



Results 2Q'12

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Forward Looking Statements



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

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

Business Units

Creation of Cosan Alimentos



Business lines before the formation of Raizen

CAA

- Sugar, Ethanol & Cogeneration
- Cosan Alimentos
- Corporate Expenses

CCL

- Fuels Distribution
- Lubricants

Rumo

- Sugar Logistics

Business lines after the formation of Raizen

Raízen Energia

- Sugar, Ethanol & Cogeneration

Raízen Combustíveis

- Fuels Distribution

Rumo

- Sugar Logistics

Cosan Alimentos

- Sugar Retail

Other Business

- Lubricants
- Corporate Expenses

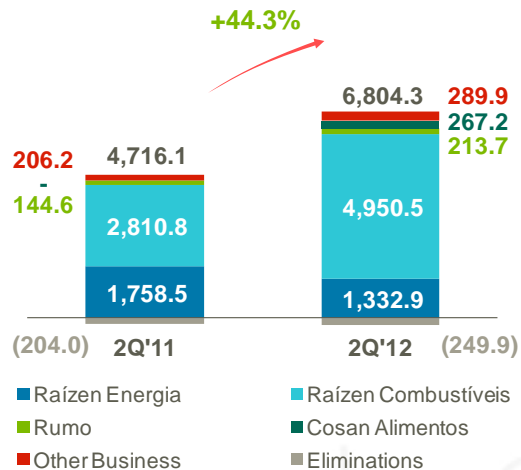
Cosan Consolidated

Highlights 2Q'12



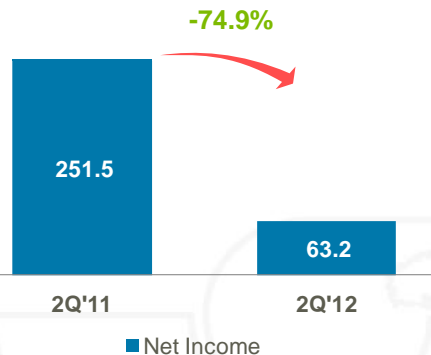
Net Revenue

(R\$MM)



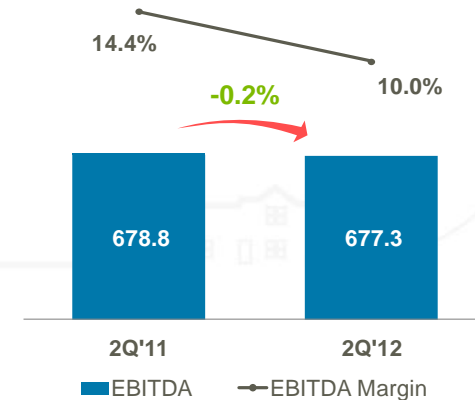
Net Income

(R\$MM)



EBITDA & EBITDA Margin

(R\$MM)



○ **Net Revenue:** R\$ 6.8 billion in 2Q'12:

- Increasing revenues in all business units

○ **Consolidation:**

- 50% Raízen Energia
- 50% Raízen Combustíveis
- 100% Rumo
- 100% Cosan Alimentos
- 100% Other Business

○ **Net Income:** R\$ 63.2 million in 2Q'12:

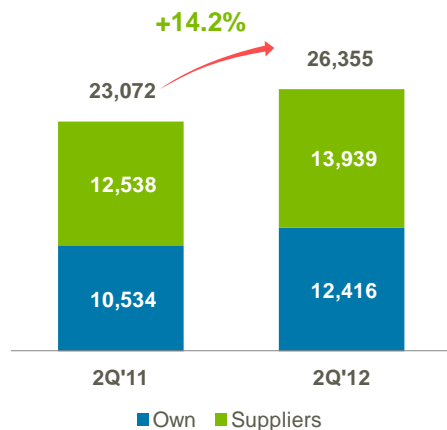
- Due to effect of exchange rate changes on debt

○ **EBITDA:** R\$ 677.3 million and EBITDA Margin of 10.0%

- Maintenance of EBITDA despite the restructuring of the business (Raízen) and substantial reduction of debt
- Sugar and Ethanol represents approximately 50% of Cosan's consolidated EBITDA

