
**Parent Company and Consolidated
Quarterly Financial Information**

Cosan S.A. Indústria e Comércio

December 31, 2009

COSAN S.A. INDÚSTRIA E COMÉRCIO

PARENT COMPANY AND CONSOLIDATED QUARTERLY FINANCIAL INFORMATION

December 31, 2009

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Special review report of independent auditors

The Board of Directors and Shareholders of
Cosan S.A. Indústria e Comércio

1. We have performed a special review of the accompanying Quarterly Financial Information of Cosan S.A. Indústria e Comércio (parent company and consolidated) for the quarter and nine-month period ended December 31, 2009, including the balance sheets, statements of operations and cash flows, report on the Company's performance and explanatory notes, prepared under the management's responsibility.
2. Our review was conducted in accordance with the specific procedures determined by the Brazilian Institute of Independent Auditors (IBRACON) and the Federal Board of Accountancy (CFC), which comprised principally: (a) inquiries of and discussions with the management responsible for the Company's accounting, financial and operational areas about the criteria adopted for the preparation of the Quarterly Financial Information; and (b) review of information and subsequent events which have, or could have, significant effects on the Company's operations and financial position.
3. Based on our special review, we are not aware of any material modification that should be made to the Quarterly Financial Information referred to above for it to comply with specific standards established by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Financial Information.

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4. As mentioned in Note 2, the accounting practices adopted in Brazil were modified during 2008 and the effects of its first time adoption were only recorded by the Company and its subsidiaries during the fourth quarter of the previous year and disclosed in the March 31, 2009 financial statements. The statements of operations and cash flows, for the quarter and nine-month period ended January 31, 2009, presented in conjunction with the information for the current quarter, were not adjusted for comparative purposes, as permitted by Ofício-Circular/CVM/SNC/SEP No. 02/2009.

São Paulo, January 31, 2010

ERNST & YOUNG
Auditores Independentes S.S.
CRC 2SP015199/O-6

Luiz Carlos Nannini
Accountant CRC 1SP171638/O-7

A free translation from Portuguese into English of financial statements prepared in Brazilian currency in accordance with accounting practices adopted in Brazil

COSAN S.A. INDÚSTRIA E COMÉRCIO

Unaudited Balance sheets
December 31, 2009 and September 30, 2009
(In thousands of reais)

		Parent Company		Consolidated	
		December 31, 2009	September 30, 2009	December 31, 2009	September 30, 2009
Assets					
Current assets					
Cash and cash equivalents	Note 4	510,845	177,599	864,077	948,647
Restricted cash		172,050	145,837	172,050	149,533
Trade accounts receivable	Note 5	37,926	78,995	511,100	589,668
Derivative financial instruments	Note 19	81,325	97,427	72,014	97,427
Inventories	Note 6	582,700	453,717	1,936,791	1,531,522
Advances to suppliers		88,214	102,204	241,244	336,748
Related parties	Note 7	550,241	637,178	24,639	21,613
Deferred income and social contribution taxes	Note 12.b	-	-	29,155	48,108
Recoverable taxes		109,925	117,075	307,805	342,894
Other assets		10,408	7,775	53,968	41,691
		<u>2,143,634</u>	<u>1,817,807</u>	<u>4,212,843</u>	<u>4,107,851</u>
Noncurrent assets					
Long-term receivables					
Accounts receivable from federal government	Note 14	-	-	331,426	329,049
CTNs-Restricted Brazilian Treasury Bills	Note 13	29,553	28,755	194,590	189,342
Deferred income and social contribution taxes	Note 12.b	5,264	98,360	334,214	551,487
Advances to suppliers		25,629	18,214	132,461	85,130
Related parties	Note 7	-	-	149,866	151,821
Other assets		14,379	4,972	210,799	190,150
Permanent assets					
Investments	Note 8	5,558,392	5,377,928	194,046	196,497
Property, plant and equipment	Note 9	757,720	761,425	4,871,534	4,671,373
Intangible	Note 10	395,637	395,637	2,765,466	2,737,464
		<u>6,711,749</u>	<u>6,534,990</u>	<u>9,184,402</u>	<u>9,102,313</u>
Total assets		<u>8,930,208</u>	<u>8,503,098</u>	<u>13,397,245</u>	<u>13,210,164</u>

	Parent Company		Consolidated		
	December 31, 2009	September 30, 2009	December 31, 2009	September 30, 2009	
Liabilities and shareholders' equity					
Current liabilities					
Loans and financing	Note 13	479,412	444,697	892,636	1,184,658
Derivative financial instruments		232,884	215,142	232,884	215,405
Trade accounts payable		177,747	172,149	712,139	712,502
Salaries payable		40,869	61,413	132,971	180,904
Taxes and social contributions payable	Note 11	24,393	44,832	200,979	230,925
Related parties	Note 7	197,143	124,286	50,456	3,838
Other liabilities		34,795	25,215	123,440	100,728
Total current liabilities		1,187,243	1,087,734	2,345,505	2,628,960
Noncurrent liabilities					
Loans and financing	Note 13	1,707,465	1,903,754	4,859,073	4,667,395
Taxes and social contributions payable	Note 11	60,141	48,478	255,715	288,850
Related parties	Note 7	946,342	966,397	-	-
Provision for judicial demands	Note 14	76,431	239,778	755,650	1,143,377
Pension Plan	Note 22	-	-	61,582	62,287
Other liabilities		35,611	36,485	155,785	168,394
Total noncurrent liabilities		2,825,990	3,194,892	6,087,805	6,330,303
Minority shareholders' interest		-	-	46,960	30,429
Shareholders' equity					
Capital	Note 15	4,687,722	4,155,316	4,687,722	4,155,316
Treasury stock		(4,186)	(4,186)	(4,186)	(4,186)
Capital reserves		54,308	54,384	54,308	54,384
Currency translation adjustment		(2,956)	-	(2,956)	-
Retained earnings		182,087	14,958	182,087	14,958
Total shareholders' equity		4,916,975	4,220,472	4,916,975	4,220,472
Total liabilities and shareholders' equity		8,930,208	8,503,098	13,397,245	13,210,164

See accompanying notes.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Unaudited statements of operations

Quarters ended December 31, 2009 and January 31, 2009

(In thousands of reais, except for the earnings (loss) per share)

	Parent Company		Consolidated	
	December 31, 2009	January 31, 2009	December 31, 2009	January 31, 2009
Gross operating revenue				
Sales of goods and services	514,709	536,284	4,145,134	2,746,351
Taxes and sales deductions	(35,403)	(32,951)	(344,634)	(180,718)
Net operating revenue	479,306	503,333	3,800,500	2,565,633
Cost of goods sold and services rendered	(391,272)	(353,375)	(3,340,517)	(2,187,601)
Gross profit	88,034	149,958	459,983	378,032
Operating income (expenses)				
Selling expenses	(33,966)	(41,570)	(218,374)	(156,752)
General and administrative expenses	(53,653)	(14,895)	(116,304)	(70,842)
Management fees	(1,628)	(1,423)	(1,628)	(1,423)
Financial income (expenses), net	(54,963)	64,130	(78,285)	(159,183)
Earnings (losses) on equity investments	151,619	(57,312)	(9,360)	13,551
Goodwill amortization	-	(16,488)	-	(65,159)
Other operating income (expenses), net	79,363	(115,779)	217,012	120,226
Operating income	174,806	66,621	253,044	58,450
Income before income and social contribution taxes	174,806	66,621	253,044	58,450
Income and social contribution taxes	(7,677)	(61,413)	(85,257)	(53,285)
Minority shareholders' interest	-	-	(658)	43
Net income for the period	167,129	5,208	167,129	5,208
Earnings per share – in Reais	0.41	0.02	0.41	0.02

See accompanying notes.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Unaudited statements of operations

Nine-month periods ended December 31, 2009 and January 31, 2009

(In thousands of reais, except for the earnings (loss) per share)

	Parent Company		Consolidated	
	December 31, 2009	January 31, 2009	December 31, 2009	January 31, 2009
Gross operating revenue				
Sales of goods and services	1,741,694	1,281,662	11,895,875	4,199,12
Taxes and sales deductions	(93,613)	(76,058)	(953,936)	(278,82
Net operating revenue	1,648,081	1,205,604	10,941,939	3,920,29
Cost of goods sold and services rendered	(1,377,328)	(1,002,193)	(9,590,439)	(3,360,76
Gross profit	270,753	203,411	1,351,500	559,53
Operating income (expenses)				
Selling expenses	(114,353)	(105,967)	(639,261)	(331,06
General and administrative expenses	(156,539)	(92,114)	(318,054)	(193,37
Management fees	(5,353)	(4,272)	(5,353)	(4,27
Financial income (expenses), net	331,975	(313,808)	434,037	(624,02
Earnings (losses) on equity investments	411,162	(166,858)	(12,885)	13,45
Goodwill amortization	-	(49,465)	-	(145,94
Realization of goodwill through sale	-	-	(85,589)	-
Other operating income (expenses), net	86,147	(14,061)	292,016	116,12
	553,039	(746,545)	(335,089)	(1,169,10
Operating income (loss)	823,792	(543,134)	1,016,411	(609,56
Income (loss) before income and social contribution taxes	823,792	(543,134)	1,016,411	(609,56
Income and social contribution taxes	(146,027)	109,528	(346,973)	175,03
Minority shareholders' interest	-	-	8,327	929
Net income (loss) for the period	677,765	(433,606)	677,765	(433,60
Earnings (loss) per share – in Reais	1.67	(1.33)		

See accompanying notes.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Unaudited statements of cash flows – indirect method
 Quarters ended December 31, 2009 and January 31, 2009
 (In thousands of reais)

	Parent Company		Consolidated	
	December 31, 2009	January 31, 2009	December 31, 2009	January 31, 2009
Cash flows from operating activities				
Net income for the period	167,129	5,208	167,129	5,208
Adjustments to reconcile net income (loss) for the period to cash provided by or used in operating activities				
Depreciation and amortization	46,141	25,021	149,671	71,136
Losses (earnings) on equity investments	(151,619)	57,312	9,360	(13,551)
Net book value of long lived assets disposed of	43	(32,810)	1,053	(328,436)
Goodwill amortization	-	16,488	-	65,159
Deferred income and social contribution taxes	7,677	60,408	58,948	51,856
Set-up (reversal) of provision for legal claims, net	214	6,926	4,137	(6,268)
Set-up (reversal) of provision for devaluation of permanent equity interest	-	-	-	22
Minority interest	-	-	658	(43)
Gain from Law 11,941/MP 470	(79,433)	-	(211,649)	-
Recognized granted shares	(76)	-	(76)	-
Interest, monetary and exchange variation, net	42,101	83,270	(47,873)	297,788
Others	(1,764)	-	5,246	3,739
Variation in assets and liabilities				
Trade accounts receivables	39,173	52,254	76,491	79,101
Inventories	(117,182)	88,996	(342,805)	139,812
Advances to suppliers	6,575	12,463	48,173	15,359
Taxes recoverable	7,150	(4,814)	24,555	(19,799)
Trade accounts payables	5,598	(55,348)	(492)	(159,486)
Salaries payable	(20,544)	(36,135)	(48,002)	(93,059)
Taxes and social contributions payables	6,428	1,251	8,059	(8,182)
Derivative financial instruments	7,631	(65,009)	20,375	(65,009)
Other liabilities	(18,182)	14,724	46,899	(29,483)
Net cash provided by (used in) operating activities	(52,940)	230,205	(30,143)	5,842
Cash flows from investments activities				
Investments, net of cash received	(29,471)	(934,192)	(14,732)	(1,533,708)
Acquisition of property, plant and equipment	(53,944)	(50,888)	(400,983)	(432,389)
Others	203	33,316	1,783	331,441
Net cash used in investments activities	(83,212)	(1,127,956)	(413,932)	(1,634,656)

COSAN S.A. INDÚSTRIA E COMÉRCIO

Unaudited statements of cash flows – indirect method (Continued)

Quarters ended December 31, 2009 and January 31, 2009

(In thousands of reais)

	Parent Company		Consolidated	
	December 31, 2009	January 31, 2009	December 31, 2009	January 31, 2009
Cash flows from financial activities				
Capital increase	532,406	-	532,406	-
Loans and financing	1,136,396	1,108,706	1,665,512	1,196,368
Amortization of principal and interest on loans and financing, advances from customers.	(1,335,786)	(52,918)	(1,838,413)	(148,307)
Related parties	136,382	(163,973)	-	(5,903)
Net cash provided by financing activities	469,398	891,815	359,505	1,042,158
Net cash increase (decrease) in cash and cash equivalents	333,246	170,256	(84,570)	(586,656)
Cash and cash equivalents at the beginning of the period	177,599	319,216	948,647	1,276,308
Cash and cash equivalents at the end of the period	510,845	489,472	864,077	689,652

