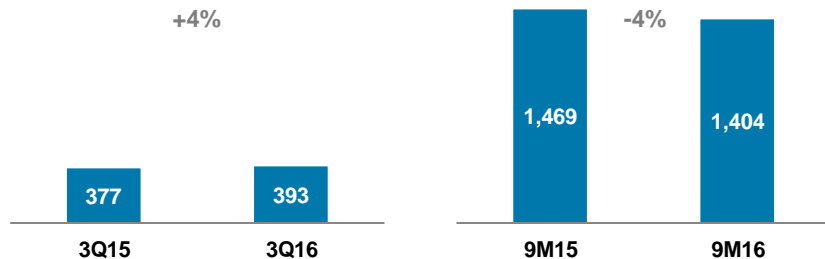
Net Income (Loss)

BRL mln



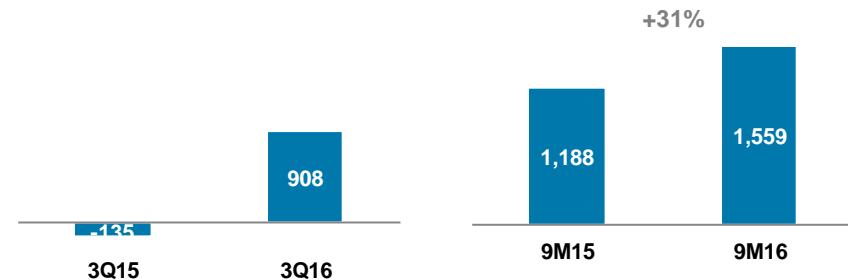
CAPEX⁹

BRL mln



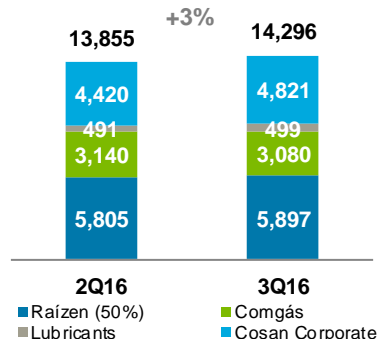
Free Cash Flow to Equity⁹

BRL mln

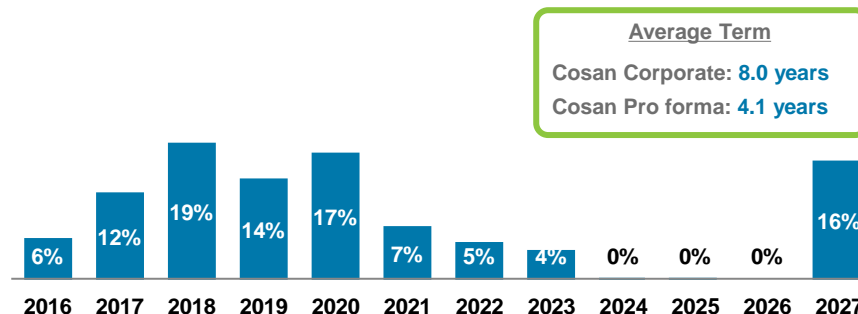


Debt and Leverage | Consistently deleveraging throw strong cash generation

Gross Debt (BRL Mln)¹⁰

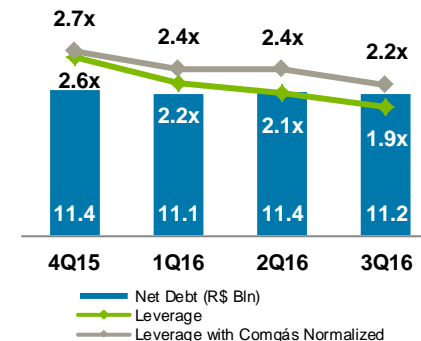


Debt Amortization Profile¹¹



Leverage¹³

Net Debt / EBITDA LTM



Cash Flow and Net Debt¹³

Cash Flow Reconciliation ⁹ BRL MM	3Q16	3Q15	Var. %
Cash Flow from Operations	1,254	593	n/a
Cash Flow from Investing	(226)	(347)	-35%
Cash Flow from Financing Activities	(130)	(382)	-66%
Dividends received	10	1	n/a
Free Cash Flow to Equity	908	(135)	n/a
Cash and Cash Equivalents	5,145	3,779	36%
Net Debt¹⁰	11,199	11,587	-3%
LTM EBITDA	5,894	3,670	61%
Leverage (Net Debt/EBITDA)	1.9x	3.2x	-1.3x

Gross Debt: Additional USD 150 million emission 2027 bond at Cosan S/A, aiming to extend its debt profile.