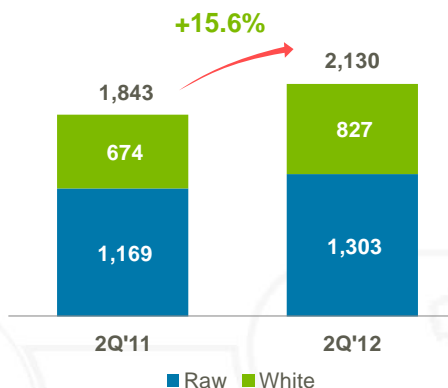
Sugarcane Crushed

(Thd tons)



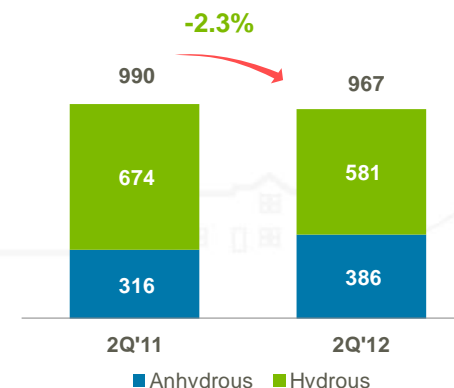
Sugar Production

(Thd tons)



Ethanol Production

(Thd cbm)



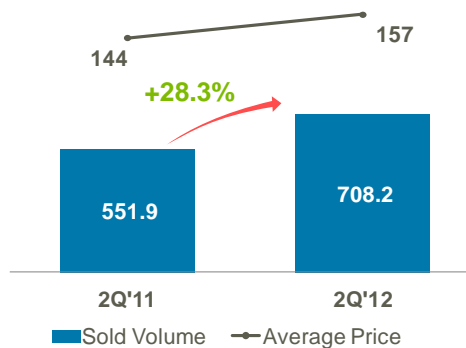
TSR Cane

(kg/ton)



Sold Volume - Cogen

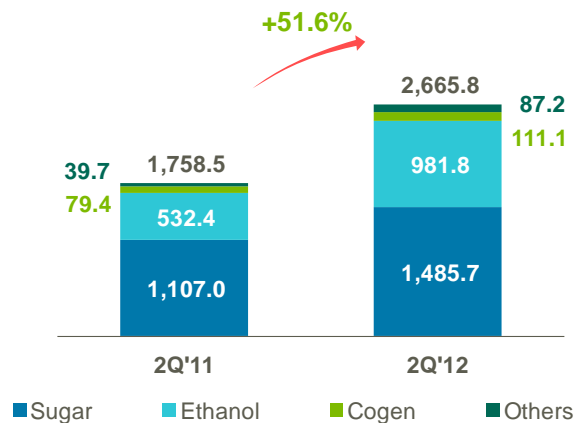
(Thd MWh e R\$/MWh)



- **Sugarcane Crushing:** Increase of 14.2% vs. 2Q'11, due to delayed start of the crop, moving part of the cane for crushing in the 2Q'12
- **Production Mix:** Major impact of sugar production 15.6% higher than 2Q'11 and reduction of the production of hydrated ethanol in the period
- **Mechanization:** After investments in the previous fiscal year, mechanization climbed from 79.3% to 87.4% in 2Q'12

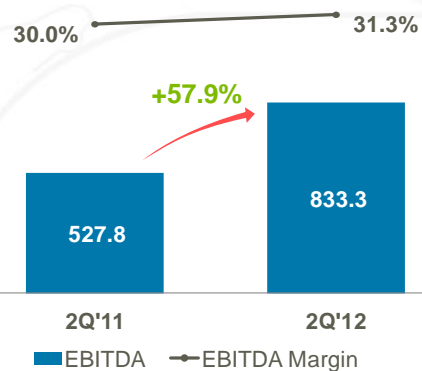
Net Revenue

(R\$ MM)



EBITDA

(R\$ MM)



Summary of hedge Operations at September 30, 2011

	2011 / 2012	2012 / 2013
Sugar		
NY #11		
Volume ('000 tons)	665.8	427.7
Average Price (¢US\$/lb)	26.38	24.86
London #5		
Volume ('000 tons)	33.7	-
Average Price (US\$/lb)	729.04	-
Exchange rate		
US\$		
Volume (US\$ million)	447.8	276.3
Average Price (R\$/US\$)	1.8204	1.8645
Volume to be sold / Hedged ('000 tons)	843.8	3,045.0
% Sale Protected Sugar / Fixed	82.9%	14.0%

Net Revenue: R\$ 2.7 billion in 2Q'12 from:

- Better prices of sugar and ethanol
- Increase in volumes sold
- Growth of revenue from other lines

EBITDA: R\$ 833.3 million, impacted by:

- Successful effort to reduce costs
- Increased mechanization

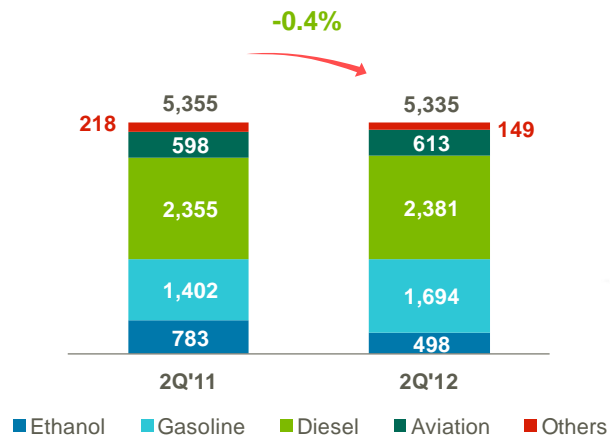
Raízen Combustíveis

Financial performance (Pro forma 2Q'11)



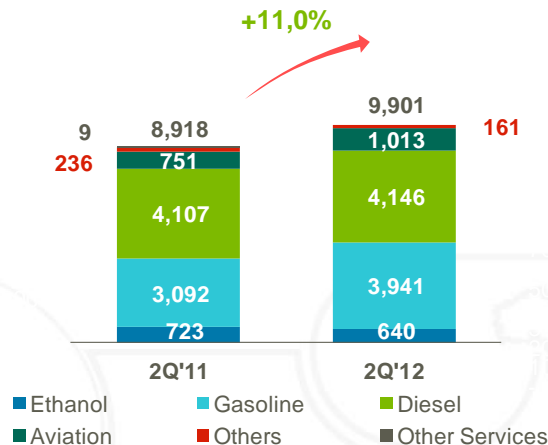
Volume Raízen Fuels

(Million liters)



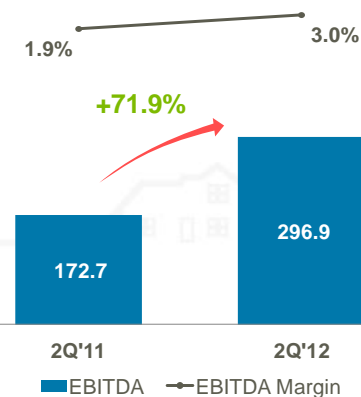
Net Revenue

(R\$ MM)



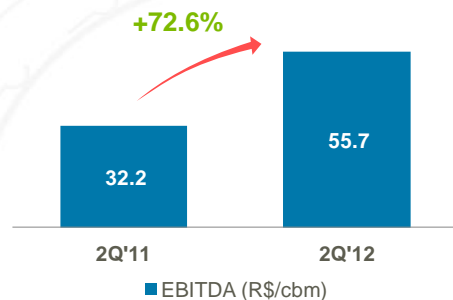
EBITDA

(R\$ MM)



EBITDA/cbm

(R\$/cbm)



Volume Sold: R\$ 5.3 billion liters in 2Q'12.

Net Revenue: R\$ 9.9 billion in 2Q'12 due to:

- Improved product mix, due partially to the rebranding process

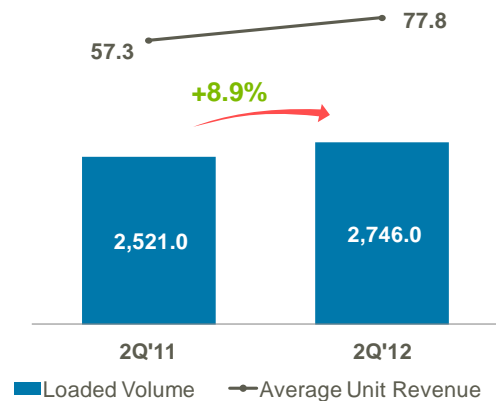
EBITDA: R\$ 296.9 million, driven by:

- Successful efforts to reduce costs
- Increased share of the line of premium products

EBITDA/cbm: Strong growth comparing to previous year due to extracting synergies of Raízen

