


U.S.\$230,000,000 Notes Units
Tonon Luxembourg S.A.
(a public limited liability company (société anonyme) incorporated in the Grand Duchy of Luxembourg)
consisting of:

U.S.\$73,000,000 principal amount of 10.50% Tranche 1 senior secured notes due 2024
U.S.\$96,000,000 principal amount of 10.50% Tranche 2 senior secured notes due 2024
U.S.\$32,000,000 principal amount of 10.50% Tranche 3 senior secured notes due 2024
U.S.\$29,000,000 principal amount of 10.50% Tranche 4 senior secured notes due 2024

Unconditionally Guaranteed by
Tonon Bioenergia S.A.
(incorporated in the Federative Republic of Brazil)

Tonon Luxembourg S.A., a public limited liability company (*société anonyme*) organized under the laws of Luxembourg, with its registered office at 5, Rue Guillaume Kroll, 1882 Luxembourg, or the issuer, is offering U.S.\$230,000,000 aggregate principal amount of notes units, or the Notes Units, consisting of: (1) an aggregate of U.S.\$73,000,000 principal amount of the issuer's 10.50% senior secured notes due 2024 secured by the Tranche 1 Collateral (as defined herein), or the Tranche 1 Notes; (2) an aggregate of U.S.\$96,000,000 principal amount of the issuer's 10.50% senior secured notes due 2024 secured by the Tranche 2 Collateral (as defined herein), or the Tranche 2 Notes; (3) an aggregate of U.S.\$32,000,000 principal amount of the issuer's 10.50% senior secured notes due 2024 secured by the Tranche 3 Collateral (as defined herein), or the Tranche 3 Notes; and (4) an aggregate of U.S.\$29,000,000 principal amount of the issuer's 10.50% senior secured notes due 2024 secured by the Tranche 4 Collateral (as defined herein), or the Tranche 4 Notes. The Tranche 1 Notes, the Tranche 2 Notes, the Tranche 3 Notes and the Tranche 4 Notes are referred to herein collectively as the "Underlying Notes" and individually as a "Tranche." The Notes Units and the Underlying Notes will be issued under an indenture, or the Indenture, to be entered into among the issuer, Tonon Bioenergia S.A., as guarantor, or the guarantor, The Bank of New York Mellon, as trustee, registrar, transfer agent and paying agent, or the Trustee, The Bank of New York Mellon, as escrow agent, or the Escrow Agent, The Bank of New York Mellon, as U.S. collateral agent, or the U.S. Collateral Agent and Planner Trustee DTVM Ltda., as Brazil collateral agent, or the Brazil Collateral Agent. The U.S. Collateral Agent and the Brazil Collateral Agent are referred to herein collectively as the "Collateral Agents."

The Underlying Notes will mature on May 14, 2024, or the Maturity Date. The Underlying Notes will bear interest at the rate of 10.50% per year. Interest on the Underlying Notes will be payable semi-annually on May 14 and November 14 of each year, commencing on November 14, 2014.

Each U.S.\$1,000 Notes Unit consists of U.S.\$317.39, U.S.\$417.39, U.S.\$139.13 and U.S.\$126.09 in principal amount of Tranche 1 Notes, Tranche 2 Notes, Tranche 3 Notes and Tranche 4 Notes, respectively. The Underlying Notes may only be transferred as part of the Notes Units in this same proportion and will not trade or be redeemable individually or separately.

The obligations of the issuer under the Notes Units, the Underlying Notes and the other Financing Documents (as defined herein) will be fully and unconditionally guaranteed on a senior secured basis by the guarantor. The Notes Units will be senior secured obligations of the issuer, will rank senior in right of payment to all of the issuer's future subordinated obligations and equal in right of payment with all of the issuer's existing and future unsubordinated obligations, in each case, to the extent permitted under the Indenture. The guarantees by the guarantor of the Notes Units and the Underlying Notes, or the Notes Units Guarantees, will rank senior in right of payment to all of the guarantor's future subordinated obligations and equal in right of payment with all of the guarantor's existing and future unsubordinated obligations, in each case, to the extent permitted under the Indenture. The Notes Units, the Underlying Notes, the Notes Units Guarantees and all other obligations of the issuer, the guarantor and any other Guarantors under the Financing Documents (as defined herein) will be secured on a first priority basis by the collateral pledged pursuant to the Security Documents (as defined herein), or the Collateral, which shall include real property, credit rights, sugar cane, sugar, receivables, equipment and other assets of the guarantor described in the Security Documents.

The issuer may, at its option, redeem the Notes Units and the Underlying Notes (1) in whole or in part (provided that, in the case of any partial redemption, the Underlying Notes are redeemed on a pro rata basis), at any time prior to May 14, 2017 by paying 100% of the principal amount of the Underlying Notes plus the applicable "make-whole" amount, accrued and unpaid interest and additional amounts, if any; (2) in whole or in part (provided that, in the case of any partial redemption, the Underlying Notes are redeemed on a pro rata basis), on and after May 14, 2017 at the redemption prices set forth in this offering memorandum, plus accrued and unpaid interest and additional amounts, if any; (3) at any time on or prior to May 14, 2017 up to 35% of the principal amount of the outstanding Underlying Notes on a pro rata basis with the proceeds from certain eligible equity offerings at the redemption price set forth in this offering memorandum; and (4) in whole, but not in part, at a price equal to the outstanding principal amount plus accrued and unpaid interest and additional amounts, if any, at any time upon the occurrence of specified events relating to applicable tax laws, as set forth in this offering memorandum. See "Description of the Notes Units—Optional Redemption." If a specified Change of Control event as described herein occurs, each holder of the Notes Units may require the issuer to repurchase all or a portion of such holder's Notes Units at a price equal to 101% of the principal amount of Underlying Notes, plus accrued and unpaid interest to the date of repurchase and additional amounts, if any. See "Description of the Notes Units—Repurchases at the Option of the Holders of the Notes Units upon Change of Control."

Upon the consummation of this offering, we will deposit into the Escrow Account in the name of the Trustee for the benefit of the holders of the Notes Units the proceeds of this offering and an amount of cash or Acceptable Letters of Credit in the Escrow Account such that the escrowed funds are in an amount sufficient to redeem the Notes Units, on or before the date that is 60 days after the issue date, or the Special Mandatory Redemption Date, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the redemption date. The Notes Units will be subject to a special mandatory redemption (a "Special Mandatory Redemption") in the event the Release Conditions (as defined herein) do not occur by on or before the Special Mandatory Redemption Date. The issuer and the guarantor will covenant to apply the escrowed funds, promptly following or substantially concurrent with the release thereof, as described in "Use of Proceeds."

There is currently no public market for the Notes Units. This offering memorandum comprises "Listing Particulars" for the purpose of the application to the Irish Stock Exchange for the listing of the Notes Units. We have applied to the Irish Stock Exchange to approve these Listing Particulars and to admit the Notes Units to listing on the Official List, and to trading on the Global Exchange Market of the Irish Stock Exchange. See "Listing and General Information." The Notes Units will be issued in registered form only in minimum denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.

Investing in the Notes Units involves risks. See "Risk Factors" beginning on page 25.

Price: 99.052% plus accrued interest, if any, from May 14, 2014.

The Notes Units, the Underlying Notes and the Notes Units Guarantees have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or the Securities Act. The Notes Units may not be offered or sold within the United States or to U.S. persons, except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. Accordingly, the Notes Units are being offered and sold only to qualified institutional buyers, or QIBs, as defined in Rule 144A under the Securities Act, or Rule 144A, and to certain non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act, or Regulation S. You are hereby notified that sellers of the Notes Units may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For more information about restrictions on transfer of the Notes Units, see "Transfer Restrictions."

Delivery of the Notes Units will be made to investors in book-entry form through The Depository Trust Company, or DTC, for the accounts of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, or Euroclear, and Clearstream Banking, société anonyme, or Clearstream, on or about May 14, 2014.

Bookrunner
Morgan Stanley
Passive Bookrunner
HSBC

The date of this offering memorandum is May 23, 2014.

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You should only rely on the information contained in this offering memorandum. Neither we nor the initial purchasers have authorized anyone to provide you with different information. Neither we nor the initial purchasers are making an offer of the Notes Units in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this offering memorandum is accurate at any date other than the date on the front of this offering memorandum, regardless of the time of delivery of this offering memorandum or any sale of the Notes Units.

Unless otherwise indicated or the context otherwise requires, all references in this offering memorandum to:

- “our company,” “we,” “our,” “ours,” “us” or similar terms, “Tonon,” or the “guarantor” refer to Tonon Bioenergia S.A. and its consolidated subsidiaries;
- “Tonon Luxembourg” or the “issuer” refer to Tonon Luxembourg S.A.;
- “Tonon Holding” refer to Tonon Holding S.A.;
- the “Tonon Family” refer to the individuals who are the ultimate beneficial shareholders of Tonon Holding, Alfredo Tonon, José Antonio Tonon, Renato José Tonon, Celso Roberto Tonon, Abelmir Bartolo Tonon and Antonio Tonon, and their respective sons and daughters, or any of their respective heirs;
- the “Tonon Family Holding Companies” refer to ALT Participações Ltda., JAT Participações Ltda., RJT Participações Ltda., CAJRT Participações Ltda., ABT Participações Ltda. and ANT Participações Ltda.;
- “Paraíso” refer to Paraíso Bioenergia S.A., which we acquired on May 3, 2013 and merged into Tonon on September 30, 2013;
- “FIP DGF Terra Viva” refer to FIP Terra Viva - Fundo de Investimento em Participações, the investment fund managed by DGF Investimentos Ltda., a Brazilian private equity firm;
- “Individual Sellers” refer to the individual shareholders of Paraíso prior to the acquisition of Paraíso, as described in “Acquisition and Merger of Paraíso,” namely each member of the Pinheiro family;
- the “Pinheiro Family” refer to Mr. Wilson Hélio de Albuquerque Pinheiro Júnior, Mr. Flávio de Albuquerque Pinheiro, Ms. Renata de Albuquerque Pinheiro and Ms. Silvia de Barros Brisolla;
- the “Bunge Group” refer to Bunge Alimentos S.A., Bunge International Commerce Ltd., Bunge London Limited and Ceval International Ltd. - currently Bunge London Limited;
- “ADM” refer to Agrograin Ltd., Sucursal Uruguay;
- “ED&F Man” refer to ED&F Man Sugar Ltd.;
- “BR Distribuidora” refer to Petrobras Distribuidora S.A.;
- “Raízen” refer to Raízen Combustíveis S.A.;
- “Sucden” refer to Sucres Et Denrées;
- “Brazil” refer to the Federative Republic of Brazil; and
- the “Brazilian government” refer to the federal government of Brazil.

We have taken all reasonable care to ensure that the information contained in this offering memorandum is accurate, to the best of our knowledge, in accordance with the facts and contains no omissions likely to affect its import. We accept responsibility accordingly.

This offering memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any Notes Units offered hereby by any person in any jurisdiction in which it is unlawful for such person to make

an offer or solicitation. This offering memorandum does not comprise a prospectus for the purposes of EU Directive 2003/71/EC or otherwise. Neither the delivery of this offering memorandum nor any sale made hereunder shall under any circumstances imply that there has been no change in our affairs or that the information set forth in this offering memorandum is correct as of any date subsequent to the date of this offering memorandum.

This offering memorandum has been prepared by us solely for use in connection with the proposed offering of the Notes Units. We, Morgan Stanley & Co. LLC and HSBC Securities (USA) Inc., or the initial purchasers, reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than all of the Notes Units offered by this offering memorandum. This offering memorandum is personal to you and does not constitute an offer to any other person or to the public in general to subscribe for or otherwise acquire the Notes Units. You are authorized to use this offering memorandum solely for the purpose of considering the purchase of the Notes Units. Distribution of this offering memorandum by you to any person other than those persons retained to advise you is unauthorized, and any disclosure of any of the contents of this offering memorandum without our prior written consent is prohibited.

You must (1) comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this offering memorandum and the purchase, offer or sale of the Notes Units, and (2) obtain any required consent, approval or permission for the purchase, offer or sale by you of the Notes Units under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales, and neither we nor the initial purchasers or their agents have any responsibility therefor. See “Transfer Restrictions” for information concerning some of the transfer restrictions applicable to the Notes Units.

You acknowledge that:

- you have been afforded an opportunity to request from us, and to review, all additional information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained in this offering memorandum;
- you have not relied on the initial purchasers or their agents or any person affiliated with the initial purchasers or their agents in connection with your investigation of the accuracy of such information or your investment decision; and
- no person has been authorized to give any information or to make any representation concerning us or the Notes Units other than those as set forth in this offering memorandum. If given or made, any such other information or representation should not be relied upon as having been authorized by us or the initial purchasers or their agents.

In making an investment decision, you must rely on your own examination of our business and the terms of this offering, including the merits and risks involved. The Notes Units have neither been approved or disapproved, nor recommended by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not confirmed the accuracy or determined the adequacy of this offering memorandum. Any representation to the contrary is a criminal offense.

The offering is being made in reliance upon an exemption from registration under the Securities Act, for an offer and sale of securities that does not involve a public offering. The Notes Units are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable state securities laws, pursuant to registration or exemption therefrom. In making your purchase, you will be deemed to have made certain acknowledgments, representations and agreements set forth in this offering memorandum under the caption “Transfer Restrictions.” As a prospective purchaser, you should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time.

This offering memorandum has been prepared by us solely for use in connection with the proposed offering of the Notes Units. This offering memorandum may only be used for the purposes for which it has been prepared.

Neither the initial purchasers nor any of their agents is making any representation or warranty or assuming any responsibility as to the accuracy or completeness of the information contained in this offering memorandum, and nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation, whether as to the past or the future.

We have applied to admit the Notes Units to listing on the Official List, and to trading on the Global Exchange Market, of the Irish Stock Exchange. The Irish Stock Exchange takes no responsibility for the contents of this offering memorandum, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this offering memorandum.

See “Risk Factors” for a description of certain factors relating to an investment in the Notes Units, including information about our business. None of us, the initial purchasers or any of our or the initial purchasers’ representatives is making any representation to you regarding the legality of an investment by you under applicable legal investment or similar laws. You should consult with your own advisors as to legal, tax, business, financial and related aspects of a purchase of the Notes Units.

Notwithstanding anything in this document to the contrary, except as reasonably necessary to comply with applicable securities laws, you (and each of your employees, representatives or other agents) may disclose to any and all persons, the U.S. federal income tax treatment and tax structure of this offering and all materials (including opinions or other tax analyses) that are provided to you relating to such tax treatment and tax structure. For this purpose, “tax structure” is limited to facts relevant to the U.S. federal income tax treatment of this offering.

NOTICE TO INVESTORS WITHIN BRAZIL

THE NOTES UNITS (AND RELATED NOTES UNITS GUARANTEE) HAVE NOT BEEN, AND WILL NOT BE, REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OF BRAZIL (COMISSÃO DE VALORES MOBILIÁRIOS), OR THE CVM. THE NOTES UNITS MAY NOT BE OFFERED OR SOLD IN BRAZIL, EXCEPT IN CIRCUMSTANCES THAT DO NOT CONSTITUTE A PUBLIC OFFERING OR UNAUTHORIZED DISTRIBUTION UNDER BRAZILIAN LAWS AND REGULATIONS. THE NOTES UNITS (AND RELATED NOTES UNITS GUARANTEES) ARE NOT BEING OFFERED INTO BRAZIL. DOCUMENTS RELATING TO THE OFFERING OF THE NOTES UNITS, AS WELL AS INFORMATION CONTAINED THEREIN, MAY NOT BE SUPPLIED TO THE PUBLIC IN BRAZIL, NOR BE USED IN CONNECTION WITH ANY OFFER FOR SUBSCRIPTION OR SALE OF THE NOTES UNITS TO THE PUBLIC IN BRAZIL.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER RSA 421-B:20 WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE

PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

This communication is only being distributed to and is only directed at (1) persons who are outside the United Kingdom, (2) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (3) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). The Notes Units are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes Units will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

NOTICE TO INVESTORS IN LUXEMBOURG

This offering memorandum has not been approved by and will not be submitted for approval to the Luxembourg Financial Sector Supervisory Authority (*Commission de Surveillance du Secteur Financier*) for purposes of a public offering or sale in the Grand Duchy of Luxembourg (“Luxembourg”). Accordingly, the Notes Units may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither this offering memorandum nor any other circular, prospectus, form of application, advertisement or other material may be distributed, or otherwise made available in or from, or published in, Luxembourg except in circumstances which do not constitute a public offer of securities to the public, subject to prospectus requirements, in accordance with the Luxembourg law of July 10, 2005 on prospectuses for securities as amended and implementing the Prospectus Directive (the “Prospectus Law”). Consequently, this offering memorandum and any other offering circular, prospectus, form of application, advertisement or other material may only be distributed to investors in circumstances which do not require the publication by the issuer of a prospectus pursuant to Article 5 of the Prospectus Law.

Additional Information

While any Notes Units remain outstanding, we will make available, upon request, to any holder and any prospective purchaser of Notes Units the information required pursuant to Rule 144A(d)(4)(i) under the Securities Act, during any period in which we are not subject to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act.

We have applied to the Irish Stock Exchange to approve these Listing Particulars and to admit the Notes Units to listing on the Official List, and to trading on the Global Exchange Market, of the Irish Stock Exchange. See “Listing and General Information.” We will comply with any undertakings that we give from time to time to the Irish Stock Exchange in connection with the Notes Units, and we will furnish to the Irish Stock Exchange all such information required in connection with the listing of the Notes Units.

ENFORCEMENT OF CIVIL LIABILITIES

Luxembourg

Enforcement of Judgments

The issuer is a company incorporated and established under the laws of the Grand Duchy of Luxembourg under the form of a public limited liability company (*société anonyme*) and it may be difficult for you to obtain or enforce judgments against it or its directors in the United States.

Substantially all of the issuer's assets are located outside the United States. Furthermore none of the issuer's directors resides in the United States. As a result, investors may find it difficult to effect service of process within the United States upon the issuer or these persons or to enforce outside the United States judgments obtained against the issuer or these persons in U.S. courts, including judgments in actions predicated upon the civil liability provisions of the U.S. federal securities laws. Likewise, it may also be difficult for an investor to enforce in U.S. courts judgments obtained against us or these persons in courts located in jurisdictions outside the United States, including actions predicated upon the civil liability provisions of the U.S. federal securities laws. It may also be difficult for an investor to bring an original action in a Luxembourg court predicated upon the civil liability provisions of the U.S. federal securities laws against the issuer or these persons. Luxembourg law, furthermore, does not recognize a shareholder's right to bring a derivative action on behalf of the issuer. It may be possible for investors to effect service of process within Luxembourg upon the issuer provided that The Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters of November 15, 1965 is complied with.

As there is no treaty in force governing the reciprocal recognition and enforcement of judgments in civil and commercial matters between the United States and the Grand Duchy of Luxembourg, courts in Luxembourg will not automatically recognize and enforce a final judgment rendered by a U.S. court. A valid final, non-appealable and conclusive judgment against an issuer incorporated in Luxembourg with respect to the Notes Units obtained from a court of competent jurisdiction in the United States remains in full force and effect after all appeals as may be taken in the relevant state or federal jurisdiction with respect thereto have been taken, may be entered and enforced through a court of competent jurisdiction of Luxembourg, subject to compliance with the enforcement procedures (*exequatur*) set out in Article 678 *et seq.* of the Luxembourg New Code of Civil Procedure (*Nouveau Code de Procédure Civile*) and Luxembourg case-law, being:

- the judgment of the U.S. court is enforceable (*exécutoire*) in the United States;
- the U.S. court had full jurisdiction over the subject matter leading to the judgment (that is, its jurisdiction was in compliance both with Luxembourg private international law rules and with the applicable domestic U.S. federal or state jurisdictional rules);
- the U.S. court has applied to the dispute the substantive law which would have been applied by Luxembourg courts or, at least, the order must not contravene the principles underlying those rules;
- the judgment must not have been obtained subsequent to a breach of Luxembourg law (*fraude à la loi*) and must have been granted in compliance with the rights of the defendant to appear, and if the defendant appeared, to present its defense;
- the U.S. court has acted in accordance with its own procedural laws; and
- the considerations of the foreign order, as well as the judgment, do not contravene international public policy as understood under the laws of Luxembourg or have been given proceedings of a penal, criminal or tax nature (which would include awards of damages made under civil liabilities provisions of the U.S. federal securities laws, or other laws, to the extent that the same would be classified by Luxembourg courts as being of a penal or punitive nature (for example, fines or punitive damages)) or rendered subsequent to an evasion of Luxembourg law (*fraude à la loi*). Ordinarily an award of monetary damages would not be considered as a penalty, but if the

monetary damages include punitive damages such punitive damages may be considered as a penalty).

If an original action is brought in Luxembourg, without prejudice to specific conflict of law rules, Luxembourg courts may refuse to apply the designated law (1) if the choice of such foreign law was not made bona fide or (2) if the foreign law was not pleaded and proved or (3) if pleaded and proved, such foreign law as contrary to mandatory Luxembourg laws or incompatible with Luxembourg public policy rules. In an action brought in Luxembourg on the basis of U.S. federal or state securities laws, Luxembourg courts may not have the requisite power to grant the remedies sought. Also, an enforcement procedure (*exequatur*) may be refused in respect of punitive damages.

In practice, Luxembourg courts now tend not to review the merits of a foreign judgment, although there is no clear statutory prohibition of such review.

Further, in the event of any proceedings being brought in a Luxembourg court in respect of a monetary obligation expressed to be payable in a currency other than Euro, a Luxembourg court would have power to grant a judgment to pay a currency other than Euro. However, enforcement of the judgment against any party in Luxembourg would be available only in Euros and for such purposes all claims or debts would be converted into Euros.

Registration

The registration of the Notes Units, the Indenture, the Notes Units Guarantees and any other transaction documents with respect to this offering (and any document in connection therewith) with the *Administration de l'Enregistrement et des Domaines* in Luxembourg may be required in the case of legal proceedings before Luxembourg courts or in the case that any of such documents must be produced before an official Luxembourg authority (*autorité constituée*). If the registration is required, either a nominal registration duty or an ad valorem duty (or, for instance, 0.24% of the amount of the payment obligation mentioned in the document so registered) will be payable depending on the nature of the document to be registered. No ad valorem duty is payable in respect of security interests subject to the Financial Collateral Law.

The Luxembourg courts or the official Luxembourg authority may require that the Notes Units, the Indenture, the Notes Units Guarantees and any other transaction documents with respect to this offering (and any document in connection therewith) and any judgment obtained in a foreign court be translated into French or German.

Insolvency Proceedings

The following is a brief description of certain aspects of insolvency law in Luxembourg. The insolvency laws of Luxembourg may not be as favorable to your interests as creditors as the laws of the United States or other jurisdictions with which you may be familiar. In the event that the issuer experiences financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings.

The issuer is incorporated under the laws of Luxembourg and has its registered office in Luxembourg. Accordingly, the Luxembourg District Court, with jurisdiction for commercial matters (the “Commercial Court”), should have, in principle, jurisdiction to open main insolvency proceedings with respect to the issuer, as entity having its registered office and central administration (*administration centrale*) and centre of main interest (“COMI”), as used in the EC Regulation 1346/2000 of 29 May 2000 on insolvency proceedings (the “EU Regulation”), in Luxembourg, such proceedings to be governed by Luxembourg insolvency laws. According to the EU Regulation, there is a rebuttable presumption that a company has its COMI in the jurisdiction in which it has the place of its registered office. As a result, there is a rebuttable presumption that the COMI of the issuer is in Luxembourg and consequently that any “main insolvency proceedings” (as defined in the EU Regulation) would be opened by a Luxembourg court and be governed by Luxembourg law.

However, the determination of where the issuer has its COMI is a question of fact, which may change from time to time. Preamble 13 of the EU Insolvency Regulation states that the COMI of a debtor should correspond to

the place where the debtor conducts the administration of its interests on a regular basis and “is therefore ascertainable by third parties.”

Under Luxembourg insolvency laws, the following types of proceedings (the “Insolvency Proceedings”) may be commenced against the issuer:

- bankruptcy proceedings (*faillite*), the opening of which is initiated by the issuer, by any of its creditors or by Luxembourg courts *ex officio*. Following such a request, the Luxembourg courts having jurisdiction may open bankruptcy proceedings, if the issuer (i) is in default or a state of cessation of payments (*cessation des paiements*) and (ii) cumulatively has lost its commercial creditworthiness (*ébranlement de crédit*). If a court finds that these conditions are satisfied, it may also open *ex officio* bankruptcy proceedings, absent a request made by the issuer. Bankruptcy proceedings are primarily designed to liquidate the assets of the bankrupt entity in order to pay off its debts. The main effects of such proceedings are the suspension of all measures of enforcement against the issuer, except, subject to certain limited exceptions, for secured creditors (which means unsecured creditors and creditors with a general priority right would, as of the bankruptcy order, no longer be permitted to take any action based on title to movable and immovable assets, nor any enforcement action against the issuer’s movable or immovable assets) and the payment of the issuer’s secured creditors in accordance with their ranking upon the liquidation of the issuer’s assets. In addition, the directors of the issuer have the obligation to file for bankruptcy within one month in case it is in a state of stay of payments (*cessation de paiement*), i.e. which is unable to pay its debts as they fall due with normal means of payment). If the directors fail to comply with such obligation they may be held liable towards the issuer or any third party on the basis of principles of directors’ liabilities for any loss suffered and criminally liable for simple bankruptcy (*banqueroute simple*) in accordance with article 573 of the Luxembourg Commercial Code. However, secured creditors who are holding security interests falling within the scope of the Luxembourg law of August 5, 2005 on financial collateral arrangements, as amended (the “Luxembourg Collateral Law”), may enforce their security regardless of the bankruptcy adjudication;
- controlled management proceedings (*gestion contrôlée*), the opening of which may only be requested by the issuer and not by its creditors and under which a Luxembourg court may order provisional suspension of payments, including a stay of enforcement of claims by secured creditors. Security interests falling within the scope of the Luxembourg Collateral Law will, however, be enforceable notwithstanding the controlled management proceedings; and
- composition proceedings (*concordat préventif de faillite*), the obtaining of which may only be requested by the issuer (after having received a prior consent from a majority of its creditors holding at least 75% of the claims against the issuer). The obtaining of such composition proceedings will trigger a provisional stay on enforcement of claims by creditors.

In addition to these proceedings, the ability of the holders of Notes Units to receive payment on the Notes Units may be affected by a decision of a Court to grant a stay on payments (*sursis de paiement*) or to put the issuer into judicial liquidation (*liquidation judiciaire*). Judicial liquidation proceedings may be opened at the request of the public prosecutor against companies pursuing an activity violating criminal laws or that are in serious breach or violation of the commercial code or of the laws governing commercial companies dated August 10, 1915, as amended (the “Companies Act”). The management of such liquidation proceedings will generally follow similar rules as those applicable to bankruptcy proceedings.

The issuer’s liabilities in respect of the Notes Units will, in the event of a liquidation of the issuer following bankruptcy or judicial liquidation proceedings, rank after the costs of liquidation (including any debt incurred for the purpose of such liquidation) and any claims that are entitled to priority under Luxembourg law. For example, preferential debts under Luxembourg law include, among others:

- certain amounts owed to the Luxembourg Revenue;
- value-added tax and other taxes and duties owed to the Luxembourg Customs and Excise;

- social security contributions; and
- remuneration owed to employees.

For the avoidance of doubt, the above list is not exhaustive.

Assets over which a security interest has been granted and perfected will in principle not be available for distribution to unsecured creditors (except after enforcement and to the extent a surplus is realized), and subject to application of the relevant priority rule and liens and privileges arising mandatorily by law. In particular, pursuant to the Luxembourg Collateral Law in respect of assets over which the Luxembourg security interests have been granted, as well as all enforcement events and valuation and enforcement measures agreed upon by the parties in accordance with this law, are valid and enforceable against third parties, commissioners, receivers, liquidators and other similar persons notwithstanding any insolvency proceedings.

Any international aspects of Luxembourg bankruptcy, controlled management and composition proceedings may be subject to the EU Insolvency Regulation. Insolvency proceedings may therefore have a material adverse effect on the issuer's obligations under the Notes Units.

Impact of Insolvency proceedings on Transactions

During insolvency proceedings, all enforcement measures by unsecured creditors are suspended. In the event of controlled management proceedings, the ability of secured creditors to enforce their security interest may also be limited, automatically causing the rights of secured creditors to be stayed until a final decision has been taken by the court as to the petition for controlled management, and may be affected thereafter by a reorganization order given by the relevant Luxembourg court subject to the exceptions under the Luxembourg Collateral Act. A reorganization order requires the prior approval of more than 50% of the creditors representing more than 50% of the relevant guarantor's liabilities in order to take effect. Furthermore, declarations of default and subsequent acceleration (such as acceleration upon the occurrence of an event of default) may not be enforceable during controlled management proceedings.

Hardening Periods and Fraudulent Transfer

Luxembourg insolvency laws may also affect transactions entered into or payments made by the issuer during the period before bankruptcy, the so-called "suspect period" (*periode suspecte*), which is a maximum of six months preceding the judgment declaring bankruptcy, except that in certain specific situations the court may set the start of the suspect period at an earlier date, if the bankruptcy judgment was preceded by another insolvency proceedings (e.g., a suspension of payments or controlled management proceedings) under Luxembourg law.

In particular:

- pursuant to article 445 of the Luxembourg code of commerce, specified transactions (such as, in particular, the granting of a security interest for antecedent debts; the payment of debts which have not fallen due, whether payment is made in cash or by way of assignment, sale, set-off or by any other means; the payment of debts which have fallen due by any means other than in cash or by bill of exchange; the sale of assets or entering into transactions generally without consideration or with substantially inadequate consideration) entered into during the suspect period (or the ten days preceding it) will be set aside or declared null and void, if so requested by the insolvency receiver;
- pursuant to article 446 of the Luxembourg code of commerce, payments made for matured debts for considerations, as well as other transactions concluded during the suspect period, are subject to cancellation by the court upon proceedings instituted by the insolvency receiver if they were concluded with the knowledge of the bankrupt's cessation of payments; and
- regardless of the suspect period, article 448 of the Luxembourg Code of Commerce and article 1167 of the Luxembourg Civil Code (*action paulienne*) give any creditor the right to challenge any fraudulent payments and transactions made prior to the bankruptcy.

The Luxembourg Collateral Law provides that with the exception of the provisions of the Luxembourg law of December 8, 2000 on over-indebtedness (*surendettement*) (which only apply to natural persons), the provisions of Book III, Title XVII of the Luxembourg Civil Code, the provisions of Book 1, Title VIII of the Luxembourg Commercial Code, the provisions of Book III of the Luxembourg Commercial Code and the national or foreign provisions governing reorganization measures, winding-up proceedings or other similar proceedings and attachments are not applicable to financial collateral arrangements (such as Luxembourg pledges over shares or bank accounts or receivables) and shall not constitute an obstacle to the enforcement and to the performance by the parties of their obligations. Certain preferred creditors of the Issuer (including the Luxembourg tax, social security and other authorities) may have a privilege that ranks senior to the rights of the secured or unsecured creditors.

According to the Luxembourg Collateral Law, foreign law security interests over claims or financial instruments granted by a Luxembourg Obligor will be valid and enforceable as a matter of Luxembourg law notwithstanding any Insolvency Proceedings, if such foreign law security interests are similar in nature to Luxembourg security interests falling within the scope of the Luxembourg Collateral Law. In such situation, Luxembourg hardening period rules are not applied.

Continuance of Ongoing Contracts

The bankruptcy receiver decides whether or not to continue performance under on-going contracts (*i.e.*, contracts existing before the bankruptcy order). The bankruptcy receiver may elect to continue the business of the debtor, provided the bankruptcy receiver obtains the authorization of the court and such continuation does not cause any prejudice to the creditors. However, two exceptions apply:

- the parties to an agreement may contractually agree that the occurrence of a bankruptcy constitutes an early termination or acceleration event; and
- *intuitu personae* contracts (*i.e.*, contracts whereby the identity of the other party constitutes an essential element upon the signing of the contract) are automatically terminated as of the bankruptcy judgment since the debtor is no longer responsible for the management of the company. Parties can agree to continue to perform under such contracts.

The bankruptcy receiver may elect not to perform the obligations of the bankrupt party which are still to be performed after the bankruptcy under any agreement validly entered into by the bankrupt party prior to the bankruptcy. The counterparty to that agreement may make a claim for damages in the bankruptcy and such claim will rank *pari passu* with claims of all other unsecured creditors and/or seek a court order to have the relevant contract dissolved. The counterparty may not require specific performance of the contract.

Security Interests Considerations

The granting of security interests over movable or immovable, tangible or intangible, assets may be subject to validity and/or enforceability conditions. The breach of any of such conditions may render such security interests invalid or unenforceable. The foreclosure of security interests may be subject to formalities (including judicial or non-judicial consent) and may be time-consuming in the event that the foreclosure takes place under judicial control or in the event of a legal dispute. Courts may condition the enforcement of a security interest and/or guarantee upon the evidence that the creditor has a final and undisputed claim triggering the foreclosure of the security interest and/or guarantee. Enforcement of security interests and/or guarantees may be hindered by conflict of law and/or conflict of jurisdiction issues and may not breach any public policy provision and/or mandatory legal provisions.

According to Luxembourg conflict of law rules, the courts in Luxembourg will generally apply the *lex rei sitae* or *lex situs* (the law of the place where the assets or subject matter of the pledge or security interest is situated) in relation to the creation, perfection and enforcement of security interests over such assets. As a consequence, Luxembourg law will apply in relation to the creation, perfection and enforcement of security interests over assets located or deemed to be located in Luxembourg, such as registered shares in Luxembourg companies, bank accounts held with a Luxembourg bank, receivables or claims governed by Luxembourg law and/or having debtors located in Luxembourg, tangible assets located in Luxembourg, securities which are held through an account located in Luxembourg, bearer securities physically located in Luxembourg, among others. If there are assets located or

deemed to be located in Luxembourg, the security interests over such assets will be governed by Luxembourg law and must be created, perfected and enforced in accordance with Luxembourg law.

The Luxembourg Collateral Law governs the creation, validity, perfection and enforcement of pledges over shares, bank accounts and receivables located or deemed to be located in Luxembourg. Under the Luxembourg Collateral Law, the perfection of security interests depends on certain registration, notification and acceptance requirements. A pledge over registered securities will be perfected once (i) acknowledged and accepted by the company which has issued the pledged securities and (ii) registered in the relevant register held by the issuer. If future registered securities are pledged, the perfection of such pledge will require additional registration in the shareholders' register of such company. A pledge over receivables becomes enforceable against the debtor of the receivables and third parties from the moment when the agreement pursuant to which the pledge was created is entered into between the pledgor and the pledgee. However, if the debtor has not been notified of the pledge or if he did not otherwise acquire knowledge of the pledge, he will be validly discharged if he pays the pledgor. A bank account pledge agreement must be notified to and accepted by the account bank. In addition, the account bank has to waive any pre-existing security interests and other rights in respect of the relevant account. If (future) bank accounts are pledged, the perfection of such pledge will require additional notification to, acceptance and waiver by the account bank. Until such registrations, notifications and acceptances occur, the pledge agreements are not effective and perfected against the debtors, the account banks and other third parties.

Article 11 of the Luxembourg Collateral Law sets out enforcement remedies available upon the occurrence of an enforcement event, including, but not limited to:

- direct appropriation of the pledged assets (by the pledge or a designated third party) at (i) a value determined (before or after the enforcement) in accordance with a valuation method agreed upon by the parties or (ii) the listing price of the pledged assets;
- sale of the pledged assets (i) in a private transaction at normal commercial terms (*conditions commerciales normales*), (ii) by a public sale at the stock exchange or (iii) by way of a public auction;
- attribution in court of the pledged assets to the pledgee in discharge of the secured obligations following a valuation made by a court-appointed expert; or
- set-off between the secured obligations and the pledged assets.

As the Luxembourg Collateral Law does not provide any specific time periods and depending on (i) the method chosen, (ii) the valuation of the pledged assets, (iii) any possible recourses, and (iv) the possible need to involve third parties, such as, for example, courts, stock exchanges and appraisers, the enforcement of the security interests might be substantially delayed.