Cash Generation

- CFO: growth in operational results due to higher EBITDA at the business lines and better working capital management in Raízen Energia.
- CFI: lower CAPEX at Comgás and gains from STP divestment contributed to reducing investments, partially offset by the concentration of investments at Raízen Energia
- CFF: USD 150 million funding at Cosan S/A and BRL 230 million negative impact from derivatives designated to protect Perpetual Bond.

Average Cost of Debt¹²: Cosan S/A Pro forma¹¹: 98% CDI and Cosan S/A: 101% CDI

Note 10: Net Debt Pro forma includes obligations with preferred shareholders of BRL 2.0 billion.

Note 11: Pro forma basis, based on 50% of Raízen, and excludes the obligations with preferred shareholder and Perpetual Bond.

Note 12: Excludes costs with Perpetual Bond.

Guidance 2016

		Actual 2015 (jan-dec/15)	Guidance 2016 (jan-dec/16)	Guidance Review 2016 (jan-dec)
Cosan S/A Consolidated	Pro forma Net Revenue (BRL mIn)	43,667	45,000 ≤ Δ ≤ 48,000	45,000 ≤ Δ ≤ 48,000
	Pro forma EBITDA (BRL mIn)	4,591	4,250 ≤ Δ ≤ 4,800	4,700 ≤ Δ ≤ 5,100
Raízen Combustíveis	EBITDA (BRL mIn)	2,517	2,350 ≤ Δ ≤ 2,700	2,550 ≤ Δ ≤ 2,700
	CAPEX (BRL mIn)	808	750 ≤ Δ ≤ 850	750 ≤ Δ ≤ 850
Comgás	Total Customers ('000)	1,574	1,650 ≤ Δ ≤ 1,700	1,650 ≤ Δ ≤ 1,700
	Total Volume Sold, excluding Thermo ('000 cbm)	4,287	4,000 ≤ Δ ≤ 4,300	4,000 ≤ Δ ≤ 4,300
	Normalized EBITDA (BRL mIn)	1,378	1,350 ≤ Δ ≤ 1,450	1,350 ≤ Δ ≤ 1,450
	EBITDA IFRS (BRL mIn)	1,530	1,400 ≤ Δ ≤ 1,600	1,900 ≤ Δ ≤ 2,000
	CAPEX (BRL mIn)	521	470 ≤ Δ ≤ 520	470 ≤ Δ ≤ 520
Lubricants	Total Volume Sold ('000 cbm)	317	280 ≤ Δ ≤ 330	280 ≤ Δ ≤ 330
	EBITDA (BRL mIn)	126	120 ≤ Δ ≤ 160	120 ≤ Δ ≤ 160
Radar	EBITDA (BRL mIn)	106	100 ≤ Δ ≤ 150	N/A

		Actual Crop year 2015/16 (apr/15-mar/16)	Guidance Crop Year 2016/17 (apr/16-mar/17)	Guidance Crop Year 2016/17 (apr/16-mar/17)
Raízen Energia	Volume of Sugarcane Crushed ('000 tons)	62,706	60,000 ≤ Δ ≤ 64,000	59,000 ≤ Δ ≤ 61,000
	Volume of Sugar Produced ('000 tons)	4,197	4,200 ≤ Δ ≤ 4,600	4,200 ≤ Δ ≤ 4,600
	Volume of Ethanol Produced (million liters)	2,148	1,900 ≤ Δ ≤ 2,200	1,900 ≤ Δ ≤ 2,200
	Volume of Energy Sold ('000 of MWh)	2,871	2,100 ≤ Δ ≤ 2,300	2,450 ≤ Δ ≤ 2,650
	EBITDA (BRL mIn)	3,729	3,300 ≤ Δ ≤ 3,600	3,000 ≤ Δ ≤ 3,300
	CAPEX (BRL mIn)	1,769	1,800 ≤ Δ ≤ 2,000	1,900 ≤ Δ ≤ 2,100



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