



COSAN S.A. INDÚSTRIA E COMÉRCIO

Corporate Taxpayer ID (CNPJ): 50.746.577/0001-15

Company Registry (NIRE): 35.300.177.045

Publicly Held Company

NOTICE TO THE MARKET

Cosan S/A Indústria e Comercio ("Cosan" or "Company") ("BM&FBovespa: CSAN3), pursuant to Instruction 480 dated December 7, 2009, as amended, issued by the Brazilian Securities and Exchange Commission ("ICVM 480"), hereby informs its shareholders and the market that on this date the Board of Directors of the Company approved a capital increase within the authorized capital, pursuant to article 6 of the Bylaws, to meet the demand arising from the Stock Option ("Stock Option") plan, by issuing new common shares of the Company.

The directors approved the issue of 610,000 new common shares for a total sum of R\$ 14,426,500.00. As such, the capital stock of the Company will increase from the current R\$ 3,824,648,443.92, divided into 407,294,353 common shares, to R\$ 3,839,074,943.92, divided into 407,904,353 common shares with no par value. The potential dilution resulting from the issue is 0.14976883%.

In accordance with article 171, paragraph 3 of Federal Law 6,404/76, other shareholders of the company will not be entitled to preemptive rights on the new shares.

In compliance with article 30, paragraph XXXII of ICVM 480, the Company has provided the information requested by CVM in the attached.

São Paulo, February 22, 2017

Paula Kovarsky

Investor Relations Officer



APPENDIX 30-XXXII ICVM 480

I) Date of shareholders meeting that approved the stock option plan.

The Annual and Extraordinary Shareholders Meeting held on July 29, 2011 resolved, among others, to approve the Company's Stock Option Plan ("Stock Option"). The Stock Option Plans were approved by the Board of Directors at meetings held on August 18, 2011, May 21, 2013 and August 6, 2014.

II) Amount of capital increase and the new share capital.

Capital increase in the total amount of fourteen million, four hundred twenty-six, five hundred reais (R\$ 14,426,500.0), from three billion, eight hundred twenty-four million, six hundred forty-eight thousand, four hundred forty-three reais and ninety-two centavos (R\$ 3,824,648,443.92) to three billion, eight hundred thirty-nine million, seventy-four thousand, nine hundred forty-three reais and ninety-two centavos (R\$ 3,839,074,943.92).

III) Number of shares issued of each type and class.

Issue of six hundred ten thousand (610,000) new common shares with no par value, within the authorized capital, pursuant to article 6 of the Bylaws of the Company. The number of shares increases from four hundred seven million, two hundred ninety-four thousand, three hundred fifty-three (407,294,353) to four hundred seven million, nine hundred four thousand, three hundred fifty-three (407,904,353) common shares with no par value. The shares will be paid in cash upon subscription, in the legal tender, by eligible beneficiaries of the Stock Option Plan. The common shares issued will entitle their holders to the same rights and benefits as other shares of the same type, in accordance with Federal Law 6,404, of December 15, 1976, as amended ("Brazilian Corporations Law") and the Bylaws of the Company.

IV) Issue price of the new shares: **R\$ 23.65 per share.**

V) Price of each type and class of shares of the issuer in the markets on which they are traded, identifying:

a. Minimum, average and maximum price each year in the last three (3) years;

R\$/share	Minimum	Average	Maximum
02/23/14 to 02/22/15	21.22	29.00	36.88
02/23/15 to 02/22/16	16.14	22.39	27.19
02/23/16 to 02/22/17	24.12	34.95	43.41



b. Minimum, average and maximum price each quarter in the last two (2) years;

R\$/share	Minimum	Average	Maximum
Quarter ended 12/31/2016	34.82	38.68	42.94
Quarter ended 09/30/2016	32.25	35.38	38.55
Quarter ended 06/30/2016	28.48	32.06	35.25
Quarter ended 03/31/2016	21.02	25.15	31.12
Quarter ended 12/31/2015	19.45	23.22	25.20
Quarter ended 09/30/2015	16.46	19.01	23.16
Quarter ended 06/30/2015	23.43	25.55	27.73
Quarter ended 03/31/2015	21.63	24.59	26.87

c. Minimum, average and maximum price each month in the last six (6) months; and

R\$/share	Minimum	Average	Maximum
23/Aug/16 to 22/Sep/16	34.56	36.11	37.81
23/Sep/16 to 22/Oct/16	35.78	39.09	42.94
23/Oct/16 to 22/Nov/16	34.82	39.58	42.42
23/Nov/16 to 22/Dec/16	36.15	37.29	38.72
23/Dec/16 to 22/Jan/17	35.71	38.25	40.27
23/Jan/17 to 22/Feb/17	40.11	41.64	43.41

d. Average price in the last ninety (90) days.

R\$/share	Average
23/Nov/16 to 22/Feb/17	39.08

VI) Percentage of potential dilution resulting from the issue: **0.14976883%**