cosan

Results

2Q'11

São Paulo – November 11th, 2010

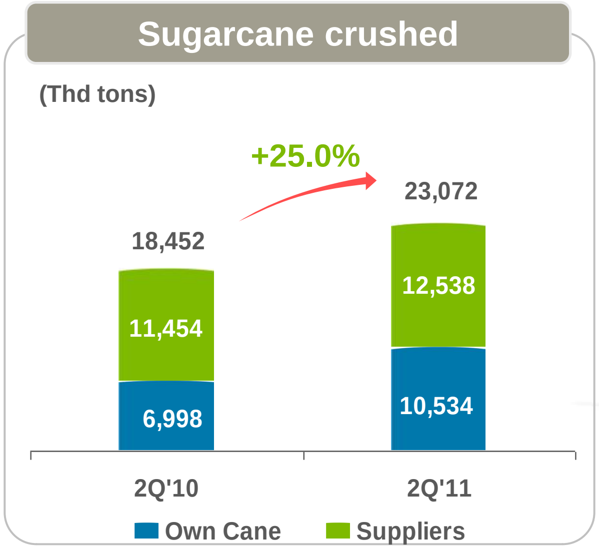
Disclaimer

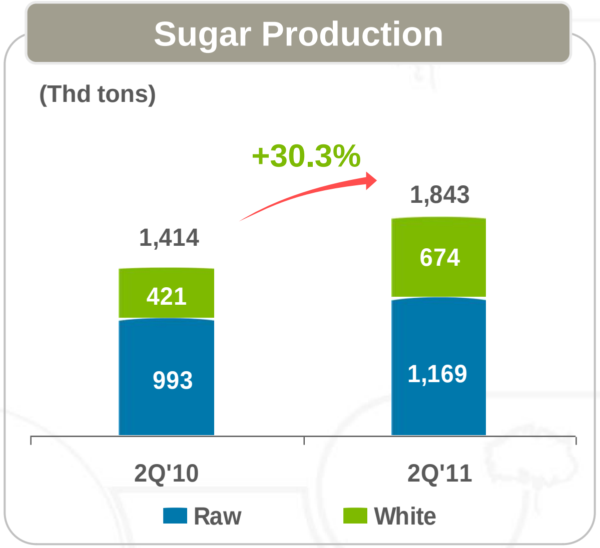
Forward Looking Statements

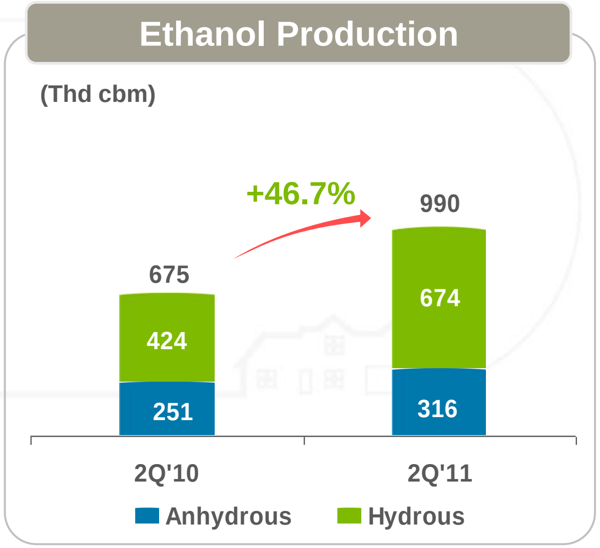
- This presentation contains estimates and forward-looking statements regarding our strategy and opportunities for future growth. Such information is mainly based on our current expectations and estimates or projections of future events and trends, which affect or may affect our business and results 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.