See accompanying notes.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Unaudited statements of cash flows – indirect method

Nine-month periods ended December 31, 2009 and January 31, 2009

(In thousands of reais)

	Parent Company		Consolidated	
	December 31, 2009	January 31, 2009	December 31, 2009	January 31, 2009
Cash flows from operating activities				
Net income (loss) for the period	677,765	(433,606)	677,765	(433,606)
Adjustments to reconcile net income (loss) for the period to cash provided by or used in operating activities				
Depreciation and amortization	162,957	160,607	476,393	405,180
Losses (earnings) on equity investments	(411,162)	166,858	12,885	(13,458)
Net book value of long lived assets disposed of	(84)	(31,625)	(101,284)	(323,759)
Goodwill amortization	-	49,465	85,589	145,949
Deferred income and social contribution taxes	146,027	(101,836)	269,460	(167,951)
Set-up (reversal) of provision for legal claims. net	(1,283)	12,410	7,519	19,591
Minority interest	-	-	(8,327)	(929)
Recognized granted shares	8,467	-	8,467	-
Gain from Law 11,941/MP 470	(79,433)	-	(211,649)	-
Interest, monetary and exchange variation, net	(288,900)	535,092	(419,670)	843,534
Others	(12,401)	(7,925)	3,747	(5,094)
Variation in assets and liabilities				
Trade accounts receivables	44,143	(6,822)	165,321	87,234
Inventories	(203,653)	(292,447)	(503,179)	(721,001)
Advances to suppliers	(35,523)	(22,525)	(7,870)	(61,767)
Taxes recoverable	(20,162)	(22,899)	(8,899)	(50,679)
Trade accounts payables	84,873	81,621	96,225	139,459
Salaries payable	11,156	(8,452)	21,953	(30,797)
Taxes and social contributions payables	12,370	(13,181)	(45,093)	(36,172)
Derivative financial instruments	(58,607)	76,220	(43,393)	76,220
Other assets/liabilities, net	(24,120)	17,162	36,207	(63,148)
Net cash used in operating activities	12,430	158,117	512,167	(191,194)
Cash flows from investments activities				
Investments, net of cash received	(48,715)	(1,801,421)	14,642	(1,595,851)
Acquisition of property, plant and equipment	(139,394)	(145,150)	(1,180,696)	(1,011,535)
Cash received on sale of investment	512	33,640	120,964	332,412
Net cash provided by (used in) investments activities	(187,597)	(1,912,931)	(1,045,090)	(2,274,974)

COSAN S.A. INDÚSTRIA E COMÉRCIO

Unaudited statements of cash flows – indirect method (Continued)

Nine-month periods ended December 31, 2009 and January 31, 2009

(In thousands of reais)

	Parent Company		Consolidated	
	December 31, 2009	January 31, 2009	December 31, 2009	January 31, 2009
Cash flows from financial activities				
Capital increase	533,780	880,000	533,780	883,471
Purchase of treasury stocks	-	(4,186)	-	(4,186)
Loans and financing	1,188,635	1,232,532	2,884,171	1,515,144
Amortization of principal and interest on loans and financing, advances from customers	(1,516,692)	(114,103)	(2,283,521)	(242,799)
Related parties	91,563	(675,114)	(456,786)	(5,903)
Dividends paid	-	-	-	-
Net cash provided by (used in) financing activities	297,286	1,319,129	677,644	2,145,731
Net cash increase (decrease) in cash and cash equivalents	122,119	(435,685)	144,721	(320,436)
Cash and cash equivalents at the beginning of the period	388,726	1,244,373	719,356	1,010,081
Cash and cash equivalents at the end of the period	510,845	808,688	864,077	689,645

See accompanying notes.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Unaudited statement of changes in shareholders' equity
 Quarter and Nine-month period ended December 31, 2009
 (In thousands of reais)

	Capital	Treasury shares	Capital Reserves	Accumulated losses	Currency translation adjustment	Total
Balances as of September 30, 2009	4,155,316	(4,186)	54,384	14,958	-	4,220,472
Capital increase	532,406					532,406
Recognized granted shares			(76)			(76)
Currency translation adjustments					(2,956)	(2,956)
Net income for the period				167,129		167,129
Balances as of December 31, 2009	4,687,722	(4,186)	54,308	182,087	(2,956)	4,916,975
	Capital	Treasury shares	Capital Reserves	Accumulated losses	Currency translation adjustment	Total
Balances as of March 31, 2009	3,819,770	(4,186)	45,841	(495,678)	-	3,365,747
Capital increase	867,952					867,952
Recognized granted shares			8,467			8,467
Currency translation adjustments					(2,956)	(2,956)
Net income for the period				677,765		677,765
Balances as of December 31, 2009	4,687,722	(4,186)	54,308	182,087	(2,956)	4,916,975

See accompanying notes.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information
December 31, 2009
(In thousands of reais)

1. Operations

The primary activity of Cosan S.A. Indústria e Comércio (“Company” or “Cosan”), with principal place of business in the city of Barra Bonita, São Paulo, and its subsidiaries, is the manufacturing and trading of sugar, ethanol and co-generation of electricity from sugarcane both of their own plantations and third parties, as well as the distribution of fuel and lubricants. The Company has 23 producing units, located in e São Paulo, Goiás and Mato Grosso do Sul States, with a nominal capacity of milling 60 million tons of sugarcane per year, producing varied qualities of raw and refined sugar, anhydrous and hydrated ethanol. The Company activities are also linked with those of its subsidiary Cosan Operadora Portuária S.A. (“Cosan Portuária”), Teaçu Armazéns Gerais S.A. (“Teaçu”) and TEAS - Terminal Exportador de Álcool de Santos S.A. (“TEAS”), which consist mainly in the Company’s logistic support to export of sugar and ethanol.

The Company, through its subsidiary Cosan Combustíveis e Lubrificantes S.A. (“Cosan CL”), operates in 40 fuel distribution bases in Brazil and ranks as one of the four biggest fuel distributors in Brazil, with a distribution network of nearly 1,500 gas stations across Brazil, which sell 5 billion liters of fuels, 160 million cubic meters of NGV and 127 thousand cubic meters of lubricants. Accordingly, the Company expanded its business model and became the first integrated renewable energy company, acting from the plantation of sugar cane to the distribution and retail sale of fuels.

At the Annual and Special Meeting held on August 29, 2008, the Company’s shareholders changed year end to March 31 of each year. As a consequence, the statements of operations and of cash flows for the quarter and the nine-month period of the previous year relate to the quarter and nine-month period ended January 31, 2009, and not to December 31, 2008, therefore, are not comparable to those of the current quarter and six-month period ended January 31, 2010.

During the nine-month period ended December 31, 2009, the Company and its subsidiaries carried out a number of corporate operations, the main of which being the association among the groups Cosan and Rezende Barbosa and controlling shareholding acquisition of TEAS, the details of which are described in Note 8 hereto.

During the quarter ended December 31, 2009, capital contributions to the Company, totaling R\$532,406 were made, as described in Note 15.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)

December 31, 2009

(In thousands of reais)

2. Basis of preparation and presentation of the quarterly information

The Company's quarterly information were prepared based on the accounting practices adopted in Brazil and on the rules issued by the Brazilian Securities and Exchange Commission ("CVM"), observing the accounting guidelines set forth in corporation law (Law N° 6,404/76) which include the new provisions established, amended and repealed by Law N° 11,638, of December 28, 2007 ("Law 11,638/07") and by Law N° 11941, of May 27, 2009 ("Law 11,941/09").

The accounting practices adopted in Brazil were amended during 2008 and the effects of their first-time adoption were recorded by the Company during the fourth quarter of 2008 and disclosed in the financial statements of March 31, 2009. The quarterly information for the quarter and nine-month periods ended January 31, 2009, presented in conjunction with the quarterly information for the quarter and nine-month period ended December 31, 2009, was not adjusted for comparison purposes, as allowed by CVM/SNC/SEP Official Memorandum N° 02/2009. On January 31, 2009, the impacts of these new accounting practices on the results for the quarter and nine-month period are as follows:

	Parent Company		Consolidated	
	11/01/08 to 01/31/09	05/01/08 to 01/31/09	11/01/08 to 01/31/09	05/01/08 to 01/31/09
Balances before the amendments from Laws No. 11,638/07 and 11,941/09	5,208	(433,606)	5,208	(433,606)
Lease- CPC 06	2,032	2,186	2,032	2,186
Shares issuance costs – CPC 08	-	-	(22,059)	-
Recorded stock options grants – CPC 10	(3,646)	(10,939)	(3,646)	(10,939)
Derivative financial instruments – CPC 14	(184,244)	(135,142)	(184,244)	(135,142)
Deferred income tax and social contribution on temporary adjustments	61,952	45,205	69,452	45,205
Equity investment adjustments effect	(2,755)	-	-	-
Minority Shareholders' portion	-	-	11,804	-
	<u>(126,661)</u>	<u>(98,690)</u>	<u>(126,661)</u>	<u>(98,690)</u>
Balances adjusted to the amendments from Laws No. 11,638/07 and 11,941/09	<u>(121,453)</u>	<u>(532,296)</u>	<u>(121,453)</u>	<u>(532,296)</u>

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

2. Basis of preparation and presentation of the quarterly information (Continued)

The quarterly information for the parent company and consolidated, including accompanying notes, except as otherwise stated, are presented in thousands of reais.

The results for the quarter and nine-month period ended December 31, 2009 are not necessarily an indication of results that may be expected for the year ending March 31, 2010.

Non-financial information presented in these financial statements was not reviewed by independent auditors.

3. Summary of significant accounting practices

The quarterly information was prepared in accordance with principles, practices and criteria consistent with those adopted when preparing the financial statements for March 31, 2009 and should be read in conjunction therewith.

Consolidation of quarterly information

The consolidated quarterly information was prepared in accordance with the basic principles of consolidation. The consolidation process includes the following principal procedures:

(i) Intercompany assets and liabilities are eliminated; (ii) Equity investments in subsidiaries, proportionate to the parent company interest in the shareholders' equity of subsidiaries, are eliminated; (iii) Intercompany revenues and expenses are eliminated; and (iv) Significant unearned intercompany income is eliminated, when relevant.

The financial year adopted by the companies included in the consolidation coincides with that of the Company and accounting policies were consistently applied in the consolidated companies, in line with those used on March 31, 2009.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

3. Summary of significant accounting practices (Continued)

The main consolidated companies are listed below:

	Direct and indirect interest as of	
	12/31/09	09/30/09
Administração de Participações Aguassanta Ltda.	91.5%	91.5%
Cosan Açúcar e Álcool S.A. (1)	99.6%	99.6%
Águas da Ponte Alta S.A.	99.6%	99.6%
Vale da Ponte Alta S.A.	99.6%	99.6%
Agrícola Ponte Alta S.A.	99.6%	99.6%
Cosan Centroeste S.A. Açúcar e Álcool	99.6%	99.6%
Barra Bioenergia S.A.	99.6%	99.6%
DaBarra Alimentos Ltda.	99.6%	99.6%
Bonfim Nova Tamoio – BNT Agrícola Ltda.	99.6%	99.6%
Benálcool Açúcar e Álcool S.A.	99.6%	99.6%
Barrapar Participações Ltda.	99.6%	99.6%
Aliança Indústria e Comercio de açúcar e Álcool S.A.	99.6%	99.6%
Cosan Distribuidora de Combustíveis Ltda.	99.9%	99.9%
Cosan S.A. Bioenergia	100.0%	100.0%
Cosan International Universal Corporation	100.0%	100.0%
Cosan Finance Limited	100.0%	100.0%
Graçucar S.A. Refinadora de Açúcar	100.0%	100.0%
Cosan Combustíveis e Lubrificantes S.A.	100.0%	100.0%
Copsapar Participações S.A.	90.0%	90.0%
Novo Rumo Logística S.A.	92.9%	92.9%
Rumo Logística S.A.	92.9%	92.9%
Cosan Operadora Portuária S.A.	92.9%	92.9%
Teaçu Armazéns Gerais S.A.	92.9%	92.9%
Nova América S.A. – Trading (2)	-	100.0%
Teas Terminal Exportador de Álcool de Santos S.A. (3)	66.7%	40.0%
Cosan Alimentos S.A. (previously known as Nova América S.A. – Agroenergia)	100.0%	100.0%

(1) Previously known as Usina da Barra S.A. Açúcar e Álcool;
(2) Merged into Cosan Alimentos S.A.; and
(3) Interest increase through controlling shareholding acquisition (Note 8).