Foreign law governed security interests and the powers of any receivers/administrators may not be enforceable in respect of assets located or deemed to be located in Luxembourg. Security interests/ arrangements, which are not expressly recognized under Luxembourg law and the powers of any receivers/administrators might not be recognized or enforced by the Luxembourg courts, even over assets located outside of Luxembourg, in particular where a Luxembourg obligor becomes subject to insolvency proceedings in Luxembourg or where the Luxembourg courts otherwise have jurisdiction because of the actual or deemed location of the relevant rights or assets, except if “main insolvency proceedings” (as defined in the EU Insolvency Regulation) are opened under Luxembourg law and such security interests/arrangements constitute rights *in rem* over assets located in another Member State in which the EU Insolvency Regulation applies, and in accordance with article 5 of the EU Insolvency Regulation.

The perfection of the security interests created pursuant to pledge agreements does not prevent any third party creditor from seeking attachment or execution against the assets, which are subject to the security interests created under the pledge agreements, to satisfy their unpaid claims against the pledgor. Such creditor may seek the forced sale of the assets of the pledgors through court proceedings, although the beneficiaries of the pledges will in principle remain entitled to priority over the proceeds of such sale (subject to preferred rights by operation of law).

Under Luxembourg law, certain creditors of an insolvent party have rights to preferred payments arising by operation of law, some of which may, under certain circumstances, supersede the rights to payment of secured or unsecured creditors, and most of which are undisclosed preferences (*privileges occultes*). This includes, in particular, the rights relating to fees and costs of the insolvency official as well as any legal costs, the rights of employees to certain amounts of salary, and the rights of the Treasury and certain assimilated parties (namely social security bodies), which preferences may extend to all or part of the assets of the insolvent party. This general privilege takes in principle precedence over the privilege of a pledge in respect of pledged assets. Finally, the appointment of a foreign security agent will be recognized under Luxembourg law, (i) to the extent that the designation is valid under the law governing such appointment and (ii) subject to possible restrictions.

Generally, according to paragraph 2(4) of the Luxembourg Collateral Law, a security (financial collateral) may be provided in favor of a person acting on behalf of the collateral taker, a fiduciary or a trustee in order to secure the claims of third party beneficiaries, whether present or future, *provided* that these third party beneficiaries are determined or may be determined.

Under the Luxembourg Collateral Law, collateral may be provided in favor of a person acting for the account of the beneficiaries of the collateral, a fiduciary or a trustee, to secure the claims of third party beneficiaries, provided the latter are determined or determinable. Without prejudice to their duties towards the third party beneficiaries of the financial collateral arrangement, the persons acting for the account of such beneficiaries of the collateral, the fiduciary or the trustee, enjoy the same rights as those granted to direct beneficiaries of financial collateral arrangements.

Brazil

We are incorporated under the laws of Brazil. All of the members of our board of executive officers and all of the members of our senior management named in this offering memorandum reside in Brazil. None of our directors or executive officers are U.S. residents. Substantially all of our assets and these other persons are located in Brazil. As a result, it may not be possible to effect service of process upon us or these other persons within the United States or other jurisdictions outside Brazil or to enforce against us or these other persons judgments obtained in the United States or other jurisdictions outside Brazil.

In the terms and conditions of the Notes Units, we (1) agree that the courts of the state of New York and the courts of the United States, located in the Borough of Manhattan, The City of New York, will have non-exclusive jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with the Notes Units and, for such purposes, we will irrevocably submit to the jurisdiction of such courts and (2) nominate an agent for service of process in the Borough of Manhattan, The City of New York. See “Description of the Notes Units.”

We understand that, subject to specific requirements described below, a final conclusive judgment for payment of a determined sum of money rendered by any court in the United States in respect of the Notes Units and the Notes Units Guarantees would be recognized in the courts of Brazil (to the extent that Brazilian courts may have jurisdiction) and such courts would enforce such judgment without any retrial or reexamination of the merits of the original action only if such judgment has been previously ratified by the Superior Court of Justice of Brazil (*Superior Tribunal de Justiça*), or STJ. Such ratification shall be available only if the judgment:

- complies with all formalities required for its enforceability under the laws of the jurisdiction where the foreign judgment has been granted;
- is issued by a competent court;
- is issued after due service of process on the parties or after the certification that the judgment *in absentia* occurred in compliance with the applicable law;
- is final and accordingly not subject to any appeals in the jurisdiction in which it was issued;
- is for payment of a specified sum of money;

- is authenticated by the Brazilian consulate with jurisdiction over the location of the court which issued the judgment;
- is accompanied by a sworn translation into Portuguese; and
- is not contrary to Brazilian national sovereignty, public order and/or morality.

Notwithstanding the foregoing, no assurance can be given that such ratification would be obtained, that the process described above could be conducted in a timely manner or that a Brazilian court would enforce a monetary judgment for violation of the U.S. securities laws.

We have also been advised that:

- civil actions may be brought before Brazilian courts based on the federal securities laws of the United States and that, subject to applicable law, Brazilian courts may enforce such liabilities in such actions against us (provided that provisions of the federal securities laws of the United States do not contravene Brazilian public policy, good morals or national sovereignty and provided further that Brazilian courts can assert jurisdiction over the particular action); the ability of a judgment creditor to satisfy a judgment by attaching certain assets of the defendant in Brazil is governed and limited by provisions of Brazilian law;
- the ability of a judgment creditor to satisfy a judgment by the seizure of certain assets of the defendant in Brazil is governed and limited by provisions of Brazilian law;
- under Brazilian law, Brazilian courts may assert jurisdiction whenever the defendant is domiciled in Brazil, the obligation has to be performed in Brazil or the matter under dispute originates in Brazil; and
- Brazilian courts have exclusive jurisdiction over actions related to real estate located in Brazil; and
- Brazilian courts have jurisdiction over actions related to foreclosure on pledges and assets located in Brazil, and therefore foreclosures on the pledged assets and/or Paraíso Mill Mortgage Deed are required by Brazilian law to be conducted through a judicial proceeding filed before the Brazilian courts.

In addition, in light of the provisions under Article 835 of the Brazilian Code of Civil Procedure (*Código de Processo Civil*), a plaintiff, whether Brazilian or non-Brazilian, who resides outside Brazil or is outside Brazil during the course of the litigation in Brazil and who does not own real estate in Brazil must provide a bond to guarantee the payment of the defendant's legal fees and court expenses in connection with court procedures for the collection of payments under the Notes Units and the Notes Units Guarantees except in the case of claims for collection based on a *título executivo extrajudicial* (an instrument which may be enforced in Brazilian courts without a review on the merits, which is not the case of the Notes Units) or counterclaims (exceptions established under Article 836 of the Brazilian Code of Civil Procedure (*Código de Processo Civil*)).

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references herein to the “*real*,” “*reais*” or “R\$” are to the Brazilian *real*, the official currency of Brazil. All references to “U.S. dollars,” “dollars” or “U.S.\$” are to U.S. dollars.

As of May 8, 2014, the exchange rate for *reais* into U.S. dollars was R\$2.2107 to U.S.\$1.00, based on the selling rate as reported by the Central Bank of Brazil (*Banco Central do Brasil*), or the Central Bank. The selling rate was R\$2.3426 to U.S.\$1.00 as of December 31, 2013, R\$2.0138 to U.S.\$1.00 as of March 31, 2013, R\$2.0306 to U.S.\$1.00 as of December 31, 2012, R\$1.8221 to U.S.\$1.00 as of March 31, 2012 and R\$1.6287 to U.S.\$1.00 as of March 31, 2011, in each case, as reported by the Central Bank. The *real*/U.S. dollar exchange rate fluctuates widely, and the selling rates as set out above may not be indicative of future exchange rates. See “Exchange Rates” for information regarding exchange rates for the Brazilian currency.

Solely for the convenience of the reader, we have translated some amounts included in “Summary,” “Summary Financial and Other Information,” “Capitalization,” “Selected Financial and Other Information” and elsewhere in this offering memorandum from *reais* into U.S. dollars using the selling rate as reported by the Central Bank as of December 31, 2013, of R\$2.3426 to U.S.\$1.00. These translations should not be considered representations that any such amounts have been, could have been or could be converted into U.S. dollars at that or at any other exchange rate. Such translations should not be construed as representations that the *real* amounts represent or have been or could be converted into U.S. dollars as of that or any other date.

Financial Statements

Financial Statements of Tonon

We maintain our books and records in *reais*.

Our financial information contained in this offering memorandum has been derived from our records and financial statements, which are included elsewhere or hereby incorporated by reference in this offering memorandum, and comprise of:

- (1) our unaudited interim individual and consolidated financial statements as of and for the nine-month periods ended December 31, 2013 and 2012; and
- (2) our audited financial statements as of and for each of the financial years ended March 31, 2013 (which are annexed to this offering memorandum), 2012 (which are hereby incorporated by reference in this offering memorandum), and 2011.

All references herein to “our unaudited interim individual and consolidated financial statements” and “our audited financial statements” are to Tonon’s financial statements included elsewhere or hereby incorporated by reference in this offering memorandum.

We prepare our financial statements in accordance with accounting practices adopted in Brazil, or Brazilian GAAP, and International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board (IASB), which are based on:

- Brazilian Law No. 6,404/76, as amended, among others, by Brazilian Law No. 9,457/97 and Brazilian Law No. 10,303/01, and complemented and amended by Brazilian Law No. 11,638/07 and Provisional Measure No. 449/08, converted into Law No. 11,941/09, which we refer to hereinafter collectively as the Brazilian Corporation Law;
- the accounting standards issued by the Brazilian Federal Accounting Council (*Conselho Federal de Contabilidade*), or the CFC, and the Brazilian Accounting Standards Committee (*Comitê de Pronunciamentos Contábeis*), or the CPC; and
- the accounting standards issued by the IASB.

Financial Statements of the Issuer

The issuer does not have any operations independent from Tonon. The issuer's obligations under the Notes Units and the Underlying Notes will be fully and unconditionally guaranteed by Tonon. Any results of operations of the issuer will be fully consolidated in the consolidated financial statements of Tonon as of May 7, 2014 (the date of incorporation of the issuer). Accordingly, we have not included any financial statements for the issuer in this offering memorandum. The issuer does not, and will not, publish financial statements, except for such financial statements which the issuer may be required to publish under the laws of Luxembourg. In addition, the issuer will not furnish to the trustee or the holders of the Notes Units any financial statements of, or other reports relating to, the issuer.

Acquisition and Merger of Paraíso

On May 3, 2013, we completed the acquisition of Paraíso, a sugar and ethanol producer in the state of São Paulo, which operates one mill with a sugarcane crushing capacity of 2.5 million tons per harvest period. Paraíso was merged with and into Tonon on September 30, 2013. As a result, Paraíso was extinguished, ceased to exist as a legal entity and Tonon succeeded to all its assets and liabilities. Our financial statements for the nine-month period ended December 31, 2013 are comprised of the operations of (1) our current three mills (the Vista Alegre mill, the Santa Cândida mill and the Paraíso mill) from May 1, 2013 to December 31, 2013, and (2) our two original mills (the Vista Alegre mill and the Santa Cândida mill), excluding the Paraíso mill, from April 1, 2013 to April 30, 2013. Since our financial statements for the nine-month period ended December 31, 2013 include the financial information of Paraíso as set out above, our financial statements for the nine-month period ended December 31, 2013 are not directly comparable to our financial statements for the nine-month period ended December 31, 2012.

For periods prior to May 1, 2013, unless the context requires otherwise, financial information pertaining to us or our mills included in this offering memorandum pertains to Tonon and our Santa Cândida and Vista Alegre mills only, and such information with respect to Paraíso is not included.

Operational data pertaining to us and our mills included in this offering memorandum for all periods after March 31, 2013, including for the nine-month period ended December 31, 2013, pertains to all three of our mills, including our Paraíso mill. Accordingly, we include operational data for the Paraíso mill combined with our Santa Cândida and Vista Alegre mills as from April 1, 2013, which includes data from the period before we acquired Paraíso on May 3, 2013. As a result of the above, our financial information presented in this offering memorandum for the nine-month period ended December 31, 2013 (which includes Paraíso financial information as of May 1, 2013) is not directly comparable with our operational information for the nine-month period ended December 31, 2013 (which includes Paraíso financial information as of April 1, 2013).

Financial Statements of Paraíso

In order that potential investors can review and assess the historical financial performance of Paraíso, we have also included the audited financial statements of Paraíso for the financial years ended March 31, 2013, 2012 and 2011 elsewhere in this offering memorandum, or the Paraíso financial statements.

Paraíso's books and records were maintained in *reais* and its financial statements were prepared in accordance with Brazilian GAAP and IFRS.

Pro Forma Financial Information in Relation to our Acquisition of Paraíso

The section "Unaudited *Pro Forma* Condensed Consolidated Financial Information" contains unaudited *pro forma* condensed consolidated financial information relating to our *pro forma* statements of income, or the unaudited *pro forma* financial information, to reflect the effect of our acquisition of Paraíso as if that acquisition had taken place on April 1, 2012. The unaudited *pro forma* financial information should be read in conjunction with our unaudited interim consolidated financial statements, our audited financial statements and the Paraíso financial statements, each of which are included elsewhere in this offering memorandum.

The unaudited *pro forma* financial information as of and for the nine-month period ended December 31, 2013 and as of and for the financial year ended March 31, 2013 is not comparable to our historic financial

information because it gives effect to the acquisition of Paraíso for periods prior to its actual acquisition. The unaudited *pro forma* financial information is for illustrative purposes only and is not intended to represent or be indicative of what our actual consolidated results of operations would have been had the transaction described above occurred on April 1, 2012, and is not necessarily indicative of our future consolidated results of operations. The unaudited *pro forma* financial information does not, for example, reflect (1) any integration costs that may be incurred as a result of the acquisition of Paraíso, (2) any synergies, operating efficiencies and cost savings that may result from the acquisition of Paraíso, (3) any benefits that may be derived from the combined company's growth prospects, or (4) any changes in prices or exchange rates subsequent to the dates of the unaudited *pro forma* financial information.

Special Note Regarding Non-GAAP Financial Measures

EBITDA and Adjusted EBITDA

The body of generally accepted accounting principles is commonly referred to as GAAP. For this purpose, a non-GAAP financial measure is generally defined by the U.S. Securities and Exchange Commission, or the SEC, as one that purports to measure historical or future financial performance, financial position or cash flows but excludes or includes amounts that would not be so adjusted in the most comparable GAAP measure. To be consistent with industry practice, we may disclose so-called non-GAAP financial measures which are not recognized under Brazilian GAAP, IFRS or accounting principles generally accepted in the United States, or U.S. GAAP, including "EBITDA" and "Adjusted EBITDA." However, these non-GAAP items do not have standardized meanings and may not be directly comparable to similarly-titled items adopted by other companies. Potential investors should not rely on information not recognized under Brazilian GAAP, IFRS or U.S. GAAP as a substitute for the GAAP measures of earnings or liquidity in making an investment decision.

We define EBITDA as net profit (loss) from continuing operations before net financial income/expenses, depreciation of property, plant and equipment, amortization of intangible assets, amortization of inter-harvest maintenance carried out, amortization of crops and handling, and income tax and social contribution. We define Adjusted EBITDA as EBITDA adjusted by changes in the fair value of biological assets, gains upon sales of assets and equity in net income of subsidiaries. Our determination of EBITDA and Adjusted EBITDA does not purport to be compliant with SEC or CVM regulations.

Our management believes that disclosure of EBITDA and Adjusted EBITDA provides useful information to investors, financial analysts and the public in their review of our operating performance and their comparison of our operating performance to the operating performance of other companies in the same industry and other industries. They are not recognized measures under Brazilian GAAP, IFRS or U.S. GAAP, and because not all companies use identical calculations, our presentation of EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures or to free cash flow, as it does not consider certain of our cash requirements, such as interest payments, tax payments and debt service payments. EBITDA and Adjusted EBITDA should not be considered as an alternative to net profit (loss) from continuing operations, as an indicator of our operating performance, or as an alternative to cash flow as an indicator of our liquidity. Our definitions of EBITDA and Adjusted EBITDA in this offering memorandum are not necessarily the same as the definitions we use for purposes of establishing covenant compliance for our financing agreements or under the indenture that will govern the Notes Units offered hereby. See "Acquisition and Merger of Paraíso—Key Financial and Other Information" for a calculation of EBITDA and Adjusted EBITDA used by Paraíso prior to its merger into Tonon.

Net Debt

Net debt is also a non-GAAP financial measure. For the fourth quarter of each financial year and each financial year, to reflect an applicable financial covenant under a loan agreement to which we are borrowers, we define net debt as current loans and financing plus non-current loans and financing minus cash, cash equivalents and other investments (current and non-current other than equity interests in relation to our co-generation activities). For the first, second and third quarters of each financial year, where this financial covenant does not apply, we define net debt as current loans and financing plus non-current loans and financing minus cash, cash equivalents, other investments (current and non-current other than equity interests in relation to our co-generation activities) and finished goods inventories. Net debt is not a recognized measure under Brazilian GAAP, IFRS or U.S. GAAP. Our definition of net debt in this offering memorandum is not necessarily the same as the net debt definitions that we use

for purposes of establishing covenant compliance for our financing agreements or under the indenture that will govern the Notes Units offered hereby. Net debt does not have a standardized meaning and our definition of net debt may not be comparable to net debt used by other companies and is not a measure of cash flow, liquidity or resources available for debt service.

Paraíso Mill Appraisal Reports

Solely for the purposes of this offering, we retained Appraisal Avaliações e Engenharia Limitada, or the Independent Appraiser, a Brazilian independent consulting firm to prepare the Appraisal Reports attached to this offering memorandum as Annex A, which contain appraisals of the fair market and future residual values of the Paraíso mill and related equipment. See “Forward-Looking Statements” for more information regarding the estimates and projections included in the Paraíso Mill Appraisal Reports.

Harvest and Financial Year

Our mills are located in the Southeast and Midwest regions of Brazil. The annual sugarcane harvesting period in the Southeast and Midwest regions of Brazil typically covers an approximately eight-month period that generally commences in April and ends in December of each year. Our financial year begins on April 1 of each calendar year and ends on March 31 during the subsequent calendar year, such that our financial year 2013 commenced on April 1, 2012 and ended on March 31, 2013. Given that our financial year includes parts of two calendar years, we refer to a particular harvest during a particular calendar year as a harvest beginning in one calendar year and ending in the immediately succeeding calendar year, such that we refer to the harvest that commenced in the Southeast and Midwest regions in April 2012 and ended in December 2012, as the 2012/2013 harvest. Although our financial year ends on March 31, for purposes of calculating income and social contribution taxes in accordance with Brazilian tax laws, the applicable tax year ends on December 31.

Market Data

We obtained the market and competitive position data, including market forecasts, used throughout this offering memorandum from internal surveys, market research, publicly available information and industry publications. We include data from reports prepared by sources such as the Brazilian Institute of Geography and Statistics (*Instituto Brasileiro de Geografia e Estatística*), or the IBGE, the Luiz de Queiroz College of Agriculture (*Escola Superior de Agricultura Luiz de Queiroz*) at the University of São Paulo, or ESALQ, the Central Bank, Sugarcane Industry Association (*União da Indústria de Cana-de-Açúcar*), or UNICA, F.O. Licht, Agroconsult Consultoria e Marketing Ltda., or Agroconsult, the Canavieira Technology Center (*Centro de Tecnologia Canavieira*), or CTC, the São Paulo Stock Exchange (*BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros*), or BM&FBOVESPA, the Brazilian National Economic and Social Development Bank (*Banco Nacional de Desenvolvimento Econômico e Social*), or BNDES, the Intercontinental Exchange, or ICE, the Brazilian National Association of Automotive Vehicle Manufacturers (*Associação Nacional dos Fabricantes de Veículos Automotores*), or ANFAVEA, the Brazilian Ministry of Agriculture, Livestock and Supply (*Ministério da Agricultura, Pecuária e Abastecimento*), or MAPA, the Brazilian National Supply Company (*Companhia Nacional de Abastecimento*), or CONAB, the United States Department of Agriculture, or USDA, the Brazilian Foreign Trade Office (*Secretaria de Comércio Exterior*), or SECEX, and the Union of Bioenergy Producers (*União dos Produtores de Bioenergia*), or UDOP. Industry publications, including those referenced here, generally state that the information presented therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while we believe them to be reliable, have not been independently verified, and neither we nor the initial purchasers makes any representation as to the accuracy of such information.

Information derived from the industry publications above has been accurately reproduced and, to the best of our knowledge (after having taken all reasonable care to ensure that such is the case), no facts have been omitted which would render the reproduced information inaccurate or misleading.

Technical and Other Terms

As used in this offering memorandum, the following terms have these meanings:

- “ATR” means total recoverable sugar (*açúcares totais recuperáveis*), which represents the total amount of sugar content in the sugarcane.
- “CLT” means cutting, loading and transporting sugarcane (*corte, carregamento e transporte*).
- “ethanol” means a clear, colorless liquid with a characteristic odor, made by fermenting and then distilling starch or sugar crops.
- “flex-fuel vehicle” means a flexible-fuel vehicle or dual-fuel vehicle with an internal combustion engine designed to run on more than one fuel, usually gasoline blended with either ethanol or methanol fuel, and both fuels are stored in the same tank.
- “MTBE” means methyl tertiary butyl ether, which is used primarily as an octane booster for gasoline.
- “NY11” means contract No. 11, which is the world’s benchmark for raw sugar trading on ICE.
- “polarization” refers to the measurement of sucrose content in sugar, where 100 is the maximum and signifies 100% sucrose content.
- “sugar” means any grade or type of saccharine product derived, directly or indirectly, from sugarcane or sugar beet and consisting of, or containing, sucrose or invert sugar, including all raw sugar, refined crystalline sugar, liquid sugar, edible molasses, and cane syrup.

All references in this offering memorandum to “tons” refer to metric tons, which are equivalent to 1,000 kilograms, 2,204.6 pounds or 1.102 short tons. References to “kt” shall mean “kiloton,” equivalent to 1,000 tons. The term “MW” refers to megawatt and the term “MWh” refers to megawatt hours. One “hectare” is equivalent to 10,000 square meters or 2.47105381 acres. One “cubic meter” is equivalent to 1,000 liters. One “gallon” is equal to approximately 3.78 liters. One kilometer is equivalent to approximately 0.621 miles.

Rounding

We have made rounding adjustments to reach some of the figures included in this offering memorandum. As a result, numerical figures shown as totals in some tables may not be arithmetic aggregations of the figures that precede them.

FORWARD-LOOKING STATEMENTS

This offering memorandum contains statements, principally in “Summary,” “Risk Factors,” “Management’s Discussion and Analysis of Financial Conditions and Results of Operations,” “Sugar and Ethanol Industries” and “Business” that constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Many of the forward-looking statements contained in this offering memorandum can be identified by the use of forward-looking words such as “anticipate,” “believe,” “could,” “expect,” “should,” “plan,” “seek,” “intend,” “estimate” and “potential,” among others. Although we believe that these forward-looking statements are based upon reasonable assumptions, these statements are subject to several risks and uncertainties and are made in light of information currently available to us. These statements appear in a number of places in this offering memorandum and include, but are not limited to, statements regarding our intent, belief or current expectations with respect to:

- general economic, political and business conditions in Brazil and in major international markets to which we export, or which commonly purchase sugar and ethanol, including price and demand for such products;
- climatic conditions, climate changes and natural disasters;
- our ability to successfully implement our strategy and capital expenditure plans;
- our direction and future operation;
- implementation of our main operating, financial and growth strategies;
- the cost and availability of financing and our ability to obtain financing on satisfactory terms;
- our investment, acquisition, joint venture, strategic alliances or divestiture plans, including the integration of, and synergies resulting from, our acquisition and the merger of Paraíso;
- inherent risks associated with acquisitions, including our acquisition and the merger of Paraíso;
- market price variation, client preferences and competition;
- changes in ethanol and sugar prices and inventory levels;
- competition from companies with similar business objectives;
- the performance of our competitors and the consequent impact on the perception of our industry;
- cyclical and seasonal variations in our results of operations;
- potential conflicts of interests of our shareholders;
- our future production capacity and the availability of sugarcane;
- our compliance with financial ratios and other contractual obligations;
- the substitution of sugar and ethanol for other types of sweeteners and energy sources;
- the expectation that demand for ethanol will continue to increase in Brazil and internationally;
- interest rate fluctuations, inflation and exchange rates between *reais* and foreign currencies;
- changes in tax, environmental and labor policies and legislation;
- changes, suspension or cancellation of tax incentives we benefit from;

- existing and future governmental regulations;
- export duties and tariffs, as well as tariff barriers;
- other factors or trends that may affect our financial condition or results of operations;
- force majeure events;
- the factors discussed under the section entitled “Risk Factors” in this offering memorandum; and
- other statements contained in this offering memorandum regarding matters that are not historical facts.

Forward-looking statements are only our current expectations and are based on our management’s beliefs and assumptions and on information currently available to our management. These statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements as a result of various factors, including, without limitation, those identified under the section entitled “Risk Factors” in this offering memorandum. These risks and uncertainties include factors relating to the Brazilian economy, securities and foreign exchange markets, which exhibit volatility and can be adversely affected by developments in other countries, factors relating to the Brazilian and international sugar and ethanol industries and changes in their regulatory environment and factors relating to the highly competitive markets in which we operate, among others. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events. In light of such limitations, you should not make any investment decision on the basis of the forward-looking statements contained in this offering memorandum.

Paraíso Mill Appraisal Reports

Solely for the purposes of this offering, we retained Appraisal Avaliações e Engenharia Limitada, or the Independent Appraiser, a Brazilian independent consulting firm to prepare the Appraisal Reports attached to this offering memorandum as Annex A, which contain appraisals of the fair market and future residual values of the Paraíso mill and related equipment. The estimates and projections contained in the Appraisal Reports were not prepared for the purpose of complying with the requirements of any regulatory entity of any country with respect to financial information. You should understand that the information contained in the Appraisal Reports, including estimates and projections, is subject to significant risks and uncertainties and, therefore, you should not rely solely on them in making an investment decision. Before making an investment decision, you should read this offering memorandum as a whole, including the information contained in “Risk Factors.”

The information included in the Appraisal Reports is not based on the historical performance of the Paraíso mill as owned or operated by Tonon, and is not necessarily indicative of the value or future performance of the Paraíso mill or Tonon. You should be aware that the financial estimates and projections contained in the Appraisal Reports may not materialize in the future, given that they are based on various factors including, among others, those listed under “Forward-Looking Statements” and the risks discussed in “Risk Factors.”

You should be aware that the estimates and projections included in the Appraisal Reports are based on analysis, estimates and projections made by us and the Independent Appraiser regarding the sugar and ethanol industry in Brazil that we and they believe to be reasonable and appropriate. Assumptions, analyses and estimates and projections contained in the Appraisal Reports and in this offering memorandum have not been independently verified.

Neither our independent auditors nor any other independent auditor has compiled, examined or executed any procedures with respect to the financial estimates and projections used to prepare the Appraisal Reports. Our independent auditor has not expressed its opinions on, or made any statement about, such information and does not accept any responsibility or association with such financial estimates or projections. The audit reports prepared by our independent auditor and included elsewhere in this offering memorandum relate to our historical financial

information for the periods identified in “Presentation of Financial and Other Information,” which information does not include financial estimates or projections.

Investors should be advised that our financial information derived from our financial statements included in this offering memorandum does not include the estimated financial information or other information and projections contained in the Appraisal Reports, and the Appraisal Reports are in no way a part of our financial information derived from our financial statements included in this offering memorandum.

The Appraisal Reports will not be updated or revised to reflect situations arising after the date of this offering memorandum.

The Independent Appraisers’ business address is Avenida Brig. Luís Antônio, 487 - 7º andar - Bela Vista - São Paulo - SP - CEP 01317-909, Brazil. The Independent Appraiser holds no material interest in the issuer and the Appraisal Reports are included in this offering memorandum, in the form and context in which they are included, with the consent of the Independent Appraiser.

SUMMARY

This summary highlights information presented in greater detail elsewhere in this offering memorandum. This summary is not complete and does not contain all of the information you should consider before investing in the Notes Units. You should carefully read this entire offering memorandum before deciding whether to invest in the Notes Units, including the “Risk Factors,” “Selected Financial and Other Information,” “Acquisition and Merger of Paraíso” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections and our financial statements, the Paraíso financial statements and the respective explanatory notes to those statements, included elsewhere in this offering memorandum.

Overview

We are a sugar, ethanol and energy producer with operations in the Southeast and Midwest regions of Brazil. We cultivate, harvest, purchase and process sugarcane, from which we produce very high polarization sugar, or VHP sugar, granulated refined sugar, anhydrous ethanol and hydrous ethanol to sell domestically and internationally. We also provide sugarcane bagasse by-products in exchange for electricity to power our industrial operations through co-generation. We currently conduct our sugar and ethanol operations through three mills: (1) Santa Cândida, in Bocaina, in the state of São Paulo; (2) Vista Alegre, in Maracaju, in the state of Mato Grosso do Sul; and (3) Paraíso, in Brotas, in the state of São Paulo.

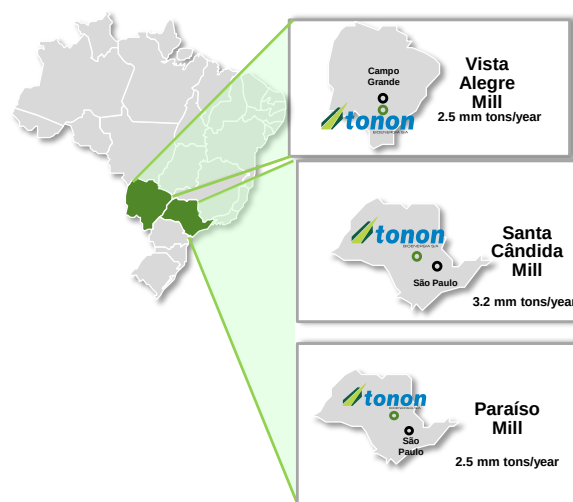
As of the date of this offering memorandum, our three mills had a combined sugarcane crushing capacity of 8.2 million tons per harvest period. The Southeast and Midwest regions of Brazil in which our mills are located provide excellent climate conditions and soil for harvesting sugarcane. As of December 31, 2013, 85.6% of our harvest at our Santa Cândida mill, 100.0% of our harvest at our Vista Alegre mill and 89.4% of our harvest at our Paraíso mill was mechanized.

Our Santa Cândida mill has a sugarcane crushing capacity of 3.2 million tons per harvest period. It is located in the state of São Paulo, in the Southeast region of Brazil, and benefits from higher sugarcane yield than other regions of Brazil. It is also close to Paulínia, the main fuel distribution center in the state of São Paulo, and to the port of Santos, the main port for Brazilian sugar exports.

Our Vista Alegre mill has a sugarcane crushing capacity of 2.5 million tons per harvest period. It is located in Mato Grosso do Sul, in the Midwest region of Brazil and benefits from low cost land leases and flat harvesting land, which enables the complete mechanization of the harvesting process, as well as providing an expansive plantable area for cultivation.

Our Paraíso mill has a sugarcane crushing capacity of 2.5 million tons per harvest period. Our Paraíso mill, which is located less than 40 kilometers (24.9 miles) away from our Santa Cândida mill, underwent a complete industrial retrofit in 2012 and is, in our view, a state-of-the-art facility. As a result of our acquisition of Paraíso on May 3, 2013, we not only increased our total sugarcane crushing capacity at the time by approximately 44% but also expanded our portfolio of sugar products, as Paraíso also produces granulated refined sugar.

The following map shows the locations of our Santa Cândida, Vista Alegre and Paraíso mills in Brazil.



Our Santa Cândida, Vista Alegre and Paraíso mills crushed approximately 7.2 million tons of sugarcane for the nine-month period ended December 31, 2013 and 5.1 million tons for the financial year ended March 31, 2013. For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, approximately 54.2% and 57.0%, respectively, of the sugarcane our mills crushed was used to produce sugar, while the remaining sugarcane was used to produce ethanol. For the financial year ended March 31, 2013, our Santa Cândida and Vista Alegre mills produced approximately 363,667 tons of sugar and 175,066 cubic meters of ethanol and reported net revenue of R\$594.1 million and Adjusted EBITDA of R\$244.9 million. For the financial year ended March 31, 2013, our Paraíso mill produced approximately 130,845 tons of sugar and 80,411 cubic meters of ethanol and reported net revenue of R\$237.9 million and Adjusted EBITDA of R\$64.6 million.

We primarily produce sugarcane, which in Brazil has low production costs and high energy efficiency ratio relative to other energy sources, such as corn and sugar beet. We currently cultivate and harvest sugarcane on 103,529 hectares, which we lease from third parties. Once harvested, sugarcane is transported to our mills using trucks and trailers. The average distance from the land on which our sugarcane is harvested to our Santa Cândida mill is approximately 28 kilometers (17.4 miles), approximately 32 kilometers (20.3 miles) to our Vista Alegre mill and approximately 29 kilometers (18.0 miles) to our Paraíso mill. The proximity of our mills to the locations where our sugarcane is harvested reduces transportation costs and enables us to process the sugarcane promptly after harvesting, thereby minimizing the loss of sucrose concentration in the sugarcane. We also purchase sugarcane from third-party suppliers, which represented approximately 1.8 million tons, or 24.4%, of the total sugarcane our mills crushed for the nine-month period ended December 31, 2013 and approximately 1.0 million tons, or 20.4%, of the total sugarcane these mills crushed for the financial year ended March 31, 2013. With respect to our Santa Cândida and Vista Alegre mills, these purchases represented approximately 1.0 million tons, or 19.4%, of the total sugarcane these mills crushed for the nine-month period ended December 31, 2013 and approximately 1.0 million tons, or 21.3%, of the total sugarcane these mills crushed for the financial year ended March 31, 2012. With respect to our Paraíso mill, these purchases represented approximately 0.8 million tons, or 35.5% of the total sugarcane the mill crushed for the nine-month period ended December 31, 2013 and approximately 0.8 million tons, or 41.4%, of the total sugarcane this mill crushed for the financial year ended March 31, 2013.

Each of our three mills also have thermoelectric power plants located on the premises. We entered into a strategic partnership with Grupo Energisa S.A., or Energisa, an energy company in Brazil, with respect to our Santa Cândida and Vista Alegre mills. In connection with this partnership, we sold co-generation assets to Energisa and, in relation to our Santa Cândida and Vista Alegre mills, agreed to exchange bagasse for energy and steam produced at the power plants which we continue to operate at those mills. The sale occurred in December 2011, when we executed four share purchase and sale agreements with Energisa pursuant to which we agreed to sell shares of four Special Purpose Entities, or SPEs: (1) Energisa Bioeletricidade Santa Cândida I S.A., or USC I, into which we transferred all of our co-generation assets at our Santa Cândida mill; (2) Energisa Bioeletricidade Santa Cândida II S.A., or USC II, into which we transferred all of our construction and operation rights in case of expansion of our

Santa Cândida co-generation plant; (3) Energisa Bioeletricidade Vista Alegre I S.A., or UVA I, into which we transferred all of our co-generation assets at our Vista Alegre mill; and (4) Energisa Bioeletricidade Vista Alegre II S.A., or UVA II, into which we transferred all of our construction and operation rights in case of expansion of our Vista Alegre co-generation plant. In August 2012, pursuant to such share purchase and sale agreements, Energisa acquired: (1) 85% of the capital stock of USC I; (2) 85% of the capital stock of UVA I; (iii) 100% of the capital stock of USC II; and (iv) 100% of the capital stock of UVA II from us for an aggregate amount of approximately R\$150.0 million. Pursuant to the terms of the agreements, in approximately 20 years Energisa will sell back the assets owned by each of USC I, USC II, UVA I and UVA II to us. Energisa publicly announced its plans to increase the installed capacity of the co-generation power plants to 170 MW from the current 60 MW within the next year, including by undertaking to build and operate two additional power plants near the existing assets. In addition, Energisa publicly announced its plans to invest approximately R\$350 million to expand these power plants by the end of the 2014/2015 harvest period in order to have the capacity to sell approximately 710 GWh per year on the free market (*Ambiente de Contratação Livre*) by 2015.