Highlights 2Q'11
Production Figures



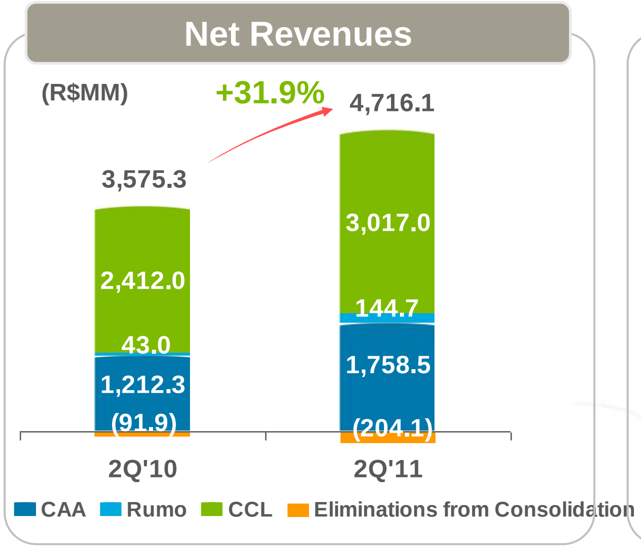


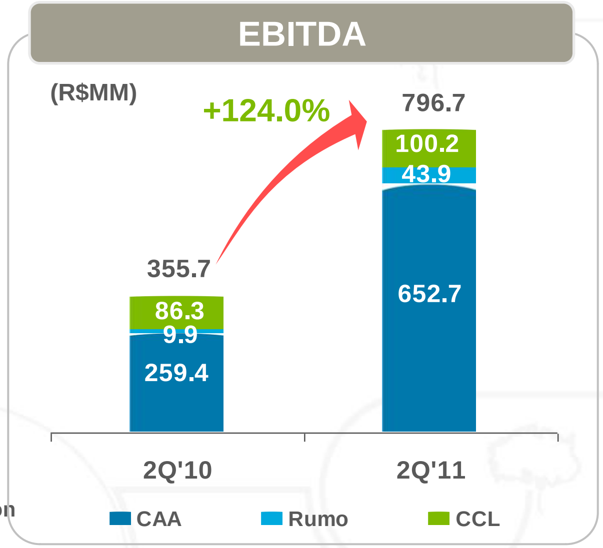


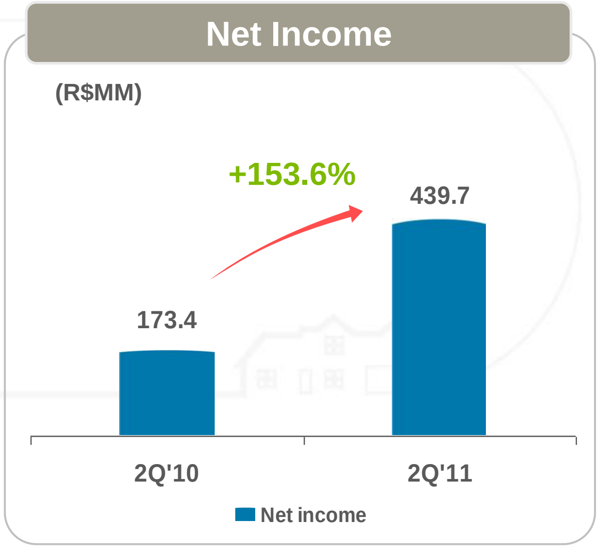
- **Crushed cane**: Increase of 25.0% compared to 2Q'10 due to:
  - operating start-up of Jataí and Caarapó greenfields;
  - adequate climatic conditions.
- **Sugarcane TSR**: In 2Q'11, TSR was 149.6 kg/ton compared to 136.7kg/ton in 2Q'10
- **Production Mix**: Favoring sugar production
- **Mechanization**: Due to investments made at the end of the last fiscal year, mechanization reached 79.3%

Highlights 2Q'11

Cosan – Financial Performance



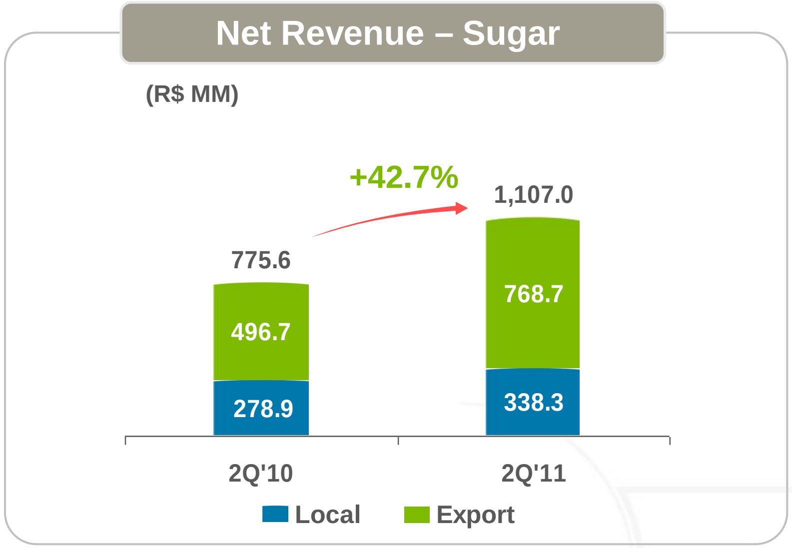


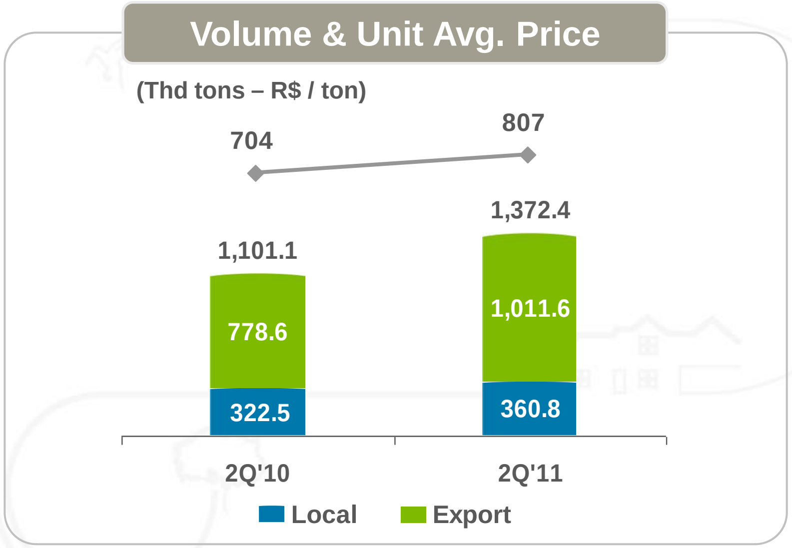


- **Net Revenues** totaled R$4.7 billions in 2Q'11, due to:
  - Growth in all businesses units
  - Increase in capacity, volumes sold and higher sugar and ethanol prices
- **EBITDA** of R$796.7 millions, benefited by:
  - Better prices
  - Higher volumes
  - Others non-recurring revenues in CAA of R$174.1 millions and CCL of R$15.4 millions
- **Net income** of R$439.7 millions in 2Q'11
  - Better operational results
  - Exchange variation effects
  - Non-recurring gains in CAA and CCL