4. Cash and cash equivalents

	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
Cash	146	144	246	243
“Overnight” investments	-	-	16,158	30,625
Bank checking accounts	12,934	16,183	57,885	64,345
Amounts pending foreign exchange closing	279,025	1,582	283,871	24,659
Marketable securities	218,740	159,690	505,917	828,775
	<u>510,845</u>	<u>177,599</u>	<u>864,077</u>	<u>948,647</u>

The balance of Overnight investments refers to financial investments in US dollars made with highly-rated banks, are remunerated according to the Federal Funds rate and may be promptly redeemed.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

4. Cash and cash equivalents (Continued)

Amounts pending foreign exchange closing refer to receipts of funds in foreign currency from customers located abroad, whose foreign exchange closing with the applicable financial institutions had not occurred as of the balance sheet date. Moreover, on December 31, 2009, said balance included funds from advanced payments and capital increase of the parent company Cosan Limited.

The balances of Marketable Securities mainly correspond to investments in Bank Deposit Certificates – CDB, allowing immediate redemption, at highly-rated banks and accrue in average 100.0% of the Interbank Deposit Certificate - CDI.

5. Trade accounts receivable

	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
Domestic	24,839	26,924	528,322	577,109
International	13,895	52,913	39,381	72,432
(-) Allowance for doubtful accounts	(808)	(842)	(56,603)	(59,873)
	37,926	78,995	511,100	589,668

6. Inventories

	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
Finished goods:				
Sugar	242,735	162,676	617,825	479,833
Ethanol	167,628	114,227	568,024	315,383
Fuels and lubricants	-	-	292,216	243,985
Harvest costs	120,334	119,052	313,153	322,022
Supplies and other	58,325	64,623	173,470	191,180
Provision for inventory realization and obsolescence	(6,322)	(6,861)	(27,897)	(20,881)
	582,700	453,717	1,936,791	1,531,522

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)

December 31, 2009

(In thousands of reais)

7. Related parties

	Assets			
	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
Cosan Açúcar e Álcool S.A.	39,127	219,915	-	-
Cosan Alimentos S.A.	503,144	400,916	-	-
Rezende Barbosa S.A. Administração e Participações	-	-	157,223	159,175
Vertical UK LLP	3,717	9,801	3,747	12,974
Other	4,253	6,546	13,535	1,285
	550,241	637,178	174,505	173,434
Current	(550,241)	(637,178)	(24,639)	(21,613)
Noncurrent	-	-	149,866	151,821

	Liabilities			
	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
Cosan Finance Limited	695,605	697,829	-	-
CCL Finance Limited	316,048	315,191	-	-
Cosan Combustíveis e Lubrificantes S.A.	52,283	50,781	-	-
Nova América S.A. Agrícola	-	-	25,318	-
Logispot Armazéns Gerais S.A.	-	-	14,992	-
Other	79,549	26,882	10,146	3,838
	1,143,485	1,090,683	50,456	3,838
Current	(197,143)	(124,286)	(50,456)	(3,838)
Noncurrent	946,342	966,397	-	-

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)

December 31, 2009

(In thousands of reais)

7. Related parties (Continued)

	Parent Company			
	10/01/09 to 12/31/09	11/01/08 to 01/31/09	10/01/09 to 12/31/09	11/01/08 to 01/31/09
Transactions involving assets				
Remittance of financial resources. Net of receipts and credit assignments	15,543	25,630	692,831	593,846
Transfer of advances for future capital increase to investments	-	(1,396,202)	-	(1,396,202)
Sale of finished goods and services (1)	45,017	46,818	109,028	113,688
Purchase of finished goods and services (1)	(167,794)	(32,732)	(531,686)	(182,191)
Sale of finished goods and services to related parties	11,319	36,539	66,722	81,170
Sale of properties to related company	-	32,337	-	32,337
Financial income	8,978	200,764	17,027	248,849
	<u>(86,937)</u>	<u>(1,086,846)</u>	<u>353,922</u>	<u>(508,503)</u>
Transactions involving liabilities				
Proceeds received as financial resources, net of payments	54,169	(83,797)	124,008	(72,161)
Proceedings from export prepayments	-	-	321,755	-
Financial expenses (income)	(1,367)	98,481	(182,230)	300,782
	<u>52,802</u>	<u>14,684</u>	<u>263,533</u>	<u>228,621</u>
Consolidated				
	10/01/09 to 12/31/09	11/01/08 to 01/31/09	10/01/09 to 12/31/09	11/01/08 to 01/31/09
Transactions involving assets				
Remittance of financial resources. Net of receipts and credit assignments	(40,317)	(381,009)	(207,332)	(511,138)
Sale of finished goods and services (1)	362,652	87,237	939,500	338,144
Purchase of finished goods and services (1)	(362,652)	(87,237)	(939,500)	(338,144)
Sale of finished goods and services to related parties	41,388	69,815	185,923	212,071
Sale of properties to related company	-	32,337	-	32,337
Sale of interest to affiliated company	-	286,272	-	286,272
Addition by incorporation	-	-	138,682	-
	<u>1,071</u>	<u>7,415</u>	<u>117,273</u>	<u>19,542</u>
Transactions involving liabilities				
Payments of financial resources	47,985	(5,903)	52,116	(5,903)
Payment of Floating Rate Notes	-	413,158	(322,333)	413,158
Financial Income	(1,367)	552	(78,615)	552
	<u>46,618</u>	<u>407,807</u>	<u>(348,832)</u>	<u>407,807</u>

(1) It consists of operations carried out between Cosan's direct and indirect subsidiaries included in the consolidation.

The purchase and sale transactions are carried out at prices and under conditions similar to those existing in the market.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)

December 31, 2009

(In thousands of reais)

7. Related parties (Continued)

The amount receivable from Cosan Açúcar e Álcool S.A. ("Cosan Açúcar e Álcool" previously known as Usina da Barra S.A. Açúcar e Álcool) refers to funds remitted to indirect subsidiary Cosan Centroeste S.A. on behalf of Cosan Açúcar e Álcool, which are not subject to interest.

The amount receivable from Cosan Alimentos S.A. ("Cosan Alimentos", previously known as Nova América S.A. – Agroenergia) refers to an intercompany loan not subject to interest.

The receivable from Rezende Barbosa S.A. Administração e Participações is related to credits assumed by Rezende Barbosa, in connection with the acquisition of Cosan Alimentos and intercompany loans, which are subject to the US dollar exchange variation and annual average interest of 9.25%.

The amount receivable from the affiliate Vertical UK LLP, located in British Virgin Islands, refers to ethanol trading, with average maturity date of 30 days.

The balance payable to Cosan Finance Limited refers to future sugar export prepayment loan agreements to be settled in 2014, 2015 and 2016, which are subject to the US dollar exchange variation and Libor annual interest rate, plus spread from 4.75% to 4.85% per year.

The balance payable to CCL Finance Limited refers to prepayment contracts for future sugar exports to be settled in 2014, which is subject to US Dollar exchange variation and annual interest of 9.5%.

The balance payable to Cosan CL consists mainly to fund remitted to Cosan, with no interest thereon.

The amount payable to Nova América S.A. relates to sugarcane raw material purchased by Cosan Alimentos, whose payment is scheduled for the beginning of the next crop.

The balance payable to Logisport Armazéns Gerais S.A. ("Logisport") refers to the outstanding payment of interest acquired, the details of which are described in Note 8.

At December 31, 2009, the Company and its subsidiary Cosan Açúcar e Álcool were lessees of approximately 54,000 hectares of related companies land ((information not reviewed) under the same control as Cosan and its affiliate Radar Propriedades Agrícolas S.A., which is controlled by another shareholder. These operations are carried out under conditions and prices similar to those prevailing in the market, calculated based on sugarcane tons per hectare, valued in accordance with the price established by CONSECANA.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

8. Investments

	Parent Company									
	Investee					Investor				
	Shareholders' equity	Profit (loss) of the period		Interest %		Investments		Earnings (losses) on equity investments		
		12/31/09	04/01/09 to 12/31/09	12/31/09	09/30/09	12/31/09	09/30/09	10/01/09 to 12/31/09	11/01/08 to 01/31/09	04/01/09 to 12/31/09
Administração de Participações Aguassanta Ltda.	135,934	8,341	91.5	91.5	124,911	119,405	5,506	(4,805)	9,312	(16,140)
Cosan Açúcar e Alcool S.A.	2,775,396	163,786	95.1	95.1	2,650,059	2,533,796	116,263	(46,929)	197,216	(157,662)
Copsapar Participações S.A.	189,589	(8,331)	90.0	90.0	170,629	169,226	1,403	4,265	(7,499)	4,265
Novo Rumo Logística S.A.	265,368	(23,487)	28.8	28.8	76,479	75,848	631	-	1,599	-
TEAS - Terminal Exportador de Alcool de Santos S.A. (2)	47,674	1,246	66.7	40.0	39,123	18,975	146	152	507	549
Cosan S.A. Bioenergia	132,754	(3,534)	100.0	100.0	132,754	140,093	(7,339)	(3,277)	(3,534)	(3,998)
Radar Propriedades Agrícolas S.A.	812,110	13,009	18.9	18.9	153,642	151,137	(441)	1,080	623	(407)
Cosan International Universal Corporation	1,030	(9,033)	100.0	100.0	1,030	8,992	(7,817)	205	(9,033)	4,791
Cosan Finance Limited	23,247	1,738	100.0	100.0	23,247	23,211	517	2,675	1,738	9,477
Cosanpar Participações S.A. (1)	-	-	-	-	-	-	-	(22,596)	72,212	(22,596)
Cosan Combustíveis e Lubrificantes S.A.	1,874,569	188,481	100.0	100.0	1,874,543	1,844,021	30,522	-	116,210	-
Cosan Alimentos S.A.	289,849	-	100.0	100.0	289,849	268,587	21,262	-	45,799	-
Other investments	-	-	-	-	22,126	24,637	(9,034)	11,918	(13,988)	14,863
					5,558,392	5,377,928	151,619	(57,312)	411,162	(166,858)

(1) Company merged into Cosan CL; and

(2) The investment balance on December 31, 2009 includes goodwill from the acquisition of shares amounting to R\$7,340.

	Parent Company	Consolidated
Opening balances	5,377,928	196,497
Earnings (losses) on equity investments	151,619	(9,360)
Acquisition of investments	22,131	25,999
Goodwill on share acquisition	7,340	-
Currency translation adjustment	(626)	-
Write-off due to consolidation	-	(19,090)
Closing balances	5,558,392	194,046

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

8. Investments (Continued)

Business combination with Grupo Rezende Barbosa

a. Rumo Logística S.A.

According to the shareholders' agreement executed on April 9, 2008, the port concessions and assets for sugar export owned by the Company and by Rezende Barbosa S.A. Administração e Participações ("Rezende Barbosa") were concentrated on Novo Rumo Logística S.A. ("Novo Rumo"), which is indirectly controlled by the Company.

On April 10, 2009 the Company and Rezende Barbosa, parent company of Grupo Nova América integrated the port terminals of Cosan and Teaçu Armazéns Gerais S.A. ("Teaçu"), a subsidiary of Rezende Barbosa. As a consequence of this operation, which involved the payment of R\$121,331 and the issuance of shares of Novo Rumo, the Company acquired 100% of Teaçu, becoming the indirect holder of a 64.06% interest of Rumo, and 28.82% remained held by Rezende Barbosa. This operation resulted in a R\$66,968 goodwill classified as Intangible assets.

In addition, the capital reorganization resulted in a total net capital loss of R\$31,190, recorded in results for the period as Other operating income (expenses), net.

b. Curupay Participações S.A.

At a Special General Meeting held on June 18, 2009 the Company's shareholders approved the acquisition of Curupay S.A. Participações ("Curupay"), then a subsidiary of Rezende Barbosa, through the issuance of 44,300,389 common shares for R\$334,172.

Beginning that date, the Company incorporated in its net asset the Curupay's investments, comprising (i) 28.82% interest in Novo Rumo, (ii) 100% direct interest in Nova América S.A. Trading, and (iii) 100% direct and indirect interest in Cosan Alimentos (previously known as Nova América S.A. – Agroenergia) and subsidiaries. As a consequence of this transaction, the Company increased to 92.88% its direct and indirect interest in Novo Rumo, generating R\$3,052 of capital gain, recorded in the results for the period as Other operating income (expenses), net.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

8. Investments (Continued)

At the end of that operation, the Company recorded R\$18,194 goodwill, arising from the equity variation between the date of net assets calculation at book value and the date of approval of Curupay's merger by the Company shareholders on June 18, 2009.

For purposes of consolidation of Cosan Alimentos and Nova América S.A. Trading, the opening balance taken into consideration was that of net assets adjusted to the Company's accounting practices on June 1, 2009.

On November 18, 2009, Nova América S.A. Trading was merged into Cosan Alimentos.