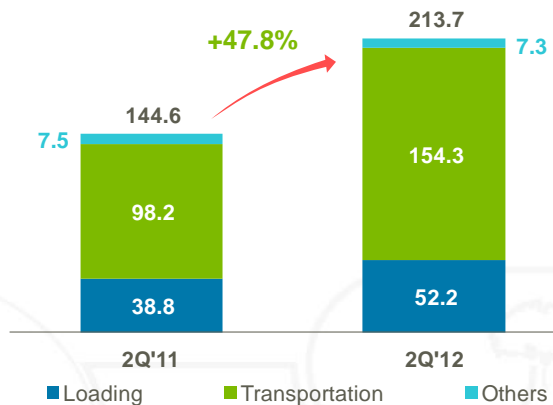
Volume and Avg. Unit Revenue

(Thd tons – R\$ / ton loaded)



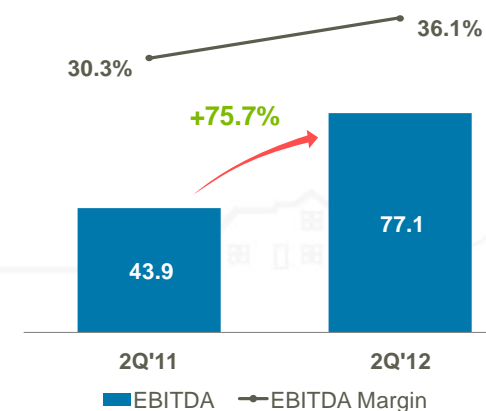
Net Revenue

(R\$ MM)



EBITDA

(R\$ MM)



- **Net Revenue:** 47.8% increase from 2Q'11, driven by:
 - 57.0% upturn in Transportation Revenue
 - 34.4% upturn in Loading Revenue
- **EBITDA:** 75.7% greater than 2Q'11, totaling R\$ 77.1 milhões

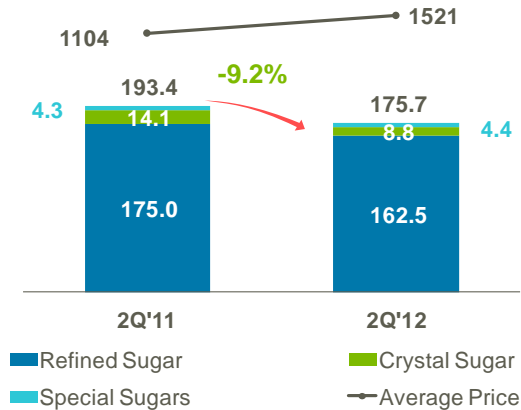
Cosan Alimentos

Operational and financial performance (Pro forma 2Q'11)



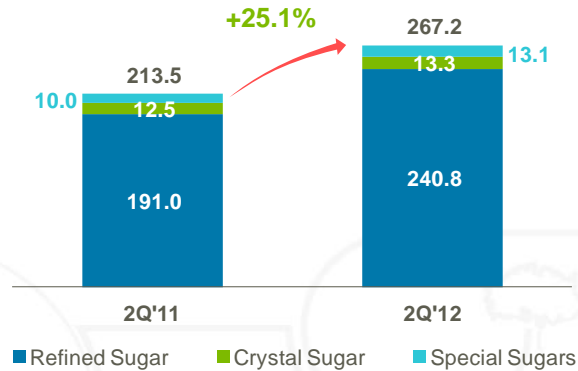
Volume and Avg. Unit Revenue

(Thd tons – R\$ / ton)



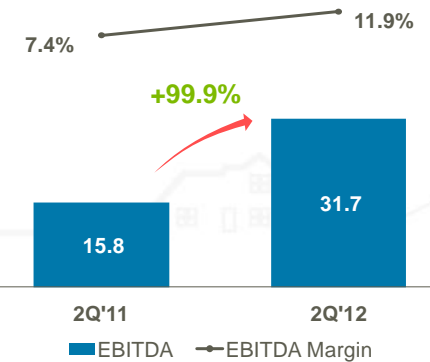
Net Revenue

(R\$ MM)