Performance 2Q'11

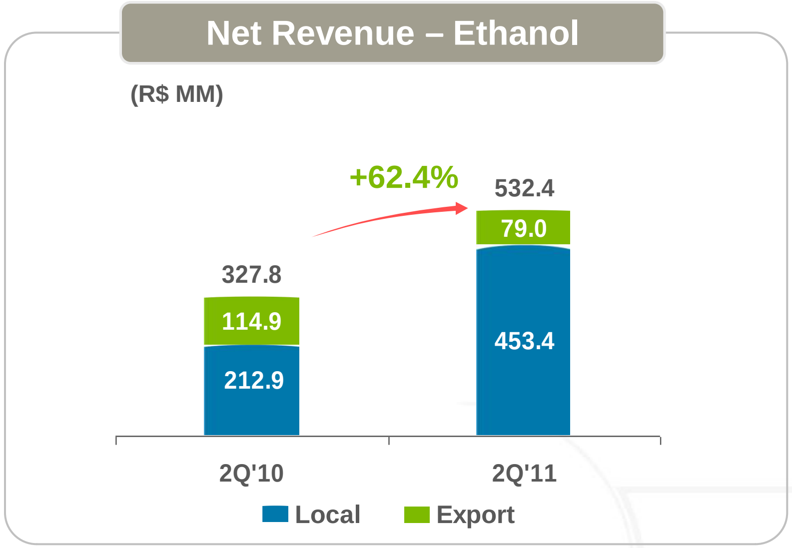
CAA - Sugar

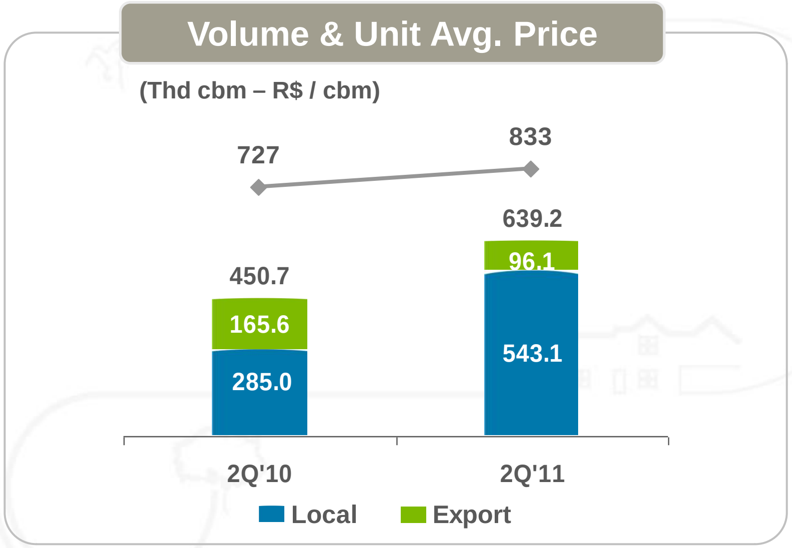




- **Net Revenue** of R$ 1.1 billion in 2Q'11, due to:
  - **Volumes**:
    - Higher volumes sold (increase of 11.2% in domestic market and 29.9% in exports)
    - Recovery of the pace of shipping at the port
    - Expected increase in cane crushing
    - Expansion of sugar mills conducted in the previous year
  - **Prices:**
    - International sugar prices 19.1% higher compared to 2Q'10