Sale of equity interest to Shell do Brasil Ltda. ("Shell")

On June 17, 2009, Cosanpar sold to Shell its equity interest in Jacta Participações S.A. ("Jacta"), which concentrated the aviation fuel business, for R\$115,601. As a result of this operation, Cosanpar fully wrote off the cost of R\$22,504 and related goodwill of R\$85,589, generating a R\$7,508 net gain on this transaction, recorded in the results for the period as Other operating income (expenses), net and Realization of goodwill through sale, respectively.

Acquisition of interest

a. TEAS Santos Ethanol Exporting Terminal ("TEAS")

On November 24, 2009, the Company acquired 10,527,295 common shares issued by TEAS for R\$20,002, increasing its interest by 26.67%, to 66.67% of the voting capital of TEAS. As a result, the company recorded goodwill of R\$7,340, to be economically justified through a report issued by a specialized company.

For purposes of consolidation of TEAS, the opening balance was considered to be the shareholders' equity adjusted to the Company's accounting practices on December 1, 2009.

b. Logisport Armazéns Gerais S.A. ("Logisport")

On November 12, 2009, Cosan, through its subsidiary Rumo Logística S.A., acquired 166,590 common shares issued by Logisport, the equivalent to 14.28% of Logisport's capital, for R\$19,992, R\$5,000 of which was paid in cash and the outstanding balance to be paid in 12 monthly, consecutive and equal installments.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)

December 31, 2009

(In thousands of reais)

9. Property, plant and equipment

	Average annual depreciation rates (%)	Parent Company			
		12/31/09		09/30/09	
		Cost	Accumulated depreciation/ amortization	Net	Net
Land and rural properties	-	59,591	-	59,591	59,591
Machinery, equipment and installations	12	499,591	(292,516)	207,075	205,832
Aircraft	10	13,395	(12,562)	833	1,206
Vehicles	22	64,152	(38,544)	25,608	27,280
Furniture, fixtures and computer equipment	18	73,834	(35,852)	37,982	38,855
Buildings and improvements	4	172,540	(32,732)	139,808	137,384
Construction in progress	-	56,135	-	56,135	48,137
Sugarcane planting costs	20	437,332	(222,407)	214,925	219,851
Parts and components to be periodically replaced	100	15,763	-	15,763	23,289
		1,392,333	(634,613)	757,720	761,425

	Average annual depreciation rates (%)	Consolidated			
		12/31/09		09/30/09	
		Cost	Accumulated depreciation/ amortization	Net	Net
Land and rural properties	-	207,596	-	207,596	206,802
Machinery, equipment and installations	11	2,918,049	(1,495,201)	1,422,848	1,249,821
Aircraft	10	18,822	(12,657)	6,165	1,905
Vehicles	19	232,650	(140,763)	91,887	85,115
Furniture, fixtures and computer equipment	18	179,227	(114,845)	64,382	66,110
Buildings and improvements	4	1,034,862	(310,234)	724,628	710,360
Construction in progress	-	1,525,414	-	1,525,414	1,402,247
Sugarcane planting costs	20	1,352,829	(672,962)	679,867	704,337
Parts and components to be periodically replaced	100	75,262	(34,549)	40,713	69,364
Advances for fixed asset purchases	-	91,558	-	91,558	158,147
Others	10	27,552	(11,076)	16,476	17,165
		7,663,821	(2,792,287)	4,871,534	4,671,373

The consolidated balance of construction in progress and advances for fixed asset purchases corresponds, substantially, to investments in co-generation capacity, upgrading, expansion e preparation of industrial plants, expanding warehousing capacity, and advances for machinery and equipment purchases by electric power co-generation plants.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)

December 31, 2009

(In thousands of reais)

10. Intangible assets

Refers mainly to goodwill paid for expected future profitability, amortized on a straight-line basis over 5 to 10 years until March 31, 2009, as set forth in CPC Technical Pronouncement No. 13, approved by CVM Resolution N° 565, of December 17, 2008. At December 31, 2009 and September 30, 2009, the balances are as follows:

	Parent Company			
	12/31/09			09/30/09
	Cost	Accumulated amortization	Net	Net
Goodwill on the acquisition of JVM Participações S.A.	63,720	(53,100)	10,620	10,620
Goodwill on the acquisition of Grupo Mundial	127,953	(40,518)	87,435	87,435
Goodwill on the payment of capital of Mundial	21,142	(6,342)	14,800	14,800
Goodwill on the acquisition of Corona (ABC 125 and ABC 126)	267,824	(84,811)	183,013	183,013
Goodwill on the acquisition of Usina Açucareira Bom Retiro S.A.	115,165	(33,590)	81,575	81,575
Goodwill on the incorporation of Curupay (Cosan Alimentos)	18,194	-	18,194	18,194
	613,998	(218,361)	395,637	395,637
	Consolidated			
	12/31/09			09/30/09
	Cost	Accumulated amortization	Net	Net
Goodwill on the acquisition of JVM Participações S.A.	63,720	(53,100)	10,620	10,620
Goodwill on the acquisition of Cosan Açúcar e Alcool	35,242	(34,684)	558	558
Goodwill on the constitution of FBA	22,992	(18,585)	4,407	4,407
Goodwill on the acquisition of Univalerm S.A. Açúcar e Alcool	24,118	(19,100)	5,018	5,018
Goodwill on the acquisition of Grupo Destivale	69,918	(27,424)	42,494	42,494
Goodwill on the acquisition of Grupo Mundial	127,953	(40,518)	87,435	87,435
Goodwill on the payment of capital of Mundial	21,142	(6,342)	14,800	14,800
Goodwill on the acquisition of Corona	818,831	(255,815)	563,016	563,016
Goodwill on the acquisition of Usina Açucareira Bom Retiro S.A.	115,165	(33,590)	81,575	81,575
Goodwill on the acquisition of Usina Santa Luiza	47,053	(4,705)	42,348	42,348
Goodwill on the acquisition of Benálcool	167,300	(18,053)	149,247	149,247
Goodwill on the acquisition of Aliança	1,860	-	1,860	1,860
Goodwill on the acquisition of Cosan CL (1)	1,497,971	(134,395)	1,363,576	1,342,914
Goodwill on the acquisition of Teaçu (2)	66,968	-	66,968	66,968
Goodwill on the incorporation of Curupay (Cosan Alimentos) (3)	18,194	-	18,194	18,194
Goodwill on the acquisition of Açúcar União trade mark (4)	74,832	(57,371)	17,461	17,461
Goodwill on the acquisition of Destilaria Paraguaçu (4)	166,656	-	166,656	166,656
Goodwill on the subscription of shares of Nova América (4)	121,893	-	121,893	121,893
Goodwill on the subscription of shares of TEAS (5)	7,340	-	7,340	-
	3,469,148	(703,682)	2,765,466	2,737,464

- (1) As mentioned in Note 8, on June 17, 2009 Cosanpar sold to Shell its equity interest in Jacta, fully realizing the R\$85,589 goodwill on that investment.
- (2) Goodwill generated in the ports integration of groups Cosan and Rezende Barbosa, described in note 8.
- (3) As mentioned in Note 8, in the business combination between groups Cosan and Rezende Barbosa, through the incorporation of Curupay, the Company recorded a R\$18,194 goodwill.
- (4) As mentioned in Note 8, goodwill incorporated on business combination.
- (5) Goodwill from interest increase, as per Note 8.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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11. Taxes and social contributions payable

	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
ICMS – State VAT	3	15,875	21,755	63,920
IPI	252	486	25,371	29,339
INSS – Social Security	4,870	5,969	16,129	19,950
PIS – Social Integration Program	390	364	4,544	4,229
COFINS – Social Security Financing	1,795	1,675	20,828	20,667
Installment payments – Law 11,941/09 and MP 470	67,797	10,675	314,673	25,803
Tax Recovery Program – REFIS	-	-	-	222,462
Special Tax Payment Program – PAES	-	50,427	436	82,028
Income and social contribution taxes payable	1,974	1,965	29,218	34,627
Other	7,453	5,874	23,740	16,750
	84,534	93,310	456,694	519,775
Current liabilities	(24,393)	(44,832)	(200,979)	(230,925)
Noncurrent liabilities	60,141	48,478	255,715	288,850

Noncurrent amounts will become due as follows:

	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
13 to 24 months	8,865	15,004	36,527	56,958
25 to 36 months	7,138	14,232	34,745	55,865
37 to 48 months	4,409	10,422	31,182	49,356
49 to 60 months	4,213	4,188	30,734	36,851
61 to 72 months	4,187	1,026	26,325	33,109
73 to 84 months	4,187	1,026	20,139	31,791
85 to 96 months	3,811	1,026	15,690	16,163
Thereafter	23,331	1,554	60,373	8,757
	60,141	48,478	255,715	288,850

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Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
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11. Taxes and social contributions payable (Continued)

Tax debt installments – Law 11,941/09 and MP 470/09

On September 30, 2009, the Company and its indirect controlled subsidiary Bomfim Nova Tamoio – BNT Agrícola Ltda. opted by the installment program provided by Law 11,941/09, related to: (i) remaining balance of its regular installment payments; and, (ii) remaining installments balance previously included in the REFIS program, respectively.

During the quarter ended December 31, 2009, the Company and its subsidiaries Cosan Açúcar e Álcool S.A., Benálcool Açúcar e Álcool S.A. and Administração de Participações Aguassanta Ltda. opted for the payment in installments as per Law 11,941/09 and Provisional Measure 470/09.

The effects of that installment option are as follows:

	12/31/09	
	Parent Company	Consolidated
Taxes and social contributions payable	153,394	572,944
Tax claims with risk deemed as probable	165,897	390,260
Liabilities with third-parties	-	(24,047)
Legal deductions	(85,754)	(201,319)
	<u>233,537</u>	<u>737,838</u>
Reversal of original provisions (*)	(79,433)	(211,649)
Deferred income and social contribution taxes	(85,554)	(203,904)
Payments after adhesion to installment program	(1,550)	(11,187)
Interest	797	3,575
	<u>67,797</u>	<u>314,673</u>

(*) Recorded to the period's income as Other operating revenues (expenses), net (Note 18).

The company is currently assessing the inclusion of other debts in the installment program provided by Law No 11,941/09.

The Company and its subsidiaries must comply with several conditions to continue benefiting from the installment payment programs, particularly with the regular payment of the installments as required by law.

General considerations

Under the self-assessment tax system adopted in Brazil, income tax returns filed may be audited by tax authorities for a period of five years from their filing.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

12. Income and social contribution taxes

a) Reconciliation of income and social contribution tax expenses:

	Parent Company			
	10/01/09 to 12/31/09	11/01/08 to 01/31/09	04/01/09 to 12/31/09	05/01/08 to 01/31/09
Income (loss) before income and social contribution taxes	174,806	66,621	823,792	(543,134)
Income and Social Contribution taxes at nominal rate (34%)	(59,434)	(22,651)	(280,089)	184,666
Adjustments to calculate effective rate:				
Earnings (losses) on equity investments	51,550	(19,486)	139,795	(56,732)
Non-deductible goodwill amortization	-	(569)	-	(1,707)
Non-deductible donations and contributions	(801)	(149)	(1,676)	(1,744)
Recognized granted shares	26	-	(2,879)	-
Tax effect of the adhesion to the installment program of Law No 11,941/2009 and MP 470	(836)	-	(836)	-
Taxable income assessed in subsidiaries abroad	-	(11,545)	-	(11,545)
Revaluation reserve realization	-	(7,429)	-	(7,429)
Inventory loss and differences	(49)	(15)	(329)	409
Other	1,867	431	(13)	3,610
Total current and deferred taxes	<u>(7,677)</u>	<u>(61,413)</u>	<u>(146,027)</u>	<u>109,528</u>
Effective rate	4.39%	92.19%	17.73%	-

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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12. Income and social contribution taxes (Continued)

a) Reconciliation of income and social contribution tax expenses: (Continued)

	Consolidated			
	10/01/09 to 12/31/09	11/01/08 to 01/31/09	04/01/09 to 12/31/09	05/01/08 to 01/31/09
Income (loss) before income and social contribution taxes	253,044	58,450	1,016,411	(609,565)
Income and Social Contribution taxes at nominal rate (34%)	(86,035)	(19,873)	(345,580)	207,252
Adjustments to calculate effective rate:				
Earnings (losses) on equity investments	(3,182)	4,607	(4,381)	4,576
Non-deductible goodwill amortization	-	(1,415)	-	(4,245)
Non-deductible donations and contributions	(1,402)	(293)	(2,711)	(2,576)
Recognized granted shares	26	-	(2,879)	-
Tax effect in the adhesion to the installment program of Law No 11.941/2009 and MP470	493	-	493	-
Taxable income assessed in subsidiaries abroad	-	(11,545)	-	(11,545)
Revaluation reserve realization	-	(27,203)	-	(27,203)
Inventory loss and differences	22	(12)	(1,311)	777
Other	4,821	2,449	9,396	7,994
Total current and deferred taxes	<u>(85,257)</u>	<u>(53,285)</u>	<u>(346,973)</u>	<u>175,030</u>
Effective rate	33.69%	91.16%	34.14%	-

b) Deferred income and social contribution tax assets:

	Parent Company				09/30/09 Total
	12/31/09			Total	
	Base	IRPJ 25%	CSSL 9%	Total	
Provision for judicial demands and other temporary differences (1)	256,560	64,140	23,090	87,230	119,075
Foreign exchange variation	(534,107)	(133,527)	(48,069)	(181,596)	(170,246)
Income tax losses	293,000	73,250	-	73,250	109,942
Social contribution tax losses	293,102	-	26,380	26,380	39,589
Deferred taxes - noncurrent assets		<u>3,863</u>	<u>1,401</u>	<u>5,264</u>	<u>98,360</u>

	Consolidated				09/30/09 Total
	12/31/09			Total	
	Base	IRPJ 25%	CSSL 9%	Total	
Provision for judicial demands and other temporary differences (1)	1,162,138	290,535	104,592	395,127	485,718
Foreign exchange variation	(630,751)	(157,688)	(56,768)	(214,456)	(204,815)
Income tax losses	534,045	133,511	-	133,511	233,508
Social contribution tax losses	546,521	-	49,187	49,187	85,184
Deferred taxes		<u>266,358</u>	<u>97,011</u>	<u>363,369</u>	<u>599,595</u>
Current assets				<u>(29,155)</u>	<u>(48,108)</u>
Noncurrent assets				<u>334,214</u>	<u>551,487</u>

(1) Presented net of deferred income and social contribution tax liabilities.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

12. Income and social contribution taxes (Continued)

b) Deferred income and social contribution tax assets: (Continued)

Deferred income and social contribution tax on accumulated loss must be realized within 10 years, according to the Company's and its subsidiaries' expected profitability shown in financial projections prepared by management, which were examined by the Company's supervisory board and submitted to the Board of Directors in the Annual General Shareholders Meeting for the year ended March 31, 2009.

Recovery of such tax credits is estimated to occur in the following years:

	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
2011	48	901	15,986	27,233
2012	566	10,580	36,341	59,868
2013	1,199	22,395	62,216	102,496
2014	1,674	31,281	83,546	137,635
From 2015 to 2017	1,441	26,929	91,964	151,502
From 2018 to 2019	336	6,274	44,161	72,753
	<u>5,264</u>	<u>98,360</u>	<u>334,214</u>	<u>551,487</u>

The tax credit recovery estimates were based on taxable profit projections, taking into consideration several financial and business assumptions on the balance sheet preparation date. During the quarter ended December 31, 2009, the estimated deadline for realization of deferred taxes did not change in relation to that disclosed in the financial statements at March 31, 2009.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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13. Loans and financing

Purpose	Index	Financial charge (1) Annual average interest rate	Parent Company		Consolidated		Final maturity	Collaterals (2)	
			12/31/09	09/30/09	12/31/09	09/30/09		12/31/09	09/30/09
Senior Notes Due 2009	Dollar (US)	9.0% interest	-	66,399	-	66,399	November/2009	-	-
Senior Notes Due 2014	Dollar (US)	9.5% interest	-	-	632,256	629,969	August/2014	-	-
Senior Notes Due 2017	Dollar (US)	7.0% interest	-	-	716,659	719,400	February/2017	-	-
Perpetual bonuses	Dollar (US)	8.3% interest	792,775	809,575	792,775	809,575	-	-	-
IFC	Dollar (US)	7.4% interest	90,937	82,957	90,937	82,957	January/2013	Chattel mortgage	Chattel mortgage
Pre-shipment export finance (ACC)	Dollar (US)	7.6% interest	200,972	53,492	223,187	90,982	March/2010	-	-
Commercial promissory notes	DI – Interbank Deposits	3.0% interest	-	1,233,706	-	1,233,706	November/2009	Chattel mortgage	Chattel mortgage
Resolution No. 2471	IGP-M Change in the price of corn	4.0% interest 12.5% interest	96,276 121	96,262 129	586,705 121	593,583 129	December/2020 October/2025	National Treasury Certificates and mortgage on land	National Treasury Certificates and mortgage on land
BNDES (3)	Long-term interest rate (TJLP)	2.6% interest rate	-	-	844,772	714,760	January/2022	Credit rights from energy sale agreements	Credit rights from energy sale agreements
Bank Credit Certificate	DI – Interbank deposits	3.9% interest	-	-	121,060	217,443	November/2009	-	-
(Subordinated) debentures	DI – Interbank deposits	3.3% interest	-	-	-	152,556	August/2010	-	-
Credit notes	DI – Interbank deposits Dollar (US)	2.4% interest 8.8% interest	304,213 176,024	-	334,477 176,024	134,151 88,776	September/2011 January/2010	-	-
Prepayments	DI – Interbank deposits Dollar (US) Dollar (US)	0.6% interest 2.6% interest 5.2% interest	- - 524,906	- - -	- - 960,027	3,041 92,043 -	December/2011 November/2010 September 2014	-	-
Others	Sundry	Sundry	21,817	22,770	320,448	267,773	Sundry	Mortgage, inventories and chattel mortgage of financed assets	Mortgage, inventories and chattel mortgage of financed assets
Expenses with placement of securities			(21,164)	(16,839)	(47,739)	(45,190)			
			2,186,877	2,348,451	5,751,709	5,852,053			
Current			(479,412)	(444,697)	(892,636)	(1,184,658)			
Non-current			1,707,465	1,903,754	4,859,073	4,667,395			

(1) Financial charges at December 31, 2009, except as otherwise stated;

(2) All loans and financing are backed by promissory notes and guarantees provided by the Company and its subsidiaries and by majority shareholders, plus the aforesaid security interest; and,

(3) It comprises funds raised by the subsidiary Cosan S.A. Bioenergia and indirect controlled subsidiary Cosan Centroeste S.A. Açúcar e Alcool earmarked for the financing of co-generation projects and Greenfields.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

13. Loans and financing (Continued)

Noncurrent loans, deducted the transaction costs amortization, have the following scheduled maturities:

	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
13 to 24 months	326,037	945,416	586,001	1,143,290
25 to 36 months	501,554	17,331	718,163	158,933
37 to 48 months	811	44,002	214,724	127,260
49 to 60 months	8	1,251	194,179	705,295
61 to 72 months	8	8	84,696	74,686
73 to 84 months	8	8	82,302	69,444
85 to 96 months	8	8	776,941	779,817
Thereafter	879,031	895,730	2,202,067	1,608,670
	<u>1,707,465</u>	<u>1,903,754</u>	<u>4,859,073</u>	<u>4,667,395</u>

Resolution No. 2,471

From 1998 to 2000, the Company and its subsidiaries renegotiated their debt related to agricultural funding with several financial institutions, thereby reducing their financial cost to annual interest rates below 10% and guaranteeing the amortization of the updated principal amount with the assignment and transfer of CTNs - Restricted Brazilian Treasury Bills redeemable on the debt maturity dates, using the tax incentive introduced by Resolution No. 2471, issued by the Central Bank of Brazil on February 26, 1998. On December 31, 2009, these certificates, classified as noncurrent assets, amounted to R\$29,553 (R\$28,755 at September 30, 2009), at the parent company and R\$194,590 (R\$189,342 at September 30, 2009) at consolidated. Payments pursuant to such certificates are remunerated based on the IGP-M variation plus annual interest of 12%. Upon payment of the debt, the redemption value should be similar to the amount of the renegotiated debt. Interest referring to these financings is paid annually and principal is to be entirely settled in 2020 at the Company, and in 2025 at consolidated.

Senior Notes due in 2017

On January 26, 2007, the wholly-owned subsidiary Cosan Finance Limited issued Senior Notes in the international capital markets under Rule 144A and Regulation S of the U.S. Securities Act of 1933, in the amount of US\$400 million. These Senior Notes bear interest at a rate of 7% per annum, payable semi-annually in February and August of each year.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

13. Loans and financing (Continued)

Senior Notes due in 2014

On August 4, 2009, the indirect subsidiary CCL Finance Limited issued US\$350 million of Senior Notes in the international capital markets according to Regulations S and 144A that bear interest at a rate of 9.5% per annum, payable semi-annually in February and August of each year, from February 2010.

Perpetual Bonds

On January, 24 and February 10, 2006, the Company issued perpetual bonds in the international market in accordance with Regulations S and Rule 144A, in the amount of US\$450 million for qualified institutional investors. Perpetual bonds are listed in the Luxemburg Stock Exchange - EURO MTF and bear interest of 8.25% per year, payable quarterly on the 15th of May, August, November and February of each year, beginning May 15, 2006. These bonds may, at the discretion of the Company, be redeemed as from February 15, 2011 on any interest payment date, for their face value. Perpetual bonds are secured by the Company and Cosan Açúcar e Álcool.

Commercial Promissory Notes

On November 17, 2008, the Company issued 44 nominal promissory notes of a single series at the price of R\$25,000 each, whose offering reached R\$1,100,000.

On November 12, 2009, the Company made the complete payment of this financing facility, totaling R\$1,249,745.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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(In thousands of reais)

13. Loans and financing (Continued)

Debentures (subordinated)

On August 13, 2008 the controlled Nova América S.A. – Agroenergia issued 1 simple debenture, subordinated, nominative, book entry and non-convertible into shares, with nominal value at the issuance date of R\$150,000, which was subscribed and fully-paid in August 21, 2008.

On October 29, 2009, Cosan Alimentos S.A. made the full advanced payment of the debentures, totaling R\$154,995.

Advanced payments

During the quarter ended December 31, 2009, the Company and its subsidiary Cosan Alimentos S.A. funded R\$924,327, the equivalent to US\$530 million as advances for future sugar exports to be settled in 2012 and 2014. Exchange rate variation and annual interests based on the Libor rate, plus 5.2% spread p.a. are levied over these advances.

Restrictive covenants in the loan and financing agreements

The Company and its subsidiaries are subject to certain restrictive covenants contained in loan and financing agreements, the most significant being: (i) limitation of transactions with shareholders and affiliates; (ii) limitation in payment of dividends and other payment restrictions which affect subsidiaries; and (iii) limitation of concession of warranty on assets.

All restrictive covenants have been fully met by the Company and its subsidiaries.

Expenses with issuance of Notes

Expenses incurred with the issuance of Senior (2014 and 2017) and Commercial Promissory are recorded net in the respective financings, in current and noncurrent liabilities, and amortized up to the respective maturity date of the notes. Specifically for Perpetual Bonds, amortization is calculated through their redemption date, namely February 15, 2011, at the Company's option.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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(In thousands of reais)

14. Provision for legal liabilities

	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
Tax	68,922	232,609	780,663	1,170,140
Civil and labor	20,789	20,441	156,989	154,337
	89,711	253,050	937,652	1,324,477
Judicial deposits	(13,280)	(13,272)	(182,002)	(181,100)
	76,431	239,778	755,650	1,143,377

The Company and its subsidiaries are party to various ongoing labor claims, civil and tax proceedings arising from the normal course of their business.

Respective provisions for judicial demands were recorded considering those cases in which the likelihood of loss has been rated as probable based on the opinion of legal advisors. Management believes resolution of these disputes will have no effect significantly different than the estimated amounts accrued.

The main tax judicial demands at December 31, 2009, which reflect the adherence to the installment program of Law No 11,941/09 and Provisional Measure 470/09, compared to September 30, 2009 are as follows:

Description	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
Premium credit – IPI	-	150,752	-	276,722
PIS and Cofins	6,924	17,704	138,274	147,905
IPI credits (NT)	-	-	5,062	95,031
Contribution to IAA	-	-	78,063	86,413
IPC-89	-	-	85,348	84,154
Finsocial	-	-	170,796	168,556
IPI – Federal VAT	8,653	9,711	95,331	61,201
ICMS credits	16,143	15,697	57,882	57,216
Income tax and social contribution	3,697	5,377	42,963	44,291
Others	33,505	33,368	106,944	148,651
	68,922	232,609	780,663	1,170,140

On May 27, 2009, the paragraph 1st and 3rd of Law No 9,718/98 that regulated the collection of PIS and Cofins (federal tax contributions) on exchange variation and other financial income was revoked by Law 11,941/09. The Company is in process of evaluation of its ongoing judicial demands related to the unpaid legal obligations related to the increase of calculation basis of PIS and Cofins. Once the absence of errors or flaws in the ongoing demands is confirmed, the Company will reassess the maintenance of the accounting records of the respective legal obligations in its financial statements.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

14. Provision for judicial demands (Continued)

As presented in Note 11, during the quarter ended December 31, 2009, the Company and its subsidiaries Cosan Açúcar e Álcool S.A., Benálcool Açúcar e Álcool S.A. and Administração de Participações Aguassanta Ltda. opted for the payment in installments as per Law 11,941/09 and Provisional Measure 470/09, related to ongoing legal demands involving undue use of IPI credit premium.