In September 2010, our Paraíso mill entered into a partnership with Rhodia Energy Services (currently, Solvay Energy Services), or Rhodia, a world leader in the development and production of specialty chemicals, now a member of the Solvay Group. As a result of this partnership, Rhodia agreed to upgrade and operate a co-generation facility in exchange for biomass from our Paraíso mill to produce electricity. Most of the electricity generated by this co-generation facility is sold to the Brazilian electricity grid, while simultaneously supplying our Paraíso with all the electricity and steam it needs to meet its demand. The upgraded facility has a capacity of 70 MW and commenced operations during the 2012/2013 harvest.

In March 2011, our Paraíso mill entered into a long-term agreement to supply sugarcane juice to Amyris Brasil S.A., or Amyris, a biotechnology company focused on the production of renewable chemicals, to produce farnesene, a long-chain branched hydrocarbon, at Amyris's Brotas facility which is located next to our Paraíso mill.

The following table sets forth certain of our financial information and operating data for the periods indicated:

	As of and for the Nine-Month Period Ended December 31 ⁽¹⁾ ,		As of and for the Financial Years Ended March 31,		
	2013	2012	2013	2012	2011
(in millions of reais, except as indicated otherwise)					
Financial data:					
Net revenue	729.1	523.9	594.1	475.8	392.3
Net income (loss) for the period	(196.3)	(37.1)	(14.3)	19.9	(20.9)
EBITDA ⁽²⁾	381.0	225.9	292.4	289.4	148.3
Adjusted EBITDA ⁽³⁾	324.1	216.5	244.9	202.4	135.3
Adjusted EBITDA margin.....	44.5%	41.3%	41.2%	42.5%	34.5%
Total debt	1,377.9	648.8	930.1	635.6	577.4
Short-term.....	218.6	177.3	107.5	379.8	508.3
Long-term	1,159.3	471.5	822.6	255.8	69.1
Net debt ⁽⁴⁾	1,181.0	505.9	606.2	556.7	512.7
Net debt / Adjusted EBITDA ratio	3.4x	2.3x	2.5x	2.8x	3.8x
Operating data:					
Own sugarcane crushed (in thousand tons)	5,459.2	3,822.5	4,035.0	2,836.5	3,047.9
Own sugarcane crushed (% of total crushed sugarcane)	75.6%	78.7%	79.6%	68.3%	66.5%
Third-party purchased sugarcane crushed (in thousand tons)	1,765.9	1,032.7	1,033.4	1,317.6	1,535.9
Third-party purchased sugarcane crushed (% of total crushed sugarcane)	24.4%	21.3%	20.4%	31.7%	33.5%
Total sugarcane crushed (in thousand tons)	7,225.1	4,855.2	5,068.4	4,154.0	4,583.8
Santa Cândida mill sugarcane crushed (in thousand tons)	2,797.5	2,679.5	2,834.4	2,686.9	2,770.8
Mechanized harvesting at Santa Cândida mill (%)	85.5%	65.1%	66.2%	66.1%	70.7%
Vista Alegre mill sugarcane crushed (in thousand tons)	2,165.1	2,175.6	2,234.0	1,467.1	1,813.0
Mechanized harvesting at Vista Alegre mill (%)	100.0%	100.0%	100.0%	100.0%	100.0%
Paraíso mill sugarcane crushed (in thousand tons)	2,262.5	—	—	—	—
Mechanized harvesting at Paraíso mill (%)	89.4%	—	—	—	—
VHP sugar production (in thousand tons)	340.2	353.6	363.7	298.1	291.8
VHP sugar sales (in thousand tons)	342.0	311.7	351.5	305.3	287.2
% Domestic	1.1%	5.0%	4.4%	—	3.7%
% Export	98.9%	95.0%	95.6%	100.0%	96.3%

	As of and for the Nine-Month Period Ended December 31 ⁽¹⁾ ,		As of and for the Financial Years Ended March 31,		
	2013	2012	2013	2012	2011
<i>(in millions of reais, except as indicated otherwise)</i>					
Granulated refined sugar production (in thousand tons)	112.8	—	—	—	—
Granulated refined sugar sales (in thousand tons)	113.1	—	—	—	—
% Domestic	3.1%	—	—	—	—
% Export	96.9%	—	—	—	—
Hydrous ethanol production (in thousands of cubic meters)	97.0	24.1	25.9	37.7	66.0
Hydrous ethanol sales (in thousands of cubic meters)	89.5	22.0	27.8	37.1	67.2
% Domestic	96.2%	100.0%	100.0%	100.0%	100.0%
% Export	3.8%	—	—	—	—
Anhydrous ethanol production (in thousands of cubic meters)	163.6	144.4	149.1	110.9	120.0
Anhydrous ethanol sales (in thousands of cubic meters)	143.6	135.1	155.3	99.1	122.6
% Domestic	61.2%	62.4%	67.3%	100.0%	67.6%
% Export	38.8%	37.6%	32.7%	—	32.4%
Number of employees	4,186	2,195	2,593	2,307	2,269

- (1) Our financial statements for the nine-month period ended December 31, 2013 are comprised of the operations of (1) our current three mills (the Vista Alegre mill, the Santa Cândida mill and the Paraíso mill) from May 1, 2013 to December 31, 2013, (See “Presentation of Financial and Other Information—Financial Statements—Acquisition and Merger of Paraíso”), and (2) our two original mills (the Vista Alegre mill and the Santa Cândida mill), excluding Paraíso, from April 1, 2013 to April 30, 2013. As a result, our financial information for the nine-month period ended December 31, 2013 is not directly comparable to our financial information for the nine-month period ended December 31, 2012. Operational data pertaining to us and our mills included in this offering memorandum for all periods after March 31, 2013, including for the nine-month period ended December 31, 2013, pertains to all three of our mills, including our Paraíso mill. Accordingly, we include operational data for the Paraíso mill combined with our Santa Cândida and Vista Alegre mills as from April 1, 2013, which includes data from the period before we acquired Paraíso on May 3, 2013. As a result, our financial information presented in this offering memorandum for the nine-month period ended December 31, 2013 is not directly comparable with our operational information corresponding to the same period.
- (2) We define EBITDA as net profit (loss) from continuing operations before net financial income/expenses, depreciation of property, plant and equipment, amortization of intangible assets, amortization of inter-harvest maintenance carried out, amortization of crops and handling, and income tax and social contribution. EBITDA is not a recognized measure under Brazilian GAAP, IFRS or U.S. GAAP, and because not all companies use identical calculations, our presentation of EBITDA may not be comparable to other similarly titled measures or to free cash flow, as it does not consider certain of our cash requirements, such as interest payments, tax payments and debt service payments. EBITDA should not be considered as an alternative to net profit (loss) from continuing operations, as indicator of our operating performance, or as an alternative to cash flow as an indicator of our liquidity. See “Selected Financial and Other Information—Other Data” for a calculation of our EBITDA.
- (3) We define Adjusted EBITDA as EBITDA adjusted by changes in the fair value of biological assets, gains upon sales of assets and equity in net income of subsidiaries. Adjusted EBITDA is not a recognized measure under Brazilian GAAP, IFRS or U.S. GAAP, and because not all companies use identical calculations, our presentation of Adjusted EBITDA may not be comparable to other similarly titled measures or to free cash flow, as it does not consider certain of our cash requirements, such as interest payments, tax payments and debt service payments. Adjusted EBITDA should not be considered as an alternative to net profit (loss) from continuing operations, as indicator of our operating performance, or as an alternative to cash flow as an indicator of our liquidity. See “Selected Financial and Other Information—Other Data” for a calculation of our Adjusted EBITDA.
- (4) For the fourth quarter of each financial year and each financial year, we define net debt as current loans and financing plus non-current loans and financing minus cash, cash equivalents and other investments (current and non-current other than equity interests in relation to our co-generation activities). For the first, second and third quarters of each financial year, we define net debt as current loans and financing plus non-current loans and financing minus cash, cash equivalents, other investments (current and non-current other than equity interests in relation to our co-generation activities) and finished goods inventories. Net debt is not a recognized measure under Brazilian GAAP, IFRS or U.S. GAAP. Our definition of net debt in this offering memorandum is not necessarily the same as the net debt definitions that we use for purposes of establishing covenant compliance for our financing agreements or under the indenture that will govern the Notes Units offered hereby. Net debt does not have a standardized meaning and our definition of net debt may not be comparable to net debt used by other companies and is not a measure of cash flow, liquidity or resources available for debt service. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness” and note 18 to our financial statements and financial information included elsewhere in this offering memorandum.

Our Main Products

Our Santa Cândida and Vista Alegre mills produce VHP sugar and anhydrous and hydrous ethanol. Our Paraíso mill produces granulated refined sugar, VHP sugar and hydrous ethanol, in addition to selling sugarcane juice to Amyris. Our Santa Cândida and Vista Alegre mills are able to adjust their production between hydrous ethanol, anhydrous ethanol and VHP sugar, which provides them with the flexibility to respond to changes in both customer demand and market prices. Similarly, our Paraíso mill is able to adjust its production mix between

hydrous ethanol, granulated refined sugar and VHP sugar. We market and sell the sugar, ethanol and sugarcane by-products that we produce both domestically and internationally.

Sugar

Sugar is a staple consumer product and essential commodity produced in various parts of the world. Sugar is primarily derived from sugarcane and sugar beet, with sugarcane accounting for 7.8% of the world's total sugar production in the 2012/2013 harvest according to the USDA.

Historically, our main sugar product has been VHP sugar (which sugar product our Santa Cândida and Vista Alegre mills produce exclusively). VHP sugar has a higher sucrose content than raw sugar (96.0% polarization), low moisture and is handled in bulk. As a result, VHP sugar is easily transportable allowing for export in port terminals. VHP sugar is traded based on the NY11 price, and, as of December 31, 2013, commanded a premium of 4.05% over the raw sugar price negotiated based on the NY11 price as a result of its higher sucrose content. We sell our VHP sugar exclusively for export through large trading companies. The average price of raw sugar on the New York Mercantile Exchange decreased to U.S.\$0.2223 per pound in the financial year ended March 31, 2013, compared to U.S.\$0.2486 per pound in the financial year ended March 31, 2012. The Paraíso mill also produces granulated refined sugar. Granulated refined sugar is obtained from either crystal sugar or VHP sugar and is processed in order to obtain defined crystals of uniform grain size.

For the nine-month period ended December 31, 2013, we sold approximately 342,013.0 tons of VHP sugar and recorded net revenue of R\$298.5 million, or 40.9% of our net revenue for that period, from the sale of VHP sugar. For the financial year ended March 31, 2013, we sold approximately 351,467 tons of VHP sugar and recorded net revenue of R\$351.9 million, or 59.2 % of our net revenue for that period, from the sale of VHP sugar. For the financial year ended March 31, 2013, Paraíso sold approximately 47,978 tons of VHP sugar and recorded net revenue of R\$45.5 million, or 19.1% of net revenue for that period, from the sale of VHP sugar.

For the nine-month period ended December 31, 2013, we sold approximately 113,130.2 tons of granulated refined sugar and recorded net revenue of R\$113.3 million, or 15.5% of our net revenue for that period, from the sale of granulated refined sugar. For the financial year ended March 31, 2013, Paraíso sold approximately 84,483.2 tons of granulated refined sugar and recorded net revenue of R\$94.2 million.

After its production at our Santa Cândida and Vista Alegre mills, we export VHP sugar to the Bunge Group, ADM, ED&F Man and Sucden, among others. Our Paraíso mill exports VHP sugar and granulated refined sugar to Cargill, among others. For more information, see “Acquisition and Merger of Paraíso” and “Business—Our Main Products—Sugar.”

Ethanol

We produce two types of ethanol, anhydrous and hydrous. Anhydrous ethanol can be used as a gasoline additive, which improves engine performance and reduces pollution levels, or for industrial purposes in applications such as reactive solvents. Hydrous ethanol is primarily used as fuel for flex-fueled vehicles. Although our Santa Cândida and Vista Alegre mills have the flexibility to produce both hydrous and anhydrous ethanol, we have increasingly prioritized our anhydrous ethanol production during recent harvests in order to benefit from the premium it commands over hydrous ethanol. Our Paraíso mill produces only hydrous ethanol.

For the nine-month period ended December 31, 2013, our Santa Cândida and Vista Alegre mills produced approximately 260,601 cubic meters of ethanol, of which approximately 163,643 cubic meters were anhydrous ethanol and approximately 96,958 cubic meters were hydrous ethanol. For financial year ended March 31, 2013, we produced approximately 175,061 cubic meters of ethanol, of which approximately 149,137 cubic meters were anhydrous ethanol and approximately 25,925 cubic meters were hydrous ethanol, and for the financial year ended March 31, 2012, our Santa Cândida and Vista Alegre mills produced approximately 148,600 cubic meters of ethanol, of which approximately 110,900 cubic meters were anhydrous ethanol and approximately 37,700 cubic meters were hydrous ethanol.

For the nine-month period ended December 31, 2013, our Paraíso mill produced approximately 93,714 cubic meters of hydrous ethanol, representing a 23.4% growth in comparison to the nine-month period ended December 31, 2012, in which it produced approximately 75,917 cubic meters of hydrous ethanol.

The average price of anhydrous ethanol in Brazil was R\$1.1669 per liter for the financial nine-month period ended December 31, 2013, compared to R\$1.0899 per liter for the financial nine-month period ended December 31, 2012, according to ESALQ.

For the nine-month period ended December 31, 2013, we sold in the domestic market approximately 87,906 cubic meters of anhydrous ethanol and recorded net revenue of R\$117.8 million, or 16.2% of our net revenue, from the domestic sale of anhydrous ethanol. For the nine-month period ended December 31, 2013, we exported approximately 55,714 cubic meters of anhydrous ethanol and recorded net revenue of R\$71.2 million, or 9.8% of our net revenue for that period, from the export sale of anhydrous ethanol.

For the financial year ended March 31, 2013, we sold in the domestic market approximately 104,499 cubic meters of anhydrous ethanol and recorded net revenue of R\$129.2 million, or 21.7% of our net revenue, from the domestic sale of anhydrous ethanol. For the financial year ended March 31, 2013, we exported approximately 50,806 cubic meters of anhydrous ethanol and recorded net revenue of R\$59.8 million, or 10.1% of our net revenue for that period, from the export sale of anhydrous ethanol. For the financial year ended March 31, 2013, our Paraíso mill sold in the domestic market approximately 78,104 cubic meters of hydrous ethanol and recorded net revenue of R\$81.6 million, or 34.3% of Paraíso's net revenue for that period, from the sale of hydrous ethanol.

We sell anhydrous ethanol in Brazil to customers such as BR Distribuidora and Raízen, and export anhydrous ethanol from the Port of Santos to Greenergy Brasil Trading S.A., or Greenergy, a subsidiary of the leading United Kingdom provider of road fuel with significant infrastructure and service capability. We also sell hydrous ethanol to customers such as Raízen and Copersucar, among others. For more information, see "Business—Our Main Products—Ethanol."

Sugarcane by-products

Sugarcane bagasse is a by-product of both sugar and ethanol. It is a viable renewable source of energy that can help meet some of Brazil's growing demand for electricity. Our Santa Cândida and Vista Alegre mills provide sugarcane bagasse by-products to USC I and UVA I in exchange for steam and energy to generate electricity, which enables these mills to meet their energy requirements. We sold 85% of our interest in our co-generation activities to Energisa as well as the rights to build and operate two additional power plants near the existing assets. Through this transaction, we expect to benefit from Energisa's investments in the expansion of these plants as a result of increased energy and steam available to us.

Our Paraíso mill also provides sugarcane bagasse by-products to Rhodia in exchange for electricity, which enables the Paraíso mill to meet its energy requirements. As a result of the partnership, we reached an agreement with Rhodia, through our Paraíso mill, whereby Rhodia agreed to upgrade and operate its co-generation facility in exchange for our Paraíso mill's biomass to produce electricity. In addition, our Paraíso mill supplies sugarcane juice to Amyris to produce farnesene, a long-chain branched hydrocarbon, at Amyris's Brotas facility, which is located next to the mill.

For more information, see "Business—Our Main Products—Bagasse and Co-Generation of Electricity."

Brazil's Competitive Advantages in the Production of Sugarcane, Sugar and Ethanol

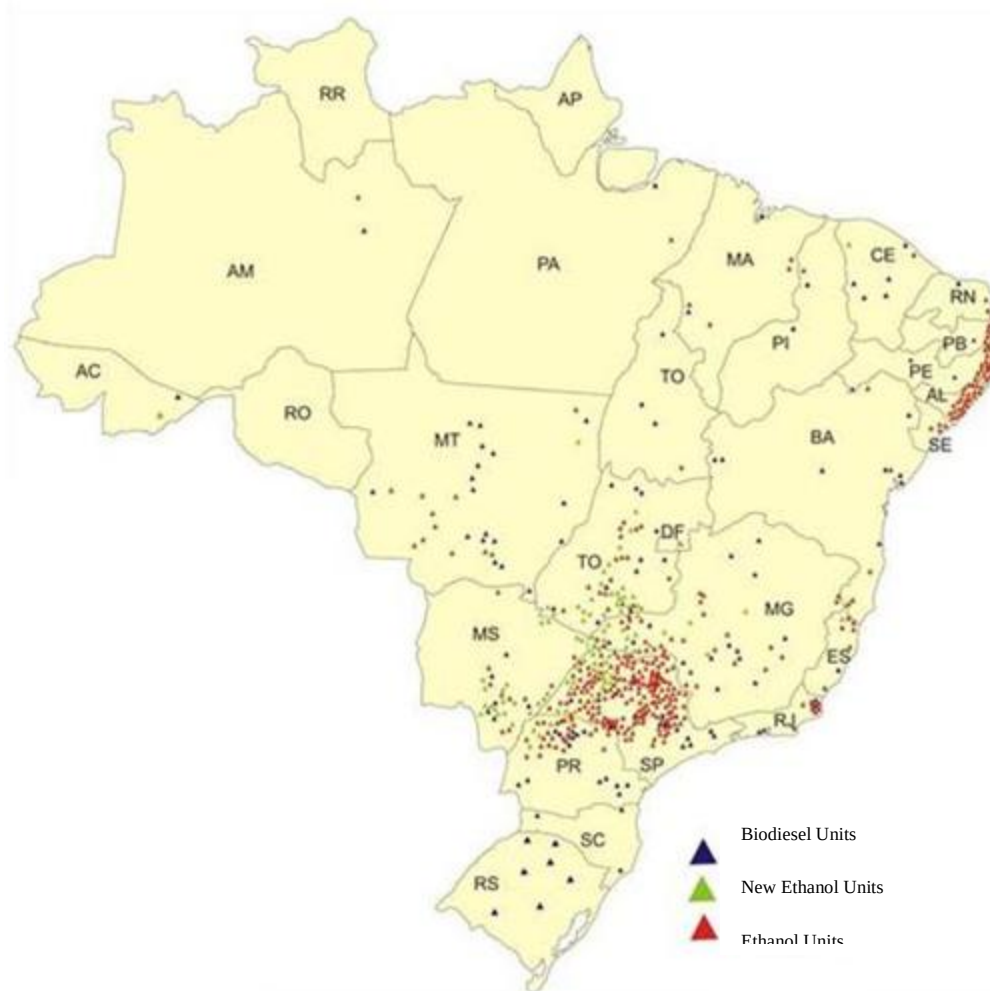
Brazil is the largest sugar producer and second largest ethanol producer in the world, according to the USDA. The sugar and ethanol industry accounted for approximately 2% of Brazil's gross domestic product, or GDP, in 2011 based on data from UNICA. During the 2013/2014 harvest, aggregate production in Brazil reached:

- 652.0 million tons of sugarcane;
- 38.8 million tons of sugar, representing approximately 22.2% of global production, including sugar produced with sugar beet, during the 2013/2014 harvest; and

- 27.2 billion liters of ethanol, representing approximately 26.7% of global production in 2013.

Brazil is also the largest sugar exporter in the world, with an expected total of 27.3 million tons of sugar to be exported during the 2013/2014 harvest, representing approximately 46.0% of global sugar exports.

The following map shows the main production areas of sugarcane in Brazil:



Source: UDOP.

We believe that Brazilian producers of sugar and ethanol, including us, enjoy competitive advantages over sugar and ethanol producers in other countries because of the following factors:

Low-cost producer. Brazil is one of the world's lowest-cost producers of sugar and ethanol from sugarcane due to its extremely favorable climate and soil, abundant water, existing scale and technological improvements implemented in the production of sugar and ethanol. These favorable growing conditions and technological improvements have resulted in longer harvesting cycles, higher sugarcane yield per hectare and increased sucrose content from crushed sugarcane, which has improved sugar and ethanol output. We believe that sugar production costs in Brazil are lower than the world's other major sugar producers, including India, China, the United States, the United Kingdom, France and Germany. The Southeast and Midwest regions of Brazil remain the lowest-cost producers of sugar in the world, according to a report by the USDA. However, the cost competitiveness of Brazilian sugar was adversely affected by the general appreciation in recent years of the *real*, which has depreciated since the beginning of the second half of 2011.

Strong domestic and global sugar demand. Brazil consumed approximately 11.2 million tons of sugar during the 2013/2014 harvest and is one of the world's largest sugar consumer markets according to the USDA. Sugar consumption in Brazil has continued to grow, mainly as a result of higher consumption of processed food products made with sugar and rising income levels in Brazil, including the introduction of approximately 6.3 million people to upper and middle classes (per capita income above R\$4,591 per month as of September 2012) in Brazil in the last ten years. Worldwide sugar consumption has more than doubled since the early 1970s. Markets that restrict sugar imports, such as Europe and the United States, represented approximately 17.2% of global sugar consumption in the 2013/2014 harvest, according to the USDA. We expect future growth opportunities to come from a gradual liberalization of trade barriers in markets outside Brazil, and we expect increased sugar consumption due to (1) population growth concentrated in markets open to the international sugar trade, including Asia and the Middle East, (2) increased consumption of processed foods and drinks as a result of population migration from rural to urban areas, and (3) increased purchasing power in countries, such as China and India.

Domestic and global trend to replace fossil fuels with clean and renewable alternatives. Global concern over the environment, high petroleum prices and fossil fuel supply risks are factors contributing to the greater use of clean and renewable alternative energy sources such as ethanol. Ethanol from sugarcane is widely recognized as the renewable fuel that emits the lowest concentration of greenhouse gases during the production process as compared to fossil fuels. Since the mid-1970s, the Brazilian government has promoted the use of sugar-based ethanol as an alternative fuel, including through regulations requiring a compulsory mixture of ethanol (currently 25%) with gasoline. The introduction of flex-fuel vehicles in Brazil in 2003, which can run on either gasoline or ethanol (or any mixture of both), has substantially increased domestic ethanol demand. In addition, Brazil has also established a target to reduce greenhouse gas emissions by up to 38% by 2020. We believe that sales of flex-fuel vehicles, and related demand for hydrous ethanol, will continue to increase in Brazil. We believe increasing awareness and concern for the environment will promote the use of ethanol as a substitute for inputs and raw materials derived from fossil fuels such as petroleum. This trend has recently been demonstrated by laws in the United States, the United Kingdom and Japan that encourage the greater use of ethanol as an alternative fuel, as well as regional initiatives in places such as California.

Increased opportunities to export ethanol. The global ethanol market has grown significantly in recent years. However, sugar and ethanol producing countries still give priority to supplying their domestic markets. Furthermore, consumption growth in many countries, which is mandatory in most cases due to government policies, is not always accompanied by increased local production. This creates medium-term opportunities for Brazilian ethanol export growth.

Our Strengths

We believe that we are well-positioned to capitalize on favorable trends in the sugar and ethanol industry, particularly in light of our competitive strengths, which include:

Significant industry expertise and important relationships in the industry. We have over 50 years of experience in the sugar and ethanol sector, having commenced operations in 1962. We have also successfully expanded our sugar, ethanol and energy operations in the Midwest region of Brazil through the implementation of our Vista Alegre mill, which commenced operations in 2009. Throughout our long operating history, we have established strategic and long-term relationships with landowners, sugarcane suppliers and high-quality customers. We export VHP sugar to the Bunge Group, ADM, ED&F Man and Sucden, among others. In addition, we sell anhydrous ethanol to BR Distribuidora and Raízen, among others, and we export anhydrous ethanol to Greenergy, among others. As a result of these relationships and our significant industry experience, we have acquired credibility and know-how. Through our Paraíso mill, we have a long-standing relationship with Cargill, resulting from the high quality of the granulated refined sugar produced at our mill, and a strategic relationship with Amyris, which has a production facility located next to our Paraíso mill and which produces farnesene, a long-chain branched hydrocarbon from the sugarcane juice supplied by our Paraíso mill.

Strategic location of our Santa Cândida and Paraíso mills. Our Santa Cândida mill (which accounted for 38.7% and 40.5% of our combined total sugarcane crushed for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, respectively, crushing 2.8 million tons and 2.8 million tons of sugarcane out of a total of 7.6 million tons and 7.0 million tons crushed across all three of our mills, respectively) and our Paraíso mill (which we acquired in May 2013 and which accounted for 31.3% and 27.6% of our combined total

sugarcane crushed for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, respectively, crushing 2.3 million tons and 1.9 million tons of sugarcane out of a total of 7.6 million tons and 7.0 million tons crushed across all three of our mills, respectively), and the land on which we cultivate and harvest sugarcane, are strategically located in the state of São Paulo and benefit from the favorable natural conditions in the Southeast region of Brazil. We believe that our strategic locations in the state of São Paulo, one of the world's most productive sugarcane regions, allow us to benefit from:

Climate and soil:

- favorable climate, which eliminates the need to invest in irrigation systems; and
- a combination of climate and soil resulting in increased production of sugar and ethanol per hectare of planted sugarcane.

Location:

- extensive logistical infrastructure, allowing for efficient product distribution, both for domestic and export sales;
- proximity to Paulínia, the main fuel distribution center in the state of São Paulo;
- proximity to the Port of Santos, the main port for Brazilian sugar exports; and
- proximity to suppliers of equipment and raw materials.

Efficient production from our Vista Alegre and Paraíso mills. We believe our Vista Alegre mill, which commenced operations in 2009, is one of the most modern and automated sugarcane mills in Brazil. Our modern equipment and technology, together with the flat and expansive harvest land surrounding our Vista Alegre mill, allows for 100% mechanization of harvesting and efficient production at low cost. Our Paraíso mill is similarly efficient and modern in our view, with a state-of-the-art facility that underwent a complete industrial retrofit in 2012. As a result of the Paraíso acquisition, we increased our sugarcane crushing capacity at that time by approximately 44%.

Vertical integration, production flexibility and operational efficiency enabling higher margins. For the nine-month period ended December 31, 2013, approximately 100% of the sugarcane that we crushed at our mills was cut, loaded and transported by us. For the nine-month period ended December 31, 2013, we cut, loaded and transported approximately 98%, 100% and 100% of the sugarcane that was crushed at our Santa Cândida, Vista Alegre and Paraíso's mills, respectively, with the remaining 2% cut, loaded and transported by third parties. This helps reduce our operating costs and gives us scalability when compared to our competitors, who we believe incorporate a larger percentage of sugarcane purchased from third parties in their production process.

Our mills are able to produce sugar and ethanol, which allows us to adjust our product-mix based on prevalent market conditions and prices. For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, respectively, our product allocation for our Santa Cândida and Vista Alegre mills was approximately 57.1% and 58.5% VHP sugar, which provides the best margin out of the products we sell, and 42.9% and 41.5% ethanol, 96.0% and 100.0% of which was anhydrous ethanol, the highest priced ethanol product. For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, product allocations for our Paraíso mill were approximately 42.9% and 34.2% for granulated refined sugar, which provides the highest profit margin of all the products we sell, 2.0% and 19.4% for VHP sugar, 48.6% and 46.4% for hydrous ethanol and 6.7% and none for sugarcane juice, respectively.

We believe our relatively low operating costs compared to our peers is a result of our relatively new plant, in the case of our Vista Alegre and Paraíso mills and, in the case of each of our mills, improvements in industrial operations and other factors that enable us to manage our operating costs efficiently during periods of lower market prices for sugar and ethanol. For the nine-month period ended December 31, 2013 and the financial years ended March 31, 2013 and 2012, our gross margins for our Santa Cândida and Vista Alegre mills were 19.9%, 26.1% and 27.1%, respectively.

Solid corporate governance, experienced and professional management team. Our management team is comprised of highly trained executives with an average of over 30 years of experience, knowledge in the sugar and ethanol industries, among others, and is focused on continually improving our operational results. Our board of directors and executive officers receive daily reports covering the mark-to-market and value at risk of each one of our exposures. Furthermore, Capitânia, a local, independent financial firm, provides us with advice with respect to risk management. In 2008, the Tonon Family stepped down from their positions on our board of executive officers, entrusting the day-to-day operations to a team of professional managers and demonstrating their commitment to best corporate governance practices. Some of the Tonon Family members remain active as members of our board of directors.

In March 2010, FIP DGF Terra Viva became our shareholder by acquiring 100% of our preferred shares, representing approximately 18.0% of our total capital stock, which interest in our total capital stock has since increased to 30.4% as of October 2012. FIP DGF Terra Viva is an investment fund managed by DGF Investimentos, a pioneer and highly regarded private equity firm in Brazil, with high profile and financially solid quotaholders, including Petros, Funcef, BNDESPar, Previ, Fachesf, FINEP, Banesprev, Fibra and DGF Investimentos. Since it became a shareholder in March 2010, FIP DGF Terra Viva has had the right to appoint two members of our board of directors and our chief financial officer, or CFO.

On May 3, 2013, FIP DGF Terra Viva subscribed and paid-in to a capital increase of R\$70 million in Tonon through a share swap pursuant to which FIP DGF Terra Viva exchanged all of its shares in Paraíso for shares in Tonon. In the same transaction, the Pinheiro Family received R\$50 million in cash and, according to the share purchase agreement (*contrato de compra e venda de ações e outras avenças*) dated March 20, 2013, and as amended on May 3, 2013 and April 29, 2014, by and between the Individual Sellers, Tonon and FIP DGF Terra Viva, or the Paraíso Acquisition Agreement. At Tonon's election, the Pinheiro Family may receive 6,874,399 common shares of Tonon on or before May 3, 2015 representing R\$50.0 million, which shares we believe will represent approximately 7.2% of Tonon's total capital stock. Alternatively, Tonon (as determined by Tonon Holding and FIP DGF Terra Viva) may elect to satisfy the outstanding amount by paying the Pinheiro Family in cash (subject to adjustment by the ICPA, as from May 3, 2014). For more information, see "Acquisition and Merger of Paraíso." On September 30, 2013, we merged Paraíso into our company.

Our Strategy

Our overall objectives are to achieve sustainable and profitable growth, improve the efficiency of our operations and build on our competitive strengths in order to expand our market position and increase our profitability and market share in the Brazilian and international ethanol and sugar markets. The key elements of our business strategy include:

Expand the harvesting area and increase the crushing capacity of our Vista Alegre mill. We intend to increase the harvest area of our Vista Alegre mill from approximately 28,378 hectares to approximately 40,742 hectares during the next five years. We also intend to increase the crushing capacity of our Vista Alegre mill from 2.5 million tons per harvest period to 3.7 million tons per harvest period. We plan to achieve this expansion by planting more sugarcane in existing leased and used agricultural properties, thereby increasing our sugarcane crushing capacity and improving our operational costs through scale synergies. We plan to invest R\$70 million on a standalone basis in this expansion and to improve industrial bottlenecks. Simultaneously, we intend to utilize our increased harvesting area and crushing capacity to increase our supply of biomass. Using this approach, we strive to be able to increase our sugarcane crushing capacity by as much as 1.2 million tons with this relatively low capital expenditure by the 2015/16 harvest.

Maximize the operational performance of our Santa Cândida mill. We intend to increase the sugarcane crushing capacity of our Santa Cândida mill from 3.2 million tons per harvest period to 3.5 million tons per harvest period during the next year mainly through retrofitting our mill. In order to achieve this expansion, we plan to invest approximately R\$70 million on a standalone basis in our Santa Cândida mill. We are also implementing a program of acceleration of renewal of our crop, where we intend to renew our crop at a rate above the rate necessary per year to further reduce the average age of our crop. Through this renewal process, we believe our crop is, and will continue to be, younger than most of our peers. We are also seeking to reduce agro-industrial production costs through scale synergies and intend to supply additional biomass. Further, we intend to increase our sugarcane

productivity through intensive crop care, enhancing varieties of sugarcane we plant and the use of adequate herbicides.

Strengthen relationships with third-party suppliers. For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, 24.4% and 20.4%, respectively, of the sugarcane we used was provided by third-party suppliers. We intend to continue our long-term relationship with our suppliers by renewing our supply agreements so that we are not dependent on finding new third-party suppliers. Further, we believe our strong financial profile strengthens our relationships with existing suppliers and attracts potential new suppliers located near our mills.

Optimize capital structure by diversifying our sources of financing. We plan to optimize our capital structure, including through this offering, by diversifying our sources of financing and extend the maturity of our current debt. As of December 31, 2013, we had total indebtedness of R\$1,377.9 million (comprised of R\$218.6 million of current loans and financing and R\$1,159.3 million of non-current loans and financing, with 47.6% of our total debt being secured by certain of our sugarcane inventories, the Paraíso mill, agricultural and industrial equipment and machinery and accounts receivables. We intend to broaden our access to capital through this offering and expect that this will improve our liquidity. In addition, we intend to use the proceeds of the offering to repay certain of our short-term indebtedness, optimizing our capital structure. See “Use of Proceeds.”

Capture synergies from the Paraíso Acquisition. We benefit from a variety of synergies from our acquisition of Paraíso, including:

- *Gains from transport and logistics:* Our Santa Cândida and Paraíso mills are located 40 kilometers (24.8 miles) apart, which means that prior to the acquisition, when these mills were competing, transportation of raw materials were often duplicative, given that purchases by one mill often occurred closer to the other mill. As a result of the acquisition, our ability to transport raw materials directly to the mill that is closer to the site of the purchase will increase, significantly reducing logistics costs.
- *Gains from scale:* We intend to optimize our resources and achieve scale, which is a central part of our operating strategy. We believe the scale resultant from the acquisition will allow us to reduce our costs of raw materials purchases and improve relationships with our main suppliers.
- *Gains from general and administrative efficiencies:* Our Santa Cândida, Vista Alegre and Paraíso mills operate in the same sector, which means that prior to the acquisition, when these mills were competing, general and administrative expenses were often duplicative. As a result of the acquisition, these costs can be significantly reduced. For example, following our acquisition of Paraíso, our Santa Cândida and Paraíso mills share the same chief agricultural officer and agricultural manager.

Strengthen and sustain our business through our partnership with Energisa. In December 2011, we entered into a strategic partnership with Energisa with respect to our Santa Cândida and Vista Alegre mills. Through this partnership, we expect to increase the installed capacity of these co-generation facilities to 170 MW from the current 60 MW over the next year. In addition, Energisa has publicly announced its plans to invest approximately R\$350 million to expand the power plants by the end of 2014/2015 harvest in order to have the capacity to sell approximately 710 GWh per year on the free market (*Ambiente de Contratação Livre*) by 2015. This co-generation project helps strengthen and sustain our business as we believe we will be able to: (1) expand our installed capacity at a low cost, leveraging Energisa’s planned investments in the co-generation activities, which together with our investments in the expansion of our mills will lead to increased crushing capacity and increased efficiency; (2) increase our flexibility to adjust our product mix between ethanol and sugar production; (3) reduce invested capital, thereby providing a better return on invested capital, and reduce maintenance costs; and (4) maintain a strong interconnection between the co-generation activities and our Santa Cândida and Vista Alegre mills since we provide operational and maintenance services to Energisa in connection with the co-generation assets. See “—Overview.”

Focus on environmental and social awareness. We are committed to being an environmentally and socially conscious company. We continually seek new ways to improve our performance in sustainable ways. For

example, we have a human resources and sustainability committee dedicated to our environmental sustainability. The officers responsible for human resources and sustainability policies report directly to our chief executive officer. Furthermore, we comply with all environmental requirements for the export of our products to Europe and the United States.

Continue to elevate our standards of corporate governance and maintain excellence in management. We intend to continue improving our corporate governance standards. In addition, we intend to maintain our current high standards of operational, financial and personnel management by (1) maintaining a low cost structure and (2) continuing to engage highly-regarded advisory service providers.