EBITDA

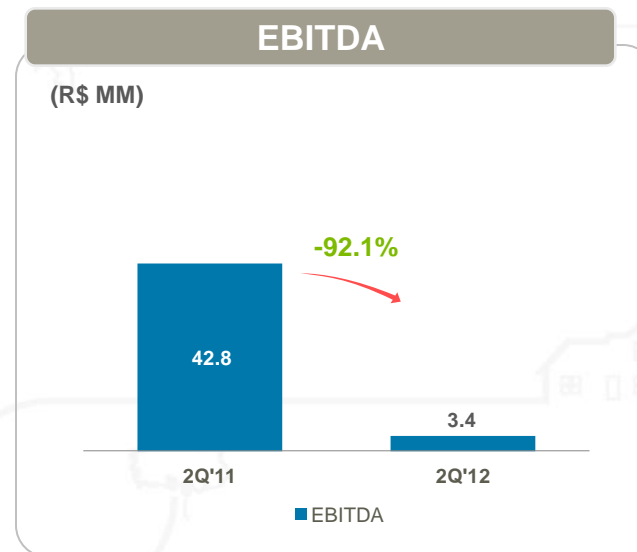
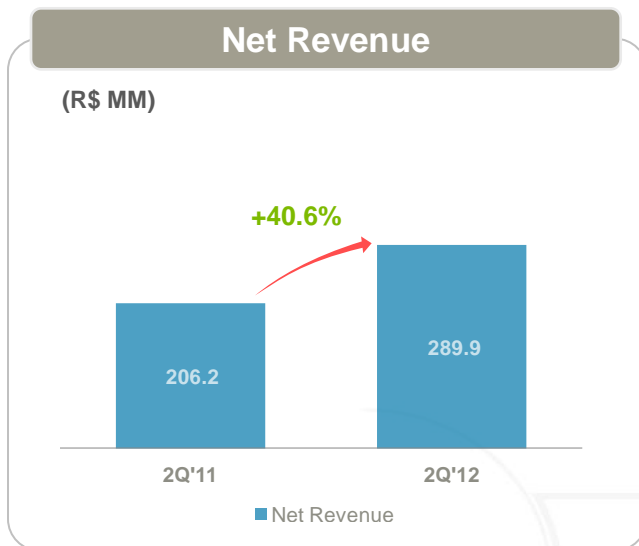
(R\$ MM)



- **Net Revenue:** 25.1% increase from 2Q'11 driven by:
 - 26.1% upturn in Refined Sugar Revenue
 - 6.0 % upturn in Crystal Sugar Revenue
 - 30.7 % upturn in Special Sugars Revenue due to new product lines
- **EBITDA:** 99.9% greater than 2Q'11, totaling R\$ 31.7 million:
 - Despite the lower sales volume, the average unit revenue increased 37.8%, providing strong EBITDA and EBITDA Margin

Other Business

Operational and financial performance



- **Net Revenue:** 40.6% increase compared to 2Q'11, amounting to R\$ 289.9 million
- **EBITDA:** R\$ 3.4 million due to effect of allocation of corporate costs

Net Debt



Debt by type	2Q'12	1Q'12	% CP	Var. %
Amounts in R\$ MM				
Senior Notes 2014	656.7	565.9	1%	16%
Expenses with Debt Placement	(8.0)	(7.3)	35%	9%
BNDES	1,412.0	1,369.4	10%	3%
Working Capital	846.5	715.4	1%	18%
Prepaid Exports	737.8	662.5	17%	11%
Senior Notes 2017	750.3	642.5	1%	17%
Advances on Exchange Contracts	729.6	596.5	100%	22%
Credit Notes	349.3	291.2	33%	20%
Finame	236.9	253.8	29%	-7%
Finem	229.1	238.7	21%	-4%
Rural credit	95.5	93.9	100%	2%
PROINFA	29.9	31.2	12%	-4%
CDCA	31.5	30.8	99%	2%
PASS	-	-	-	-
Expenses with Placement of Debt	(11.6)	(10.6)	22%	10%
Total Raizen	6,085.4	5,473.9	23%	11%
Consolidation (50% RAIZEN after 01-05)	3,042.7	2,736.9	23%	11%
Finame	554.1	503.9	9%	10%
Expenses with Placement of Debt	(1.0)	(1.0)	12%	-3%
Guaranteed Account	-	-	-	-
Perpetual Bonds	947.8	475.0	1%	100%
Credit Notes	322.7	311.7	0%	4%
Expenses with Placement of Debt	(12.6)	(7.5)	17%	66%
Other Businesses	1,811.2	1,282.1	3%	41%
Total Cosan	4,853.9	4,019.1	15%	21%
Availability	1,471.7	1,278.2	100%	15%
Net Debt	3,382.2	2,740.9	-21%	23%