In addition, the Company and its subsidiaries utilize accumulated tax losses to pay these demands as well as the fines and interest thereof. Subsequently, the claims related to credit premium - IPI were fully paid for in installments, as well as installments of other federal taxes, which were recorded under taxes and contributions payable.

As regards tax, labor and civil claims whose likelihood of unfavorable outcome is rated as possible are as follows:

Description	Parent Company		Consolidated	
	12/31/09	09/30/09	12/31/09	09/30/09
ICMS – State VAT	28,804	26,986	235,587	182,610
IAA – Sugar and Ethanol Institute	-	-	74,115	73,887
Withholding income tax	165,464	164,267	165,509	164,313
IPI – Federal VAT	16,214	15,842	303,646	301,438
INSS	11	11	2,172	2,140
PIS/Cofins	11,539	11,385	57,686	36,691
Civil and labor	39,439	38,841	237,209	240,221
Others	30,115	38,571	85,334	141,601
	<u>291,586</u>	<u>295,903</u>	<u>1,161,258</u>	<u>1,142,901</u>

Contingent credits

i) Accounts receivable from Federal Government

On February 28, 2007, subsidiary Cosan Açúcar e Álcool recognized gain of R\$318,358, corresponding to a lawsuit filed against federal government claiming indemnification for damages since prices of its products, at the time the sector was subject to government control, were imposed not observing the prevailing reality of the sector created by government control itself. A final decision in favor of the subsidiary was handed down. The referred to gain was recorded in the statement of income for the year, the contra entry being to noncurrent assets of the Company, in receivables from lawsuit for damages.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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14. Provision for judicial demands (Continued)

Contingent credits (Continued)

i) Accounts receivable from Federal Government (Continued)

The Company is awaiting the final decision on the form of payment, which will probably be through government securities issued in connection with court ordered debts, to be received in 10 years, after a final decision is handed down.

In 2008, there was review of the criteria for determining monetary restatement in the Federal Court Calculations Manual, which did not consider interest restatement as from January 2003. In view of this, subsidiary reversed at March 31, 2009, the amount of R\$18,768 from its noncurrent assets, debited to the statement of income for the year, in financial income (expense), net account. Consequently, lawyers' fees calculated in proportion to the assets, recorded in noncurrent liabilities, in other liabilities account, were reduced by R\$2,253, credited to the same account in the statement of operations.

At December 31, 2009, these amounts totaled R\$331,426 and R\$39,771 (R\$329,049 and R\$39,486 at September 30, 2009), corresponding to the referred to case and lawyers' fees, respectively.

The subsidiary Cosan Açúcar e Álcool has other claims for damages of this nature filed against the Federal Government, which are not recognized in accounting due to the procedural progress of such suits.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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15. Shareholders' equity

a) Capital

On October 5, 2009, the Board of Directors approved a capital increase of R\$1,036 upon issue of 169,500 new book-entry, registered common shares with no par value, in connection with the "Company's Stock Option Plan" and with the exercise of such options by the eligible executives, at the issue price of R\$6.11 per share, set on the terms of the stock option plan. After the share issue, the Company's capital amounted to R\$4,156,352 and is comprised of 372,979,642 book-entry, registered common shares with no par value.

On October 29, 2009, the Board of Directors approved a capital increase of R\$380,063 upon issue of 23,753,953 new book-entry, registered common shares with no par value, at the issue price of R\$16.00, due to exercise of 39,589,922 subscription warrants by Cosan Limited, under the Board of Directors deliberation terms at the September 19, 2008 meeting (note 15.d). After the share issue, the Company's capital amounted to R\$4,536,415, within the limit of authorized capital, as described on article 6 of the Company's bylaws, represented by 396,733,595 book-entry, registered common shares with no par value.

On December 15, 2009, the Board of Directors approved a capital increase of R\$4,834 upon issue of 655,194 new shares, due to: (i) exercise of 140,000 subscription warrants, totaling 84,000 new shares; and (ii) 571,194 new shares, for purposes of meeting the needs of the share-based plan, due to exercise of such options by qualifying executives. With the issuance of new shares, the Company's capital corresponds to R\$4,541,249 represented by 397,388,789 registered common shares, nominated and with no par value.

The Board of Directors' Meeting held on December 22, 2009 approved the capital increase in the amount of R\$129,168, upon issue of 8,072,976 new Company shares, at the issue price of R\$16.00, in view of the exercise of 13,454,960 subscription bonus. Of this total, the parent company Cosan Limited exercised the right to 5,403,560 subscription warrants, the equivalent to 3,242,136 new shares. In view of the capital increase approved at the meeting, the Company's capital stock increased to R\$4,670,417, divided into 405,461,765 book-entry, registered common shares with no par value.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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(In thousands of reais)

15. Shareholders' equity (Continued)

a) Capital (Continued)

In addition, the Board of Directors' Meeting held on December 31, 2009 approved a new capital increase of R\$17,305, upon issue of 1,081,552 new shares, in view of the exercise of 1,802,588 subscription warrants, thus increasing the Company's capital to R\$4,687,722, within the limit of authorized capital, divided into 406,543,317 book-entry, registered common shares with no par value.

As of December 31, 2009, the Company's capital is represented by 406,543,317 book-entry, registered common shares (372,810,142 at September 30, 2009) with no par value.

b) Treasury shares

On December 31, 2009 and September 30, 2009, the Company held in treasury 343,139 book entry common registered shares with no par value, whose market value per share, as of that date, amounted to R\$25.60 and R\$19.56, respectively.

c) Recorded granted shares

These consist of the expenses of the share-based plan (Note 22), in compliance with Brazilian CPC Technical Pronouncement N° 10 – Share-based payment, approved by Brazilian SEC (CVM) Resolution N° 562/08.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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15. Shareholders' equity (Continued)

d) Share subscription warrants

According to the meeting of the Board of Directors held on September 19, 2008, 1 (one) share purchase warrant issued by the Company was assigned as an additional advantage to the subscribers for a new share, which shall entitle the holder to subscribe for Cosan's shares through certain conditions. A total of 55,000,000 stock purchase single series warrants without par value were issued. The holder was entitled to subscribe for 0.6 (zero point six) of a common share, the delivery of fractional shares being voided. The stock purchase warrant was valid from its issuance until December 31, 2009, and may be exercised at the holder's discretion, except for the days a Company's General Meeting is held, who shall express its intention through a request for exercise to be delivered in writing to Cosan. The price of exercise of each quantity of stock purchase warrants totaling 1 (one) share was R\$16.00.

At December 31, 2009, 49,987,552 warrants had been exercised, the remaining 12,448 warrants expired.

16. Management compensation

Management compensation is made solely through the payment of management fees, which are separately disclosed in the statements of operations.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)

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18. Other net operating income (expenses)

	Parent Company			
	10/01/09 to 12/31/09	11/01/08 to 01/31/09	04/01/09 to 12/31/09	05/01/08 to 01/31/09
Reversal (Set-up) of provision for legal claims	(214)	(6,926)	1,283	(12,410)
Gain on sale of investment interest	-	-	3,052	-
Reversal (Set-up) of provision for devaluation of permanent equity interest	-	-	-	3,342
Gain from Law No 11.941/09 and MP 470/09	79,433	-	79,433	-
Scrap sales revenue	267	319	1,072	1,538
Rent and lease income	654	692	2,113	2,049
Others expenses, net	(777)	(9,864)	(806)	(8,580)
	79,363	(15,779)	86,147	(14,061)
	Consolidated			
	10/01/09 to 12/31/09	11/01/08 to 01/31/09	04/01/09 to 12/31/09	05/01/08 to 01/31/09
Reversal (Set-up) of provision for legal claims	(4,137)	(6,268)	(7,519)	(32,127)
Gain on sale of investment interest	-	113,036	93,097	113,036
Gain on sale of properties	-	18,399	-	18,399
Loss on business combination, net	-	-	(28,138)	-
Rent and lease income	1,754	1,929	5,610	5,528
Gain from Law No 11.941/09 and MP 470/09	211,649	-	211,649	-
Reversal (Set-up) of provision for devaluation of permanent equity interest	-	-	-	3,342
Scrap sales revenue	796	631	3,455	5,403
Others expenses, net	6,950	(7,501)	13,862	2,546
	217,012	120,226	292,016	116,127

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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(In thousands of reais)

19. Financial instruments

a) Risk management

The Company and its subsidiaries are exposed to market risks, especially: (i) volatility in the price of sugar, and; (ii) volatility in foreign exchange rates. In order to manage these risks, the Company adopts policies and procedures approved by Management through its Risk Committee. These documents establish limits, continuous monitoring of exposures, counterparties and financial instruments approved for trading. Financial instruments and risks are managed through the definition of strategies, establishment of control systems and determination of foreign exchange, interest rate and price exposure limits.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

19. Financial instruments (Continued)

a) Risk management (Continued)

As of December 31, 2009 and September 30, 2009, the fair values of transactions involving derivative financial instruments are as follows:

	Parent Company				Consolidated			
	Notional value		Fair value		Notional value		Fair value	
	12/31/09	09/30/09	12/31/09	09/30/09	12/31/09	09/30/09	12/31/09	09/30/09
Price risk								
Commodity derivatives								
Futures contracts								
Sale commitments (Sugar price hedge)	653,998	562,916	(74,781)	(53,519)	653,998	562,916	(74,781)	(53,519)
Sugar purchase commitments (Increase in average price)	115,291	67,912	3,377	4,319	115,291	67,912	3,377	4,319
Heating oil purchase commitments (Increase in average price)	76,076	50,813	3,879	1,288	76,076	50,813	3,879	1,288
Options								
Call (Increase in average price)	724,533	537,390	(157,874)	(146,090)	724,533	537,390	(157,874)	(146,090)
Put (Sugar price hedge)	324,907	331,792	9,261	16,627	324,907	331,792	9,261	16,627
Swap contracts								
Sugar Swap (Ethanol price hedge)	98,542	100,630	6,320	8,219	98,542	100,630	6,320	8,219
			(209,818)	(169,156)			(209,818)	(169,156)
Foreign exchange risk								
Foreign exchange derivatives								
Futures contracts								
Sale commitments (Cash flow hedge)	519,635	1,588,234	(229)	19,338	519,635	1,588,234	(229)	19,338
Purchase commitments (Increase in cash flow)		741,591		(8,982)		741,591		(8,982)
Forward contracts								
Sale commitments (Cash flow hedge)	576,420	1,027,349	30,815	31,765	576,420	1,027,349	30,815	31,765
Options								
Put (Cash flow hedge)	974,502	468,000	17,400	15,871	974,502	468,000	17,400	15,871
Swap contracts								
Currency translation risk transference (Cash flow hedge)	322,023	322,023	9,311	(2,079)	322,023	322,023		
Senior Notes 2009 (Cash flow hedge)		570,700		(4,472)		570,700		(4,472)
Export credit note (Cash flow hedge)						17,802		(2,354)
			57,297	51,441			47,986	51,166
Interest rate risk								
Interest rate derivative								
Libor swap contracts								
Interest rate hedge (assets: floating /liabilities: fixed)	172,930		962		172,930		962	
(Cash flow hedge)			962				962	
			(151,559)	(117,715)			(160,870)	(117,990)
Total assets			81,325	97,427			72,014	97,427
Total liabilities			(232,884)	(215,142)			(232,884)	(215,417)

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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19. Financial instruments (continued)

a) Risk management (Continued)

Counterparties – The Company operates commodity derivatives in futures and options markets on the New York Board of Trade (NYBOT) and the London International Financial Futures and Options Exchange (LIFFE). The Company operates foreign exchange derivatives on BM&FBovespa and OTC contracts registered with CETIP with banks Unibanco - União de Bancos Brasileiros S.A, Banco Bradesco S.A., Banco UBS Pactual S.A., Banco Barclays S.A. and Banco Morgan Stanley Witter S.A.

Guarantee margins – The Company's derivative operations on commodity exchanges (*NYBOT, LIFFE and BM&FBovespa*) require an initial guarantee margin. The brokers with whom the Company operates on these commodity exchanges offer credit limits for these margins. At December 31, 2009, the credit limit for the initial margin totals R\$99,107 (R\$102,164 at September 30, 2009). For operations with BM&FBovespa, at December 31, 2009, the Company had R\$90,041 (R\$169,005 at September 30, 2009) in Bank Deposit Certificates (CDB) offered in guarantee. The Company's OTC derivative operations do not require guarantee margins.