Our History

We commenced operations in the sugarcane industry in 1962 under the name Irmãos Tonon. Our first mill, Santa Cândida, located in Bocaina in the state of São Paulo, initially produced cereals and *cachaça*, a liquor made from fermented sugarcane juice. In 1979, we entered the ethanol business by founding Destilaria Tonon, in the state of São Paulo, where we began to produce ethanol. In 2002, we entered the sugar business by expanding our operations through Santa Cândida Açúcar e Álcool Ltda., a company incorporated to produce VHP sugar and, just one year later, we began producing and selling electricity, becoming one of the first companies in the sugarcane industry to sell energy on the national grid. In 2006, we expanded our geographic reach as we commenced construction of the Vista Alegre mill, in the state of Mato Grosso do Sul, which began operations two years later. In 2008, the Tonon Family entrusted the day-to-day operations to a team of professional managers, resigning from our board of executive officers, while remaining active in the company as members of our board of directors. In 2009, we merged Santa Cândida Açúcar e Álcool Ltda., the company controlled by Tonon Family that owned the Santa Cândida mill, into our Company, merging our two industrial mills into one sole company: Tonon Bioenergia Ltda. (currently, Tonon Bioenergia S.A.).

In 2010, we merged Tonon Agricultura S.A. into Tonon. At the time of the merger, FIP DGF Terra Viva owned 100% of the shares representing the corporate capital of Tonon Agricultura S.A., which, in turn, owned an equity interest in Tonon. As a result of the merger, FIP DGF Terra Viva became Tonon's shareholder, acquiring 100.0% of our preferred shares, representing approximately 18% of our total capital stock, for an aggregate amount of R\$86 million.

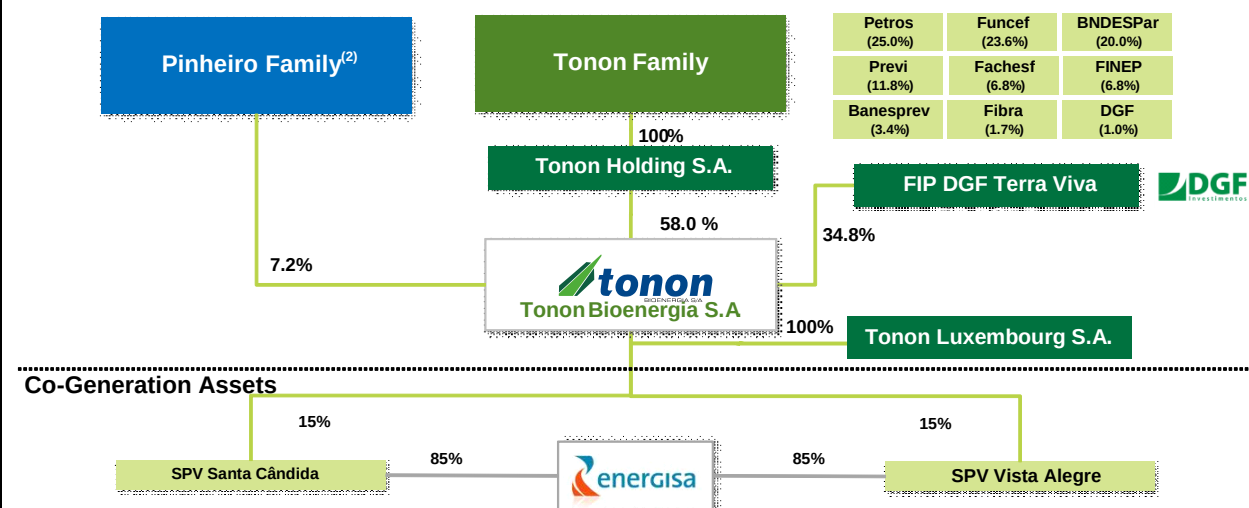
In December 2011, we entered into share purchase and sale agreements, together with other related agreements, with Energisa pursuant to which we agreed to sell our co-generation assets to Energisa through four SPEs, and following a period of approximately 20 years the assets of these SPEs will be sold back to us. See "Business—Our Main Products—Bagasse and Co-Generation of Electricity." In August 2012, following fulfillment of the conditions precedent set forth in these agreements, Energisa acquired these four SPEs from us for approximately R\$150 million.

In October 2012, FIP DGF Terra Viva acquired additional preferred shares in Tonon through a capital contribution for the aggregate amount of R\$44 million, thereby increasing its ownership of our total capital stock from approximately 18.0% to 30.4%. This capital contribution was approved by the Brazilian Antitrust Authority (*Conselho Administrativo de Defesa Econômica*), or CADE, in September 2012.

On May 3, 2013, we completed the acquisition of Paraíso pursuant to the Paraíso Acquisition Agreement that we entered into with Paraíso's shareholders, FIP DGF Terra Viva and the Pinheiro Family. Under the Paraíso Acquisition Agreement, FIP DGF Terra Viva subscribed to a capital increase of R\$70 million in Tonon through a share swap pursuant to which FIP DGF Terra Viva exchanged all of its shares in Paraíso for shares in Tonon. Pursuant to the same transaction, the Pinheiro Family received R\$50 million in cash from Tonon and, on or before May 3, 2015, at Tonon's election, may receive 6,874,399 common shares of Tonon representing R\$50.0 million, which shares as of the date of this offering memorandum we believe will represent approximately 7.2% of Tonon's total capital stock. Alternatively, Tonon (as determined by Tonon Holding and FIP DGF Terra Viva) may elect to satisfy such outstanding amount by paying the Pinheiro Family in cash (subject to adjustment by the IPCA, as from May 3, 2014). On September 30, 2013, we merged Paraíso into us. For more information, see "Acquisition and Merger of Paraíso."

The Tonon Family, through Tonon Holding, on a fully diluted basis (assuming payment of the May 2015 installment under the Paraíso Acquisition Agreement in shares of Tonon) will own common shares representing approximately 58% of our total capital stock. See “Principal Shareholders.”

Our Corporate Structure (pro-forma fully diluted)⁽¹⁾



- (1) Reflects Tonon’s potential election under the Paraíso Acquisition Agreement to issue to the Pinheiro Family 6,874,399 common shares of Tonon on or before May 3, 2015 as consideration in the amount of R\$50 million due to them under the agreement. The percentage indicated on the chart above is an estimate of the total amount of 6,874,399 common shares to be issued to them. Alternatively, Tonon (as determined by Tonon Holding and FIP DGF Terra Viva) may elect to satisfy such outstanding amount by paying the Pinheiro Family in cash (subject to adjustment by the IPCA, as from May 3, 2014). Amounts due under the Paraíso Acquisition Agreement are subject to certain post-closing adjustments and share re-allocations. For more information, see “Acquisition and Merger of Paraíso–Transaction Structure” and “Principal Shareholders”.
- (2) Pinheiro Family: Wilson Hélio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro, Renata de Albuquerque Pinheiro and Sílvia de Barros Brisolla.

Recent Developments

We received the following disbursements under the indicated CCB credit agreements, or the 2014 CCBs, after December 31, 2013:

- On January 23, 2014, we received a disbursement in the amount of R\$0.5 million pursuant to a *cédula de crédito bancário*, or CCB, dated October 23, 2013 with Banco J. Safra S.A., which bears interest at a fixed rate of 3.5% *per annum*, with principal amortized monthly beginning in June 2014 until maturity in November, 2018.
- On March 1, 2014 we received a disbursement in the amount of R\$0.8 million pursuant to a CCB dated December 5, 2013 with Banco J. Safra S.A., which bears interest at a fixed rate of 3.5% *per annum*, with principal amortized monthly beginning in January 2015 until maturity in December, 2018
- On March 1, 2014, we received a disbursement in the amount of R\$0.7 million pursuant to a CCB dated December 5, 2013 with Banco J. Safra S.A., which bears interest at a fixed rate of 3.5% *per annum*, with principal amortized monthly beginning in January 2015 until maturity in December, 2018
- On March 1, 2014 we received a disbursement in the amount of R\$0.2 million pursuant to a CCB dated December 5, 2013 with Banco J. Safra S.A., which bears interest at a fixed rate of 3.5% *per*

annum, with principal amortized monthly beginning in January 2015 until maturity in December, 2018.

We entered into the following new agreements after December 31, 2013:

- On February 10, 2014, we entered into an export prepayment facility agreement, guaranteed by Tonon Holding S.A., with Holco Man Limited, as lender, ED&F Man Capital Markets Limited, as administrative agent, and ED&F Man Brazil S.A., as collateral agent, in an aggregate principal amount of U.S.\$25.0 million, as amended on April 29, 2014. The principal sum under this loan is due in instalments on July 31, 2015 and on final maturity on November 20, 2015. Interest is payable on a quarterly basis at a rate based on LIBOR plus 8.5% *per annum*. The loan is secured by a pledge of certain receivables and an agricultural pledge and is accounted for on our balance sheet as a customer advance.
- On March 17, 2014, we entered into an export prepayment agreement, or the HSBC Export Prepayment Agreement, guaranteed by Tonon Holding, with HSBC Bank Brasil S.A – Banco Múltiplo, Grand Cayman Branch and HSBC Bank Brasil S.A – Banco Múltiplo, in an aggregate principal amount of U.S.\$10.0 million. Principal payments under this loan are due annually commencing on April 30, 2015 and until maturity on May 2, 2017. Interest is payable quarterly at a rate based on LIBOR plus 6.3% *per annum*.
- On March 11, 2014, we entered into an export prepayment finance agreement, or the BCV export finance agreement, with Banque Cantonale Vaudoise, in an aggregate principal amount of U.S.\$10.0 million. Principal payments under this loan are due in November 30, 2014 and interest is payable quarterly at a rate of 4.5% *per annum*.
- On March 28, 2014, we entered into a *adiantamento sobre contrato de câmbio*, guaranteed by Tonon Holding with Banco do Brasil S.A., or the Banco do Brasil ACC, in an aggregate principal amount of US\$8.9 million. The principal under this loan is due on March 23, 2015. This loan bears interest at a rate of 4.5% *per annum*, which was paid on the disbursement date. This loan is secured by an assignment of fiduciary credit rights (*cessão fiduciária de direitos creditórios*).
- On April 29, 2014, we entered into a second amendment to the share purchase agreement dated March 20, 2013, as amended on May 3, 2013, regarding the Paraíso acquisition, with the Individual Sellers and FIP DGF Terra Viva, pursuant to which the parties established that, at Tonon's election, the Pinheiro Family may (1) receive 6,874,399 common shares of Tonon on or before May 3, 2015 representing the outstanding amount of R\$50.0 million, or (2) receive such outstanding amount in cash on or before May 3, 2015 (subject to adjustment by the IPCA, as from May 3, 2014).

The Issuer

The issuer is a direct wholly-owned subsidiary of Tonon. The issuer is a corporation which was incorporated under the laws of Luxembourg on May 7, 2014. The registration number of the issuer is B 186.953. The registered office of the issuer and the business address of its directors is 5, Rue Guillaume Kroll, 1882 Luxembourg, Grand Duchy of Luxembourg. The telephone number of the issuer is +352 48 18 28 1.

The Issuer is a wholly owned subsidiary of the Guarantor with a share capital of €31,000 divided into 31 ordinary shares of €1000.00 each.

The by-laws of the issuer provides for a board of directors composed of at least three members. The board of directors of the issuer is currently composed of four members. All directors of the issuer are appointed by Tonon. The directors of the issuer are Rodrigo Caldas de Toledo Aguiar, Aluizio Barbosa Machado, José Correia, and Fabrice Meeuwis.

We are not aware of any conflicts, or potential conflicts, between any duties to us of any of the members of our board of directors and their private affairs.

Under the issuer's articles of incorporation, the issuer is, inter alia, permitted to borrow, raise and secure the payment of money in any way the board of directors thinks fit, including by the issue (to the extent permitted by Luxembourg Law) of debentures and other securities or instruments, perpetual or otherwise, convertible or not, whether or not charged on all or any of the Company's property (present and future) or its uncalled capital, and to purchase, redeem, convert and pay off those securities. As of the date of this offering memorandum, the issuer was in the process of registration with the Luxembourg Register of Commerce and Companies.

Our corporate headquarters and business address of our directors is Rodovia Jaú-Araraquara, Km. 129, CP-7, Fazenda Sta. Cândida, Gleba Industrial, 17.240-000, Bocaina, SP, Brazil. Our date of incorporation is March 22, 2006 and we are enrolled with the Taxpayers' Registry (CNPJ/MF) under No. 07.914.230/0001-05. Our telephone number is +55 (14) 3666-9000, and our facsimile number is +55 (14) 3666-9037. Our website address is <http://www.tononbioenergia.com.br>. Information on our website is not incorporated into this offering memorandum and should not be relied upon in determining whether to make an investment in the Notes Units.

THE OFFERING

The following summary contains basic information about the Notes Units and Underlying Notes and is not intended to be complete. It does not contain all of the information that is important to you. For a more complete understanding of the Notes Units and Underlying Notes, please refer to the section of this offering memorandum entitled "Description of the Notes Units."

Issuer	Tonon Luxembourg S.A.
Notes Units Offered	U.S.\$230,000,000 in aggregate principal amount of Notes Units, consisting of (1) an aggregate principal amount of U.S.\$73,000,000 Tranche 1 Notes; (2) an aggregate principal amount of U.S.\$96,000,000 Tranche 2 Notes; (3) an aggregate principal amount of U.S.\$32,000,000 Tranche 3 Notes; and (4) an aggregate principal amount of U.S.\$29,000,000 Tranche 4 Notes.
Issue Price	99.052% of the principal amount of the Notes Units.
Maturity Date	May 14, 2024.
Interest	Interest at (1) the rate of 10.50% <i>per annum</i> for the period from and including May 14, 2014 to but excluding May 14, 2019, or the Initial Interest Rate; and (2) a rate equal to the sum of 2.00% <i>per annum</i> and the Initial Interest Rate, which will be payable semi-annually in arrears each May 14 and November 14 of each year, commencing on November 14, 2014.
Indenture	The Notes Units will be issued under and governed by an Indenture among the issuer, the guarantor, The Bank of New York Mellon, as trustee, registrar, transfer agent, paying agent, The Bank of New York Mellon, as escrow agent, The Bank of New York Mellon, as U.S. collateral agent, and Planner Trustee DTVM Ltda., as Brazil collateral agent.
Notes Units Guarantees	The parent company of the issuer, Tonon Bioenergia S.A., will unconditionally and irrevocably guarantee all of the issuer's obligations under the Notes Units.
Ranking of the Notes	The Underlying Notes will: • be senior obligations of the issuer; • be secured by the Collateral pursuant to the terms of the Security Documents, subject to Permitted Liens; • rank equally in right of payment with all other existing and future Senior Indebtedness of the issuer; • rank senior in right of payment to all existing and future Subordinated Obligations of the issuer; • be effectively subordinated to all existing and future Indebtedness of the issuer that is secured by Liens on assets that do not constitute Collateral, to the extent of the value of the assets securing such secured Indebtedness; and • be subordinated to liabilities preferred by statute. As of December 31, 2013, we had total indebtedness outstanding of R\$1,377.9 million (U.S.\$588.2 million), of which R\$655.4 million

(U.S.\$279.8 million) was secured indebtedness.

As of December 31, 2013, after adjusting for the post December 31, 2013 capitalization adjustments described in “Capitalization,” and after adjusting for this offering and the application of the net proceeds therefrom, as described under “Use of Proceeds,” the Company’s outstanding indebtedness would have totaled R\$1,447.8 million (or U.S.\$618.0 million using the commercial market selling rate as reported by the Brazilian Central Bank at December 31, 2013 of R\$2.3426 to U.S.\$1.00), of which R\$824.8 million (or U.S.\$352.1 million) was secured by assets of the Company.

The issuer does not have any indebtedness other than the Notes Units and its subsidiary guarantee of Tonon’s U.S.\$300,000,000 9.250% Senior Notes due 2020.

**Ranking of the Notes Units
Guarantee**

The Notes Units Guarantee by the guarantor will:

- be senior obligations of the guarantor;
- be secured by the Collateral pursuant to the terms of the Security Documents, subject to Permitted Liens;
- rank equally in right of payment to all other existing and future Senior Indebtedness of the guarantor;
- rank senior in right of payment to all existing and future Subordinated Obligations of the guarantor;
- be structurally subordinated to all existing and future Indebtedness of the guarantor’s Subsidiaries that are not Subsidiary Guarantors (other than the issuer);
- be effectively subordinated to all existing and future Indebtedness of the guarantor that is secured by Liens on assets that do not constitute Collateral, to the extent of the value of the assets securing such secured Indebtedness; and
- be subordinated to liabilities preferred by statute.

We intend to use the full net proceeds from this offering to repay outstanding indebtedness of the guarantor.

**Optional Redemption with a
Make-Whole Premium**

Prior to May 14, 2017, we may, at our option, redeem all of the Notes Units at any time or part of the Notes Units (provided that, in the case of any partial redemption, the Underlying Notes are redeemed on a *pro rata basis*) at a redemption price equal to 100% of the principal amount of the Underlying Notes plus the applicable premium, as described in this offering memorandum, accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date (subject to the right of holders of the Notes Units on the relevant record date to receive interest due on the relevant interest payment date). In case of any partial redemption of Notes Units pursuant to this provision, at least U.S.\$50.0 million in aggregate principal amount of the Underlying Notes shall remain outstanding (not including any Underlying Notes held by us or our affiliates). See “Description of the Notes Units—Optional Redemption—Optional Redemption with a Make-Whole

	Premium.”
Optional Redemption without a Make-Whole Premium	On and after May 14, 2017, we may, at our option, redeem all of the Notes Units at any time or part of the Notes Units (provided that, in the case of any partial redemption, the Underlying Notes are redeemed on a <i>pro rata basis</i>) at the redemption prices included in this offering memorandum (expressed as a percentage of the principal amount), plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date (subject to the right of holders of the Notes Units on the relevant record date to receive interest due on the relevant interest payment date). In case of any partial redemption of Notes Units pursuant to this provision, at least U.S.\$50.0 million in aggregate principal amount of the Underlying Notes shall remain outstanding (not including any Underlying Notes held by us or our affiliates). See “Description of the Notes Units—Optional Redemption—Optional Redemption without a Make-Whole Premium.”
Optional Redemption upon Eligible Equity Offering	At any time prior to May 14, 2017, we may, at our option, on one or more occasions redeem Notes Units in an aggregate principal amount not to exceed 35% of the aggregate principal amount of the outstanding Underlying Notes (including any additional notes), at a redemption price (expressed as a percentage of principal amount) of 110.50%, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date, with the net cash proceeds from one or more eligible equity offerings. See “Description of the Notes Units—Optional Redemption—Optional Redemption upon Eligible Equity Offering.”
Optional Tax Redemption.....	We may redeem the Notes Units, in whole but not in part, at 100% of their principal amount plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date, at any time upon the occurrence of specified events relating to applicable tax laws. See “Description of the Notes Units—Optional Redemption—Optional Tax Redemption.”
Annual Offer to Purchase	On May 14, 2019 and annually thereafter, to the extent the issuer has not provided to the holders of the Notes Units and the Trustee a notice of redemption of all of the Notes Units, the issuer shall make an offer to purchase all of the Notes Units at a purchase price of 100% of their principal amount plus accrued and unpaid interest (including Additional Amounts, if any) thereon, to, but excluding, the date of purchase. See “Description of the Notes Units—Annual Offer to Purchase.”
Escrow of Proceeds	The proceeds of this offering will be placed into the Escrow Account in the name of the Trustee for the benefit of the holders of the Notes Units, pending satisfaction of the Release Conditions (as defined in “Description of the Notes Units”). The Notes Units will be subject to a Special Mandatory Redemption in the event the Release Conditions do not occur by on or before the date that is 60 days after the issue date, or the Special Mandatory Redemption Date. Upon the consummation of this offering and pursuant to the Escrow Agreement, the issuer and the guarantor will deposit into the Escrow Account an amount of cash or Acceptable Letters of Credit that, together with the proceeds of this offering, will be sufficient to fund the redemption of the notes, if required. The issuer and the guarantor will covenant to apply the escrowed funds, promptly following or substantially concurrent with the release thereof, as described in “Use of Proceeds.”
Repurchase upon Change of	

Control	If a Change of Control that results in a Ratings Decline (each as defined in “Description of the Notes Units”) occurs, each holder of the Notes Units may require the issuer to repurchase all or a portion of such holder’s Notes Units at a price equal to 101% of the aggregate principal amount, plus accrued and unpaid interest to the date of repurchase and additional amounts, if any. See “Description of the Notes Units—Repurchases at the Option of the Holders of the Notes Units upon Change of Control.”
Restrictive Covenants	The Indenture governing the Notes Units will contain covenants that, among other things, will limit the ability of the guarantor and any restricted subsidiaries to: • pay dividends on, redeem or repurchase capital stock; • make certain investments; • incur additional indebtedness; • sell assets; • create certain liens; • enter into sale and leaseback transactions; • engage in transactions with affiliates; and • consolidate, merge, transfer or lease all or substantially all of our assets. In addition, the issuer and the guarantor are subject to additional restrictive covenants pursuant to the Indenture. These covenants are subject to important exceptions and qualifications that are described under the heading “Description of the Notes Units—Restrictive Covenants” in this offering memorandum.
Use of Proceeds	We intend to use the full net proceeds from the Notes Units to prepay certain of the guarantor’s short-term and long-term debt. See “Use of Proceeds.”
Additional Amounts	All payments of principal and interest by the issuer or the guarantor in respect of the Notes Units and the Underlying Notes will be made without withholding or deduction for any taxes or other governmental charges from Luxembourg, Brazil or any other jurisdiction unless such withholding or deduction is required by law. In the event we are required to withhold or deduct amounts for any taxes or other governmental charges, we will pay such additional amounts as are necessary to ensure that the holders of the Notes Units receive the same amount as such holders would have received without such withholding or deduction, subject to certain exceptions. See “Description of the Notes Units—Additional Amounts.”
Events of Default	For a discussion of certain events of default that will permit acceleration of the principal of the notes plus accrued interest, see “Description of the Notes Units—Events of Default.”

Additional Underlying Notes	We may, from time to time, without notice to or consent of the holders of the Notes Units, create and issue an unlimited principal amount of additional Underlying Notes of the same series as the relevant Underlying Notes and maintaining the same proportions of the Underlying Notes initially issued in this offering, subject to satisfaction of the conditions set forth in the Indenture.
Collateral	Pursuant to the Indenture and the Security Documents, the Notes Units, the Underlying Notes, the Notes Units Guarantee and all other obligations of the issuer and the guarantor under the Financing Documents (as defined in “Description of the Notes Units”) will be secured on a first priority basis by the Collateral (which shall include certain plant facilities, credit rights, sugarcane, products, receivables, collection accounts, equipment and other assets of the guarantor described in the Security Documents), subject to Permitted Liens. The Security Documents will include the following agreements and instruments: • With respect to the Tranche 1 Notes: (i) the Tranche 1 Paraíso Mill Mortgage Deed; (ii) the Tranche 1 Paraíso Mill Equipment Fiduciary Assignment Agreement; (iii) the Tranche 1 Assignment and Security Agreement; and (iv) the Tranche 1 Collection Account Pledge Agreement. • With respect to the Tranche 2 Notes: (i) the Tranche 2 Rural Pledge Agreement; (ii) the Tranche 2 Assignment and Security Agreement; and (iii) the Tranche 2 Collection Account Pledge Agreement. • With respect to the Tranche 3 Notes: (i) the Tranche 3 Rural Pledge Agreement; (ii) the Tranche 3 Assignment and Security Agreement; and (iii) the Tranche 3 Collection Account Pledge Agreement. • With respect to the Tranche 4 Notes: (i) the Tranche 4 Paraíso Mill Equipment Fiduciary Assignment Agreement; (ii) the Tranche 4 Rural Pledge Agreement; (iii) the Tranche 4 Assignment and Security Agreement; and (iv) the Tranche 4 Collection Account Pledge Agreement.

	See “Description of the Notes Units—Security.”
Form and Denomination	The Notes Units sold in the United States in reliance on Rule 144A will be evidenced by a Notes Unit in global form called a Restricted Global Notes Unit, which will be deposited with a custodian for, and registered in the name of a nominee of DTC. The Notes Units sold outside the United States in reliance on Regulation S will be evidenced by a separate Notes Unit in global form called a Regulation S Global Notes Unit, which also will be deposited with a custodian for, and registered in the name of a nominee of, DTC. Transfers of beneficial interests between the Restricted Global Notes Unit and the Regulation S Global Notes Unit are subject to certification requirements. The Notes Units will be issued in fully registered form in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof and will be issued as one or more Global Notes Units. See “Description of the Notes Units—Principal, Maturity and Interest.”
Trading and Listing.....	We have applied to admit the Notes Units to listing on the Official List of the Irish Stock Exchange and to trade on the Global Exchange Market. The issuer cannot assure you, however, that this application will be accepted, or if accepted, that the notes will remain so listed. The issuer will at all times use its reasonable efforts to maintain the listing of the Notes Units on the Global Exchange Market of the Irish Stock Exchange. If the notes are delisted, the issuer will use reasonable efforts to list the Notes Units in another comparable exchange. However, there can be no assurance that the issuer will obtain an alternative admission to listing, trading and/or quotation for the Notes Units by another listing authority, exchange and/or system within or outside the European Union.
Governing Law	The Indenture, the Notes Units, the Underlying Notes, the Assignment and Security Agreements and the Collection Account Pledge Agreements will be governed by, and will be construed in accordance with, the laws of the state of New York. Articles 86 to 94-8 of the Luxembourg law on commercial companies, as amended, do not apply to the Notes Units. The Tranche 1 Paraíso Mill Mortgage Deed, the Tranche 1 Paraíso Mill Equipment Fiduciary Assignment Agreement, the Tranche 2 Rural Pledge Agreement, the Tranche 3 Rural Pledge Agreement, the Tranche 4 Paraíso Mill Equipment Fiduciary Assignment Agreement and the Tranche 4 Rural Pledge Agreement will be governed by the laws of Brazil.
Trustee, Registrar, Paying Agent and Transfer Agent.....	The Bank of New York Mellon.
U.S. Collateral Agent.....	The Bank of New York Mellon.
Brazil Collateral Agent	Planner Trustee DTVM Ltda.
Risk Factors	See “Risk Factors” and the other information in this offering memorandum for a discussion of factors you should carefully consider before deciding to invest in the Notes Units.

SUMMARY FINANCIAL AND OTHER INFORMATION

The following table sets forth certain financial information and operating data for us for the periods and financial years indicated.

On May 3, 2013, we completed the acquisition of Paraíso, a sugar and ethanol producer in the state of São Paulo, which operates one mill with a sugarcane crushing capacity of 2.5 million tons per harvest period. We merged Paraíso into our company on September 30, 2013. Our financial statements for the nine-month period ended December 31, 2013 are comprised of the operations of (1) our current three mills (the Vista Alegre mill, the Santa Cândida mill and the Paraíso mill) from May 1, 2013 to December 31, 2013, and (2) our two original mills (the Vista Alegre mill and the Santa Cândida mill), excluding the Paraíso mill, from April 1, 2013 to April 30, 2013. Since our financial statements for the nine-month period ended December 31, 2013 include the financial information of Paraíso as set out above, our financial information for the nine-month period ended December 31, 2013 is not directly comparable to our financial information for the nine-month period ended December 31, 2012.

Operational data pertaining to us and our mills included in this offering memorandum for all periods after March 31, 2013, including for the nine-month period ended December 31, 2013, pertains to all three of our mills, including our Paraíso mill. Accordingly, we include operational data for the Paraíso mill combined with our Santa Cândida and Vista Alegre mills as from April 1, 2013, which includes data from the period before we acquired Paraíso on May 3, 2013. As a result, our financial information presented in this offering memorandum for the nine-month period ended December 31, 2013 (which includes Paraíso financial information as of May 1, 2013) is not directly comparable with our operational information for the nine-month period ended December 31, 2013 (which includes Paraíso financial information as of April 1, 2013).

This financial information should be read in conjunction with “Presentation of Financial and Other Information,” “Selected Financial and Other Information,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements, including the units thereto, included elsewhere in this offering memorandum.

	For the Nine-Month Period Ended December 31,			For the Financial Year Ended March 31,			
	2013	2013	2012	2013	2013	2012	2011
	(in millions of U.S.\$) ⁽¹⁾	(in millions of reais)		(in millions of U.S.\$) ⁽¹⁾		(in millions of reais)	
Income Statement Data:							
Net revenue.....	311.2	729.1	523.9	253.6	594.1	475.8	392.3
Cost of goods sold and services rendered.....	(273.8)	(641.5)	(432.1)	(207.7)	(486.6)	(376.1)	(332.4)
Changes in the fair value of biological assets.....	24.6	57.7	9.4	20.3	47.5	29.2	13.0
Gross profit	<u>62.0</u>	<u>145.3</u>	<u>101.2</u>	<u>66.2</u>	<u>155.0</u>	<u>128.9</u>	<u>72.9</u>
Results before net financial income							
(expenses) and taxes.....	31.5	73.9	46.3	42.4	99.3	145.8	17.6
Net financial income (expenses).....	(134.2)	(314.4)	(134.4)	(57.1)	(133.8)	(119.4)	(62.1)
Profit (loss) before taxes	(102.7)	(240.5)	(88.1)	(14.7)	(34.5)	26.4	(44.5)
Current/deferred income taxes and social contribution	18.9	44.2	51.0	8.3	19.5	(8.9)	22.0
Net profit (loss) from continuing operations.....	(83.8)	(196.3)	(37.1)	(6.4)	(15.0)	17.5	(22.5)
Discontinued operation	—	—	0.7	0.3	0.7	2.4	1.6
Net profit (loss).....	<u>(83.8)</u>	<u>(196.3)</u>	<u>(36.4)</u>	<u>(6.1)</u>	<u>(14.3)</u>	<u>19.9</u>	<u>(20.9)</u>

(1) Solely for the convenience of the reader, *real* amounts as of and for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, have been translated into U.S. dollars at the selling exchange rate as of December 31, 2013, of R\$2.3426 to U.S.\$1.00. See “Exchange Rates” for further information about recent fluctuations in exchange rates.

	As of December 31,			As of March 31,			
	2013	2013	2012	2013	2013	2012	2011
	(in millions of U.S.\$) ⁽¹⁾	(in millions of reais)		(in millions of U.S.\$) ⁽¹⁾	(in millions of reais)		
Balance Sheet Data:							
Assets							
Total current assets	160.5	375.8	243.1	184.0	431.0	319.5	153.7
Total non-current assets	615.3	1,441.4	815.3	384.1	899.8	813.7	791.5
Total assets	775.8	1,817.2	1,058.4	568.1	1,330.8	1,133.2	945.2
Liabilities							
Total current liabilities.....	175.2	410.4	276.7	78.6	183.9	562.8	587.0
Total non-current liabilities.....	503.1	1,178.4	501.5	360.4	844.4	305.4	216.9
Shareholders' Equity							
Capital.....	37.7	88.3	79.3	33.9	79.3	67.4	55.5
Income reserves	59.8	140.1	200.9	95.2	223.2	197.6	85.8
Total shareholders' equity	97.5	228.4	280.2	129.1	302.5	265.0	141.3
Total liabilities and shareholders' equity	775.8	1,817.2	1,058.4	568.1	1,330.8	1,133.2	945.2

- (1) Solely for the convenience of the reader, *real* amounts as of and for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, have been translated into U.S. dollars at the selling exchange rate as of December 31, 2013, of R\$2.3426 to U.S.\$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates.

Other data

	As of and for the Nine-Month Period Ended December 31,			As of and for the Financial Year Ended March 31,			
	2013	2013	2012	2013	2013	2012	2011
	(in millions of U.S.\$, except financial ratios) ⁽¹⁾	(in millions of reais, except financial ratios)		(in millions of U.S.\$, except financial ratios) ⁽¹⁾	(in millions of reais, except financial ratios)		
Other Data:							
EBITDA ⁽²⁾	162.6	381.0	225.9	124.8	292.4	289.4	148.3
Adjusted EBITDA ⁽³⁾	138.3	324.1	216.5	104.5	244.9	202.4	135.3
Adjusted EBITDA margin ⁽⁴⁾	44.5%	44.5%	41.3%	41.2%	41.2%	42.5%	34.5%
Net debt ⁽⁵⁾	504.1	1,181.0	505.9	258.8	606.2	556.7	512.7
Net debt / Adjusted EBITDA ratio ⁽⁶⁾ ..	3.4x	3.4x	2.3x	2.5x	2.5x	2.8x	3.8x

- (1) Solely for the convenience of the reader, *real* amounts as of and for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, have been translated into U.S. dollars at the selling exchange rate as of December 31, 2013, of R\$2.3426 to U.S.\$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates.
- (2) We define EBITDA as net profit (loss) from continuing operations before net financial income/expenses, depreciation of property, plant and equipment, amortization of intangible assets, amortization of inter-harvest maintenance carried out, amortization of crops and handling, and income tax and social contribution. EBITDA is not a recognized measure under Brazilian GAAP, IFRS or U.S. GAAP, and because not all companies use identical calculations, our presentation of EBITDA may not be comparable to other similarly titled measures or to free cash flow, as it does not consider certain of our cash requirements, such as interest payments, tax payments and debt service payments. EBITDA should not be considered as an alternative to net profit (loss) from continuing operations, as indicator of our operating performance, or as an alternative to cash flow as an indicator of our liquidity. See "Selected Financial and Other Information—Other Data" for a calculation of our EBITDA.
- (3) We define Adjusted EBITDA as EBITDA adjusted by changes in the fair value of biological assets, gains upon sales of assets and equity in net income of subsidiaries. Adjusted EBITDA is not a recognized measure under Brazilian GAAP, IFRS or U.S. GAAP, and because not all companies use identical calculations, our presentation of Adjusted EBITDA may not be comparable to other similarly titled measures or to free cash flow, as it does not consider certain of our cash requirements, such as interest payments, tax payments and debt service payments. Adjusted EBITDA should not be considered as an alternative to net profit (loss) from continuing operations, as indicator of our operating performance, or as an alternative to cash flow as an indicator of our liquidity. See "Selected Financial and Other Information—Other Data" for a calculation of our Adjusted EBITDA.
- (4) Adjusted EBITDA margin corresponds to our Adjusted EBITDA divided by our net revenues, expressed as a percentage.
- (5) For the fourth quarter of each financial year and each financial year, we define net debt as current loans and financing plus non-current loans and financing minus cash, cash equivalents and other investments (current and non-current other than equity interests in relation to our co-generation activities). For the first, second and third quarters of each financial year, we define net debt as current loans and financing plus non-current loans and financing minus cash, cash equivalents, other investments (current and non-current other than equity interests in

relation to our co-generation activities) and finished goods inventories. Net debt is not a recognized measure under Brazilian GAAP, IFRS or U.S. GAAP. Our definition of net debt in this offering memorandum is not necessarily the same as the net debt definitions that we use for purposes of establishing covenant compliance for our financing agreements or under the indenture that will govern the Notes Units offered hereby. Net debt does not have a standardized meaning and our definition of net debt may not be comparable to net debt used by other companies and is not a measure of cash flow, liquidity or resources available for debt service. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness” and note 18 to our financial statements and financial information included elsewhere in this offering memorandum.

- (6) Net debt / Adjusted EBITDA ratio is the ratio of our net debt as of the end of the applicable period divided by our Adjusted EBITDA for the then-most recently concluded period of four consecutive financial quarters.

RISK FACTORS

An investment in the Notes Units involves a high degree of risk. You should carefully consider the risks and uncertainties described below and the other information in this offering memorandum before making an investment in the Notes Units. The risks described below are not the only ones facing the issuer, the guarantor, the Notes Units or investments in Brazil in general, but are the risks that we currently consider material. There are a number of factors, including those described below, which may materially adversely affect our ability to make payments under the Notes Units. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations.

For purposes of this section, the indication that a risk, uncertainty or problem may or will have a “material adverse effect on us” or that we may experience a “material adverse effect” means that the risk, uncertainty or problem could have a material adverse effect on our business, financial condition, results of operations, or our ability to make payments under the Notes Units and/or the market price of the Notes Units, except as otherwise indicated or as the context may otherwise require. You should view similar expressions in this section as having a similar meaning.