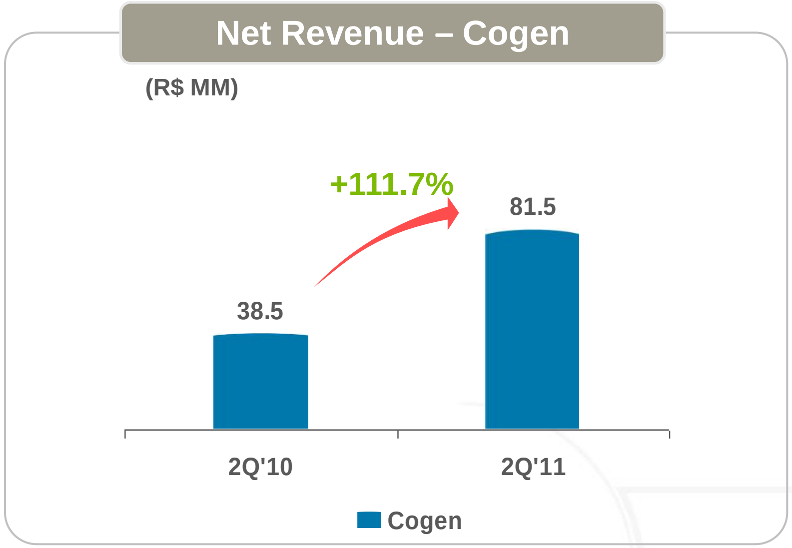
Performance 2Q'11
CAA - Ethanol

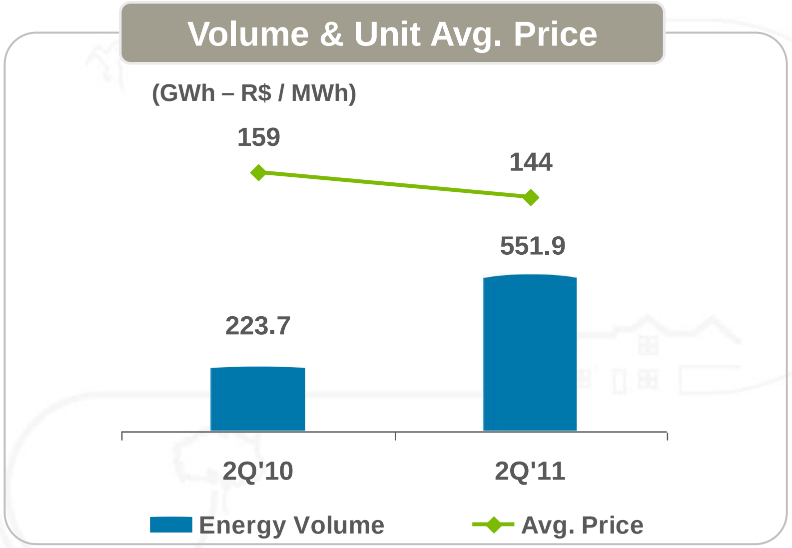




- **Net Revenue** of R$ 532.4 millions in 2Q'11, due to:
  - **Volumes**:
    - Higher volumes sold in domestic market with increase of 90.5% compared to 2Q'10.
  - **Prices:**
    - Prices in domestic market 11.8% higher than 2Q'10
    - International market 18.6% higher compared to 2Q'10

Performance 2Q'11
CAA – Cogen

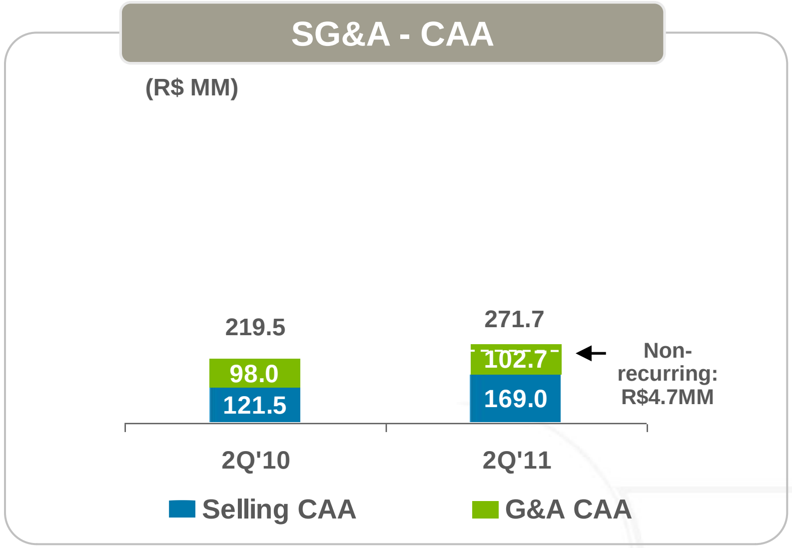


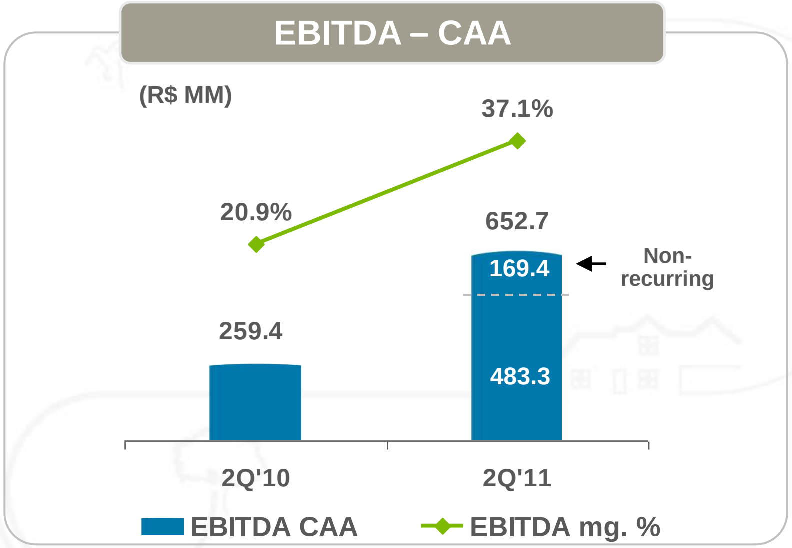


- **Net Revenue** of R$ 81.5 millions in 2Q'11, due to:
  - **Volumes**:
    - Increase of 158.1%, result of start-up of operations at new cogeneration units (totaling 10 this year, compared to 6 in the previous year)
  - **Prices:**
    - Due to new units have an average price for their long-term contracts that is lower than those for the units already in operation