The results of operations involving derivative financial instruments settled during the period and included in the statement of income for the quarter and nine-month periods ended December 31, 2009 and January 31, 2009 were as follows:

	Parent Company			
	<u>10/01/09 to 12/31/09</u>	<u>11/01/08 to 01/31/09</u>	<u>04/01/09 to 12/31/09</u>	<u>05/01/08 to 01/31/09</u>
Commodity derivatives	(36,669)	25,872	364,835	52,967
Foreign exchange derivatives	22,615	101,228	(334,484)	124,058
	(14,054)	127,100	30,351	177,025
Financial income (Note 17)	-	254,164	-	407,191
Financial expenses (Note 17)	(14,054)	(127,064)	30,351	(230,166)
	Consolidated			
	<u>10/01/09 to 12/31/09</u>	<u>11/01/08 to 01/31/09</u>	<u>04/01/09 to 12/31/09</u>	<u>05/01/08 to 01/31/09</u>
Commodity derivatives	(33,919)	26,240	(404,012)	51,600
Foreign exchange derivatives	51,945	98,719	566,240	121,549
	18,026	124,959	162,228	173,149
Financial income (Note 17)	-	254,164	-	407,191
Financial expenses (Note 17)	18,026	(129,205)	162,228	(234,042)

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

19. Financial instruments (Continued)

b) Price risk

The Company has derivatives with the objective of mitigating its exposure to sugar price oscillation in the international market. Derivative operations allow ensuring minimum average profit for future production. The Company actively manages the contracted positions, also the result of these activities is monitored daily. through effective mark-to-market controls and price impact simulations in order to allow adjusting targets and strategies due to changes in market conditions.

At December 31, 2009, the Company had: (i) 643,169 sugar tons (588,931 tons at September 30, 2009), hedged by futures contracts, with a negative adjustment to market value estimated at R\$71,405 (negative adjustment of R\$49,200 at September 30, 2009); (ii) 504,163 sugar tons (504,163 tons at September 30, 2009) hedged by derivative contracts in the collars structure (put and call), which fair value is negative adjusted in R\$64,126 (negative adjustment of R\$63,268 at September 30, 2009); (iii) 378,732 sugar tons (201,686 tons at September 30, 2009), linked to purchase options sold, with a negative adjustment to market value estimated at R\$84,486 (negative adjustment of R\$66,194 at September 30, 2009); and (iv) 21,672 heating oil gallons (15,876, gallons at September 30, 2009) hedged by future contracts which fair value is positive adjusted in R\$3,879 (positive adjustment of R\$1,288 at September 30, 2009).

The fair value of these derivatives was measured through observable factors, such as market quotation.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

19. Financial instruments (Continued)

b) Price risk (Continued)

Derivatives	Put / Call	Market	Contract	Maturity	# of Contracts	Strike	Average Price	Fair Value	Notional (units)	Notional (R\$ thou)	Fair Value (R\$ thou)
Future Contract	Call	LIFFE	White Sugar	May/10	200	-	¢/T 597.25	¢/T 688.70	10,000 T	10,399	(1,592)
Future Contract	Call	LIFFE	White Sugar	Aug/10	600	-	¢/T 567.08	¢/T 632.00	30,000 T	29,622	(3,391)
Future Contract	Call	LIFFE	White Sugar	Oct/10	200	-	¢/T 537.63	¢/T 581.80	10,000 T	9,361	(769)
Future Contract	Call	NYBOT	#11	Mar/10	4,403	-	¢/lb 23.15	¢/lb 26.95	223,683 T	198,766	(32,639)
Future Contract	Call	NYBOT	#11	Mal/10	150	-	¢/lb 24.48	¢/lb 25.23	7,620 T	7,160	(221)
Future Contract	Call	NYBOT	#11	Jul/10	5,225	-	¢/lb 20.59	¢/lb 23.02	265,443 T	209,783	(24,779)
Swap	Call	NYBOT	#11	Oct/10	1,970	-	¢/lb 20.65	¢/lb 21.85	100,081 T	79,333	(4,585)
Future Contract	Call	NYBOT	#11	Oct/10	2,624	-	¢/lb 20.53	¢/lb 21.85	133,305 T	105,030	(6,780)
Future Contract	Call	NYBOT	#11	May/11	100	-	¢/lb 19.32	¢/lb 19.42	5,080 T	3,768	(20)
Future Contract	Call	NYBOT	#11	Jul/11	22	-	¢/lb 18.06	¢/lb 18.18	1,118 T	775	(5)
Subtotal of sugar future contract – sales									786,330 T	653,998	(74,781)
Future Contract	Put	NYBOT	#11	Mar/10	150	-	¢/lb 26.08	¢/lb 26.95	(7,620 T)	(7,628)	256
Future Contract	Put	NYBOT	#11	May/10	150	-	¢/lb 25.33	¢/lb 25.23	(7,620 T)	(7,410)	(29)
Future Contract	Put	NYBOT	#11	Jul/10	10	-	¢/lb 21.18	¢/lb 23.02	(508 T)	(413)	36
Future Contract	Put	NYBOT	#11	Mar/11	2,508	-	¢/lb 20.41	¢/lb 21.05	(127,412 T)	(99,840)	3,114
Subtotal of sugar future contract – purchased									(143,161 T)		3,377
Future Contract	Put	NYMEX	Heating Oil	Feb/10	251	-	¢/gln 202.08	¢/gln 211.56	(10,542 gln)	(37,094)	1,740
Future Contract	Put	NYMEX	Heating Oil	Mar/10	265	-	¢/gln 201.15	¢/gln 212.19	(11,130 gln)	(38,982)	2,139
Subtotal of HO future contract – purchased									(21,672 gln)	(76,076)	3,879
Subtotal of Futures										462,631	(67,525)
Call	Call	NYBOT	#11	Mar/10	985	16.00	¢/lb 1.39	¢/lb 10.96	50,040 T	30,734	(21,053)
Call	Call	NYBOT	#11	Mar/10	985	17.00	¢/lb 1.14	¢/lb 9.96	50,040 T	32,655	(19,132)
Call	Call	NYBOT	#11	Mar/10	2000	18.00	¢/lb 1.13	¢/lb 8.96	101,605 T	70,205	(34,947)
Call	Call	NYBOT	#11	May/10	1,400	32.00	¢/lb 0.62	¢/lb 1.00	71,123 T	87,366	(2,730)
Call	Call	NYBOT	#11	May/10	500	35.00	¢/lb 0.55	¢/lb 0.65	25,401 T	34,128	(634)
Call	Call	NYBOT	#11	Jul/10	5,987	20.00	¢/lb 1.30	¢/lb 4.19	304,154 T	233,510	(48,920)
Call	Call	NYBOT	#11	Jul/10	50	30.00	¢/lb 0.62	¢/lb 1.09	2,540 T	2925	(106)
Call	Call	NYBOT	#11	Oct/10	2,153	20.50	¢/lb 1.78	¢/lb 3.30	109,378 T	86,073	(13,856)
Call	Call	NYBOT	#11	Oct/10	1,784	21.00	¢/lb 1.87	¢/lb 3.05	90,631 T	70,060	(10,611)
Call	Call	NYBOT	#11	Oct/10	50	30.00	¢/lb 0.70	¢/lb 0.95	2,540 T	2,925	(93)
Call	Call	NYBOT	#11	Mar/11	1,485	24.50	¢/lb 1.82	¢/lb 2.00	75,442 T	70,951	(5,792)
Subtotal of calls sold									882,895 T	724,533	(157,874)
Put	Put	NYBOT	#11	Jul/10	5,987	16.50	¢/lb 2.33	¢/lb 0.33	304,154 T	192,646	3,853
Put	Put	NYBOT	#11	Oct/10	2,153	17.00	¢/lb 2.42	¢/lb 0.65	109,378 T	71,377	2,729
Put	Put	NYBOT	#11	Oct/10	1,784	17.50	¢/lb 2.71	¢/lb 0.77	90,631 T	60,883	2,679
Subtotal of Put – purchased									504,163 T	324,907	9,261
Subtotal of options – collars									504,163 T	392,643	(64,126)
Subtotal of options – calls									378,732 T	331,890	(84,486)
Swap	Put	OTC	#11	Oct/10	985		¢/lb 25.50	¢/lb 1.67	50,040 T	48,983	3,208
Swap	Put	OTC	#11	Oct/10	985		¢/lb 25.80	¢/lb 1.62	50,040 T	49,559	3,112
Subtotal of Swaps									100,081 T	98,542	6,320
Subtotal of commodities										1,285,70	(209,818)

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Notes to the unaudited quarterly financial information (Continued)
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(In thousands of reais)

19. Financial instruments (Continued)

c) Foreign exchange risk

The Company has derivatives in order to mitigate its exposure to the effect of foreign exchange rate fluctuations on its revenue from exports. The exchange rate derivatives together with the commodity price derivatives allow ensuring minimum average profit from future production. The Company actively manages contracted positions, and the result of such activities is monitored daily, through effective mark-to-market controls and price impact simulations in order to allow adjusting targets and strategies due to changes in market conditions. The fair value of these derivatives was measured based on estimates that use discounted cash flows based on market curves.

At December 31, 2009, the Company had US\$1,154,868 thousand (US\$1,360,600 thousand at September 30, 2009) hedged by future, forward and option contracts traded in BM&FBovespa and OTC, with a positive adjustment to market value estimated at R\$47,986 (positive adjustment of R\$51,178 at September 30, 2009).

Derivatives	Put / Call	Market	Contract	Date	# of Contracts	Strike	Average Price	Fair Value	Notional (units)	Notional (R\$ thou)	Fair Value (R\$ thou)
							(R\$/US\$)	(R\$/US\$)	(US\$ thou)	(US\$ thou)	(US\$ thou)
Future Contract	Call	BM&FBovespa	Dollar	Jan/10	1,125	-	\$1.7421	\$1.741	\$6	97,992	49
Future Contract	Call	BM&FBovespa	Dollar	Mar/10	460	-	\$1.7629	\$1.763	\$23,000	40,546	(5)
Future Contract	Call	BM&FBovespa	Dollar	Jul/10	1,825	-	\$1.8087	\$1.809	\$91,250	165,040	(103)
Future Contract	Call	BM&FBovespa	Dollar	Dec/10	1,400	-	\$1.8731	\$1.874	\$70,000	131,114	(100)
Future Contract	Call	BM&FBovespa	Dollar	Jan/11	900	-	\$1.8876	\$1.889	\$45,000	84,944	(69)
Subtotal of future contract – sales									\$285,500	519,635	(229)
Forward Contract	Call	OTC/Cetip	NDF	Feb/10	1	-	\$2.0056	\$1.752	\$1,000	2,006	252
Forward Contract	Call	OTC/Cetip	NDF	Apr/10	1	-	\$1.8666	\$1.774	\$23,000	42,932	2,073
Forward Contract	Call	OTC/Cetip	NDF	Jul/10	1	-	\$1.8945	\$1.809	\$46,000	87,147	3,758
Forward Contract	Call	OTC/Cetip	NDF	Aug/10	1	-	\$1.9360	\$1.822	\$50,000	96,800	50,000
Forward Contract	Call	OTC/Cetip	NDF	Sep/10	1	-	1.9165	\$1.835	\$75,000	143,738	5,713
Forward Contract	Call	OTC/Cetip	NDF	Oct/10	1	-	\$2.0320	\$1.847	\$5,000	10,160	858
Forward Contract	Call	OTC/Cetip	NDF	Oct/10	1	-	\$2.0080	\$1.848	\$23,000	46,184	3,419
Forward Contract	Call	OTC/Cetip	NDF	Nov/10	1	-	\$1.9980	\$1.861	\$73,800	147,454	9,341
Subtotal of forward contract									\$296,800	576,420	30,815
Put Onshore	Put	BM&FBovespa	Dollar	Jan/10	4,000	\$1.6000	\$3.8000	\$0.001	\$200,000	320,000	0
Put Onshore	Put	BM&FBovespa	Dollar	Apr/10	6,800	\$1.7500	\$70.800	\$44.65	\$340,000	595,000	15,183
Subtotal of Put Onshore									\$540,000	915,000	15,183
Put Onshore	Put	OTC	Dollar	Feb/11	475	\$1.8000	\$103.7832	\$57.50	\$23,768	42,782	1,367
Put Onshore	Put	OTC	Dollar	Feb/11	176	\$1.9000	\$162.4785	\$96.61	\$8,800	16,720	850
Subtotal of Put Onshore									\$32,568	59,502	2,217
Total of foreign exchange for exports									\$1,154,868	2,070,558	47,986
Swap	Put	OTC/Cetip	Dollar/DI		1	-	US\$/57.49% CDI		\$175,000	322,023	9,311
Swap	Call	OTC/Cetip	Dollar/DI		1	-	57.49% CDI/US\$		\$ (175,000)	(322,023)	(9,311)
Total foreign exchange									\$1,154,868	2,070,558	47,986

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Notes to the unaudited quarterly financial information (Continued)
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19. Financial instruments (Continued)

c) Foreign exchange risk (Continued)

The Company does not use derivative financial instruments to hedge foreign exchange exposure from balance sheet. At December 31, 2009 and September 30, 2009, the Company and its subsidiaries presented the following net balance sheet exposure to US dollar:

	Consolidated			
	12/31/09		09/30/09	
	R\$	US\$ (thousand)	R\$	US\$ (thousand)
Amounts pending foreign exchange closing	283,871	163,032	24,659	13,868
Overnight	16,158	9,280	30,625	17,223
Trade notes receivable - foreign	39,381	22,617	72,432	40,736
Foreign currency-denominated loans	(490,148)	(281,500)	(262,715)	(147,750)
Advances from customers	(960,027)	(551,359)	(92,043)	(51,765)
Senior Notes due in 2009	-	-	(66,399)	(37,343)
Senior Notes due in 2014	(632,256)	(363,115)	(629,969)	(354,293)
Senior Notes due in 2017	(716,659)	(411,589)	(719,400)	(404,589)
Perpetual bonds	(792,775)	(455,304)	(809,575)	(455,303)
Derivative financial instruments, net	11,180	6,421	31,555	17,746
Foreign exchange exposure, net	<u>(3,241,275)</u>	<u>(1,861,517)</u>	<u>(2,420,830)</u>	<u>(1,361,470)</u>

d) Interest rate risk

The Company monitors fluctuations of the several interest rates to which its assets and liabilities are pegged and, in the event of increased volatility of such rates, it may engage in transactions with derivatives so as to minimize such risks. At December 31, 2009, the Company had US\$100 million hedged by swap contracts traded in the over-the-counter market, whose market value is assessed positively at R\$962.