Risks Relating to Our Business and the Ethanol and Sugar Industries

Factors outside our control may reduce the productivity of our sugarcane crop and the sugarcane that we purchase, which may materially adversely affect us.

Our sugar production depends on the volume and sucrose content of the sugarcane that we cultivate or that is supplied to us by growers located in the vicinity of our mills. Crop yields and sucrose content depend primarily on geographic factors, such as land composition and topography, weather conditions, such as the amount of rainfall and average temperatures, agricultural techniques that may be employed and the variety of sugarcane planted. For instance, heavy rainfall and reduced solar radiation during the formation of the sugarcane crop in 2009 (from June 2009 to December 2009) adversely affected the productivity of the 2009/2010 harvest in the Southeast and Midwest regions. As a result of such weather conditions and operating difficulties stemming from heavy rainfall, sugarcane was not harvested.

Conversely, during the 2010/2011 and 2011/2012 harvests, overall sugarcane productivity in the Southeast and Midwest regions of Brazil was adversely affected by severe droughts in the Southeast and Midwest regions, which parched unharvested sugarcane left in the fields from the 2009/2010 harvest. Furthermore, heavy rains during early 2011 and extremely cold temperatures in June 2011 resulted in the failure of crops in the Southeast and Midwest regions, estimated by UNICA to be a total of 11.4% of the sugarcane crops in this region for the 2011/2012 harvest from 556.9 million tons during the 2010/2011 harvest to 493.2 million tons during the 2011/2012 harvest, according to UNICA. Weather conditions have historically caused volatility in the ethanol and sugar industries and, consequently, in our results of operations by causing crop failures or reduced harvests. Future weather patterns may reduce the amount of sugar or sugarcane that we can recover in a given harvest or its sucrose content. For example, Brazil experienced a drought at the end of the 2013/2014 harvest, which could adversely impact the agricultural yield in the region of São Paulo for the 2014/2015 harvest. Accordingly, many factors beyond our control, including drought, frost and/or sugarcane pests and diseases may materially adversely affect the quantity and quality of sugarcane that we produce and purchase from third parties, our sugar and ethanol production volumes and our business.

Ethanol prices are directly correlated to the prices of sugar and gasoline, thus a decline in the price of sugar or oil may materially adversely affect both our sugar and ethanol businesses.

The vast majority of ethanol in Brazil is produced at sugarcane mills that produce both ethanol and sugar. Because some sugarcane mills, including ours, are able to alter to some extent their production mix in response to the relative prices of ethanol and sugar, the prices of these products are generally closely correlated. For example, when sugar prices decline, sugarcane mills may have their production shifted to produce more ethanol, which will increase the supply of ethanol and put downward pressure on ethanol prices.

In addition, as sugar prices in Brazil are linked to international sugar prices, Brazilian ethanol prices are also influenced by international sugar prices. The limited liquidity of the ethanol futures market has restricted the availability of hedging mechanisms to protect against fluctuations in ethanol prices. Accordingly, a decline in the domestic or international price of sugar also may materially adversely affect our ethanol business.

Ethanol is marketed as a fuel additive to reduce vehicle emissions from gasoline, as an enhancer to improve the octane rating of gasoline with which it is blended or as a substitute fuel for gasoline. Because flex-fuel vehicles allow consumers to choose whether to use gasoline or ethanol at the pump, ethanol prices are correlated to gasoline prices and, consequently, to oil prices. As a result, ethanol prices are influenced by the supply and demand for gasoline, and our business and financial performance may be materially adversely affected if gasoline demand or prices decrease.

We operate in industries in which the demand and the market price for our products are cyclical and are affected by general economic conditions in Brazil and the world.

The sugar and ethanol industries, both globally and in Brazil, have historically been cyclical and sensitive to domestic and international changes in supply and demand, causing fluctuations in the prices of these products, as well as in our profit margins. In addition, sugar and ethanol are commodities and are subject to price fluctuations that generally affect commodities. Various factors beyond our control contribute to the volatility in the prices of sugar, ethanol and other sugarcane by-products, including:

- the demand for sugar and ethanol both in Brazil and abroad;
- climatic conditions and natural disasters in areas where sugarcane is cultivated;
- the production capacity and efficiency of our competitors;
- fluctuations in gasoline prices;
- government tax incentives and subsidies to promote the production, domestic sale, export and consumption of these products both in Brazil and in other countries that produce sugar and ethanol;
- the availability of substitutes for sugar, ethanol and other sugarcane by-products such as saccharine, aspartame, high fructose corn syrup, or HFCS, and petroleum derivatives; and
- developments in trade negotiations, including through the World Trade Organization, or the WTO.

In addition, sugar is traded on commodities and futures exchanges, and thus, is subject to speculative trading, which may affect prices in a manner that may materially adversely affect us.

The prices of sugar and ethanol sold by us are based on prevailing market prices, and thus, are subject to macroeconomic factors that may affect our industry, Brazil and the global economy. Any significant and prolonged decline in sugar or ethanol prices could materially adversely affect us. There can be no assurance that we will be able to maintain sales at generally prevailing market prices for sugar and ethanol in Brazil, nor that we will be able to sell or export sufficient quantities of sugar and ethanol to ensure an appropriate domestic sales and export market balance.

We may be materially adversely affected by seasonality, which could negatively impact our operating results.

Our business is subject to seasonal trends based on the sugarcane growing cycle in the Southeast and Midwest regions of Brazil, which begins in approximately April and ends in approximately December. This cycle creates seasonal fluctuations in our inventory (which usually peaks from September to October to cover sales between the sugarcane harvest (*i.e.*, December through March)), our net sales revenue and gross profit. In addition, seasonality affects our level of outstanding indebtedness and working capital, as we generally incur more indebtedness to meet our greater working capital needs during the harvesting period, which increases our financial expenses during the harvest period.

Our acquisition of and subsequent merger with Paraíso involves risks which may materially affect us.

Our acquisition of and subsequent merger with Paraíso exposes us to risks associated with the obligations and contingencies of its business, management and previously incurred liabilities. Although we conducted a due diligence process and received contractual representations and indemnification from the sellers, we cannot assure you that such representations or indemnification will be sufficient or remain in effect long enough to protect us or compensate us against any contingencies which could adversely affect us. In addition, the success of our acquisition of and subsequent merger with Paraíso will depend, in part, on our ability to realize anticipated revenue synergies, cost savings and growth. We hope to generate synergies resulting from the optimization of the agricultural management of our business. However, we may not be able to realize these synergies, cost savings and growth opportunities if we are faced with material difficulties in integrating Paraíso's business with our existing business.

We are substantially dependent on the continuity of operations at our mills, and any interruption or operational failure at these mills may result in a reduction of the volume of sugar and ethanol we produce or sell.

Most of our revenues are from the sale of sugar and ethanol we produce at our mills. If an accident, unanticipated repair, equipment malfunction or natural or climatic disaster were to occur in any of our mills, we may be materially adversely affected. As a result, all or part of our operations may be interrupted, and we cannot assure you that the cost of such damage will be covered under our insurance policies. In addition, we are subject to labor strikes and other operational incidents, such as equipment failures, fires, explosions and transportation accidents. These and other operational accidents may result in physical injury and death, material loss and destruction of our properties and equipment, and in the case of environmental accidents, in the suspension of our operations. Accordingly, an interruption or operational failure in our mills may have a material adverse effect on us.

We depend on third parties to provide our customers and us with facilities and services that are integral to our business.

We have entered into agreements with third-party contractors to provide us with facilities and services required for our operations, such as the transportation of our sugarcane from our plantations to our mills. Our reliance on third parties to provide these services gives us less control over the costs, efficiency, timelines and quality of those services. Contractors' negligence could result in damage or loss of our sugarcane, which may materially adversely affect us. We expect to be dependent on these contractors for the foreseeable future. The termination or expiration of our agreements with third-party contractors or our inability to renew these agreements or to negotiate new agreements with other providers on comparable terms could materially adversely affect our business and financial performance.

Delays or unexpected costs with respect to the expansion of our production facilities, including as a result of delays or failure by Energisa to complete projected expansion projects at the power plants located at our mills as well as factors adversely affecting the exchange of bagasse for energy and steam pursuant to our agreements with Energisa and Rhodia, may materially adversely affect us.

As a part of our strategy to increase the crushing capacity of our Santa Cândida and Vista Alegre mills, we intend to make significant investments in connection with our production facilities. The expansion, modernization and construction of production facilities involves a number of risks, including challenges related to engineering, construction, project management, ability to obtain financing, regulatory compliance, skilled manpower, environmental licensing, contracting suppliers and other risks that can delay or hinder a successful project or significantly increase the implementation costs. Delays, unexpected costs or failure to implement any expansion or modernization projects as projected may restrict our future growth and development and materially adversely affect our business, financial condition and results of operations.

Furthermore, the expansion of our production facilities to increase our crushing capacity depends on the satisfactory completion of corresponding investments by Energisa to expand the installed capacity of the co-generation power plants at our respective mills, including Energisa's publicly announced plans to build and operate two additional power plants near the existing co-generation assets. Delays or failure by Energisa to complete any investments necessary to supply the increased energy required for increases in our crushing capacity could materially adversely affect us.

Production of energy and steam at the co-generation power plants operated by Energisa, and in the case of our Paraíso mill, Rhodia, and our receipt of such energy and steam for use in our operations depends on our delivery of contractually agreed amounts of biomass inputs and such additional supply by us of biomass that may be necessary to meet the needs of expanded future capacity at the respective power plants. Any inability by us, which does not fall within the exceptions provided in our agreements with Energisa and Rhodia, to supply the necessary biomass could lead to lower than expected levels of energy and steam production available for our use in our operations, as well as constitute breaches of our supply obligations with Energisa or Rhodia which, in each case, could materially adversely affect us.

Disruption of transportation and logistics services or insufficient investment in public infrastructure could adversely affect our operating results.

A substantial portion of Brazilian agricultural production, including our output, is transported by truck, which is generally significantly more expensive than the rail transportation available to U.S. and other international producers. One of the principal disadvantages of the Brazilian agriculture sector is that many of the key growing regions lie far from major ports, further increasing logistics costs. As a result, efficient access to transportation infrastructure and ports is critical to the continued growth of Brazilian agriculture generally and of our operations in particular. Improvements in transportation infrastructure are likely to be required to make more agricultural production accessible to export terminals at competitive prices. Improvement projects may not be undertaken or completed on a timely basis, if at all, which could adversely affect the demand for our products, impede our delivery of products or increase our costs.

We depend on the continuous operation of the port facilities we use. Interruptions in port operations could result from various events and circumstances outside of our control including, among others, catastrophic events, environmental issues, strikes or labor issues, adverse meteorological conditions and therefore interruption in the supply of our products. Any such difficulties with port facilities could, accordingly, result in delays in or the suspension of the transportation of sugar and ethanol to our customers, adversely affecting our product distribution capacity which could have a material adverse effect on our results of operations.

Catastrophic events, environmental issues, strikes or labor issues, adverse meteorological conditions and the interruption in the supply of sugarcane to our facilities may result in delays in, or the suspension of, the transportation of sugar and ethanol to our customers, adversely affecting our product distribution capacity which could have a material adverse effect on our results of operations.

We engage in hedging transactions, which involve risks that can harm our financial performance.

We are exposed to market risks arising from the nature of our business activities, in particular, market risks arising from changes in commodity prices, exchange rates or interest rates. Historically, we hedge against market price fluctuations by entering into hedge agreements to fix the prices of all our sugar sales with our customers, which are comprised of large global commodity traders, with banks and directly in ICE Futures. In addition, a portion of our indebtedness is denominated in U.S. dollars. However, in an attempt to minimize the effects of volatility of sugar prices and effects on our cash flows and results of operations from exchange rate fluctuations between the *real* and the U.S. dollar, we engage in hedging transactions involving commodities and exchange rate futures, options, forwards and swaps. We also may engage in interest rate hedging transactions from time to time. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Quantitative and Qualitative Disclosures about Market Risk.”

Hedging transactions expose us to the risk of financial loss in situations where the counterparty to the hedging contract defaults on its contract or there is a change in the expected differential between the underlying price in the hedging agreement and the actual price of commodities or the exchange rate. For instance, for the nine-month period ended December 31, 2013 we recorded a net loss of R\$29.9 million from sugar price and interest and exchange rate hedging transactions. For the financial year ended March 31, 2013, we recorded a net loss of R\$14.0 million from sugar price and interest and exchange rate hedging transactions and Paraíso recorded a net loss of R\$4.5 million during the same period. For the financial years ended March 31, 2012 and 2011, we recorded a net loss of R\$0.9 million and a net gain of R\$0.5 million, respectively. As we record our derivatives at their fair value, to the extent that the market prices of our products exceed their fixed price pursuant to our hedging agreements, our results would be lower than they would have been had we not engaged in such transactions as a result of the related

non-cash derivative expenses that we record. As a result, hedging transactions decrease our net financial income during periods in which commodities prices increase, when compared to what our net financial income might have been had we not entered into such transactions.

Our exports expose us to factors that are outside of our control.

For the nine-month period ended December 31, 2013, our net revenues from exports of granulated refined sugar, VHP sugar and ethanol represented 15.1%, 40.5% and 10.4%, respectively, of our total net revenues. For the financial year ended March 31, 2013, our net revenues from exports of VHP sugar and ethanol represented 56.9% and 10.1%, respectively, of our total net revenues. For the financial year ended March 31, 2013, Paraíso's net revenues from exports of VHP sugar and granulated refined sugar represented 57.6% of its total net revenues. We are subject to risk factors that are outside of our control in connection with our export operations, including:

- changes in foreign currency exchange rates;
- deterioration of economic conditions in our principal export markets;
- imposition of tax increases, anti-dumping tariffs and other trade or health and sanitation barriers;
- exchange controls and restrictions to exchange operations;
- strikes or other events that may affect ports and transportations; and
- compliance with different legal and regulatory regimes.

Our future financial performance will depend significantly on economic, political and social conditions in our principal export markets. Most countries that produce sugar or ethanol, including the United States and European Union member countries, protect local producers from international competition by establishing government policies that affect the production and import of sugar and ethanol. Accordingly, we may have limited or no access to our main export markets or other major potential markets if new trade barriers are established, which could result in difficulties in reallocating our products to other markets under favorable conditions and may have a material adverse effect on our business and results of operations.

Our operations are subject to the laws and regulations of the countries to which we export sugar and ethanol, including imports and exports, anti-dumping, anti-money laundering and anti-terrorism laws. As a result, we are required to observe rigorous procedures for transfers and payments from our foreign customers and to obtain various licenses from regulatory authorities to export to these countries. These authorizations and licenses are renewable as long as we comply with the rules and requirements imposed by local regulatory authorities. If we were to fail to comply with any of these rules and requirements for any reason, these authorizations and licenses could be revoked, or we may be unable to receive transfers and payments from our foreign customers or to renew these authorizations and licenses, which could materially adversely affect our operations. Additionally, regulatory authorities could adopt stricter or more burdensome requirements, which could restrict our ability to conduct business and have a material adverse effect on us.

We face significant competition in the sugar and ethanol industries, which may materially adversely affect our market share and profitability.

The sugar and ethanol industries are highly competitive. Domestically, we compete with numerous sugar and ethanol producers of varying sizes. Despite increased consolidation, the Brazilian sugar and ethanol industries remain highly fragmented. Currently, our main competitors in Brazil are Copersucar, Raízen, various producers owned by Louis Dreyfus, Tereos and the Bunge Group.

We also face competition from international sugar producers. In particular, we face strong competition in certain markets, such as the United States and the European Union, which have historically implemented tariffs, agriculture subsidies and/or other governmental incentive programs to protect local sugar producers from foreign competition. Many of these tariffs, subsidies and other governmental incentive programs remain in effect.

In the event that one or more of our competitors increase their financial and other resources, operate their business more efficiently than us, present a greater breadth of products than we do or adopt more successful sales or pricing policies, our competitive position and our company may be materially adversely affected. If we are unable to remain competitive with our competitors, our market share and profitability may also be materially adversely affected.

Alternative sweeteners have negatively affected demand for our sugar products in Brazil and other countries.

We believe that increased use of alternative sweeteners, especially artificial alternative sweeteners such as aspartame, saccharine and HFCS, has adversely affected the growth of the overall demand for sugar in Brazil and the rest of the world. For example, soft drink bottlers in Brazil and many other countries have switched from sugar to, or increased their use of, alternative sweeteners. A substantial decrease in sugar consumption, or the increased use of alternative or artificial sweeteners, would decrease demand for our sugar products and could materially adversely affect us.

Contamination of our products and other related risks may affect our reputation and result in legal and administrative proceedings or the shutdown of our production facilities.

Some of our products may have adverse effects on our consumers, such as allergic reactions to components included in the raw materials and inputs used to manufacture our products, or to newly-developed product components used in certain processing stages, among others. There could also be adverse reactions related to product contamination caused by failures in production or distribution channels. The contamination of any of our products may result in product recalls or in legal or administrative proceedings against us, which could adversely affect our reputation, business, operation of our manufacturing facilities, financial condition and operating results. Any damage to our reputation may materially adversely affect us.

A reduction in market demand for ethanol as a clean fuel or a change in the Brazilian government's policy requiring ethanol be added to gasoline may materially adversely affect us.

The Brazilian government currently requires the use of ethanol as an additive to gasoline. Since 1997, the Brazilian Sugar and Alcohol Interministerial Council (*Conselho Interministerial do Açúcar e Alcool*), or CIMA, has set the percentage of anhydrous ethanol that must be used as an additive to gasoline (which may fluctuate between 18% and 25%). In March 2013, MAPA increased the percentage of anhydrous ethanol that must be used as an additive to gasoline from 20% to 25% by volume, effective as of May 1, 2013.

Any reduction in the percentage of ethanol required to be added to gasoline or any change in the Brazilian government policy towards ethanol use, as well as the growth in the demand for natural gas and other fuels as an alternative to ethanol, lower gasoline prices or an increase in gasoline consumption (as compared to ethanol), may cause demand for ethanol to decline, which may materially adversely affect us.

In addition, ethanol prices are influenced by the supply and demand for gasoline; accordingly, a reduction in oil prices resulting in a decrease in gasoline prices and an increase in gasoline consumption (as compared to ethanol), may have a material and adverse effect on us.

Government policies and regulations affecting the agricultural and ethanol sectors and related industries could materially adversely affect us.

Agricultural production and trade flows are significantly affected by government policies and regulations. Governmental policies, such as taxes, tariffs, duties, subsidies and import and export restrictions on agricultural commodities and products made from these commodities can adversely affect the agricultural industry and its profitability, the allocation of agricultural resources, the location and size of crop production, the trading of unprocessed or processed commodity products, and the type and volume of imports and exports, which may materially adversely affect us.

Future government policies in Brazil and elsewhere may adversely affect the supply, and demand for, and prices of, our products or restrict our ability to do business in our existing and target markets, which could materially adversely affect our financial performance. Sugar prices, like the prices of many other staple goods in Brazil, were

historically subject to controls imposed by the Brazilian government. Although sugar prices in Brazil have not been subject to price controls since 1997, additional measures may be imposed in the future. Any changes affecting governmental policies and regulations regarding ethanol, sugar or sugarcane in the state of São Paulo, where our Santa Cândida and Paraíso mills operate, and Mato Grosso do Sul, where our Vista Alegre mill operates, may materially adversely affect us.

Additionally, petroleum and petroleum products have historically been subject to price controls in Brazil. Currently, there is no law or regulation in force giving the Brazilian government power to set prices for petroleum, petroleum products, ethanol or natural gas for vehicles. However, given that Petróleo Brasileiro S.A., or Petrobras, the largest supplier of oil-based fuels in Brazil, is a state-controlled company, prices of petroleum and petroleum products are subject to government influence, resulting in potential inconsistencies between international prices and internal oil derivative prices that affect our business and our financial results, which are not linked to international prices.

Furthermore, on April 28, 2011, the Brazilian government changed the classification of ethanol from an agricultural product to a biofuel. As a result, the production, import, export, storage, transport, transfer, distribution and commercialization of ethanol are now subject to regulation and supervision by ANP. Through this change in classification, the Brazilian government seeks to increase the role of ANP in the regulation of ethanol, in order to avoid price fluctuations during the periods between harvests, by applying to ethanol various regulations that were previously only applicable to petroleum and its derivatives, natural gas and condensate. In addition, in 2011, ANP also set forth new specifications for the manufacture and commercialization of ethanol, the purpose of which is to prohibit the adulteration of ethanol products.

In March 2013, MAPA increased the percentage of anhydrous ethanol that must be used as an additive to gasoline from 20% to 25% by volume, effective as of May 1, 2013.

We may face conflicts of interest in transactions with related parties.

Some of our shareholders are also suppliers of sugarcane or owners of rural areas where we grow our crops through agricultural partnerships (*parcerias agrícolas*) and long-term land lease agreements. Furthermore, some of our minority shareholders are also shareholders of companies that supply industrial equipment to sugarcane industry, with which we have entered into agreements. There may be future conflicts of interest in the event of new acquisitions of equipment from these companies or disputes involving existing agreements.

We are subject to extensive environmental and labor regulations and may be exposed to liabilities and potential costs for environmental and labor compliance.

We are subject to Brazilian federal, state and local laws and regulations related to environmental protection and health and safety laws of our employees that govern, among other things:

- the development of potentially polluting activities such as production of sugar and ethanol;
- the generation, storage, handling, use and transportation of hazardous materials;
- the emission and discharge of hazardous materials into the ground, air or water;
- the preservation of environmentally protected areas;
- the use of natural resources; and
- the health and safety of our employees.

We are regularly inspected by various governmental environmental protection agencies to ensure our compliance with applicable laws and regulations. We are also required to obtain permits from governmental authorities for certain aspects of our operations. These laws, regulations and permits often require us to purchase and install expensive pollution control equipment or to make operational changes to limit impacts or potential impacts on the environment and health of our employees.

As per Brazilian environmental legislation, we are required to obtain environmental licenses to operate our mills, since our activities may potentially cause pollution or environmental impact. In the administrative context, a company operating without the competent environmental license in Brazil may be subject to warnings, fines up to R\$10.0 million, partial or total suspension of activities and other restrictions. Also, according to Brazilian law, operating without an effective environmental license may, in certain cases, also be understood as an environmental crime, subjecting both the company and its officers to, among other penalties, imprisonment of one year to six months and fines. In addition, due to the regime of concurrent jurisdiction with respect to environmental law, certain states also define their own administrative penalties, such as warnings, suspension of activities, fines of up to R\$50.0 million and other restrictions. We may also be strictly liable for certain environmental damage caused by third parties we hire or related to the properties on which we conduct our activities.

In addition, we seek to assure the compliance of the rural properties we lease with respect to the legal reserve requirements, considering that the respective landowners are responsible for the preservation of the areas. As of the date of this offering memorandum, we believe that most landowners of the rural properties we lease are in compliance with the legal reserve requirements. The new forestry rules of the Brazilian government also require enrollment in the Environmental Rural Registry (*Cadastro Ambiental Rural*), or CAR, for all rural properties in Brazil. The CAR is a responsibility of landowners, who must proceed with the registry within one year from its implementation, extendable for an additional year by an act of the executive branch.

Non-compliance with environmental laws and regulations may require us to remedy any environmental damage, as well as subject us to criminal and administrative penalties, such as fines and the suspension of our activities. Furthermore, our non-compliance with environmental and labor obligations may result in our breach of covenants in certain of our financing agreements.

In addition, any change in applicable environmental regulation or in its interpretation may lead to an increase in compliance costs, which may materially adversely affect us. Environmental protection and labor laws in Brazil are becoming stricter; accordingly, our expenses in complying with our environmental and labor obligations may significantly increase in the future. See “Business—Legal and Administrative Proceedings—Civil and Environmental Proceedings.”

Government laws and regulations governing the burning of sugarcane could have a material adverse impact on our business or financial performance.

In 1998, a federal decree was enacted to require that in areas that are suitable for mechanized harvesting, the burning of sugarcane must be reduced by 25% every five years until complete elimination of the practice in 2018.

In the state of São Paulo, in areas that are suitable for mechanized harvesting, applicable regulations provide that the burning of sugarcane must be reduced as follows: (1) 80% of the aggregate suitable harvested area by 2016; and (2) 100% of the aggregate suitable harvested area by 2021. For areas that are not suitable for mechanized harvesting, applicable regulations provide that the burning of sugarcane must be reduced as follows: (1) 20% of the harvested area by 2016; (2) 30% of the harvested area by 2021; (3) 50% of the harvested area by 2026; and (4) 100% of the harvested area by 2031. Also, through Resolution No. 88/2008, the state of São Paulo sets forth the minimum standards to be followed for sugarcane planting, including the adoption of adequate management of crop protection, protection for permanent preservation areas and avoidance of accidental burnings of sugarcane.

We currently incur significant costs to comply with these laws and regulations, and there is a likelihood that increasingly stringent regulations relating to the burning of sugarcane will be imposed by the state of São Paulo, and other governmental agencies in the near future. As a result, our costs to comply with existing or new laws or regulations are likely to increase, which could materially adversely affect us.

Any failure to comply with these laws and regulations may subject us to legal and administrative actions. These actions can result in civil, administrative or criminal penalties, including a requirement to pay penalties or fines (which may range from R\$50.00 to R\$50.0 million and can be doubled or tripled in case of recidivism), an obligation to make capital and other expenditures or an obligation to materially change or cease certain operations.

Our insurance coverage may be inadequate to cover all losses or liabilities that may be incurred in our operations.

We maintain insurance against some risks at levels that we believe are customary in our industry to protect against these liabilities; however, our insurance may not be adequate to cover all losses or liabilities that might be incurred in our operations. Moreover, we will be subject to the risk that we may not be able to maintain or obtain insurance of the type and amount desired on reasonable terms. As of June 30, 2013, we no longer carry significant lost profits insurance.

Certain of our financing agreements and the indenture for the Notes Units contain covenants that restrict our ability to engage in certain transactions and may impair our ability to respond to changing business and economic conditions.

Certain of our financing agreements and the indenture for the Notes Units contain covenants that restrict our ability to engage in certain transactions, such as the incurrence of indebtedness and the execution of corporate mergers or reorganizations, and may impair our ability to respond to changing business and economic conditions, including, among other things, limitations on our ability, and the ability of any of our future subsidiaries, to:

- incur additional indebtedness;
- incur additional liens (see “—Risks Relating to the Notes Units, the Underlying Notes and the Notes Units Guarantees— Certain of our financing agreements, including the indenture relating to our existing 9.25% senior notes due 2020, contain covenants that restrict our ability to secure our assets and may impair our ability to pledge additional collateral in order to maintain the collateral coverage ratio required under the Notes Units or our other current or future financing agreements.”);
- enter into sale and leaseback transactions;
- issue guarantees;
- issue or sell capital stock;
- pay dividends or make certain other restricted payments;
- enter into certain transactions with affiliates;
- make investments; or
- merge or consolidate with any other person or sell or otherwise dispose of or lease all or substantially all of our assets.

In addition, certain of our indebtedness and the indenture for the Notes Units require us to satisfy certain financial covenants. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness—Long-term Indebtedness.” Future indebtedness or other contracts could contain financial or other covenants more restrictive than those applicable to our indebtedness and the indenture for the Notes Units.

Our ability to comply with these provisions may be affected by general economic conditions, political decisions, industry conditions and other events beyond our control. As a result, we cannot assure you that we will be able to comply with these covenants or obtain waivers for any future non-compliance. Our failure to comply with the covenants contained in certain of our indebtedness and in the indenture for the Notes Units, including failure as a result of events beyond our control, could result in an event of default, which could materially adversely affect our operating results and our financial condition.

Our level of indebtedness, including secured indebtedness, may harm our business.

As of December 31, 2013, our total outstanding indebtedness was R\$1,377.9 million, consisting of R\$218.6 million of short-term indebtedness, including the current portion of long-term indebtedness (or 15.9% of our total indebtedness), and R\$1,159.3 million of long-term indebtedness (or 84.1% of our total indebtedness). As of December 31, 2013, 47.6% of our total outstanding indebtedness was secured by certain of our sugarcane inventories, plant facilities, agricultural and industrial equipment and machinery and accounts receivables. We may also incur additional debt. See “Description of the Notes Units.”

Seasonality affects our level of outstanding indebtedness and working capital, as we generally require more working capital and consequently incur greater indebtedness to support our operations during the first six months of our financial year, which generally results in higher financial expenses during this period. Accordingly, our level of indebtedness during the first half of our financial year is generally higher than during the second half of our financial year. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness.”

If we are unable to incur additional debt or access funds on favorable terms, we may be unable to make necessary investments and capital expenditures in our business, which could reduce our future sales and materially adversely affect our financial position. In addition, the required capital resources to fulfill our debt obligations may reduce the amount available to support our operations, which could materially adversely affect us.

In addition, if our cash flow from operations does not grow as expected or significantly decreases for any reason, we may be unable to fulfill our debt obligations. If we are unable to pay our debt obligations as they become due, we may have to renegotiate our debt, seek and raise additional capital or attempt to sell certain of our assets. In any of these scenarios, we may not be able to obtain financing or sell our assets on favorable terms, or at all, which could have a material adverse effect on us.

Disruptive and volatile general economic conditions may have a negative impact on financing available to us. As a result, funding on terms acceptable to us may not be available to meet our future capital needs.

Global market and economic conditions have been, and continue to be, disruptive and volatile. The debt capital markets have been impacted by significant defaults in the financial services sector and the re-pricing of credit risk, among other things. These events have negatively affected general economic conditions.

If funding is unavailable when needed, or is available only on unfavorable terms, it may become difficult or impossible for us to satisfy our capital needs or otherwise take advantage of business opportunities or respond to competitive pressures, which may have a material and adverse effect on our revenue and results of operations.

Vertical integration of ethanol production, along with consolidation among fuel distributors may materially adversely affect us.

The possibility of the vertical integration of ethanol production and fuel distribution may reduce liquidity in the Brazilian ethanol market if distributors acquire a significant portion of ethanol production. The lack of liquidity in the ethanol market could adversely affect ethanol prices and our results of operations.

Consolidation in the fuel distribution business may substantially increase profit margins of fuel distributors, transferring value from the producer to the distributor, which may materially adversely affect our results of operations.

Termination of our sugarcane supply contracts or land lease agreements or a decrease or an interruption in the sale of sugarcane by our suppliers may materially adversely affect us.

Sugarcane is the main raw material we use to produce sugar and ethanol. For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, we purchased approximately 1,164 thousand tons of sugarcane and 235 thousand tons of sugarcane, respectively, or 16.1% and 4.6%, respectively, from third parties with whom we have entered into medium- and long-term agreements. In addition, for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, we purchased approximately 479 thousand tons

and 799 thousand tons, respectively, or 6.6% and 15.8%, respectively, of the sugarcane that we used in our production of ethanol and sugar directly from several third-party growers on a spot basis. See “Business—Operations .”

If our supply of sugarcane were to be interrupted or a material number of our agricultural partnership or land lease agreements were to be rescinded or not renewed upon the expiration of their respective terms, we may be required to pay higher prices for sugarcane and the volume of sugarcane available to us may decrease significantly, each of which could materially adversely affect us.

Technological advances could adversely affect demand for ethanol or require substantial capital expenditures for us to remain competitive.

The development and implementation of new technologies may result in a significant reduction in the costs of ethanol production. We cannot predict when new technologies may become available, the rate of acceptance of new technologies by our competitors or the costs associated with such new technologies. Advances in the development of alternatives to ethanol also could significantly reduce demand or eliminate the need for ethanol as a fuel oxygenate. Any advances in technology which require significant capital expenditures to remain competitive or which otherwise reduce demand for ethanol may have a material adverse effect on our business and financial performance.

We may be materially adversely affected by unfavorable outcomes in pending legal proceedings.

We are involved in a number of tax, civil, labor and environmental proceedings, as to which, as of December 31, 2013, we recorded provisions totaling R\$7.3 million. We cannot predict whether we will prevail in these or other proceedings, or whether we will have to pay significant amounts, including penalties and interest, as payment of our liabilities, which would materially adversely impact our business and financial performance.

We are dependent on members of our management to develop and implement our strategy and to oversee our operations.

We are dependent upon members of our senior management and certain of our executive officers, especially with respect to business planning, strategy and operations. The success of our business and expansion strategy depends on our capacity to retain, hire and train qualified professionals. We compete with other companies for personnel, accordingly we may not be able to attract qualified professionals when required by our customers or in a sufficient number to keep pace with our expansion, and we are unable to guarantee that we will be able to retain these professionals. The loss of and our inability to attract and retain qualified professionals may have a material adverse effect on our operations and the expansion of our business.

Changes to the fair value of our biological assets could affect the valuation of our crops and materially adversely affect our results of operations.

Applicable accounting rules provide that our own sugarcane is appraised at fair value based on the present value of the cash flow of the crops to be generated over its production cycle. Accordingly, any change in production estimates for such crops, as well as variations in the prices of sugarcane, sugar and ethanol, interest rates, operating costs, capital costs or foreign exchange rate may cause significant changes in the fair value of our crops and material changes in our financial statements, materially adversely affecting our results of operations.

We are controlled by a small group of shareholders, who have the power to control our business and whose interests may conflict with those of the holders of the Notes Units.

The Tonon Family owns and controls the majority (58.0% on a fully diluted basis assuming payment of the final installment under the Paraíso Acquisition Agreement in shares of Tonon as of the date of this offering memorandum, however which is due on or before May 3, 2015, subject to certain post-closing adjustments and share re-allocations) of our total capital stock and 100.0% of our common shares through Tonon Holding. See “Principal Shareholders.” As a result, the Tonon Family has the power to control us, including the power to:

- elect a majority of our directors and appoint our executive officers, other than our chief financial officer who is appointed by FIP DGF Terra Viva;
- set our management policies and exercise overall control over our company;
- agree to sell or otherwise transfer its controlling stake in our company; and
- determine the outcome of substantially all actions requiring shareholder approval, including transactions with related parties, corporate reorganizations, acquisitions and dispositions of assets, increases in the level of our indebtedness and payment of dividends.

There can be no assurance that the interests of our controlling shareholders will always coincide with those of the holders of the Notes Units and that the interests of the holders of the Notes Units will not be materially adversely affected as a result.

Furthermore, our controlling shareholder is active in our management through our board of directors. Our controlling shareholders and our management may have an interest in pursuing transactions that, in their judgment, enhance the value of their equity investment, even though such transactions may involve increased risks to the holders of the Notes Units. We cannot assure prospective investors that our shareholders or management will be able to address these conflicts of interests or others in an impartial manner.

Risks Relating to Brazil

The Brazilian government has exercised, and continues to exercise, significant influence over the Brazilian economy. Brazilian economic and political conditions, and the Brazilian government's economic and other policies, have a direct impact on our business and may negatively affect demand for our products as well as our results of operations and overall financial performance.

The Brazilian economy has been characterized by frequent, and occasionally drastic, intervention by the Brazilian government, which has often changed monetary, credit and other policies to influence Brazil's economy. The Brazilian government's actions to control inflation and affect other policies have often involved wage and price controls, depreciation of the *real*, controls on remittances abroad, fluctuations of the Central Bank's base interest rate, as well as other measures. We have no control over, nor can we foresee any measures or policies that the Brazilian government may adopt in the future. We may be materially adversely affected by changes in the policies of the Brazilian government, in addition to other general economic factors, including, without limitation:

- economic and social instability;
- political elections;
- inflation;
- exchange rate fluctuations;
- exchange controls and restrictions on remittances abroad;
- tax policy and amendments to tax legislation;
- interest rates;
- liquidity of domestic and foreign capital and lending markets;
- government control of oil production;
- restrictive environmental and real estate laws and regulations; and
- other political, social and economic policies or developments in or affecting Brazil.

Uncertainty over whether the Brazilian government will implement changes in policy or regulation affecting these or other factors in the future may contribute to economic uncertainty in Brazil and to heightened volatility in the securities issued abroad by Brazilian companies. Historically, the political scenario in Brazil has influenced the performance of the Brazilian economy; in particular, political crises have affected the confidence of investors and the public in general, which adversely affected economic development in Brazil. These and other future developments in the Brazilian economy and governmental policies may materially adversely affect us.

Inflation, and government measures to curb inflation, may adversely affect the Brazilian economy, the Brazilian securities market, our business and operations and financial condition.