Performance 2Q'11

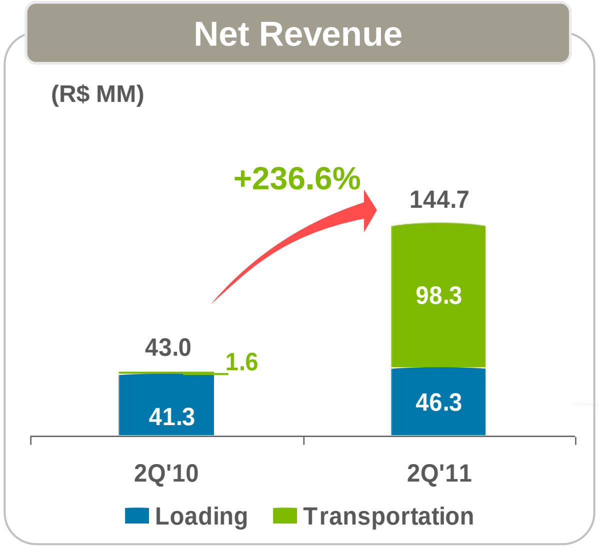
CAA – EBITDA

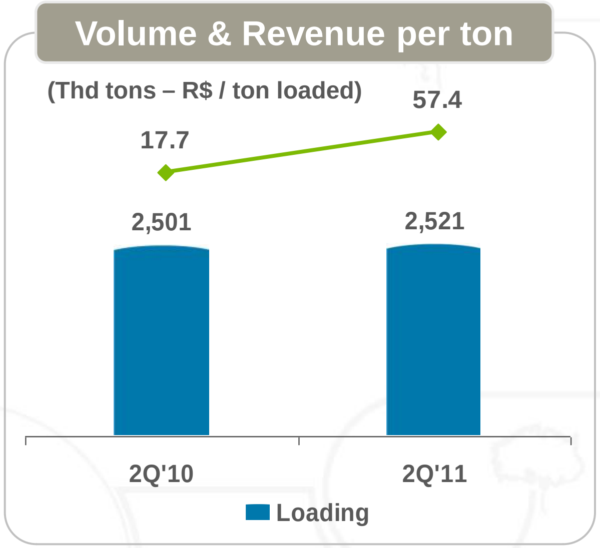


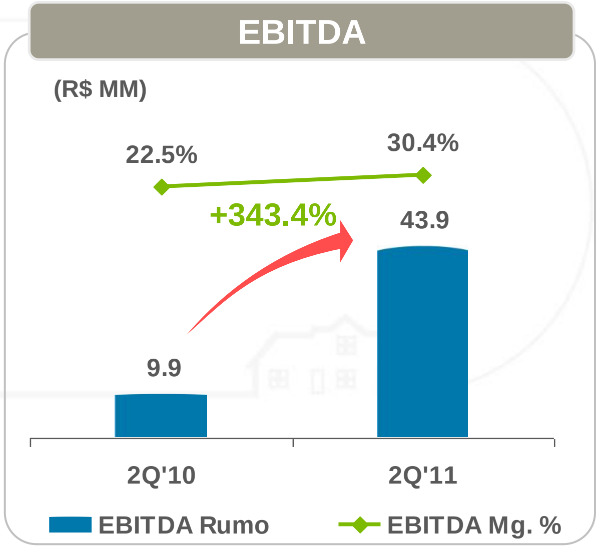


- **CAA EBITDA** totaled R$652.7 millions due to:
  - Better sugar & ethanol prices and higher volumes
  - Non-recurring expenses of R$4.7MM related to the proposed JV with Shell
  - Non-recurring gain of R$202.8 millions by reduced equity participation in Rumo Logistica
  - Non-recurring expenses of R$28.7 millions related to provisions for legal demands and other expenses