Price risk: outstanding commodities derivatives on December 31, 2009											
Derivative	Call/ Put	Market	Contract	Table	Number of contracts	Strike	Average price	Fair price	Notional (R\$ thou)	Notional (R\$ thou)	Fair value (R\$ thou)
Swap	Put	OCT/Cetip	Fix/Libor 3 month		1	-	1.199% / Libor	3 month	\$100.000	172.930	962
Total swap									\$100.000	172.930	962

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
December 31, 2009
(In thousands of reais)

19. Financial instruments (Continued)

e) Credit risk

A significant portion of sales made by the Company and its subsidiaries is for a selected group of best-in-class counterparts, i.e. trading companies, fuel distribution companies and large supermarket chains. In the fuel distribution activity, the diversity of the receivables, the selected clients and the follow up of financing terms of sales by business segment and individual position limits are procedures adopted to minimize eventual default in the accounts receivable. Credit risk is managed through specific rules of client acceptance, credit rating and setting of limits for customer exposure, including the requirement of a letter of credit from major banks and obtaining actual warranties on given credit, when applicable. Management believes that the risk of credit is substantially covered by the allowance for doubtful accounts.

The Company and its subsidiaries historically have not recorded material losses on trade accounts receivable.

f) Debt acceleration risk

As of December 31, 2009, the Company was a party to loan and financing agreements with covenants generally applicable to these operations, including requirements related to cash generation, debt to equity ratio and others. These covenants are being fully complied with by the Company or are in process of renegotiation and do not place any restrictions on its operations.

g) Market values

As of December 31, 2009 and September 30, 2009, the fair values of cash, marketable securities and trade accounts receivable and payable approximate the respective amounts recorded in the consolidated financial statements, due to their short-term nature.

The fair value of the Senior Notes maturing in 2014 and 2017, as described in Note 13, according to their market value, were 105.75% and 99.38%, respectively, of their face value at December 31, 2009.

The fair value of Perpetual Bonds as described in Note 13, according to its market value, was 90.40% of its face value at December 31, 2009.

COSAN S.A. INDÚSTRIA E COMÉRCIO

Notes to the unaudited quarterly financial information (Continued)
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19. Financial instruments (Continued)

g) Market values (Continued)

As for the other loan and financing arrangements, their respective fair values substantially approximate the amounts recorded in the quarterly information considering that such instruments are subject to variable interest rates.

h) Sensitivity analysis

Pursuant to CVM Rule N° 475 issued on December 17, 2008, following is the sensitivity analysis of the fair value of financial instruments, in accordance with the types of risks deemed to be significant by the Company:

Assumptions for the Sensitivity Analysis

For the analysis, the Company adopted three scenarios, being one probable and two that may have effects from impairment of the fair value of the Company's derivative financial instruments. Impacts on operations were not considered, but only on the variable that impacts the value of derivative financial instruments. The definition of the probable scenario included the market data at December 31, 2009, the same one which determine the fair value of the derivatives at that date and therefore there are no differences in relation to the fair value of the derivative financial instruments. The possible adverse and remote scenarios were established in view of adverse impacts of 25% and 50% on the curves in the prices of the U.S. dollar and sugar:

Source:	Sugar #11	Sugar Ref.	Heating Oil	Dollar
Unit:	NYBOT ¢/lb	LIFFE	NYNIEX	BM&FBovespa
	US\$/ton	US\$/ton	US\$/gallon	R\$/US\$
Jan-10	-	-	211.88	1.7412
Feb-10	-	-	211.56	1.7536
Mar-10	26.95	710.20	212.19	1.7631
Apr-10	-	-	212.63	1.7752
May-10	25.23	688.70	213.19	1.7863
Jun-10	-	-	213.82	1.7980
Jul-10	23.02	-	215.29	1.8098
Aug-10	-	632.00	217.09	1.8230
Sep-10	-	-	219.39	1.8364
Oct-10	21.85	581.80	221.92	1.8492
Nov-10	-	-	224.27	1.8618
Dec-10	-	550.30	226.60	1.8745
Jan-11	-	-	228.80	1.8892
Feb-11	-	-	230.20	1.9037
Mar-11	21.05	536.90	230.70	1.9169
Apr-11	-	-	229.80	1.9315
May-11	19.42	525.80	229.35	1.9451
Jun-11	-	-	229.60	1.9592
Jul-11	18.18	-	-	1.9728

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Notes to the unaudited quarterly financial information (Continued)
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19. Financial instruments (Continued)

h) Sensitivity analysis (Continued)

Sensitivity Chart

Following is the sensitivity chart on the change in the fair value of the Company's financial instruments:

Risk factor	Impacts in P&L (*)			
	Probable Scenario	Possible Scenario (25%)	Remote Scenario (50%)	
Price risk				
Goods derivatives				
Futures contracts:				
Sale commitments	Sugar price spike	(74,781)	(191,453)	(380,532)
Purchase commitments	Sugar price decline	3,377	(32,023)	(64,364)
Purchase commitments	Heating oil price decline	3,879	(20,148)	(40,334)
Options:				
Put	Sugar price spike	(157,874)	(136,907)	(340,845)
Call	Sugar price spike	9,261	(9,261)	(9,261)
Swap contracts	Sugar price decline	6,320	(44,111)	(66,398)
Sugar exports (1)	Sugar price spike	(111,259)	319,076	632,588
Lubricant cost	Heating oil price spike	(3,879)	20,148	40,334
Exchange rate risk				
Exchange rate derivatives				
Futures contracts:				
Sale commitments	R\$/US\$ exchange rate appreciation	(229)	(129,966)	(259,932)
Forward contract:				
Sale commitments	R\$/US\$ exchange rate appreciation	30,815	(134,256)	(270,228)
Option:				
Call	R\$/US\$ exchange rate appreciation	17,400	(17,400)	(17,400)
Swap contracts	Labor curve decline	962	(1,010)	(2,021)
Exports (2)	R\$/US\$ exchange rate appreciation	(47,986)	281,622	547,560
Net foreign exchange exposure (3)	R\$/US\$ exchange rate appreciation	(275,505)	(1,154,699)	(2,033,893)

(*) Projected results to occur up to 12 months from December 31, 2009.

- (1) The sensitivity on sugar exports reflects the 25% and 50% increase scenarios (versus the scenarios for reduction in the underlying derivative financial instruments) on the price of sugar in relation to the volume of sugar equivalent to notional in derivative financial instruments contracted in order to hedge the Company against such variations;
- (2) The sensitivity on exports reflects the 25% and 50% increase scenarios (versus the scenarios for reduction in the underlying derivative financial instruments) on the R\$: US\$ exchange rate in the future in relation to the volume of U.S. dollars equivalent to notional in derivative financial instruments contracted in order to hedge the Company against such variations.
- (3) Net foreign exchange exposure of R\$3,241,275, equivalent to US\$1.861,517 thousand. The probable scenario considers the maintenance of total net exposure basis in the balance sheet for the following 12 months, and the projected exchange rate for January 31, 2011, related to its value in December 31, 2009, that was R\$1,7412/US\$.

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20. Insurance

At December 31, 2009, the Company and its subsidiaries maintain insurance coverage against fire, thunderbolts and explosions of any nature for the whole sugar and ethanol inventory and for buildings, equipment and installations at plants.

The Company does not foresee any difficulties to renew its insurance policies and believes that the coverage established is reasonable in terms of amounts and consistent with Brazilian industry standards.

The scope of our audit work did not include a review of the sufficiency of the insurance coverage, which, as determined by the Company management, was considered sufficient to cover any claims.

21. Stock option plan

At the Annual and Special General Meeting held on August 30, 2005, the Guidelines for the Outlining and Structuring of a Stock Option Plan for Company's officers and employees were approved, thus authorizing the issue of up to 5% of the Company's share capital. The stock option plan was designed to obtain and retain the services rendered by senior officers and employees, offering them the opportunity to become shareholders of the Company. On September 22, 2005, the Board of Directors approved the distribution of stock options corresponding to 4.302.780 common shares to be issued or purchased by the Company related to 3.25% of the share capital at the time, authorized by the Annual/Special General Meeting. On that same date, eligible officers were informed of the material terms and conditions of the share-based compensation agreement.

On September 11, 2007, the Board of Directors approved the distribution of stock options, corresponding to 450,000 common shares to be issued or purchased by the Company related to 0.24% of the share capital at the time, authorized by the Annual/Special General Meeting. On that same date, the eligible officer was informed of the material terms and conditions of the share-based compensation agreement. The remaining 1.51% may still be distributed.

On August 7, 2009, the Board of Directors approved an additional distribution of stock options, with no vesting period, corresponding to 165,657 common shares to be issued or purchased by the Company, following a change in the management members.

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Notes to the unaudited quarterly financial information (Continued)
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21. Stock option plan (Continued)

Based on the fair value at the issue date, exercise price is R\$6.11 (six reais and eleven centavos) per share, without discount. The exercise price was calculated before the above evaluation based on an expected private equity agreement based on that eventually was not made. The options are exercisable over a 3-year period, considering a maximum percentage of 25% p.a. of total stock options offered by the Company, within a period of 5 years.

The options exercised shall be settled only upon issue of new common or treasury shares that the Company may have at each relevant date

Should any holder of stock options cease to be an employee or manager of the Company, by death, retirement or permanent disability of the beneficiary, any options not previously vesting shall become extinct on the date that employee or officer separates from the Company. However, in the case of termination without good cause, the terminated employees shall be entitled to exercise 100% of their options referring to that particular year, on top of exercising 50% of their options in the coming year.

At December 31, 2009 stock options equivalent to 670,976 common shares were not exercised.

Until December 31, 2009, all stock option exercises were settled through the issuance of new common shares. Should the remaining options also be exercised through the issuance of new common shares, the current shareholders' interest would be reduced by 0.17% after exercising all remaining options.

At December 31, 2009, R\$3,465 regarding the unrecognized remuneration cost of stock options will be recognized within nearly nine months (R\$3,980 at September 30, 2009, with a deadline of nearly 12 months).

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22. Pension plan

The subsidiary Cosan CL sponsors Previd Exxon - Sociedade de Previdência Privada, a closed-ended supplementary pension entity set up on December 23, 1980, engaged mainly in the supplementation of benefits within certain limits set in its formation deed, to which all employees of the sponsor and their beneficiaries are entitled as social security insured workers.

The actuarial liabilities regarding Previd Exxon were determined in accordance with IBRACON NPC 26, and is shown in non-current liabilities at December 31, 2009 totaling R\$61,582 (R\$62,287 at September 30, 2009).

During the quarter and nine-month periods ended December 31, 2009, the amount of contributions Cosan CL made to Previd Exxon – Sociedade de Previdência Privada totaled R\$1,508 and R\$5,054, respectively.

23. Subsequent events

Approval of the quarterly financial information

On January 29, 2010, this quarterly financial information for the quarter ended and six-month period ended December 31, 2009 was approved by the Company's Board of Directors.

Advanced Settling of Financing with IFC – *International Finance Corporation* (“IFC”)

On January 15, 2009, the Company fully settled the financing with IFC, with maturity on January 15, 2013, totaling R\$91,805.