Brazil experienced high rates of inflation in the past. According to the General Market Price Index (*Índice Geral de Preços do Mercado*), or IGP-M, a general price inflation index, the inflation rates in Brazil were 9.8% in 2008, compared to deflation of 1.7% in 2009, compared to inflation of 11.3%, 5.1%, 7.8% and 5.5% in 2010, 2011, 2012 and 2013, respectively. In addition, according to the Extended National Consumer Price Index (*Índice Nacional de Preços ao Consumidor Amplo*), or IPCA, published by the IBGE, the Brazilian consumer price inflation rates were 4.3% in 2009, 5.9% in 2010, 6.5% in 2011, 5.8% in 2012 and 5.9% in 2013. Increases in certain commodity prices and other factors could cause consumer inflation to deviate from the Central Bank's target for 2014 (currently at 4.5% plus or minus 2%).

The Brazilian government's measures to control inflation have often included maintaining a tight monetary policy with high interest rates, thereby restricting availability of credit and reducing economic growth. Inflation, actions to combat inflation and public speculation about possible additional actions have also contributed materially to economic uncertainty in Brazil in the past and to heightened volatility in the Brazilian securities markets. Brazil may experience high levels of inflation in future periods. Periods of higher inflation may slow the rate of growth of the Brazilian economy, which could lead to reduced demand for our products in Brazil and decreased net sales revenues. Inflation also is likely to increase some of our costs and expenses, which we may not be able to pass on to our customers and, as a result, may reduce our profit margins and net income. In addition, high inflation generally leads to higher domestic interest rates, and, as a result, the costs of servicing our debt may increase, resulting in lower net income. Inflation and its effect on domestic interest rates can, in addition, lead to reduced liquidity in the domestic capital and lending markets, which could affect our ability to refinance our indebtedness in those markets and may have a material adverse effect on our business, results of operations and financial condition.

Fluctuations in currency exchange rates and the devaluation of the real may adversely affect the Brazilian economy and our financial condition and result of operations.

As a result of inflationary pressures, the Brazilian currency has been devalued periodically in the past in relation to the U.S. dollar and other foreign currencies. The Brazilian government has in the past implemented various economic plans and utilized a number of exchange rate policies, including sudden devaluations, periodic mini-devaluations during which the frequency of adjustments has ranged from daily to monthly, floating exchange rate systems, exchange controls and dual exchange rate markets. From time to time, there have been significant fluctuations in the exchange rate between the Brazilian currency and the U.S. dollar and other currencies. For example, the *real* depreciated against the U.S. dollar by 18.5% in 2001 and 53.2% in 2002. Although the *real* appreciated 18.3%, 8.1%, 12.1%, 8.5% and 16.7% against the U.S. dollar in 2003, 2004, 2005, 2006 and 2007, respectively, in 2008, the *real* depreciated approximately 31.9% against the U.S. dollar. In 2009 and 2010, the *real* appreciated against the U.S. dollar by 25.5% and 4.3%, respectively. However, in 2011, 2012 and 2013, the *real* depreciated against the U.S. dollar by 12.6%, 10.6% and 14.7%, respectively. As of March 31, 2014 and December 31, 2013, the U.S. dollar-*real* exchange rates were R\$2.2630 and R\$2.3426 per U.S.\$1.00, respectively. There can be no assurance that the *real* would not depreciate or be devalued against the U.S. dollar again.

Devaluations of the *real* relative to the U.S. dollar could create additional inflationary pressures in Brazil, lead to increases in interest rates, limit our access to foreign financial markets and prompt the adoption of recessionary policies by the Brazilian government. Depreciation of the *real* can also, as in the context of an economic slowdown, lead to decreased consumer spending, deflationary pressures and reduced growth of the economy as a whole. Conversely, the appreciation of the *real* against the U.S. dollar may lead to a deterioration of Brazil's current account and balance of payments and cause a decrease of Brazilian exports. Any of the foregoing developments may adversely affect the Brazilian economy as a whole, and, consequently, our results of operations and the market price of the Notes Units.

In addition, as of December 31, 2013, R\$166.1 million (U.S.\$70.9 million), or 12.1%, of our outstanding indebtedness was denominated in *reais* and the remaining R\$1,211.8 million (U.S.\$517.3 million), or 87.9%, was denominated in U.S. dollars. For the period from April 1, 2013 to December 31, 2013, we recorded a loss due to foreign exchange variation of R\$188.7 million. In the future, we may be further affected by fluctuations in the *real* and certain other currencies relative to the U.S. dollar, as a substantial part of our revenues are denominated in U.S. dollars and an even greater portion of our indebtedness will be denominated in U.S. dollars as a result of this offering of Notes Units. Thus, changes in exchange rates may result in losses or gains on our U.S. dollar-denominated indebtedness.

Increases in interest rates may adversely affect the Brazilian economy, raise the cost of servicing our debt and materially adversely affect our overall financial performance.

High interest rates have in the past have adversely affected the Brazilian economy and could materially adversely affect our business. Brazil's base interest rate, as determined by the Central Bank, has been maintained at consistently high levels in the past years. The base interest rate is the benchmark interest rate payable to holders of certain securities issued by the Brazilian government and traded in the Special System for Settlement and Custody (*Sistema Especial de Liquidação e Custódia*), or SELIC. At times, the base interest rate has been maintained at levels that generally are considered incompatible with sustainable economic growth. On December 31, 2008, 2009, 2010, and 2011, the SELIC rate was 13.75%, 8.75%, 10.75% and 11.00%, respectively. During 2012, the Central Bank implemented a series of decreases to the SELIC rate, culminating in a decrease of such rate to 7.25% on October 11, 2012. During 2013, the Central Bank reversed this trend and increased the SELIC rate several times until reaching 10.00% as of December 31, 2013. The SELIC rate was further increased to 10.50% on January 16, 2014; to 10.75% on February 27, 2014; and to its current rate of 11.00% on April 3, 2014.

Additionally, our financial expenses are affected by changes in the interest rates that apply to our floating rate debt. As of December 31, 2013, we had, among other debt obligations, R\$532.6 million of loans and financing that was subject to the Interbank Deposit Certificate (*Certificado de Depósito Interbancário*), or CDI rate.

The CDI rate has fluctuated significantly in the past in response to the expansion or contraction of the Brazilian economy, inflation, Brazilian government policies and other factors. For example, the CDI rate increased from 11.1% *per annum* at December 31, 2007 to 13.6% *per annum* at December 31, 2008. The CDI rate as of December 31, 2009, 2010, 2011, 2012 and 2013 was 8.6%, 10.6%, 10.9%, 6.9% and 9.8%, respectively. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Quantitative and Qualitative Disclosures about Market Risk." A significant increase in either of the CDI or the Long Term Interest Rate, or TJLP, interest rates could materially adversely affect our financial expenses and our overall financial performance.

Economic and market conditions in other countries, including in developing countries, may materially adversely affect the Brazilian economy and, accordingly, the market value of the Notes Units.

The market for securities issued by Brazilian companies is influenced by economic and market conditions in Brazil, and, to varying degrees, market conditions in other countries, including Latin American and developing countries. For example, recent developments in the sovereign debt markets relating to countries in the European Union, such as Greece, Ireland, Spain and Portugal, and in the United States, have led to increased uncertainty. Although economic conditions are different in each country, the reaction of investors to developments in one country may cause the capital markets in other countries to fluctuate. Developments or conditions in other countries, including developing countries, have at times significantly affected the availability of credit in the Brazilian economy and resulted in considerable outflows of funds and declines in the amount of foreign currency invested in Brazil, as well as limited access to international capital markets, all of which may materially adversely affect our ability to borrow funds at an acceptable interest rate or to raise equity capital when and if there should be a need for us to do so.

The volatility in market prices for Brazilian securities has increased from time to time, and investors' perception of increased risk due to crises in other countries, including developing countries, may also have a material adverse effect on the market price of the Notes Units.

Changes in Brazilian tax laws may have a material adverse impact on our results of operations.

The Brazilian government frequently implements changes to tax regimes that affect us and our customers. These changes include changes in the prevailing tax rates and, on occasion, enactment of temporary taxes, the proceeds of which are earmarked for designated governmental purposes.

Some of these changes may result in increases in our tax payments, which can adversely impact industry profitability and increase the prices of our products, restrict our ability to do business in our existing markets and could otherwise adversely affect us. There can be no assurance that we will be able to maintain our prices, projected cash flow and profitability following increases in Brazilian taxes applicable to us or our operations.

Risks Relating to the Notes Units, the Underlying Notes and the Notes Units Guarantees

Before the creation and perfection of a first priority security interest in the Collateral, the obligations under the Notes Units, the Underlying Notes and the Notes Units Guarantees may not be fully secured.

Certain security interests in the Collateral will not be in place on the issue date or will not be perfected on the issue date pending the release of the guarantor from all of its obligations under the Existing Financing Documents and the release of the security interests in the Existing Pledged Collateral. After the application of the proceeds of this offering to cause the guarantor to be released from the Existing Secured Obligations and before the creation and perfection of a first priority security interest in the Collateral, the amount of Collateral securing the issuer's obligations under the Underlying Notes and the guarantors' obligations under the Notes Units Guarantees will be less than the outstanding principal amount payable under the Notes Units, and thus the obligations under the Underlying Notes and the Notes Units Guarantees will not be fully secured.

In addition, if, in connection with arrangements to secure the release of the guarantor from its obligations under the Existing Financing Documents, the issuer and the guarantor fail to apply the proceeds of this offering towards the release of the guarantor from the Existing Secured Obligations, these obligations will remain outstanding obligations of the guarantor, the liens on the Collateral in favor of the lenders of the Existing Secured Obligations will not be released and a first priority security interest in favor of the Secured Parties in the Collateral will not be established. Accordingly, in the event of a foreclosure, liquidation, bankruptcy or similar proceeding before a first priority security interest in the Collateral in favor of the holder of the Notes Units and the Underlying Notes is established, the proceeds from any sale or liquidation of Collateral will not be sufficient to pay the issuer's obligations under the Notes Units and the Underlying Notes and the guarantors' obligations under the Notes Units Guarantees in full. In such case, any claim for the difference between the amount realized by holders of the Notes Units from the foreclosure of the Collateral and the issuer's remaining obligations under the Underlying Notes (or the guarantors' obligations under the Notes Units Guarantees) would rank equally in right of payment with all of the issuer's or the guarantors' unsecured indebtedness that is not subordinated.

Pursuant to the Indenture and the Security Documents, the issuer and the guarantor have the obligation to ensure that all security interests in the Collateral are duly created and enforceable and perfected, to the extent required by the Security Documents, not later than the date that is thirty (30) days after the issue date (with respect to Collateral comprised of Property other than real property, sugarcane or Products) and ninety (90) days after the issue date (with respect to Collateral comprised of real property, sugarcane or Products), which 90 day period is subject to extension for an additional 30 days under certain circumstances relating to registration formalities. As a result, the holders of the Notes Units may not have the ability to foreclose, or control decisions in respect of, a portion or all of any Collateral until such time as an enforceable and perfected first priority security interest has been created in such Collateral.

The Notes Units and the Underlying Notes are subject to risks related to foreclosure.

If the guarantor commences a bankruptcy or reorganization case, or one is commenced against the guarantor, the applicable bankruptcy laws may prevent the Trustee under the Indenture and the Collateral Agents from foreclosing on the Collateral. Under applicable bankruptcy laws, secured creditors such as the Trustee, the Collateral Agents and the holders of the Notes Units may be prohibited from foreclosing upon or disposing of a debtor's property without prior bankruptcy court approval. In addition, in the event of a foreclosure, liquidation, bankruptcy or similar proceedings with respect to the issuer or the guarantor, the proceeds of the Notes Units may

become unavailable to secure the release of the guarantor from the Existing Secured Obligations, the Secured Parties will not have a security interest in these proceeds and the Secured Parties may not be able to compel the issuer or the guarantor to apply these proceeds to cause the release of the guarantor from the Existing Secured Obligations.

The guarantor will be permitted to incur more indebtedness upon the issuance of Additional Notes Units and Additional Underlying Notes, which could adversely affect the value of the Collateral and the credit support package securing the issuer's obligations under the Notes Units and the Underlying Notes.

The Indenture will allow the issuer to issue Additional Notes Units and Additional Underlying Notes (on a pro rata basis) subject to the satisfaction of certain conditions. The Additional Notes Units and the Additional Underlying Notes will also be guaranteed by the guarantor and secured by the Collateral that will secure the issuer's obligations under the Notes Units and the Underlying Notes issued in the offering. As a result, any additional debt resulting from the Additional Underlying Notes will be secured by assets that secure the respective Underlying Notes issued in connection with this offering, which could dilute the value of the Collateral securing the issuer's obligations under such Underlying Notes or in the aggregate under the Notes Units. In addition, the holders of Additional Underlying Notes will be entitled to share equally with the holders of the originally issued Notes Units in any proceeds distributed in connection with the guarantors' winding up, insolvency, liquidation, reorganization or dissolution.

Rights of holders of Notes Units in the Collateral may be materially adversely affected by the failure to perfect liens on the Collateral.

Pursuant to the Indenture and the Security Documents, the issuer and the guarantor have the obligation to ensure that all security interests in the Collateral are duly created and enforceable and perfected, to the extent required by the Security Documents, not later than the date that is thirty (30) days after the issue date (with respect to Collateral comprised of Property other than real property, sugarcane or Products) and ninety (90) days after the issue date (with respect to Collateral comprised of real property, sugarcane or Products), which 90 day period is subject to extension for an additional 30 days under certain circumstances relating to registration formalities. The failure to properly perfect liens on the Collateral could materially adversely affect the Collateral Agents' ability to enforce their rights with respect to the Collateral for the benefit of the holders of the Notes Units. In addition, applicable law requires that certain property and rights acquired after the grant of a general security interest or lien can only be perfected at the time such property and rights are acquired and identified. There can be no assurance that the guarantor will inform the Trustee or the Collateral Agents of, the future acquisition of property and rights that constitute Collateral, and that the necessary action will be taken to properly perfect the lien on the Collateral. Neither the Trustee nor the Collateral Agents for the Notes Units has any obligation to monitor the acquisition of additional property or rights that constitute collateral or the perfection of any security interests therein. Accordingly there exists the risk of a loss of the practical benefits of the liens thereon or of the priority of the liens securing the Underlying Notes and the Notes Units Guarantees.

There is no certainty that the foreclosure on the Collateral will be successful or that the product of such foreclosure will be sufficient to fully repay all obligations under the Notes Units.

Foreclosure is directly related to the fair market value of the Collateral and the existence of buyers interested in acquiring them at the time of foreclosure. In addition, the procedure of foreclosure on the Collateral can last months or longer and not be achieved within the term desired by the Notes Units holders. In addition, a foreclosure on a mortgage is required by Brazilian law to be conducted through a judicial proceeding filed before the Brazilian Court in which the property given as collateral is located.

The fair market value of the Collateral is subject to fluctuations based on factors that include, among others, the condition of the sugar and ethanol industry, the ability to sell the Collateral in an orderly sale, general economic conditions, the availability of buyers and similar factors. The amount to be received upon a sale of the Collateral would also be dependent on numerous factors, including, but not limited to, the actual fair market value of the Collateral at such time and the timing and the manner of the sale. By their nature, portions of the Collateral may be illiquid and may have no readily ascertainable market value. In addition, courts could limit recoverability if they apply non-New York law to a proceeding and deem a portion of the interest claim usurious in violation of public policy.

Upon occurrence of an acceleration event under the Notes Units, there is no guarantee that the foreclosure on the Collateral will be successful or that the product of such foreclosure will be sufficient to fully repay all obligations under the Notes Units. In addition, each Tranche will be secured by Collateral specific to and limited to that Tranche, and the Collateral securing obligations under any given Tranche may not be applied for the benefit of any other Tranches. In the event that the proceeds from the foreclosure of the Collateral securing any given Tranche are insufficient to satisfy the issuer's obligations under such Tranche, the overall recovery of a holder of the Notes Units could therefore be materially adversely affected. Furthermore, in the event proceeds from the foreclosure of the Collateral securing any given Tranche were to exceed the amount required to satisfy the issuer's obligations under such Tranche, such surplus amount would be returned to the company and could be subject to claims from any of our other creditors.

In addition, in the event of a bankruptcy, the ability of the holders of the Notes Units to realize upon any of the Collateral may be subject to certain bankruptcy law limitations as described below.

Certain of our financing agreements, including the indenture relating to our existing 9.25% senior notes due 2020, contain covenants that restrict our ability to secure our assets and may impair our ability to pledge additional collateral in order to maintain the collateral coverage ratio required under the Notes Units or other of our current or future financing agreements.

Certain of our financing agreements, including the indenture relating to our existing 9.25% senior notes due 2020, contain covenants that restrict our ability to incur additional liens, and may impair our ability to respond to changing business and economic conditions and therefore our ability to pledge additional or sufficient collateral to maintain the collateral coverage ratio required under the Indenture or other of our current or future financing agreements. Our ability to comply with these provisions may be affected by general economic conditions, political decisions, industry conditions and other events beyond our control. As a result, we cannot assure you that we will be able to comply with these covenants or obtain waivers for any future non-compliance. Our failure to comply with the covenants contained in these agreements, including failure as a result of events beyond our control, could result in an event of default, which could materially adversely affect our operating results and our financial condition.

Payments on the Notes Units will be effectively subordinated to any previous debt obligations of the guarantor secured by assets not comprising Collateral.

The Notes Units will be effectively subordinated to our current indebtedness that is secured by our assets not comprising Collateral to the extent of the value of the assets securing such indebtedness. Current and secured creditors will have a senior right to the collateral securing their indebtedness that is not securing the Notes Units and the Notes Units Guarantees in case of an event of default under our current secured indebtedness. Such right is to the exclusion of the holders of the Notes Units, even if we are in default under the Notes Units as well. In that event, such collateral would first be used to repay in full all indebtedness and other obligations of such current secured creditors, resulting in all or a portion of the collateral being unavailable to satisfy the claims of the holders of the Notes Units and other creditors of our unsecured debt. If any of the foregoing events occur, holders of Notes Units should expect to their recovery to be affected.

As of December 31, 2013, our total outstanding indebtedness was R\$1,377.9 million, 47.6% of which was secured by certain of our sugarcane inventories, plant facilities, agricultural and industrial equipment and machinery and accounts receivables.

Because the issuer has no operations of its own, holders of the Notes Units must depend on the guarantor to provide the issuer with sufficient funds to make payments on the Notes Units when due.

The issuer, a wholly-owned indirect subsidiary of the guarantor, has no operations other than the issuing and making payments on the Notes Units and other indebtedness ranking equally with the Notes Units and using the proceeds therefrom as permitted by the documents governing these issuances, including lending the net proceeds of the Notes Units and other indebtedness incurred by the issuer to guarantor and subsidiaries of the guarantor. Accordingly, the ability of the issuer to pay principal, interest and other amounts due on the Notes Units and other indebtedness will depend upon the financial condition and results of operations of the guarantor and its subsidiaries that are creditors of the issuer. In the event of an adverse change in the financial condition or results of operations of

the guarantor and its subsidiaries that are creditors of the issuer, these entities may be unable to service their indebtedness to the issuer, which would result in the failure of the issuer to have sufficient funds to repay all amounts due on or with respect to the Notes Units.

The foreign exchange policy of Brazil may affect the ability of the guarantor to make money remittances outside Brazil in respect of the Notes Units Guarantees.

Under current Brazilian regulations, Brazilian companies are not required to obtain authorization from the Central Bank in order to make payments under guarantees in favor of foreign persons, such as the holders of the Notes Units. We cannot assure you that these regulations will continue to be in force at the time the guarantor is required to perform its payment obligations under the Notes Units Guarantees. If these regulations or their interpretation are modified and an authorization from the Central Bank is required, the guarantor would need to seek an authorization from the Central Bank to transfer the amounts under the Notes Units Guarantees out of Brazil or, alternatively, make such payments with funds held by the guarantor outside Brazil. We cannot assure you that such an authorization will be obtained or that such funds will be available. If such authorization is not obtained, we may be unable to make payments to holders of the Notes Units in U.S. dollars. If we are unable to obtain the required approvals as needed for the payment of amounts owed by the guarantor through remittances from Brazil, we may have to seek other lawful mechanisms to effect payment of amounts due under the Notes Units. However, we cannot assure you that other remittance mechanisms will be available in the future, and even if they are available in the future, we cannot assure you that payment on the Notes Units would be possible through such mechanism.

Rights of holders of Notes Units in the Collateral may be materially adversely affected by bankruptcy proceedings.

Except for the assets subject to the fiduciary assignment, which may be excluded from liquidation proceedings under a restitution request presented to the relevant bankruptcy court, pursuant to article 85 of the Brazilian bankruptcy law (Law No. 11,101 dated as of February 9, 2005), the right of the Secured Parties to repossess and dispose of the collateral securing the Notes Units or the Notes Units Guarantees upon acceleration is likely to be significantly impaired by bankruptcy law if bankruptcy proceedings are commenced by or against the guarantor prior to or possibly even after a Secured Party has repossessed and disposed of the collateral. A creditor secured by fiduciary assignment, such as any of the Secured Parties, may be prohibited from repossessing its security from a debtor in a bankruptcy case, or from disposing of security repossessed from a debtor, by the bankruptcy judge. Moreover, the bankruptcy judge may permit the debtor to continue to retain and to use collateral and the proceeds, products, rents or profits of the collateral, even though the debtor is in default under the applicable debt instruments, provided that the secured creditor is given “adequate protection.” The meaning of the term “adequate protection” may vary according to circumstances and applicable law, but it is intended in general to protect the value of the secured creditor’s interest in the collateral and may include cash payments or the granting of additional security, if and at such time as the court in its discretion determines, for any diminution in the value of the collateral as a result of the stay of repossession or disposition or any use of the collateral by the debtor during the pendency of the bankruptcy case. In view of the broad discretionary powers of a bankruptcy court, it is impossible to predict how long payments under the notes could be delayed following commencement of a bankruptcy case, whether or when the Secured Parties would repossess or dispose of the collateral, and whether or to what extent holders of the Notes Units would be compensated for any delay in payment of loss of value of the collateral through the requirements of “adequate protection.” Furthermore, in the event that the value of the Collateral is not sufficient to repay, purchase, transfer or assign all amounts due on the Notes Units, the holders of the Notes Units would have “undersecured claims” as to the difference.

The value of the Collateral may be materially affected upon the occurrence of events that result in partial or total loss thereof.

The occurrence of disasters, accidents or other events in connection with the Collateral that result in partial or total loss may reduce its value and consequently affect enforcement thereon. In addition, it is not possible to predict whether such events will be covered by insurance or, if so, if the insured amounts will be sufficient to repay in full all the obligations under the Notes Units.

In addition, the receivables that will be pledged as collateral for payment obligations under the Notes Units are subject to purchase contracts whose terms are shorter than the term of the Notes Units and may be subject to

early termination clauses. Furthermore, we may not be able to enter into other sugarcane sale agreements once our current contracts expire.

Luxembourg bankruptcy laws may be less favorable to you than bankruptcy and insolvency laws in other jurisdictions.

The issuer is incorporated under the laws of Luxembourg; therefore, any insolvency proceedings applicable to such a company is in principle governed by Luxembourg law. The insolvency laws of Luxembourg may not be as favorable to your interests as creditors as the laws of the United States or other jurisdictions with which you may be familiar. In the event that any one or more of the issuer, the guarantor or any other of the guarantor's subsidiaries experiences financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. Moreover, enforcement of security interests granted by the issuer would be subject to certain generally available defenses, which include those that relate to corporate benefit, fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally. For further information, see "Enforceability of Civil Liabilities—Luxembourg."

Brazilian bankruptcy laws may be less favorable to investors than bankruptcy and insolvency laws in other jurisdictions.

If we are unable to pay our indebtedness, including our obligations under the Notes Units, we may become subject to bankruptcy proceedings in Brazil. The bankruptcy laws of Brazil currently in effect are significantly different from, and may be less favorable to creditors than, those of certain other jurisdictions. Despite the priority that the holders of the Notes Units may have in a bankruptcy proceeding due to the Collateral, holders of the Notes Units may nevertheless have limited voting rights at creditors' meetings in the context of a court reorganization proceeding. The collateralized assets subject to fiduciary assignment in respect of the Notes Units may be excluded from the assets affected by liquidation proceedings if the holders of the Notes Units present a restitution request to the relevant bankruptcy court, and such request is granted. In addition, any judgment obtained against us in Brazilian courts in respect of any payment obligations under the Notes Units Guarantees normally would be expressed in the *real* equivalent of the U.S. dollar amount of such sum at the exchange rate in effect (1) on the date of actual payment, (2) on the date on which such judgment is rendered or (3) on the date on which collection or enforcement proceedings are started against us. Consequently, in the event of our liquidation, all of our debt obligations, including the Notes Units Guarantees, which are denominated in foreign currency, will be converted into *reais* at the prevailing exchange rate on the date of declaration of our bankruptcy by the court. We cannot assure investors that such rate of exchange will afford full compensation of the amount invested in the Notes Units plus accrued interest and any additional amounts.

The issuer is incorporated in Luxembourg, and Luxembourg law differs from U.S. law and may afford less protection to holders of the Notes Units.

Holders of the Notes Units may have more difficulty protecting their interests than would security holders of a corporation incorporated in a jurisdiction of the United States. As a Luxembourg company, the issuer is incorporated under and subject to the Luxembourg law on commercial companies of August 10, 1915 (as amended) (the "Luxembourg Companies Law") and other provisions of Luxembourg law. The Luxembourg Companies Law differs in some material respects from laws generally applicable to U.S. corporations and security holders, including the provisions relating to interested directors, mergers, amalgamations and acquisitions, takeovers, security holder lawsuits and indemnification of directors.

Under Luxembourg law, the duties of directors, managers and officers of a company are generally owed to the company only. Holders of Notes Units issued by Luxembourg companies generally do not have rights to take action against directors, managers or officers of the company, except in limited circumstances. Directors, managers or officers of a Luxembourg company must, in exercising their powers and performing their duties, act in good faith and in the interests of the company as a whole and must exercise due care, skill and diligence. Directors have a duty not to put themselves in a position in which their duties to the company and their personal interests may conflict and also are under a duty to disclose any personal interest in any contract or arrangement with the company or any of its subsidiaries. If a director or officer of a Luxembourg company is found to have breached his or her duties to that

company, he or she may be held personally liable to the company in respect of that breach of duty. A director or manager may be jointly and severally liable with other directors implicated in the same breach of duty.

Tonon's obligation under the Notes Units Guarantees is subordinated to certain statutory preferences.

Under Brazilian law, Tonon's obligations under the Notes Units Guarantees are subordinated to certain statutory preferences. In the event of our liquidation, bankruptcy or judicial reorganization, such statutory preferences, including post-petition claims, claims for salaries, wages, social security, taxes and court fees and expenses and claims secured by collateral, among others, will have preference over any other claims, including claims by any investor in respect of the Notes Units Guarantees. In such a scenario, enforcement of the Notes Units Guarantees may be unsuccessful, and holders of the Notes Units may be unable to collect amounts that they are due under the Notes Units Guarantees.

We may be unable to purchase the Notes Units upon a specified change of control event, which would result in an event of default under the indenture governing the units.

The terms of the Notes Units will require the issuer to make an offer to repurchase the Notes Units upon the occurrence of a specified change of control event at a purchase price equal to 101% of the principal amount of the Notes Units, plus accrued and unpaid interest to the date of the repurchase and additional amounts, if any. Such change of control event could for example occur to the extent that Tonon Holding were to sell shares in our company in order to raise funding to pay FIP DGF Terra Viva if it were to exercise its put right against Tonon Holding and the Tonon Family Holding Companies as described in "Principal Shareholders—FIP DGF Terra Viva." Any financing arrangements we may enter into may require repayment of amounts outstanding upon the occurrence of a change of control event and limit our ability to fund the repurchase of the Notes Units in certain circumstances. It is possible that we will not have sufficient funds at the time of the change of control to fund the required repurchase of Notes Units by the issuer or that restrictions in our credit facilities and other financing arrangements will not permit the issuer to effect the required repurchases. See "Description of the Notes Units—Repurchases at the Option of the Holders of the Notes Units upon Change of Control."

We cannot assure investors that a judgment of a court for liabilities under the securities laws of a jurisdiction outside Luxembourg or Brazil would be enforceable in such jurisdictions, or that an original action can be brought in Luxembourg or Brazil against the issuer or the guarantor for liabilities under applicable securities laws.

The issuer is incorporated under the laws of Luxembourg. Most of the issuer's assets are located in Luxembourg. None of the issuer's directors is a resident in the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the issuer, or its directors, or to enforce against the issuer, or its directors, in U.S. or Brazilian courts any foreign judgments predicated upon the civil liability provisions of applicable foreign securities laws to the extent that they are deemed against public order, moral and good customs as applied by the Brazilian courts.

In addition, the United States is not currently bound by a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitral awards, rendered in civil and commercial matters with Luxembourg. There is, therefore, doubt as to the enforceability in Luxembourg of civil liabilities based upon U.S. securities laws in an action to enforce a U.S. judgment in Luxembourg. In addition, the enforcement in Luxembourg of any judgment obtained in a U.S. court based on civil liabilities, whether or not predicated solely upon U.S. federal securities laws, will be subject to certain conditions. There is also doubt that a Luxembourg court would have the requisite power or authority to grant remedies sought in an original action brought in Luxembourg on the basis of U.S. securities laws violations. For further information, including regarding the enforcement in Brazil of a judgement of a court for liabilities under the securities laws of a jurisdiction outside Brazil, or the bringing of an original action in Brazil, see "Enforcement of Civil Liabilities."

Judgments of Brazilian courts enforcing the issuer's or the guarantor's obligations, as applicable, under the Underlying Notes, the Notes Units, the indenture governing the Notes Units or the Notes Units Guarantees would be payable only in reais.

If proceedings were brought in the courts of Brazil seeking to enforce the issuer's or the guarantor's obligations under the Underlying Notes, the Notes Units, the indenture governing the notes or under the Notes Units Guarantees, as applicable, the relevant parties would not be required to discharge its obligations in a currency other than *reais*. Any judgment obtained against issuer or the guarantor in Brazilian courts in respect of any payment obligations under their Notes Units would be expressed in *reais* equivalent to the U.S. dollar amount of such payment at the exchange rate on (1) the date of actual payment, (2) the date on which such judgment is rendered or (3) the actual due date of the obligations, as published by the Central Bank. We cannot assure you that this amount in *reais* will afford you full compensation of the amount sought in any such litigation.

An active trading market for the Notes Units may not develop.

The Notes Units constitute a new issue of securities, for which there is no existing market. Although we have applied to have the Notes Units listed on the Irish Stock Exchange and traded on the Global Exchange Market of that Exchange, we cannot assure investors that this application will be accepted. The initial purchasers are not under any obligation to make a market with respect to the Notes Units, and we cannot assure you that trading markets will develop or be maintained, that holders of the Notes Units will be able to sell their Notes Units, or the price at which such holders may be able to sell their Notes Units. If an active trading market were to develop, the Notes Units could trade at prices that may be higher or lower than the initial offering price depending on many factors, including prevailing interest rates, our results of operations and financial condition, prospects for other companies in our industry, political and economic developments in and affecting Brazil, the risk associated with Brazilian issuers of similar securities and the market for similar securities. If an active trading market for the Notes Units does not develop or is interrupted, the market price and liquidity of the Notes Units may be materially adversely affected.

The Notes Units are subject to transfer restrictions.

The Notes Units have not been registered under the Securities Act or any state securities laws, and are being offered and sold pursuant to an exemption from registration under the Securities Act and applicable state securities laws. Accordingly, an investor of the Notes Units may transfer or sell the Notes Units in the United States only in a transaction registered under or exempted from the registration requirements of the Securities Act and applicable state securities laws, and an investor of the Notes Units may be required to bear the risk of the investment for an indefinite period of time. See "Transfer Restrictions."

The proceeds from this offering will be escrowed and the issuer will be required to redeem the Notes Units if certain Release Conditions are not satisfied in accordance with the terms described in this offering memorandum on or prior to the Special Mandatory Redemption Date.

This offering will be consummated prior to the satisfaction of certain Release Conditions as described in "Description of the Notes Units—Escrow of Proceeds; Special Mandatory Redemption." The proceeds of this offering and an additional amount of cash or Acceptable Letters of Credit will be placed into an Escrow Account in the name of the Trustee for the benefit of the holders of the Notes Units pending satisfaction of the Release Conditions. If the Release Conditions are not satisfied in accordance with the terms described in this offering memorandum by the Special Mandatory Redemption Date, the issuer will be required to redeem all of the notes at a redemption price equal to 100% of the aggregate principal amount thereof, plus accrued and unpaid interest to, but excluding, the redemption date. Although we currently believe that all Release Conditions will be satisfied prior to Special Mandatory Redemption Date, we cannot assure you that the conditions will be satisfied or that the Notes Units will not have to be redeemed.

While the escrow will consist of the proceeds of the offering and an additional amount of cash or Acceptable Letters of Credit intended to be sufficient to pay the redemption price, the Special Mandatory Redemption price is equal to the gross proceeds of the offering plus accrued interest to, but not including, the redemption date, and in the event the issuer is required to redeem the Notes Units, there can be no assurance that the

amounts held in escrow will be sufficient to fund the Special Mandatory Redemption of the Notes Units. For more information see “Description of the Notes Units—Escrow of Proceeds; Special Mandatory Redemption.”

In a bankruptcy proceeding, the Escrow Account funds might be judged to be property of the bankruptcy estate.

If the issuer or the guarantor commences a bankruptcy or reorganization case, or one is commenced against it, while the Escrow Account remains funded, a bankruptcy court judge may prevent the trustee under the Indenture governing the Notes Units from using the Escrow Account funds to pay the Special Mandatory Redemption price or otherwise satisfy the issuer or guarantor’s obligations under the Indenture. The bankruptcy court adjudicating that case might find that the Escrow Account is the property of the bankruptcy estate. If a court were to make such a determination, the holders of the Notes Units would be prohibited from foreclosing upon or disposing of the issuer or guarantor’s property for so long as a bankruptcy court order enforcing that determination remains in force.

Any reduction in our credit ratings could materially and adversely affect us.

The Notes Units have been assigned a rating by S&P and Fitch. The ratings address the likelihood of payment of principal at the Notes Units’ maturity. The ratings also address the timely payment of interest on each interest payment date. The ratings of the Notes Units are not a recommendation to purchase, hold or sell the notes, and the ratings do not comment on market price or suitability for any particular investor. We cannot assure you that the rating of the Notes Units will remain for any given period of time or that the rating will not be lowered or withdrawn. The assigned ratings may be raised or lowered depending, among other factors, on the rating agencies’ respective assessment of our financial strength, as well as their assessment of Brazilian sovereign risk generally.

In addition, credit ratings impact the interest rates we pay on funds that we borrow and the market’s perception of our financial strength. If the ratings on the Notes Units were reduced and the market were to perceive any such reduction as a deterioration of our financial strength, our cost of borrowing would likely increase and our net income could decrease, all of which could have a material adverse effect on us.

USE OF PROCEEDS

We estimate the net proceeds to the issuer from the sale of the Notes Units to be approximately U.S.\$221.7 million after deducting the estimated expenses, fees and commissions of the offering. The proceeds of this offering will be placed into an Escrow Account in the name of the Trustee for the benefit of the holders of the Notes Units pending the satisfaction of the Release Conditions. See “Description of the Notes Units—Escrow of Proceeds; Special Mandatory Redemption.” If the Release Conditions are not satisfied in accordance with the terms described in this offering memorandum prior to the Special Mandatory Redemption Date, the issuer will be required to redeem all of the notes at a redemption price equal to 100% of the aggregate principal amount thereof, plus accrued and unpaid interest to, but excluding, the redemption date.