Performance 2Q'11
Rumo



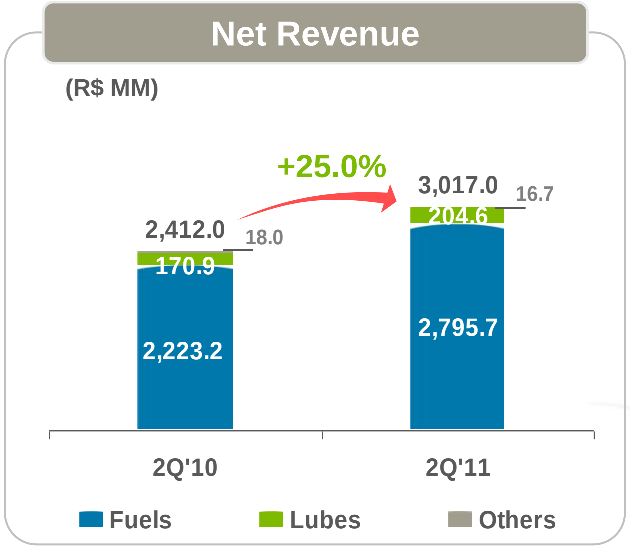


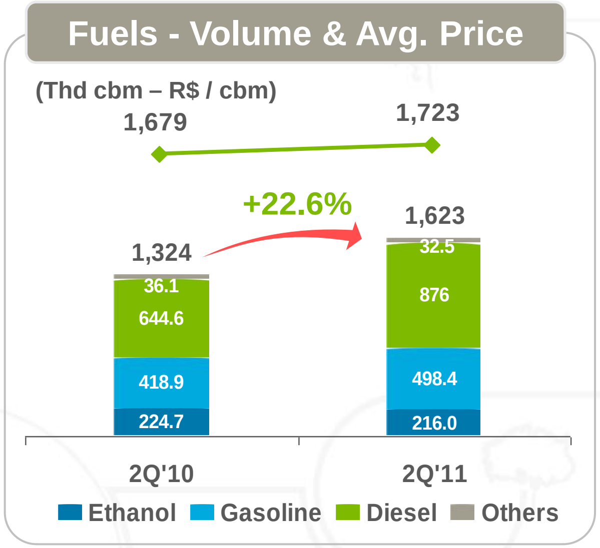


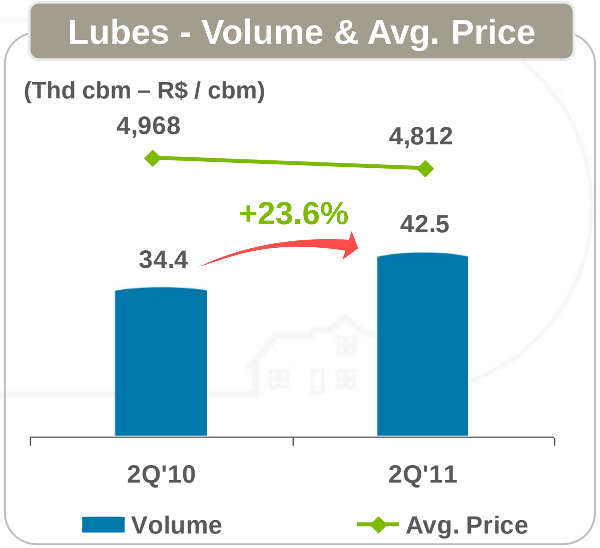
- **<u>Net Revenue</u>** of R$ 144.7 millions in 2Q'11, due to:
  - **<u>Volumes</u>**:
    - Higher volumes in transportation operations, through the contract of partnership with ALL
    - Loading volume kept in line compared to 2Q'10
  - **<u>Prices:</u>**
    - Higher Revenue per ton due to increase in transportation revenue in the total revenue mix of Rumo

Performance 2Q'11

CCL



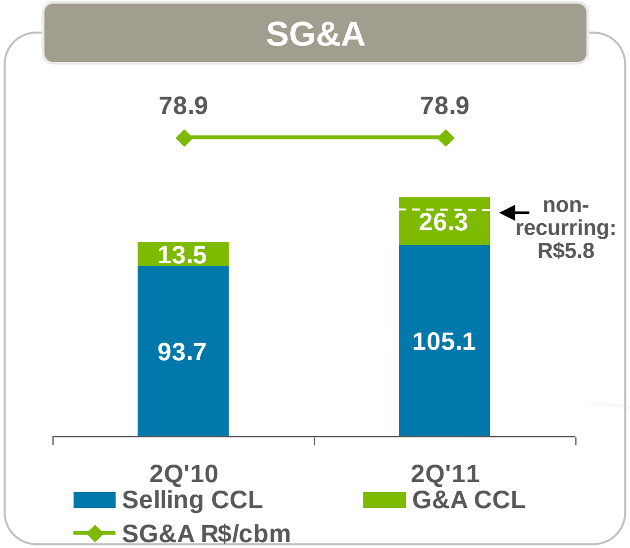


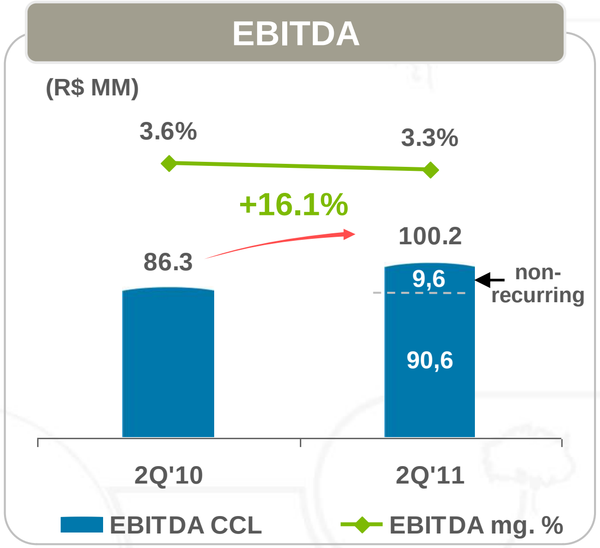


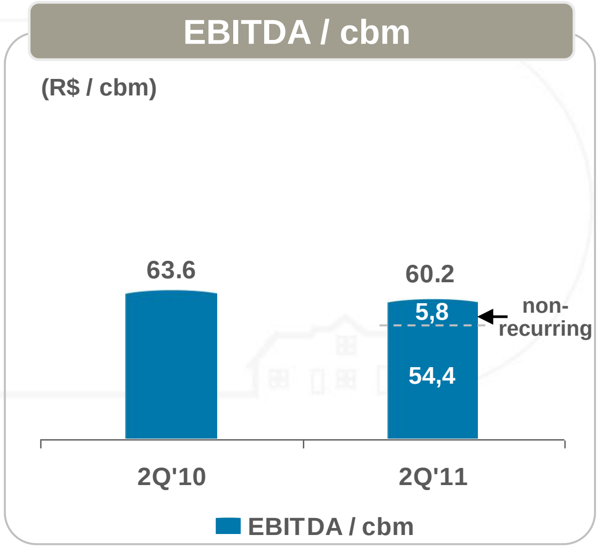
- **Net Revenue** of R$ 3.0 billions in 2Q'11, due to:
  - **Fuels**: Revenues of R$2.8 billions in 2Q'11
    - Growth of 35.9% in diesel volume compared to 2Q’10
    - Increase of 19.0% in gasoline C volume
    - Higher prices due to participation of Diesel and gasoline in sales mix
  - **Lubes**: Totaled R$204.6 millions in this quarter
    - Strong sales volume and focus on premium products
    - Opportunity of serving a sales niche of oil processing