- Using the EBITDA for the fiscal year ended September 30, 2011, we have **Net Debt/ EBITDA of 2.1x**
- Considering cash from Shell to Raizen and an EBITDA for the fiscal year ended September 30, 2011, we have **Net Debt/ EBITDA of 1.3x**

Debt

- Raizen's gross debt totaled R\$ 6.7 billion in the period ended September 30, 2011, an increase of 10.2% over the balance of June 30, 2011
- During the period, there was the capture of approximately R\$ 219.5 million primarily due to:
 - (i) R\$ 156.9 million in advances on exchange contracts
 - (ii) R\$ 65.1 million in funding from BNDES
- Amortization of principal and interest during the period totaled approximately R\$ 357.9 million
- Increase in outstanding debt amounting to R\$ 653.9 million as a result of exchange rate in the quarter

Cash and cash equivalents

- R\$1.472 billion of cash and financial investments

Guidance



		FY'2011	FY'2012	1st Revision 2012 FY	2nd Revision 2012 FY
Cosan Consolidado	Net Revenue (R\$MM)	18,063	25,000 ≤ Δ ≤ 27,500	25,000 ≤ Δ ≤ 27,500	25,000 ≤ Δ ≤ 27,500
	EBITDA (R\$MM)	2,671	1,800 ≤ Δ ≤ 2,200	1,800 ≤ Δ ≤ 2,200	1,800 ≤ Δ ≤ 2,200
	Net income (R\$MM)	772	-	-	-
	CAPEX (R\$MM)	2,500	2,000 ≤ Δ ≤ 2,300	2,000 ≤ Δ ≤ 2,300	2,000 ≤ Δ ≤ 2,300
		FY'2011	FY'2012	1st Revision 2012 FY	2nd Revision 2012 FY
Raízen Energia	Volume of crushed sugarcane ('000 tons)	54,238	56,000 ≤ Δ ≤ 60,000	53,000 ≤ Δ ≤ 56,000	53,000 ≤ Δ ≤ 54,000
	Volume of sugar sold ('000 tons)	4,291	4,200 ≤ Δ ≤ 4,600	3,900 ≤ Δ ≤ 4,300	3,900 ≤ Δ ≤ 4,100
	Volume of ethanol sold (millions of liters)	2,247	2,100 ≤ Δ ≤ 2,300	2,000 ≤ Δ ≤ 2,300	1,900 ≤ Δ ≤ 2,000
	Volume of energy sold ('000 MWh)	1,254	1,400 ≤ Δ ≤ 1,600	1,200 ≤ Δ ≤ 1,400	1,200 ≤ Δ ≤ 1,400
	EBITDA (R\$MM)	2,130	1,900 ≤ Δ ≤ 2,300	1,900 ≤ Δ ≤ 2,100	1,850 ≤ Δ ≤ 2,050
		FY'2011	FY'2012	1st Revision 2012 FY	2nd Revision 2012 FY
Raízen Combustíveis	Volume of fuel sold (millions of liters)	-	21,000 ≤ Δ ≤ 23,000	21,000 ≤ Δ ≤ 23,000	21,000 ≤ Δ ≤ 22,000
	EBITDA (R\$MM)	-	850 ≤ Δ ≤ 1,050	900 ≤ Δ ≤ 1,200	1,000 ≤ Δ ≤ 1,200
		FY'2011	FY'2012	1st Revision 2012 FY	2nd Revision 2012 FY
Rumo	Volume of loading ('000 tons)	7,841	9,000 ≤ Δ ≤ 11,000	9,000 ≤ Δ ≤ 11,000	7,500 ≤ Δ ≤ 9,500
	Volume of transportation ('000 tons)	-	6,000 ≤ Δ ≤ 8,000	6,000 ≤ Δ ≤ 8,000	5,000 ≤ Δ ≤ 7,000
		FY'2011	FY'2012	1st Revision 2012 FY	2nd Revision 2012 FY
Cosan Alimentos	Volume of sugar sold ('000 tons)		550 ≤ Δ ≤ 650	550 ≤ Δ ≤ 650	550 ≤ Δ ≤ 650
	EBITDA (R\$MM)		65 ≤ Δ ≤ 85	65 ≤ Δ ≤ 85	65 ≤ Δ ≤ 85
		FY'2011	FY'2012	1st Revision 2012 FY	2nd Revision 2012 FY
Other Business	Volume of lubricants sold (millions of liters)	166	170 ≤ Δ ≤ 190	170 ≤ Δ ≤ 190	170 ≤ Δ ≤ 190