We intend to use the full net proceeds from the sale of the Notes Units to prepay the outstanding principal amounts (plus premiums, interest and reasonable expenses incurred in connection therewith) of our indebtedness under the Existing Financing Documents (as defined in “Description of the Notes Units”), thereby releasing the liens on certain of our assets securing such indebtedness and other guarantees, including guarantees provided by our shareholders, in the following amounts for the indicated agreements (each as defined in “Description of the Notes Units”):

- U.S.\$76.1 million with respect to the Existing Rabobank Amended and Restated Export Prepayment Facility Agreement (plus an estimated U.S.\$3.8 million in break funding costs);
- U.S.\$94.5 million with respect to the Existing Syndicated CCE Financing Documents (plus an estimated U.S.\$4.8 million in break funding costs);
- U.S.\$32.5 million with respect to the Existing BTG CCE Financing Documents (plus an estimated U.S.\$1.6 million in break funding costs); and
- U.S.\$7.3 million in relation to our prepayments pursuant to the Existing ABC FINAME Financing Documents, the Existing Bradescor CCB Financing Documents and certain other FINAME financing (plus an estimated U.S.\$0.4 million in break funding costs).

EXCHANGE RATES

The Brazilian foreign exchange system allows the purchase and sale of foreign currency and the international transfer of *reais* by any person or legal entity, regardless of the amount, subject to certain regulatory procedures.

Since 1999, the Central Bank has allowed the U.S. dollar-*real* exchange rate to float freely, and, since then, the U.S. dollar-*real* exchange rate has fluctuated considerably.

In the past, the Central Bank has intervened occasionally to control unstable movements in foreign exchange rates. We cannot predict whether the Central Bank or the Brazilian government will continue to permit the *real* to float freely or will intervene in the exchange rate market through the return of a currency band system or otherwise. The *real* may depreciate or appreciate against the U.S. dollar substantially. Furthermore, Brazilian law provides that, whenever there is a serious imbalance in Brazil's balance of payments or there are serious reasons to foresee a serious imbalance, temporary restrictions may be imposed on remittances of foreign capital abroad. We cannot assure you that such measures will not be taken by the Brazilian government in the future. See "Risk Factors—Risks Relating to Our Business and the Ethanol and Sugar Industries—We engage in hedging transactions, which involve risks that can harm our financial performance," "Risk Factors—Risks Relating to Our Business and the Ethanol and Sugar Industries—Our exports expose us to factors that are outside of our control" and "Risk Factors—Risks Relating to Brazil—Fluctuations in currency exchange rates and the devaluation of the *real* may adversely affect the Brazilian economy and our financial condition and result of operations."

The following table sets forth the period end, average, high and low Foreign Exchange Market selling rates published by the Central Bank on its electronic information system (*Sistema de Informações do Banco Central – SISBACEN*), under transaction code PTAX 800 (*Consultas de Câmbio*), or Exchange Rate Enquiry, Option 5, *Venda (Cotações para Contabilidade)*, or Rates for Accounting Purposes, expressed in *reais* per U.S. dollar for the periods and dates indicated. The information in the "Average" column for a financial year represents the average of the exchange rates on the last day of each month during the years presented.

<i>Reais per U.S. Dollar</i>				
Company's Financial Year Ended March 31,	High	Low	Average	Period End
2009	2.5004	1.5593	1.9752	2.3152
2010	2.2899	1.7024	1.8689	1.7810
2011	1.8811	1.6287	1.7267	1.6287
2012	2.1121	1.7024	1.9550	2.0432
2013	2.4457	1.9528	2.1605	2.3426
2014 (through May 8, 2014).....	2.4397	2.1974	2.2326	2.2107

<i>Reais per U.S. Dollar</i>				
Month	High	Low	Average	Period End
October 2013.....	2.2123	2.1611	2.1886	2.2026
November 2013.....	2.3362	2.2426	2.2954	2.3249
December 2013.....	2.3817	2.3102	2.3455	2.3426
January 2014	2.4397	2.3335	2.3822	2.4263
February 2014	2.4238	2.3334	2.3837	2.3334
March 2014.....	2.3649	2.2603	2.3261	2.2630
April 2014	2.2620	2.1974	2.2328	2.2360
May 2014 (through May 8, 2014).....	2.2322	2.2107	2.2224	2.2107

Source: Central Bank.

CAPITALIZATION

The following table sets forth our capitalization as of December 31, 2013 based on information derived from our unaudited interim consolidated financial statements prepared in accordance with Brazilian GAAP and IFRS (historical only):

- as adjusted for (1) disbursements we received since December 31, 2013 under the 2014 CCBs in an aggregate total amount of R\$2.2 million (comprising long-term loans and financing), (2) the HSBC Export Prepayment Agreement pursuant to which we borrowed an aggregate principal amount of U.S.\$10 million (or R\$23.4 million, and comprising long-term loans and financing) on March 17, 2014, (3) the BCV Export Finance Agreement we entered into on March 20, 2014 pursuant to which we borrowed an aggregate principal amount of U.S.\$10 million (or R\$23.4 million, and comprising short-term loans and financing), and (4) the Banco do Brasil ACC we entered into on March 31, 2014 pursuant to which we borrowed an aggregate principal amount of U.S.\$8.9 million (or R\$23.4 million, and comprising short-term loans and financing).
- as further adjusted for (1) the sale of the Notes Units in this offering and the receipt of R\$519.4 million (U.S.\$221.7 million) proceeds therefrom after deduction of commissions and expenses we will pay in connection with this offering; and (2) the application of the net proceeds from the sale of the Notes Units to the repayment of R\$519.4 million (U.S.\$221.7 million) of our existing indebtedness, including R\$100.7 million (U.S.\$43.0 million) of our existing short-term indebtedness and R\$418.7 million (U.S.\$178.7 million) for repayment of our existing long-term indebtedness.

This table should be read in conjunction with “Use of Proceeds,” “Selected Financial and Other Information,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our audited and unaudited interim consolidated financial statements, and the respective explanatory notes thereto, included elsewhere in this offering memorandum.

	As of December 31, 2013					
	Historical		As Adjusted ⁽¹⁾		As Further Adjusted ⁽²⁾	
	(in millions of U.S.\$) ⁽³⁾	(in millions of reais)	(in millions of U.S.\$) ⁽³⁾	(in millions of reais)	(in millions of U.S.\$) ⁽³⁾	(in millions of reais)
Short-term loans and financing ⁽⁴⁾	93.3	218.6	112.2	262.9	69.2	162.2
Long-term loans and financing ⁽⁵⁾	494.9	1,159.3	505.8	1,184.9	548.8	1,285.6
Shareholders’ equity	97.5	228.4	97.5	228.4	97.5	228.4
Total capitalization⁽⁶⁾	685.7	1,606.3	715.5	1,676.2	715.5	1,676.2

- (1) As adjusted to reflect the post December 31, 2013 capitalization adjustments as listed above.
- (2) As further adjusted to reflect (1) the sale of the Notes Units in this offering and the receipt of R\$519.4 million (U.S.\$221.7 million) proceeds therefrom after deduction of commissions and expenses we will pay in connection with this offering; and (2) the application of the net proceeds from the sale of the Notes Units to the repayment of R\$519.4 million (U.S.\$221.7 million) of our existing indebtedness, including R\$100.7 million (U.S.\$43.0 million) of our existing short-term indebtedness, including R\$418.7 million (U.S.\$178.7 million) for repayment of our existing long-term indebtedness.
- (3) Solely for the convenience of the reader, *real* amounts as of December 31, 2013 have been translated into U.S. dollars at the selling exchange rate as of December 31, 2013, of R\$2.3426 to U.S.\$1.00. See “Exchange Rates” for further information about recent fluctuations in exchange rates.
- (4) Includes current portion of long-term loans and financing.
- (5) Excludes current portion of long-term loans and financing.
- (6) Total capitalization is the sum of short-term loans and financing, long-term loans and financing and shareholders’ equity.

Except for a secured customer advance of approximately U.S.\$25.0 million issued on February 10, 2014 through an export prepayment agreement with ED&F Man (which we account for on our balance sheet as a customer advance and not indebtedness), there has been no material change in our capitalization since December 31, 2013, except as disclosed above.

SELECTED FINANCIAL AND OTHER INFORMATION

The following table sets forth certain financial information and operating data for us for the periods and financial years indicated.

On May 3, 2013, we completed the acquisition of Paraíso, a sugar and ethanol producer in the state of São Paulo, which operates one mill with a sugarcane crushing capacity of 2.5 million tons per harvest period. We merged Paraíso into our company on September 30, 2013. Our financial statements for the nine-month period ended December 31, 2013 are comprised of the operations of (1) our current three mills (the Vista Alegre mill, the Santa Cândida mill and the Paraíso mill) from May 1, 2013 to December 31, 2013, and (2) our two original mills (the Vista Alegre mill and the Santa Cândida mill), excluding the Paraíso mill, from April 1, 2013 to April 30, 2013. Since our financial statements for the nine-month period ended December 31, 2013 include the financial information of Paraíso as set out above, our financial information for the nine-month period ended December 31, 2013 is not directly comparable to our financial information for the nine-month period ended December 31, 2012.

Operational data pertaining to us and our mills included in this offering memorandum for all periods after March 31, 2013, including for the nine-month period ended December 31, 2013, pertains to all three of our mills, including our Paraíso mill. Accordingly, we include operational data for the Paraíso mill combined with our Santa Cândida and Vista Alegre mills as from April 1, 2013, which includes data from the period before we acquired Paraíso on May 3, 2013. As a result, our financial information presented in this offering memorandum for the nine-month period ended December 31, 2013 (which includes Paraíso financial information as of May 1, 2013) is not directly comparable with our operational information for the nine-month period ended December 31, 2013 (which includes Paraíso financial information as of April 1, 2013).

This financial information should be read in conjunction with “Presentation of Financial and Other Information,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and our unaudited interim consolidated financial statements and our audited financial statements, including the units thereto, included elsewhere in this offering memorandum.

	For the Nine-Month Period Ended December 31,			For the Financial Year Ended March 31,			
	2013	2013	2012	2013	2013	2012	2011
	(in millions of U.S.\$) ⁽¹⁾	(in millions of reais)		(in millions of U.S.\$) ⁽¹⁾	(in millions of reais)		
Income Statement Data:							
Net revenue	311.2	729.1	523.9	253.6	594.1	475.8	392.3
Cost of goods sold and services rendered	(273.8)	(641.5)	(432.1)	(207.7)	(486.6)	(376.1)	(332.4)
Changes in the fair value of biological assets	24.6	57.7	9.4	20.3	47.5	29.2	13.0
Gross profit	62.0	145.3	101.2	66.2	155.0	128.9	72.9
Administrative expenses	(8.5)	(19.8)	(4.0)	(2.2)	(5.2)	(4.8)	(6.7)
Sales expenses	(21.0)	(49.2)	(38.3)	(15.4)	(36.0)	(31.5)	(29.7)
General expenses	(6.0)	(14.1)	(10.8)	(6.0)	(14.0)	(10.4)	(20.1)
Equity in net income of subsidiaries	(0.3)	(0.8)	—	—	—	—	—
Other net operating income	5.3	12.5	(1.8)	(0.2)	(0.5)	63.6	1.2
Result before the net financial income (expenses) and taxes	31.5	73.9	46.3	42.4	99.3	145.8	17.6
Financial income	80.2	187.8	18.0	33.8	79.1	122.0	62.4
Financial expenses	(214.4)	(502.2)	(152.4)	(90.9)	(212.9)	(241.4)	(124.5)
Net financial income (expenses)	(134.2)	(314.4)	(134.4)	(57.1)	(133.8)	(119.4)	(62.1)
Profit (loss) before taxes	(102.7)	(240.5)	(88.1)	(14.7)	(34.5)	(26.4)	(44.5)
Current income and social contribution taxes	—	—	—	—	—	0.7	0.8
Deferred income and social contribution tax benefit	18.9	44.2	51.0	8.3	19.5	(9.6)	21.2
Net profit (loss) from continuing operations	(83.8)	(196.3)	(37.1)	(6.4)	(15.0)	17.5	(22.5)
Discontinued operations	—	—	0.7	0.3	0.7	2.4	1.6

	For the Nine-Month Period Ended December 31,			For the Financial Year Ended March 31,			
	2013	2013	2012	2013	2013	2012	2011
	(in millions of U.S.\$) ⁽¹⁾	(in millions of reais)		(in millions of U.S.\$) ⁽¹⁾	(in millions of reais)		
Net profit (loss) for the period	(83.8)	(196.3)	(36.4)	(6.1)	(14.3)	19.9	(20.9)

- (1) Solely for the convenience of the reader, *real* amounts as of and for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, have been translated into U.S. dollars at the selling exchange rate as of December 31, 2013, of R\$2.3426 to U.S.\$1.00. See “Exchange Rates” for further information about recent fluctuations in exchange rates.

	As of December 31,			As of March 31,			
	2013	2013	2012	2013	2013	2012	2011
	(in millions of U.S.\$) ⁽¹⁾	(in millions of reais)		(in millions of U.S.\$) ⁽¹⁾	(in millions of reais)		
Balance Sheet Data (at period end):							
Assets							
Cash and cash equivalents.....	58.2	136.4	31.5	130.0	304.6	28.2	26.0
Other investments	6.5	15.2	46.7	8.2	19.3	36.0	30.8
Derivatives	0.1	0.2	0.1	0.6	1.4	7.3	19.9
Accounts receivable, net	20.4	47.7	18.8	0.6	1.5	3.9	13.2
Inventories	33.5	78.4	74.4	13.6	31.8	28.5	19.0
Advances to suppliers	21.4	50.1	37.5	16.3	38.1	37.4	36.3
Prepaid expenses	0.3	0.6	0.5	0.1	0.2	0.5	1.3
Recoverable taxes	18.4	43.2	30.1	12.5	29.3	27.5	6.7
Assets held for sale	1.3	3.0	3.0	1.3	3.0	3.0	—
Income and social contributions taxes.....	0.1	0.2	0.2	0.1	0.2	0.5	0.5
Other accounts receivable	0.3	0.8	0.3	0.7	1.6	146.7	—
Total current assets.....	160.5	375.8	243.1	184.0	431.0	319.5	153.7
Prepaid expenses	—	—	—	—	—	—	—
Other investments	14.0	32.7	46.0	14.6	34.2	32.3	7.9
Advances to suppliers	21.1	49.5	34.1	14.3	33.4	17.5	—
Deferred tax assets	12.8	29.9	24.6	—	—	—	—
Recoverable taxes	1.0	2.5	0.1	0.2	0.5	0.2	0.4
Judicial deposits.....	2.0	4.8	2.5	1.3	3.1	3.3	3.3
Other accounts receivable	—	—	—	—	—	—	0.8
Investments	1.8	4.3	—	—	—	—	—
Property, plant and equipment	218.9	512.8	294.2	151.5	354.9	359.9	490.3
Biological assets	286.4	670.9	411.7	201.2	471.4	398.1	288.6
Intangibles, net.....	57.2	134.0	2.1	1.0	2.3	2.4	0.2
Total non-current assets.....	615.3	1,441.4	815.3	384.1	899.8	813.7	791.5
Total assets	775.8	1,817.2	1,058.4	568.1	1,330.8	1,133.2	945.2
Liabilities							
Suppliers	43.7	102.4	47.9	17.8	41.7	89.8	45.9
Derivatives	2.7	6.3	1.8	0.7	1.7	7.7	5.6
Loans and financing	93.3	218.6	177.3	45.9	107.5	379.8	508.3
Salaries and social charges.....	10.8	25.3	12.4	6.2	14.5	13.0	11.3
Taxes payable	3.4	8.0	3.6	1.2	2.7	7.7	1.2
Tax installments.....	3.3	7.7	5.1	2.3	5.3	3.4	4.1
Advances from customers.....	16.1	37.7	17.1	3.0	7.1	53.8	10.6
Dividends payable.....	—	—	7.5	—	—	7.5	—
Other accounts payable	1.9	4.4	4.0	1.5	3.4	0.1	—
Total current liabilities.....	175.2	410.4	276.7	78.6	183.9	562.8	587.0
Suppliers	2.0	4.6	—	—	—	0.1	1.9
Derivatives	—	—	2.6	1.2	2.9	—	4.0
Loans and financing	494.9	1,159.3	471.5	351.1	822.6	255.8	69.1
Redeemable preferred shares	—	—	—	—	—	—	103.8
Deferred tax liabilities.....	—	—	—	2.8	6.5	22.1	11.7
Provision for contingencies.....	3.1	7.3	20.4	2.8	6.6	20.4	17.4

	As of December 31,			As of March 31,			
	2013	2013	2012	2013	2013	2012	2011
	(in millions of U.S.\$) ⁽¹⁾	(in millions of reais)		(in millions of U.S.\$) ⁽¹⁾	(in millions of reais)		
Tax installments	3.1	7.2	7.0	2.5	5.8	7.0	9.0
Total non-current liabilities	503.1	1,178.4	501.5	360.4	844.4	305.4	216.9
Net Equity							
Capital stock	37.7	88.3	79.3	33.9	79.3	67.4	55.5
Income reserves	23.7	55.5	152.9	75.9	177.9	141.9	21.4
Adjustment of equity evaluation	36.1	84.6	48.0	19.3	45.3	55.7	64.4
Total stockholders' equity	97.5	228.4	280.2	129.1	302.5	265.0	141.3
Total liabilities and stockholders' equity	775.8	1,817.2	1,058.4	568.1	1,330.8	1,133.2	945.2

- (1) Solely for the convenience of the reader, *real* amounts as of and for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, have been translated into U.S. dollars at the selling exchange rate as of December 31, 2013, of R\$2.3426 to U.S.\$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates.

	As of and for the Nine-Month Period Ended December 31,			As of and for the Financial Year Ended March 31,			
	2013	2013	2012	2013	2013	2012	2011
	(in millions of U.S.\$, except financial ratios) ⁽¹⁾	(in millions of reais, except financial ratios)		(in millions of U.S.\$, except financial ratios) ⁽¹⁾	(in millions of reais, except financial ratios)		
Other Data:							
Adjusted EBITDA ⁽²⁾	138.3	324.1	216.5	104.5	244.9	202.4	135.3
Adjusted EBITDA margin	44.5%	44.5%	41.3%	41.2%	41.2%	42.5%	34.5%
Net debt ⁽³⁾	504.1	1,181.0	505.9	258.8	606.2	556.7	512.7
Net debt / Adjusted EBITDA ratio ⁽⁴⁾	3.4x	3.4x	2.3x	2.5x	2.5x	2.8x	3.8x

- (1) Solely for the convenience of the reader, *real* amounts as of and for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, have been translated into U.S. dollars at the selling exchange rate as of December 31, 2013, of R\$2.3426 to U.S.\$1.00. See "Exchange Rates" for further information about recent fluctuations in exchange rates.
- (2) We evaluate our business performance based primarily upon our operating margin, or the spread between the average price of our product and the sum of our cost of goods sold and services rendered and operating expenses. We also focus on the volume and quality of products that we produce, the price and cost per unit sold and ultimately, our Adjusted EBITDA. Our management believes that disclosure of EBITDA and Adjusted EBITDA provides useful information to investors, financial analysts and the public in their review of our operating performance and their comparison of our operating performance to the operating performance of other companies in the same industry and other industries. They are not recognized measures under Brazilian GAAP, IFRS or U.S. GAAP, and because not all companies use identical calculations, our presentation of EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures or to free cash flow, as they does not consider certain of our cash requirements, such as interest payments, tax payments and debt service payments. EBITDA and Adjusted EBITDA should not be considered as an alternative to net profit (loss) from continuing operations, as indicator of our operating performance, or as an alternative to cash flow as an indicator of our liquidity. We calculate our EBITDA and Adjusted EBITDA as follows:

	As of and for the Nine-Month Period Ended December 31,			As of and for the Financial Year Ended March 31,			
	2013	2013	2012	2013	2013	2012	2011
	(in millions of U.S.\$) ^(a)	(in millions of reais)		(in millions of U.S.\$) ^(a)	(in millions of reais)		
Net profit (loss) from continuing operations	(83.8)	(196.3)	(37.1)	(6.4)	(15.0)	17.5	(22.5)
(+) Net financial (income) expenses ...	134.2	314.4	134.4	57.1	133.8	119.4	62.1
(+) Depreciation of property, plant and equipment	13.2	30.9	28.6	16.5	38.6	35.1	52.9
(+) Amortization of intangible assets..	0.2	0.4	0.3	0.1	0.2	0.1	—
(+) Amortization of inter-harvest	34.1	79.9	55.5	23.6	55.4	37.7	11.1

	As of and for the Nine-Month Period Ended December 31,			As of and for the Financial Year Ended March 31,			
	2013	2013	2012	2013	2013	2012	2011
	(in millions of U.S.\$) ^(a)	(in millions of reais)		(in millions of U.S.\$) ^(a)	(in millions of reais)		
maintenance carried out.....							
(+) Amortization of crops and handling.....	83.6	195.9	95.2	42.2	98.9	70.7	66.7
(+/-) Income and social contribution taxes	(18.9)	(44.2)	(51.0)	(8.3)	(19.5)	8.9	(22.0)
EBITDA	162.6	381.0	225.9	124.8	292.4	289.4	148.3
(+/-) Changes in the fair value of biological assets	(24.6)	(57.7)	(9.4)	(20.3)	(47.5)	(29.2)	(13.0)
(+/-)Gains upon sales of asset.....	—	—	—	—	—	(57.8)	—
(+/-) Equity in the net income of subsidiaries.....	0.3	0.8	—	—	—	—	—
Adjusted EBITDA	138.3	324.1	216.5	104.5	244.9	202.4	135.3

- (a) Solely for the convenience of the reader, *real* amounts as of and for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, have been translated into U.S. dollars at the selling exchange rate as of December 31, 2013, of R\$2.3426 to U.S.\$1.00. See “Exchange Rates” for further information about recent fluctuations in exchange rates.
- (3) Net debt is not a recognized measure under Brazilian GAAP, IFRS or U.S. GAAP. Our definition of net debt in this offering memorandum is not necessarily the same as the net debt definitions that we use for purposes of establishing covenant compliance for our financing agreements or under the indenture that will govern the Notes Units offered hereby. Net debt does not have a standardized meaning and our definition of net debt may not be comparable to net debt used by other companies and is not a measure of cash flow, liquidity or resources available for debt service. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness” and note 18 to our financial statements and financial information included elsewhere in this offering memorandum. We calculate our Net debt as follows:

	As of and for the Nine-Month Period Ended December 31,			As of and for the Financial Year Ended March 31,			
	2013	2013	2012	2013	2013	2012	2011
	(in millions of U.S.\$) ^(a)	(in millions of reais)		(in millions of U.S.\$) ^(a)	(in millions of reais)		
Current loans and financing.....	93.3	218.6	177.3	45.9	107.5	379.8	508.3
Non-current loans and financing.....	494.9	1,159.3	471.5	351.1	822.6	255.8	69.1
Total loans and financing	588.2	1,377.9	648.8	397.0	930.1	635.6	577.4
(-) Cash and cash equivalents	58.2	136.4	31.5	130.0	304.6	28.2	26.0
(-) Other investments ^(b)	6.5	15.2	57.3	8.2	19.3	50.7	38.7
(-) Inventories	19.3	45.3	54.1	—	—	—	—
Net debt^(c)	504.1	1,181.0	505.9	258.8	606.2	556.7	512.7

- (a) Solely for the convenience of the reader, *real* amounts as of and for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, have been translated into U.S. dollars at the selling exchange rate as of December 31, 2013, of R\$2.3426 to U.S.\$1.00. See “Exchange Rates” for further information about recent fluctuations in exchange rates.
- (b) Other investments (current and non-current other than equity interests in relation to our co-generation activities).
- (c) For the fourth quarter of each financial year and each financial year, to reflect an applicable financial covenant under a loan agreement under which we are borrower, we define net debt as current loans and financing plus non-current loans and financing minus cash, cash equivalents and other investments (current and non-current other than equity interests in relation to our co-generation activities). For the first, second and third quarters of each financial year, for which this financial covenant does not apply, we define net debt as current loans and financing plus non-current loans and financing minus cash, cash equivalents, other investments (current and non-current other than equity interests in relation to our co-generation activities) and finished goods inventories.
- (4) Net debt / Adjusted EBITDA ratio is the ratio of our net debt as of the end of the applicable period divided by our Adjusted EBITDA for the then-most recently concluded period of four consecutive financial quarters.

ACQUISITION AND MERGER OF PARAÍSO

We present below a summary of the acquisition and merger of Paraíso and certain financial and operating information regarding Paraíso. The following discussion should be read in conjunction with our unaudited interim consolidated financial statements as of and for the nine-month periods ended December 31, 2013 and 2012, our audited financial statements as of and for the financial years ended March 31, 2013, 2012 and 2011, the Paraíso financial statements and the unaudited pro forma financial information, in each case included elsewhere in this offering memorandum, as well as the information presented under “Presentation of Financial and Other Information” and “Selected Financial and Other Information” and “Unaudited Pro Forma Condensed Consolidated Financial Information.”

The following discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including those set forth in “Forward-Looking Statements” and “Risk Factors.”

Background

On March 20, 2013, we entered into a share purchase agreement (*contrato de compra e venda de ações e outras avenças*), as amended on May 3, 2013 and April 29, 2014, or the Paraíso Acquisition Agreement, with the Individual Sellers and FIP DGF Terra Viva (Tonon’s minority shareholder). FIP DGF Terra Viva and the Individual Sellers are herein collectively referred to as the Sellers. Pursuant to this agreement, we acquired Paraíso, a sugar and ethanol operator in the state of São Paulo which operates one mill with a sugarcane crushing capacity of 2.5 million tons per harvest period, and other rural properties. The Paraíso mill is located less than 40 kilometers (24.9 miles) away from our Santa Cândida mill. On April 10, 2013, we received final approval for the acquisition from the antitrust regulator CADE (*Conselho Administrativo de Defesa Econômica*). On May 3, 2013, we completed the acquisition and on September 30, 2013, we merged Paraíso with and into Tonon.

Transaction Structure

Pursuant to the Paraíso Acquisition Agreement, we acquired the entire share capital of Paraíso from the Sellers on May 3, 2013. Under the terms of the agreement, the total purchase price (which is subject to further post-closing adjustments (which adjustments we do not, as of the date of this offering memorandum, expect will be substantial), according to Paraíso’s and Tonon’s respective indebtedness levels) is R\$170 million, of which: (1) we paid R\$70 million to FIP DGF Terra Viva through the delivery of 8,954,395 preferred shares issued by us through a capital increase on May 3, 2013; (2) we paid R\$50 million to the Individual Sellers in cash, in *reais*, on May 3, 2013; and (3) pursuant to the Paraíso Acquisition Agreement, (a) within two years from the closing date (May 3, 2013) the Pinheiro Family may, at Tonon’s election, receive 6,874,399 common shares in Tonon in consideration for the outstanding sum of R\$50 million due to them under the agreement or (b) Tonon (as determined by Tonon Holding and FIP DGF Terra Viva) may elect to satisfy such outstanding amount by paying the Pinheiro Family in cash (subject to adjustment by the IPCA, as from May 3, 2014). Furthermore, if Tonon Holding ceases to be part of our controlling group, the amount of R\$50 million shall be paid in cash to the Individual Sellers in *reais*, within ten days from the relevant transfer of the shares by Tonon Holding.

When the Individual Sellers’ holding company becomes our shareholder, Tonon Holding and FIP DGF Terra Viva are obligated to amend our shareholders’ agreement in order to grant tag along rights to the Individual Sellers’ holding company. Additionally, pursuant to the terms of the Paraíso Acquisition Agreement, Tonon Holding, FIP DGF Terra Viva and the Individual Sellers shall amend the shareholders’ agreement in order to agree on certain corporate governance rights and so that the Individual Sellers shall not be directly or indirectly responsible for any of our liabilities and/or materialized contingencies before the subscription of our shares by the Individual Sellers’ holding company. As of the date of this offering memorandum, we have not participated in significant negotiations with the Individual Sellers with respect to the terms of the shareholders’ agreement in connection with the Paraíso acquisition.

On September 30, 2013, we merged Paraíso with and into Tonon. As a result, Paraíso was extinguished and ceased to exist as legal entity and Tonon succeeded to all its assets and liabilities. As Tonon was the owner of all shares representing Paraíso’s capital stock, Tonon’s capital structure remained unchanged after the merger.

Key Financial and Other Information

The following table sets forth certain of Paraíso's key financial and other information for the two financial years preceding May 2013:

	As of and for the Financial Years Ended March 31,	
	2013	2012
	<i>(in millions of reais, except as indicated otherwise)</i>	
Financial data:		
Net Revenue	237.9	215.3
Net profit (loss)	(38.4)	(21.2)
EBITDA ⁽¹⁾	92.9	83.3
Adjusted EBITDA ⁽²⁾	64.6	83.1
Adjusted EBITDA margin	27.2%	38.6%
Total debt	301.0	233.5
Short-term	212.6	77.0
Long-term	88.4	156.5
Net debt ⁽³⁾	265.2	198.9
Net debt / Adjusted EBITDA ratio	4.1	2.4
Operating data:		
Own sugarcane crushed (in thousand tons)	1,132.1	1,205.1
Own sugarcane crushed (% of total crushed sugarcane)	58.6%	70.9%
Third-party purchased sugarcane crushed (in thousand tons)	800.5	494.6
Third-party purchased sugarcane crushed (% of total crushed sugarcane)	41.4%	29.1%
Total sugarcane crushed (in thousand tons)	1,932.6	1,699.6
Mechanized harvesting at Paraíso mill (%)	68.9%	53.7%
VHP Sugar production (in thousand tons)	47.6	15.1
VHP Sugar sales (in thousand tons)	48.0	15.1
% Domestic	—	—
% Export	100.0%	100.0%
Granulated refined sugar production (in thousand tons)	83.3	118.1
Granulated refined sugar sales (in thousand tons)	84.5	114.8
% Domestic	3.3%	5.2%
% Export	96.7%	94.8%
Hydrous ethanol production (thousands of cubic meters)	80.4	62.7
Hydrous ethanol sales (million liters)	78.1%	62.6%
% Domestic	100.0%	100.0%
% Export	—	—
Number of employees	2,203	1,860

- (1) Paraíso defined EBITDA as net profit (loss) before net financial income/expenses, depreciation of property, plant and equipment, amortization of inter-harvest maintenance carried out, and income tax and social contribution. EBITDA is not a recognized measure under Brazilian GAAP, IFRS or U.S. GAAP, and because not all companies use identical calculations, Paraíso's presentation of EBITDA may not be comparable to other similarly titled measures or to free cash flow, as it does not consider certain of its cash requirements, such as interest payments, tax payments and debt service payments. EBITDA should not be considered as an alternative to net profit (loss) from continuing operations, as indicator of Paraíso's operating performance, or as an alternative to cash flow as an indicator of Paraíso's liquidity.
- (2) Paraíso defined Adjusted EBITDA as EBITDA adjusted by changes in the fair value of biological assets. Adjusted EBITDA is not a recognized measure under Brazilian GAAP, IFRS or U.S. GAAP, and because not all companies use identical calculations, Paraíso's presentation of Adjusted EBITDA may not be comparable to other similarly titled measures or to free cash flow, as it does not consider certain of its cash requirements, such as interest payments, tax payments and debt service payments. Adjusted EBITDA should not be considered as an alternative to net profit (loss) from continuing operations, as indicator of Paraíso's operating performance, or as an alternative to cash flow as an indicator of Paraíso's liquidity.

	As of and for the Financial Years Ended March 31,		
	2013	2013	2012
	<i>(in millions of U.S.\$)^(a)</i>	<i>(in millions of reais)</i>	
Net profit (loss)	(16.4)	(38.4)	(21.2)
(+) Net financial (income) expenses	25.7	60.3	34.5
(+) Depreciation of property, plant and equipment	16.9	39.7	37.1
(+) Amortization of inter-harvest maintenance carried out	21.4	50.2	51.5
(+/-) Income tax and social contribution	(8.1)	(18.9)	(18.6)
EBITDA	39.5	92.9	83.3

	As of and for the Financial Years Ended March 31,		
	2013	2013	2012
	(in millions of U.S.\$) ^(a)	(in millions of reais)	
(+/-) Changes in the fair value of biological assets	(12.1)	(28.3)	(0. 2)
Adjusted EBITDA	27. 4	64.6	83. 1

- (a) Solely for the convenience of the reader, *real* amounts as of and for the financial year ended March 31, 2013 have been translated into U.S. dollars at the selling exchange rate as of December 31, 2013, of R\$2.3426 to U.S.\$1.00. See “Exchange Rates” for further information about recent fluctuations in exchange rates.
- (3) Paraíso defined net debt as current loans and financing plus non-current loans and financing minus cash, cash equivalents and financial investments (current and non-current other than equity interests in relation to its co-generation activities). Net debt is not a recognized measure under Brazilian GAAP, IFRS or U.S. GAAP. Paraíso’s definition of net debt in this offering memorandum is not necessarily the same as the net debt definitions that it uses for purposes of establishing covenant compliance for its financing agreements or under the indenture that will govern the Notes Units offered hereby. Net debt does not have a standardized meaning and Paraíso’s definition of net debt may not be comparable to net debt used by other companies and is not a measure of cash flow, liquidity or resources available for debt service. See “—Indebtedness” and note 17 to Paraíso’s financial statements and financial information included elsewhere in this offering memorandum.

Summary Results of Operations

We set out below a summary of the results of operations of Paraíso based on Paraíso’s audited financial statements for the financial years ended March 31, 2013 and 2012 prepared in accordance with Brazilian GAAP and IFRS included elsewhere in this offering memorandum. This discussion should be read together with those financial statements and the Notes Units thereto.

The following table sets forth Paraíso’s financial information for the financial years ended March 31, 2013 and 2012:

	For the Financial Year Ended March 31,		% Change	% of Net revenue	
	2013	2012		2013	2012
	(in millions of reais)			(in %)	
Net Revenue.....	237.9	215.3	10.5	100.0	100.0
Cost of goods sold and services rendered.....	(240.1)	(203.4)	18.0	(100.9)	(94.5)
Changes in the fair value of biological assets.....	28.3	0.2	n.m.	11.9	0.1
Gross profit.....	26.1	12.1	115.7	11.0	5.6
Sales expenses.....	(8.5)	(6.7)	26.9	(3.6)	(3.1)
General and administrative expenses.....	(12.8)	(10.5)	21.9	(5.4)	(4.9)
Other operating (expenses) income, net	(1.8)	(0.2)	800.0	(0.8)	(0.1)
Financial income	2.2	1.1	100.0	0.9	0.5
Financial expenses.....	(62.5)	(35.6)	75.6	(26.3)	(16.5)
Financial income (expenses), net	(60.3)	(34.5)	74.8	(25.3)	(16.0)
Current and deferred income and social contribution taxes	18.9	18.6	1.6	7.9	8.6
Net profit (loss)	(38.4)	(21.2)	81.1	(16.1)	(9.8)

* n.m. denotes not meaningful.

Net Revenue

Net revenue increased 10.5% to R\$237.9 million for the financial year ended March 31, 2013 from R\$215.3 million for the financial year ended March 31, 2012. The principal components of net revenue are discussed further below.

Sugar

Net revenue from sugar sales increased 11.5% to R\$139.7 million for the financial year ended March 31, 2013 from R\$125.3 million for the financial year ended March 31, 2012. The increase was primarily due to a 9.3%

increase in the average price of sugar, which increased to an average price of R\$1,054.9 per ton for the financial year ended March 31, 2013 from an average price of R\$964.9 per ton for the financial year ended March 31, 2012.

Hydrous Ethanol

Net revenue from hydrous ethanol sales increased 14.0% to R\$81.6 million for the financial year ended March 31, 2013 from R\$71.6 million for the financial year ended March 31, 2012. This increase was primarily due to an increase in the volume of hydrous ethanol sold, which increased 24.9% to approximately 78,104 cubic meters for the financial year ended March 31, 2013 from approximately 62,550 cubic meters for the financial year ended March 31, 2012. This increase was partially offset by a decrease in the average price of hydrous ethanol sold, which declined 8.8% to R\$1,044.1 per cubic meter for the financial year ended March 31, 2013 from R\$1,144.7 per cubic meter for the financial year ended March 31, 2012.

Other Revenues, Net

Other revenues, net decreased 9.8% to R\$16.6 million for the financial year ended March 31, 2013 from R\$18.4 million for the financial year ended March 31, 2012.