Performance 2Q'11

CCL - EBITDA







- **CCL EBITDA** of R$100.2 millions due to:
  - Better mix of products sold, both fuels and lubes
  - Non-recurring expenses of R$5.8 million related to expenses related to the implementation of CAN and the proposed JV with Shell
  - Non-recurring gain of R$15.4 millions sale of non-operating assets

Hedge

Summary of Hedge* as of September 30, 2010:	Fiscal Year	
	2010/11	2011/12
Sugar		
NY#11		
Volume (thd tons)	*1,218.4*	*921.8*
Average Price (¢US$/lb)	*22.0*	*17.5*
London #5		
Volume (thd tons)	*125.9*	-
Average Price (US$/ton)	*568.8*	-
Ethanol		
BM&F		
Volume (cubic meters)	*900.0*	-
Average Price (R$/cbm)	*1,048.3*	-
US$		
Volume (US$ million)	*(18.5)*	*396.0*
Average Price (R$/US$)	*1.766*	*1.997*
Average Sugar Price adjusted by current (R$1.7/US$) and avg. future (R$1.8/US$) FX	*22.8*	*19.4*

Note: For sugar we considerer written options once they are in the money as a hedge while for FX derivatives we consider the Delta, regardless if in or out of the money

Net Debt

Debt per Type (R$MM)	2Q'10	1Q'11	2Q'11	% ST	Var.
Foreign Currency	**2,494.4**	**3,480.7**	**3,460.3**		**(20.4)**
Perpetual Notes	809.6	820.2	771.4	1.2%	(48.85)
Senior Notes 2017	719.4	741.5	685.5	0.7%	(56.02)
Senior Notes 2009	66.4	-	-	0.0%	-
Senior Notes 2014	630.0	653.7	601.1	0.9%	(52.54)
IFC	83.0	-	-	0.0%	-
FX Advances	91.0	184.2	382.6	100.0%	198.43
Pre-Export Contracts	95.1	899.1	845.8	35.4%	(53.27)
Export Credit Notes	-	182.1	173.9	2.6%	(8.14)
Local Currency	**2,764.0**	**2,077.0**	**2,269.1**		**192.02**
Promissory Notes	1,233.7	-	-	0.0%	-
BNDES	714.8	1,336.3	1,342.9	26.4%	6.66
Finame (BNDES)	210.0	342.9	456.9	10.9%	114.03
Working Capital	20.5	18.9	18.3	26.4%	(0.61)
Overdraft	37.2	54.3	20.2	100.0%	(34.09)
Credit Banking Notes	217.4	-	-	0.0%	-
Debentures	152.6	-	-	0.0%	-
Credit Notes	222.9	304.8	314.8	28.5%	9.98
CDCA	-	60.1	61.8	51.5%	1.66
Crédito Rural	-	-	89.4	0.0%	
Expenses with Placement of Debt	(45.2)	(40.3)	(35.3)	30.0%	5.03
Gross Debt	**5,258.3**	**5,557.8**	**5,729.4**	**18.1%**	**171.62**
Cash and Marketable Securities	948.6	1,054.9	988.4		(66.55)
Net Debt	**4,309.7**	**4,502.9**	**4,741.0**		**238.16**

2Q'11

- Received R$244.0 million as Advances on Foreign Exchange Agreements
- Received R$58.7 million from agricultural credits
- R$163.4 million in credit facilities granted by BNDES and Finame, mainly for energy cogeneration projects, greenfields and mechanization of sugarcane crops
- Amortization of around R$107.3 million in the period.

- Using EBITDA of the last 12-months of ended in September 30, 2010 we obtain a **Net Debt / EBITDA ratio of 2.1x**

* Excluding PESA debt

Guidance

Guidance	2011FY - Old	2011FY - New
Crushed Cane Volume (thousand tons)	58,000 ≤ Δ ≤ 62,000	54,000 ≤ Δ ≤ 58,000
Sugar Volume Sold (thousand tons)	4,700 ≤ Δ ≤ 5,100	4,100 ≤ Δ ≤ 4,500
Ethanol Volume Sold (million liters)	2,000 ≤ Δ ≤ 2,200	2,000 ≤ Δ ≤ 2,200
Volume of Energy Sold (thousand MWh)	1,200 ≤ Δ ≤ 1,500	1,000 ≤ Δ ≤ 1,300
Loading Volume (thousand tons)	9,500 ≤ Δ ≤ 11,500	9,000 ≤ Δ ≤ 11,000
Transportation Volume (thousand tons)	5,500 ≤ Δ ≤ 6,500	5,000 ≤ Δ ≤ 6,000
Volume of Fuels Sold (million liters)	5,400 ≤ Δ ≤ 5,900	5,700 ≤ Δ ≤ 6,200
Volume of Lubes Sold (million liters)	130 ≤ Δ ≤ 150	140 ≤ Δ ≤ 160
Revenues (R$MM)	16,500 ≤ Δ ≤ 18,500	16,500 ≤ Δ ≤ 18,500
EBITDA (R$MM)	2,000 ≤ Δ ≤ 2,400	2,000 ≤ Δ ≤ 2,400
Net Profit/Loss (R$MM)	*	*
Capex (R$MM)	1,900 ≤ Δ ≤ 2,300	1,900 ≤ Δ ≤ 2,300