* Cosan's Consolidated Guidance corresponds to 50% of Raízen and other business that were not part of the joint venture

Contacts



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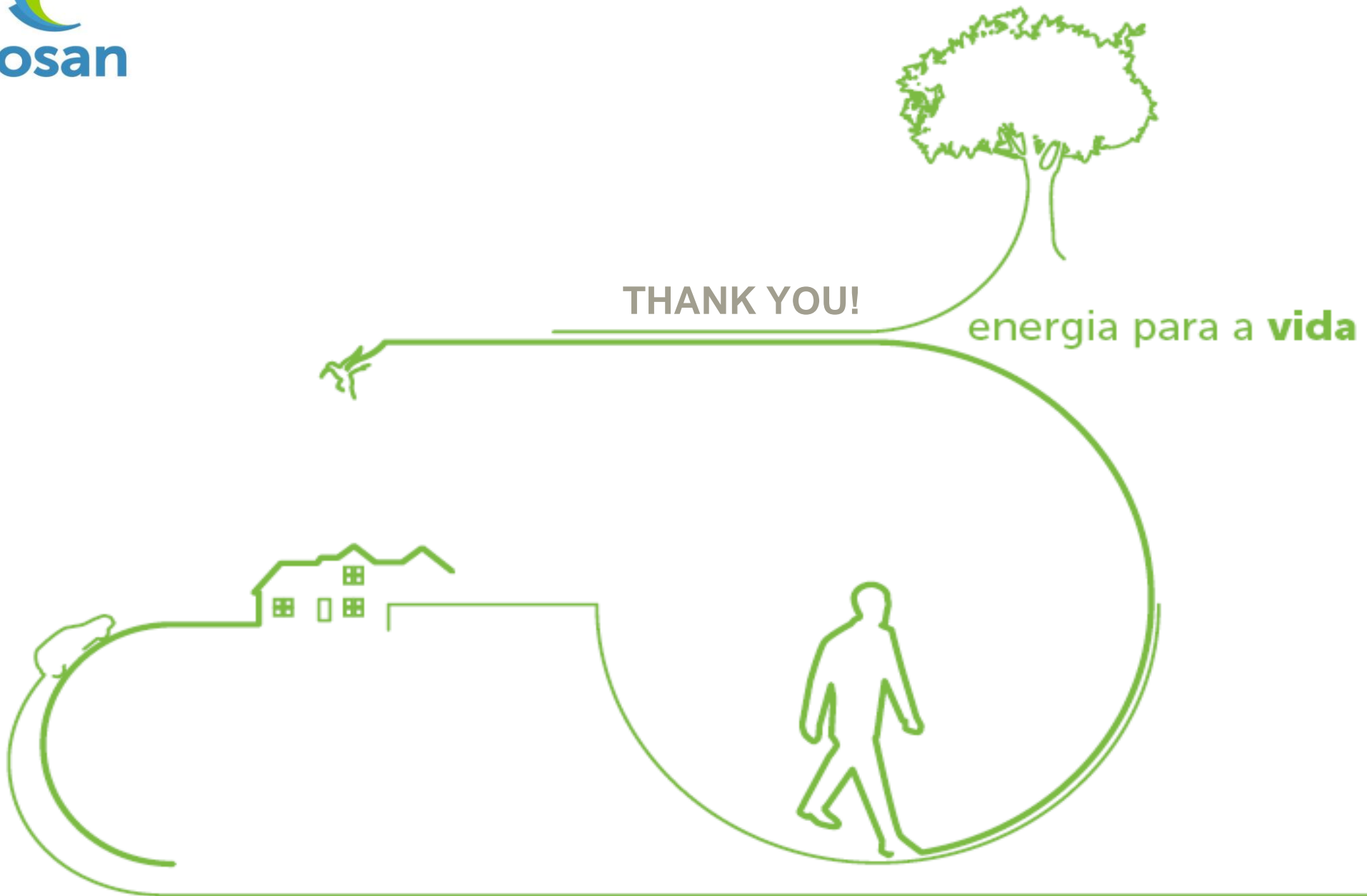
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THANK YOU!

energia para a **vida**