Awards

2010 Latin America Executive Team

HOW C-SUITE IT IS: COSAN SWEEPS IN LATIN AMERICA EXECUTIVE RANKING

Cosan, the Brazil-based sugar and ethanol processor that recently announced a $12 billion joint venture with Royal Dutch Shell, is the big winner in *Institutional Investor*'s inaugural Latin America Executive Team ranking.

Institutional Investor asked buy- and sell-side analysts to name the best CEOs, CFOs, investor-relations professionals, and outfits with the most highly regarded IR departments among the companies they cover.

Analysts on both sides agree that Cosan is home to the Agribusiness sector's Best CEO, Marcos Marinho Lutz; Best CFO, Marcelo Eduardo Martins; and Best IR Professional, Luiz Felipe Jansen de Mello; it also provides better investor relations than any of its peers, they say.

Cosan is the only company to finish in first place in every category in its sector.

Institutional Investor

Nov 09th, 2010

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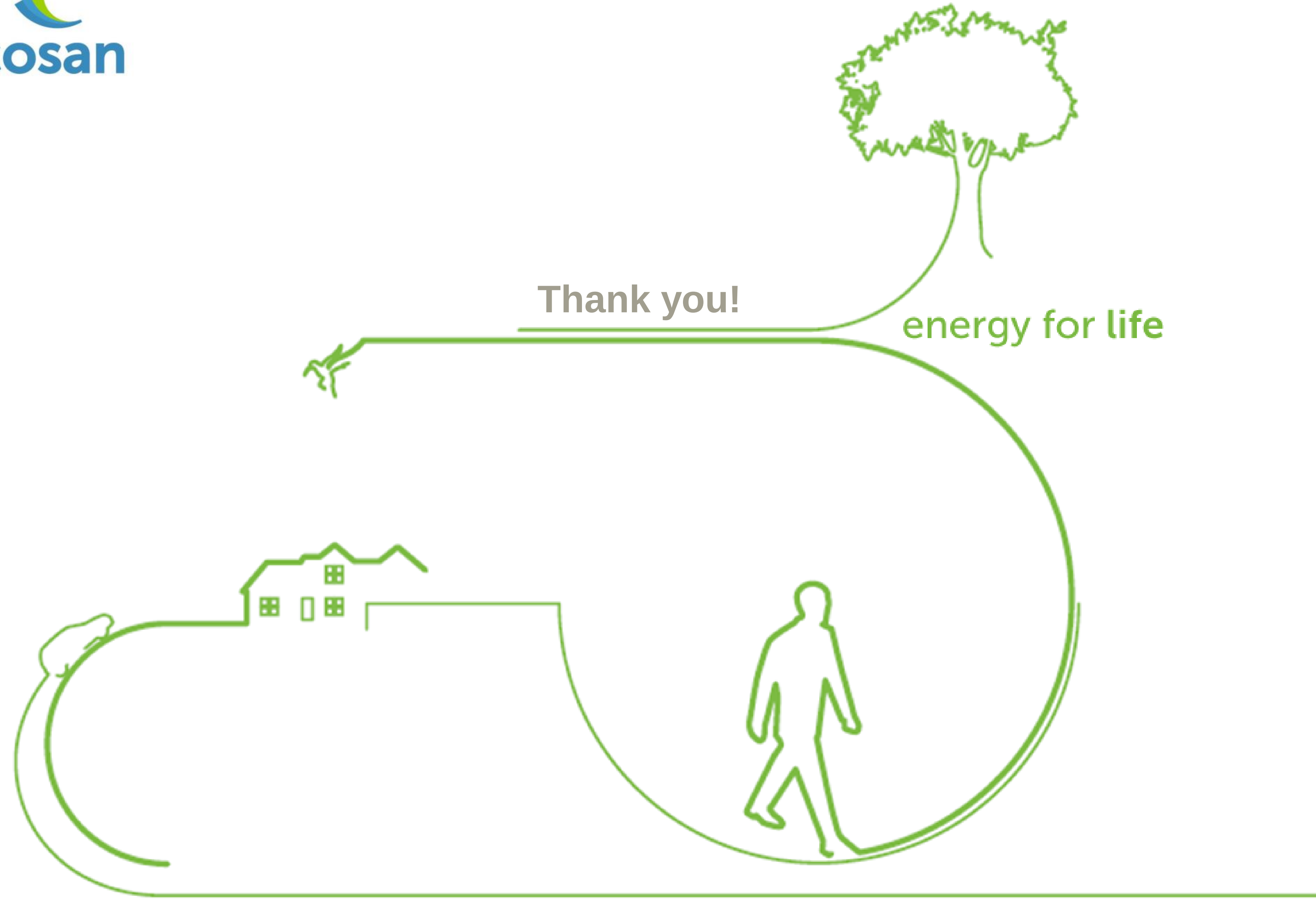
Thank you!



Q&A Section