Cost of Goods Sold and Services Rendered

Cost of goods sold and services rendered increased 18.0% to R\$240.1 million for the financial year ended March 31, 2013 from R\$203.4 million for the financial year ended March 31, 2012. This increase was primarily due to an increase in the price of sugarcane purchased from third parties. As a percentage of net revenue, cost of goods sold and services rendered increased to 100.9% for the financial year ended March 31, 2013 from 94.5% for the financial year ended March 31, 2012.

Changes in the Fair Value of Biological Assets

Changes in the fair value of biological assets increased to R\$28.3 million for the financial year ended March 31, 2013 from R\$0.2 million for the financial year ended March 31, 2012 as a result of an increase in the amount of sugarcane planted during that period.

Sales, General and Administrative Expenses

Sales, general and administrative expenses (including executive officers' compensation) increased 23.8% to R\$21.3 million for the financial year ended March 31, 2013 from R\$17.2 million for the financial year ended March 31, 2012. As a percentage of net revenue, sales, general and administrative expenses increased to 9.0% for the financial year ended March 31, 2013 from 8.0% for the financial year ended March 31, 2012.

Sales expenses increased 26.9% to R\$8.5 million for the financial year ended March 31, 2013 from R\$6.7 million for the financial year ended March 31, 2012. This increase was primarily due to an increase in freight costs. As a percentage of net revenue, sales expenses increased to 3.6% for the financial year ended March 31, 2013 from 3.1% for the financial year ended March 31, 2012.

General and administrative expenses (including executive officers' compensation) increased 21.9% to R\$12.8 million for the financial year ended March 31, 2013 from R\$10.5 million for the financial year ended March 31, 2012. This increase was primarily due to an increase in salaries paid to employees. As a percentage of net revenue, general and administrative expenses increased to 5.4% for the financial year ended March 31, 2013 from 4.9% for the financial year ended March 31, 2012.

Other Operating (Expenses) Income, Net

Other operating (expenses) income, net increased to an expense of R\$1.8 million for the financial year ended March 31, 2013 from an expense of R\$0.2 million for the financial year ended March 31, 2012.

Financial Income (Expenses), Net

Financial income (expenses), net increased by 74.8% to an expense of R\$60.3 million for the financial year ended March 31, 2013 from an expense of R\$34.5 million for the financial year ended March 31, 2012. This increase was primarily due to an increase in the principal amounts of outstanding loans and financings during the financial year ended March 31, 2013 compared to the financial year ended March 31, 2012.

Current and Deferred Income and Social Contribution Taxes

Income and social contribution taxes increased to R\$18.9 million for the financial year ended March 31, 2012 from R\$18.6 million for the financial year ended March 31, 2012. This decrease was primarily due to deferred taxes from assets and liabilities.

Net Profit (Loss)

As a result of the foregoing, Paraíso recorded a net loss of R\$38.4 million for the financial year ended March 31, 2013 compared to a net loss of R\$21.2 million for the financial year ended March 31, 2012.

Indebtedness

As of March 31, 2013, Paraíso's total outstanding indebtedness was R\$301.0 million, consisting of R\$212.6 million of short-term indebtedness, including the current portion of long-term indebtedness, or 70.6% of Paraíso's total indebtedness, and R\$88.4 million of long-term indebtedness, or 29.4% of Paraíso's total indebtedness. As of March 31, 2013, 54.7% of Paraíso's total indebtedness was denominated in reais and the remaining 45.3% was denominated in U.S. dollars.

For further detail with respect to Paraíso's outstanding indebtedness, see note 17 to Paraíso's financial statements.

On September 30, 2013, we merged Paraíso with and into Tonon. As a result, Paraíso was extinguished and ceased to exist as legal entity and Tonon succeeded to all its indebtedness. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness."

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

On May 3, 2013, we completed the acquisition of Paraíso, a sugar and ethanol producer in the state of São Paulo, which operates one mill with a sugarcane crushing capacity of 2.5 million tons per harvest period. On September 30, 2013, we merged Paraíso with and into our company.

The following unaudited *pro forma* condensed consolidated financial information relating to our *pro forma* statements of income, or the unaudited *pro forma* financial information, has been prepared by applying *pro forma* adjustments to our unaudited interim consolidated statement of income for the nine-month period ended December 31, 2013 and to our audited statement of income for the financial year ended March 31, 2013, giving effect to the acquisition of Paraíso as if it had occurred on April 1, 2012. The unaudited *pro forma* financial information should be read in conjunction with our unaudited interim consolidated financial statements as of and for the nine-month periods ended December 31, 2013 and 2012, our audited financial statements as of and for the financial years ended March 31, 2013, 2012 and 2011 and the Paraíso financial statements as of and for the financial years ended March 31, 2013, 2012 and 2011, each of which are included elsewhere in this offering memorandum.

The unaudited *pro forma* financial information for the nine-month period ended December 31, 2013 and as of and for the financial year ended March 31, 2013 are not comparable to our historic financial information because they give effect to the acquisition of Paraíso for periods prior to its actual acquisition. The unaudited *pro forma* financial information is for illustrative purposes only and is not intended to represent or be indicative of what our actual consolidated results of operations would have been had the transaction described above occurred on the date indicated, and is not necessarily indicative of our future consolidated results of operations. The unaudited *pro forma* financial information does not, for example, reflect (1) any integration costs that may be incurred as a result of the acquisition of Paraíso, (2) any synergies, operating efficiencies and cost savings that may result from the acquisition of Paraíso, (3) any benefits that may be derived from the combined company's growth prospects, or (4) any changes in prices or exchange rates subsequent to the dates of the unaudited *pro forma* financial information.

This unaudited *pro forma* condensed consolidated financial information should be read in conjunction with the information presented below, other financial information included elsewhere in this offering memorandum, including, but not limited to, "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Acquisition and Merger of Paraíso" and Tonon's and Paraíso's historical financial statements and the accompanying explanatory notes.

Basis of preparation

The unaudited *pro forma* financial information has been prepared based on our financial statements and the Paraíso financial statements prepared in accordance with Brazilian GAAP and IFRS.

Unaudited Pro Forma Condensed Consolidated Statement of Income for the Nine-Month Period Ended December 31, 2013

	Pro Forma Adjustments			
		Paraíso		
	IFRS/CPC 12/31/2013 ⁽¹⁾	April 1 through April 30, 2013 ^(a)	Realization of the fair value adjustment ^(b)	Pro forma consolidated
		(in millions of reais)		
Net revenues.....	729.1	11.8	-	740.9
Cost of goods sold and services rendered	(641.5)	(14.9)	(0.1)	(656.5)
Changes in the fair value of biological asset.....	57.7	-	—	57.7
Gross profit	145.3	(3.1)	(0.1)	142.1
Administrative and general expenses	(33.9)	(1.1)	(0.1)	(35.1)
Selling expenses	(49.2)	(0.1)	-	(49.3)
Equity in net income of subsidiaries.....	(0.8)	—	-	(0.8)
Other operating income, net	12.5	1.5	—	14.0
Income before financial income (expenses) and taxes	73.9	(2.8)	(0.2)	70.9
Financial income	187.8	0.5	—	188.3
Financial expenses.....	(502.2)	(1.3)	—	(503.5)

	Pro Forma Adjustments			
		Paraíso		
	IFRS/CPC 12/31/2013 ⁽¹⁾	April 1 through April 30, 2013 ^(a)	Realization of the fair value adjustment ^(b)	Pro forma consolidated
		(in millions of reais)		
Financial expenses, net.....	(314.4)	(0.8)	—	(315.2)
Loss before taxes	(240.5)	(3.6)	(0.2)	(244.3)
Deferred income and social contribution taxes.....	44.2	0.3	0.1	44.6
Loss from continuing operations.....	(196.3)	(3.3)	(0.1)	(199.7)
Discontinued operations.....	—	—	—	—
Net Loss.....	(196.3)	(3.3)	(0.1)	(199.7)

- (1) Comprises our historical financial information for the nine-month period ended December 31, 2013 based on financial information from (i) our current three mills (the Vista Alegre mill, the Santa Cândida mill and the Paraíso mill) from May 1, 2013 to December 31, 2013, and (ii) our two original mills (the Vista Alegre mill and the Santa Cândida mill), excluding the Paraíso mill, from April 1, 2013 to April 30, 2013.

The unaudited *pro forma* condensed consolidated statement of income was prepared to reflect the following *pro forma* adjustments to our statement of income for the nine-month period ended December 31, 2013:

(a) the financial information of Paraíso for the month of April, 2013; and

(b) depreciation of R\$0.1 million in the fair value of fixed assets, based on the fair value adjustment of R\$9.8 million of PP&E and on the assumption that the estimated remaining average useful life of the relevant group of assets is of 7.9 years; and amortization of R\$0.1 million in the fair value of intangible assets, based on the fair value adjustment of R\$16.9 million of intangible assets and on the assumption that the remaining estimated useful life is 13 years.

Unaudited *Pro Forma* Condensed Consolidated Statement of Income for the Year Ended March 31, 2013

		Pro Forma Adjustments		
	Tonon	Paraíso ⁽¹⁾	Fair value adjustments ⁽²⁾	Pro forma consolidated
		(in millions of reais)		
Net revenues.....	594.1	237.9	—	832.0
Cost of goods sold and services rendered	(486.6)	(240.1)	(0.7)	(727.4)
Changes in the fair value of biological asset.....	47.5	28.3	—	75.8
Gross profit	155.0	26.1	(0.7)	180.4
Administrative and general expenses	(19.2)	(12.8)	(1.3)	(33.3)
Selling expenses.....	(36.0)	(8.5)	—	(44.5)
Other operating income, net.....	(0.5)	(1.8)	—	(2.3)
Income before financial income (expenses) and taxes	99.3	3.0	(2.0)	100.3
Financial income	79.1	2.2	—	81.3
Financial expenses.....	(212.9)	(62.5)	—	(275.4)
Financial expenses, net	(133.8)	(60.3)	—	(194.1)
Loss before taxes	(34.5)	(57.3)	(2.0)	(93.8)
Deferred income and social contribution taxes.....	19.5	18.9	0.7	39.1
Loss from continuing operations	(15.0)	(38.4)	(1.3)	(54.7)
Discontinued operations	0.7	—	—	0.7
Net Loss	(14.3)	(38.4)	(1.3)	(54.0)

The unaudited *pro forma* condensed consolidated statement of income was prepared to reflect the following *pro forma* adjustments to our statement of income for the year ended March 31, 2013:

- (1) the consolidation of Paraíso's historical revenues and expenses for the financial year ended March 31, 2013 into our statement of income for the same year (there were no transactions and consequently no revenues or expenses between us and Paraíso to be eliminated upon consolidation); and
- (2) the impact on the statement of income from the realization of fair value adjustments to the net assets acquired, recorded in connection with the acquisition of Paraíso by Tonon, as follows: (a) negative adjustment to fair value of inventory of R\$0.5 million for the financial year ended March 31, 2013, assuming an inventory turnover of less than one month; (b) depreciation of R\$1.2 million in the fair value of fixed assets for the financial year ended March 31, 2013, based on the fair value adjustment of R\$9.8 million of PP&E and on the assumption that the estimated remaining average useful life of the relevant group of assets is of 7.9 years; and (c) amortization of R\$1.3 million in the fair value of intangible assets for the financial year ended March 31, 2013, based on the fair value adjustment of R\$16.8 million, based on the assumption that the remaining estimated useful life of intangible assets is 13 years.

Goodwill recognized in the transaction amounts to R\$113.9 million. No impairment has been recognized for the goodwill in the pro forma financial information.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with (1) our unaudited interim consolidated financial statements as of and for the nine-month periods ended December 31, 2013 and 2012, and (2) our audited financial statements as of and for the financial years ended March 31, 2013, 2012 and 2011, in each case included elsewhere in this offering memorandum, as well as the information presented under "Presentation of Financial and Other Information" and "Selected Financial and Other Information."

The following discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including those set forth in "Forward-Looking Statements" and "Risk Factors."

Overview

We are a sugar, ethanol and energy producer with operations in the Southeast and Midwest regions of Brazil. We cultivate, harvest, purchase and process sugarcane, from which we produce VHP sugar, granulated refined sugar, anhydrous ethanol and hydrous ethanol to sell domestically and internationally. We also provide sugarcane bagasse by-products in exchange for electricity to power our industrial operations through co-generation. We currently conduct our sugar and ethanol operations through three mills: (1) Santa Cândida, in Bocaina, in the state of São Paulo; (2) Vista Alegre, in Maracaju, in the state of Mato Grosso do Sul; and (3) Paraíso, in Brotas, in the state of São Paulo.

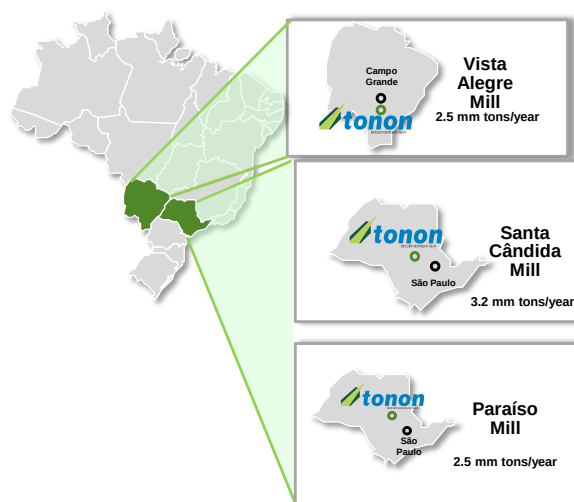
As of the date of this offering memorandum, our three mills had a combined sugarcane crushing capacity of 8.2 million tons per harvest period. The Southeast and Midwest regions of Brazil in which our mills are located provide excellent climate conditions and soil for harvesting sugarcane. As of December 31, 2013, 85.6% of our harvest at our Santa Cândida mill, 100.0% of our harvest at our Vista Alegre mill and 89.4% of our harvest at our Paraíso mill was mechanized.

Our Santa Cândida mill has a sugarcane crushing capacity of 3.2 million tons per harvest period. It is located in the state of São Paulo, in the Southeast region of Brazil, and benefits from higher sugarcane yield than other regions of Brazil. It is also close to Paulínia, the main fuel distribution center in the state of São Paulo, and to the port of Santos, the main port for Brazilian sugar exports.

Our Vista Alegre mill has a sugarcane crushing capacity of 2.5 million tons per harvest period. It is located in Mato Grosso do Sul, in the Midwest region of Brazil and benefits from low cost land leases and flat harvesting land, which enables the complete mechanization of the harvesting process, as well as providing an expansive plantable area for cultivation.

Our Paraíso mill has a sugarcane crushing capacity of 2.5 million tons per harvest period. Our Paraíso mill, which is located less than 40 kilometers (24.9 miles) away from our Santa Cândida mill, underwent a complete industrial retrofit in 2012 and is, in our view, a state-of-the-art facility. As a result of our acquisition of Paraíso on May 3, 2013, we not only increased our total sugarcane crushing capacity at the time by approximately 44% but also expanded our portfolio of sugar products, as Paraíso also produces granulated refined sugar.

The following map shows the locations of our Santa Cândida, Vista Alegre and Paraíso mills in Brazil.



Our Santa Cândida, Vista Alegre and Paraíso mills crushed approximately 7.2 million tons of sugarcane for the nine-month period ended December 31, 2013 and 5.1 million tons for the financial year ended March 31, 2013. For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, approximately 54.2% and 57.0%, respectively, of the sugarcane our mills crushed was used to produce sugar, while the remaining sugarcane was used to produce ethanol. For the financial year ended March 31, 2013, our Santa Cândida and Vista Alegre mills produced approximately 363,667 tons of sugar and 175,066 cubic meters of ethanol and reported net revenue of R\$594.1 million and Adjusted EBITDA of R\$244.9 million. For the financial year ended March 31, 2013, our Paraíso mill produced approximately 130,845 tons of sugar and 80,411 cubic meters of ethanol and reported net revenue of R\$237.9 million and Adjusted EBITDA of R\$64.6 million.

We primarily produce sugarcane, which in Brazil has low production costs and high energy efficiency ratio relative to other energy sources, such as corn and sugar beet. We currently cultivate and harvest sugarcane on 103,529 hectares, which we lease from third parties. Once harvested, sugarcane is transported to our mills using trucks and trailers. The average distance from the land on which our sugarcane is harvested to our Santa Cândida mill is approximately 28 kilometers (17.4 miles), approximately 32 kilometers (20.3 miles) to our Vista Alegre mill and approximately 29 kilometers (18.0 miles) to our Paraíso mill. The proximity of our mills to the locations where our sugarcane is harvested reduces transportation costs and enables us to process the sugarcane promptly after harvesting, thereby minimizing the loss of sucrose concentration in the sugarcane. We also purchase sugarcane from third-party suppliers, which represented approximately 1.8 million tons, or 24.4%, of the total sugarcane our mills crushed for the nine-month period ended December 31, 2013 and approximately 1.0 million tons, or 20.4%, of the total sugarcane these mills crushed for the financial year ended March 31, 2013. With respect to our Santa Cândida and Vista Alegre mills, these purchases represented approximately 1.0 million tons, or 19.4%, of the total sugarcane these mills crushed for the nine-month period ended December 31, 2013 and approximately 1.0 million tons, or 21.3%, of the total sugarcane these mills crushed for the financial year ended March 31, 2012. With respect to our Paraíso mill, these purchases represented approximately 0.8 million tons, or 35.5% of the total sugarcane the mill crushed for the nine-month period ended December 31, 2013 and approximately 0.8 million tons, or 41.4%, of the total sugarcane this mill crushed for the financial year ended March 31, 2013.

Each of our three mills also have thermoelectric power plants located on the premises. We entered into a strategic partnership with Energisa, an energy company in Brazil, with respect to our Santa Cândida and Vista Alegre mills. In connection with this partnership, we sold co-generation assets to Energisa and, in relation to our Santa Cândida and Vista Alegre mills, agreed to exchange bagasse for energy and steam produced at the power plants which we continue to operate at those mills. The sale occurred in December 2011, when we executed four share purchase and sale agreements with Energisa pursuant to which we agreed to sell shares of four SPEs: (1) USC I, into which we transferred all of our co-generation assets at our Santa Cândida mill; (2) USC II, into which we transferred all of our construction and operation rights in case of expansion of our Santa Cândida co-generation plant; (3) UVA I, into which we transferred all of our co-generation assets at our Vista Alegre mill; and (4) UVA II,

into which we transferred all of our construction and operation rights in case of expansion of our Vista Alegre co-generation plant. In August 2012, pursuant to such share purchase and sale agreements, Energisa acquired: (1) 85% of the capital stock of USC I; (2) 85% of the capital stock of UVA I; (iii) 100% of the capital stock of USC II; and (iv) 100% of the capital stock of UVA II from us for an aggregate amount of approximately R\$150.0 million. Pursuant to the terms of the agreements, in approximately 20 years Energisa will sell back the assets owned by each of USC I, USC II, UVA I and UVA II to us. Energisa publicly announced its plans to increase the installed capacity of the co-generation power plants to 170 MW from the current 60 MW within the next year, including by undertaking to build and operate two additional power plants near the existing assets. In addition, Energisa publicly announced its plans to invest approximately R\$350 million to expand these power plants by the end of the 2014/2015 harvest period in order to have the capacity to sell approximately 710 GWh per year on the free market (*Ambiente de Contratação Livre*) by 2015.

In September 2010, our Paraíso mill entered into a partnership with Rhodia, a world leader in the development and production of specialty chemicals, now a member of the Solvay Group. As a result of this partnership, Rhodia agreed to upgrade and operate a co-generation facility in exchange for biomass from our Paraíso mill to produce electricity. Most of the electricity generated by this co-generation facility is sold to the Brazilian electricity grid, while simultaneously supplying our Paraíso with all the electricity and steam it needs to meet its demand. The upgraded facility has a capacity of 70 MW and commenced operations during the 2012/2013 harvest.

In March 2011, our Paraíso mill entered into a long-term agreement to supply sugarcane juice to Amyris, a biotechnology company focused on the production of renewable chemicals, to produce farnesene, a long-chain branched hydrocarbon, at Amyris's Brotas facility which is located next to our Paraíso mill.

Factors Affecting Operating Results

Our results of operations have been influenced and will continue to be influenced by the following key factors:

Sugar and Ethanol Industries

The Brazilian and the international sugar and ethanol industries have been marked by periods of instability of supply and demand, resulting in fluctuations in sales prices and profit margins. In addition, sugar is a commodity and is subject to price fluctuations in the international market. A number of factors beyond our control contribute to the price fluctuations of sugar, ethanol and other sugarcane by-products, as follows:

- demand for sugar, ethanol and other sugarcane by-products in Brazil and abroad;
- production of sugar in other countries, notably India, China, Thailand, the United States and in Europe;
- weather conditions and natural disasters in the regions where sugarcane is cultivated;
- the production capacity of our competitors;
- the performance of our competitors and consequent impact on the perception of our sector;
- fluctuation in gasoline prices and the prices of agricultural commodities;
- incentive trade policies in Brazil and abroad for the production, sale, export and consumption of sugar, ethanol and other sugarcane by-products;
- the availability of substitutes for sugar, ethanol and other sugarcane by-products, such as saccharin, aspartame, HFCS and petroleum derivatives;
- governmental incentives and subsidies from other countries that also produce sugar, ethanol and other sugarcane by-products;

- developments in international trade, including at the WTO;
- trade barriers in the U.S., European and other markets that currently limit access to their domestic sugar industry through quotas, subsidies and restrictions on imports;
- the growth rate of the world economy and the corresponding growth in sugar consumption;
- the increase or decrease in general per capita consumption in emerging markets;
- the GDP growth rate in Brazil, which directly influences the consumption of sugar and ethanol products in Brazil, in particular by industries that produce or process food or fuel;
- the exchange rate of the *real* against the U.S. dollar, which directly affects our export revenues in *reais* and our domestic sales of sugar that are indexed in international sugar prices, our financing costs and, indirectly affects the price of sugar in the international market (Brazil is one of the principal participants in the international sugar market);
- market speculation of sugar price, which is negotiated in futures and commodities exchanges; and
- tax policies adopted by the Brazilian government.

Our Cost of Goods Sold and Services Rendered

We incur costs and expenses in producing sugar and ethanol. We classify our cost of goods sold and services rendered into two major categories: (1) the cost of sugarcane; and (2) costs that we incur that are directly related to our processing of sugarcane into sugar and ethanol, or industrial costs. Our cost of sugarcane reflects the cost of producing sugarcane and purchasing sugarcane from related parties and from third parties and amortization. Our industrial costs include costs relating to our purchase of other raw materials that we use to process sugarcane, labor costs and benefits, third-party service costs, maintenance and replacement part costs, depreciation, and fuel and lubricant costs. Our cost of goods sold and services rendered represented 88.0%, 81.9%, 79.0% and 84.7% of our net revenues for the nine-month period ended December 31, 2013 and the financial years ended March 31, 2013, 2012 and 2011, respectively.

The following table shows the evolution of our principal costs for the periods presented.

	For the Nine-Month Period Ended December 31,		For the Financial Year Ended March 31,		
	2013	2012	2013	2012	2011
	<i>(as a percentage of total costs of goods sold for the period or financial year)</i>				
Cost of sugarcane	79%	80%	74%	75%	64%
Industrial costs	21%	20%	26%	25%	36%
Total cost of goods sold and services rendered.....	100%	100%	100%	100%	100%

As a producer of commodities, we attempt to increase our margins through efficient management of our operations, including effective control over our cost of sugarcane and industrial costs. We believe that our significant investments in mechanization (for both planting and harvesting) and in sugarcane planting have assisted us in improving our gross margin.

The unit price (per kilogram) of sugarcane varies in part based on the amount of ATR, equivalents in the ethanol and sugar that we produce. The quality of sugarcane is also expressed in ATR equivalents. To determine the amount of ATR equivalents in sugarcane delivered to our mills, we inspect all of the sugarcane that we process upon its receipt by our mills. Accordingly, the price of sugarcane that we pay to third parties is based on the quality of the sugarcane (as measured by ATR equivalents), the volume of sugarcane delivered to us and the price per kilogram of ATR equivalents.

Our Productivity

Our results of operations are directly affected by our productivity levels, including the level of ATR equivalents per ton of our harvested sugarcane and the volume of sugarcane per harvested hectare of land, which are both also affected by the quality of our soil, the age of our sugarcane fields and climatic conditions and harvesting techniques. Our agricultural productivity remained constant at 78.0 and 78.0 tons of sugarcane per hectare harvested for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, respectively, from 78.1 and 67.2 tons of sugarcane per hectare harvested for the nine-month period ended December 31, 2012 and the financial year ended March 31, 2012, respectively. This increase was primarily due to the cumulative effect of our investments in sugarcane planting and crop care. For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, we harvested approximately 91% and 81% of the total sugarcane that we produced using mechanized harvesters, respectively, which we operate 24-hours per day throughout the harvesting season.

We use computer simulations to model the harvesting, loading and transportation of our sugarcane under various conditions, which has assisted us in improving our productivity. We have improved the quality of our soil through mechanized harvesting, as the leaves that remain after the sugarcane has been harvested mechanically form a protective cover over the crop. This protective cover helps reduce erosion and increases the organic matter in the soil, which in turn reduces our use of chemical fertilizers and lowers our costs, increasing productivity over time.

In addition, we have improved our productivity by planting new varieties of sugarcane developed by CTC that are more resistant to diseases and pests and richer in ATR concentration. Our productivity is also determined in part by the level of ATR equivalents per ton of our harvested sugarcane. For the nine-month period ended December 31, 2013, the ATR equivalents per ton of our harvested sugarcane were 127.6, as compared to 136.0 ATR equivalents per ton of our harvested sugarcane for the nine-month period ended December 31, 2012. For the financial year ended March 31, 2013, the ATR equivalents per ton of our harvested sugarcane were 136.1, which compares with ATR equivalents per ton of our harvested sugarcane for the financial years ended March 31, 2012 and 2011 of 135.8 and 135.6, respectively. The level of ATR equivalents per ton of our harvested sugarcane is also positively impacted by our research and technological developments on soil productivity and sugarcane varieties.

Pricing

Sugar

Prices for sugarcane (including sugarcane that is harvested on land that we lease) are set based on criteria published by CONSECANA, a sugar industry association that analyzes, develops and publishes criteria to determine the quality and price of sugarcane. Although the CONSECANA system is voluntary, we and all of our sugarcane suppliers (as most other sugar and ethanol producers and sugarcane suppliers in Brazil) use the CONSECANA system to establish the price of sugarcane from time to time. Under the CONSECANA system, the benefit or burden of higher or lower prices for sugar and ethanol products is shared between sugarcane suppliers and sugar and ethanol producers. The margin shared is calculated based on the market price for sugar and ethanol products and their respective production costs. The market price for sugar and ethanol products is derived from average prices published by the Center for Advanced Studies on Applied Economics (*Centro de Estudos Avançados em Economia Aplicada*), or CEPEA, which is administered by the University of São Paulo (*Universidade de São Paulo*), or USP, and ESALQ.

Prices for sugar we sell in Brazil are set in accordance with Brazilian market prices, published by ESALQ. The profitability of our VHP sugar sold to clients for export is principally affected by fluctuations in the international price of raw sugar and in the *real*/dollar exchange rate. International raw sugar prices are determined based on NY11. The main difference between VHP sugar and NY11 raw sugar is the higher sugar content of VHP sugar, which therefore has a price premium over NY11 raw sugar.

Pricing of our granulated refined sugar sold for export is principally affected by fluctuations in the international price of contract 5 in Euronext LIFFE of London and in the *real*/dollar exchange rate. Granulated refined sugar is usually sold at a premium over NY 11 (the price for raw sugar) due to its higher quality.

For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, substantially all of our net revenue from sugar sales was denominated in U.S. dollars or linked to U.S. dollar prices. A devaluation of the *real* relative to the U.S. dollar affects our financial statements by:

- generating foreign exchange transactions gains on U.S. dollar-denominated monetary assets;
- generating financial losses based on changes in the market value of our financial derivatives;
- generating gains on U.S. dollar-denominated sales; and
- generating foreign exchange transactions losses on U.S. dollar-denominated monetary liabilities.

On the other hand, an appreciation of the *real* relative to the U.S. dollar would have the opposite effects.

Sugar prices are also affected by the perceived and actual supply and demand for sugar and its substitute products. The supply of sugar is affected by weather conditions, governmental trade policies, subsidies and regulations and the amount of sugarcane and sugar beet planted by farmers, including substitution by farmers of other agricultural commodities for sugarcane or sugar beet. Demand is affected by growth in domestic and worldwide consumption of sugar and the prices of substitute sugar products. See “Sugar and Ethanol Industries—World Sugar and Ethanol Industry—Sugar.” From time to time, imbalances may occur between overall sugarcane and sugar beet processing capacity, sugarcane and sugar beet supply and the demand for sugar products. Prices of sugar products are also affected by these imbalances, which, in turn, impact our decisions regarding whether and when to purchase or process sugarcane, to produce or store sugar or whether to produce more ethanol.

The following table sets forth our average selling prices per ton in *reais* for export of VHP sugar for the periods indicated:

Tonon	For the Nine-Month Period Ended December 31,		For the Financial Year Ended March 31,		
	2013	2012	2013	2012	2011
	(R\$/ton)				
Average sugar selling price in Brazil (VHP sugar exports)	872.9	1,017.5	1,006.0	953.0	686.9

Source: Tonon.

The table below shows the average market prices for raw sugar (export) and crystal sugar (domestic) for the periods indicated:

Brazil/Export	For the Nine-Month Period Ended December 31,		For the Financial Year Ended March 31,		
	2013	2012	2013	2012	2011
Average crystal sugar selling price in Brazil (R\$/ton)	928.86	1,064.48	1,037.05	1,246.08	1,220.80
Export raw sugar average sugar export selling price (US\$/ton).....	392.25	465.29	442.29	564.95	523.74

Source: CEPEA-ESALQ for crystal sugar and NYBOT (NY11 Contract) for raw sugar.

Ethanol

Our ethanol operations are affected by weather conditions, domestic Brazilian prices of ethanol and gasoline, competition, governmental policies and regulations and market demand for ethanol as an alternative or additive to gasoline.

The price for ethanol we sell in Brazil is set in accordance with market prices, using indices published by ESALQ. For the nine-month period ended December 31, 2013, the Brazilian monthly average quote of per thousand liters of hydrous ethanol increased by R\$76.9 and for the financial year ended March 31, 2013 it decreased by R\$79.2. For the nine-month period ended December 31, 2013, the Brazilian monthly average quote of anhydrous ethanol per thousand liters increased by R\$61.1 and for the financial year ended March 31, 2013 it increased by

R\$136.9. We believe the demand for ethanol in Brazil is likely to continue to grow. The introduction of flex-fuel vehicles in Brazil in 2003 has served to substantially increase the demand in Brazil for hydrous ethanol. According to ANFAVEA, approximately 2.9 million flex-fuel vehicles were sold in Brazil in 2010, while approximately 3.2 million flex-fuel vehicles were sold in Brazil in 2013. In addition, the use of anhydrous ethanol as a gasoline additive in Brazil can reach up to 25% of the volume of the gasoline blend and is currently set at the maximum of 25%. In addition, the Brazilian Government has announced plans to exempt the ethanol sector from the obligation to pay both social contribution tax (*Contribuição para o Programa de Integração Social*), or PIS, and social security financing contributions (*Contribuição para o Financiamento da Seguridade Social*), or COFINS, on sales of ethanol.

In Brazil, ethanol prices are influenced by gasoline prices. An increase in gasoline prices leads to a corresponding increase in ethanol prices. Generally, hydrous ethanol prices are 70% of the gasoline prices at fuel retail stations. See “Sugar and Ethanol Industries—World Sugar and Ethanol Industry—Ethanol.”

The following table sets forth our average selling prices for hydrous and anhydrous ethanol in the domestic market for the periods indicated:

Tonon	For the Nine-Month Period Ended December 31,		For the Financial Year Ended March 31,		
	2013	2012	2013	2012	2011
			(R\$/liter)		
Average hydrous ethanol selling price.....	1.14	1.10	1.12	1.12	0.92
Average anhydrous ethanol selling price.....	1.32	1.20	1.22	1.35	1.07

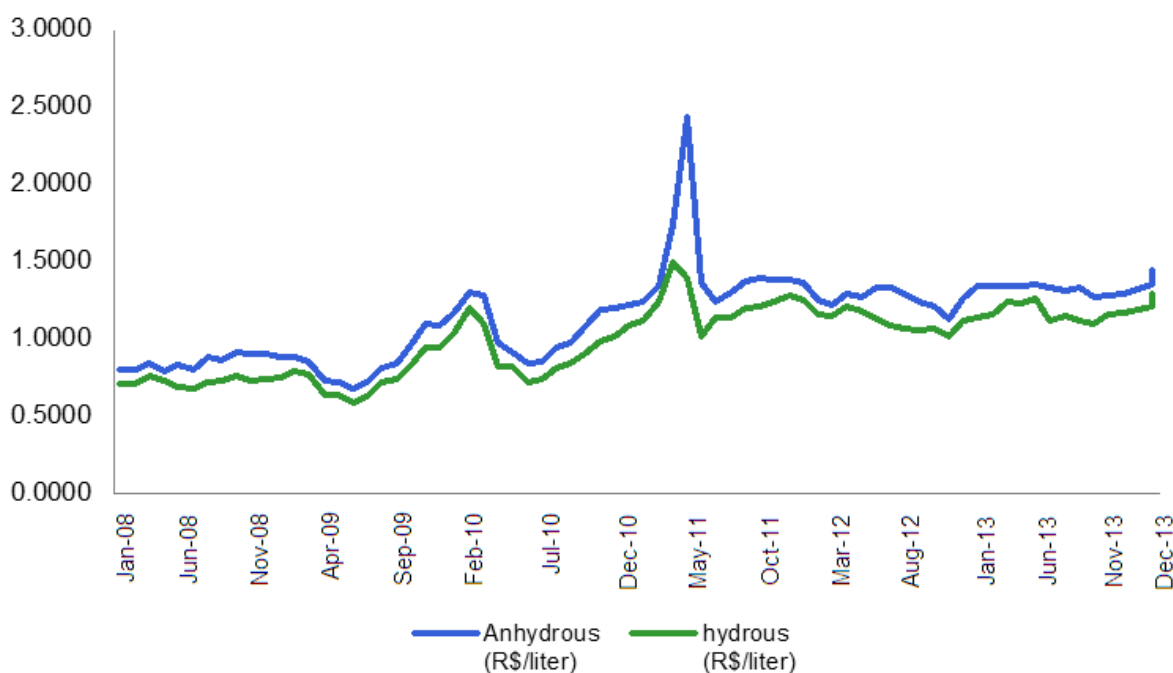
Source: Tonon.

The table below shows the market prices for hydrous and anhydrous ethanol in the Brazilian market for the periods indicated:

Brazil	For the Nine-Month Period Ended December 31,		For the Financial Year Ended March 31,		
	2013	2012	2013	2012	2011
			(R\$/liter)		
Average hydrous ethanol selling price.....	1.3232	1.2621	1.1164	1.1956	0.9589
Average anhydrous ethanol selling price.....	1.1669	1.0899	1.2792	1.4161	1.0944

Source: CEPEA-ESALQ.

The following chart sets forth hydrous and anhydrous ethanol market prices in *reais* per liter during the period from January 2008 to December 2013:



Source: CEPEA/ESALQ/USP.

Factors Affecting Pricing of Sugar and Ethanol

Other factors that we believe will influence the price of sugar and ethanol in the future include:

- trade barriers in European and other markets that currently limit access to their domestic sugar industry through quotas, subsidies and restrictions on imports;
- climatic conditions in areas where sugarcane is cultivated;
- the use of ethanol as a source of cleaner-burning fuel, derived from renewable sources;
- changes in international prices of oil (denominated in U.S. dollars) and related changes in the domestic prices of oil (denominated in *reais*);
- Government pricing, subsidy, tax and trade policies with respect to sugar, ethanol and energy;
- the growth rate of the global economy and resulting corresponding growth in worldwide sugar consumption; and
- the growth rate of Brazil's GDP, which impacts demand for our sugar and ethanol products in Brazil.

Brazilian Economic Conditions

The Brazilian economic environment has been characterized by significant variations in economic growth, inflation and currency exchange rates. The following table sets forth Brazilian inflation rates, interest rates, and exchange rates as of and for the calendar years ended December 31, 2013, 2012 and 2011, respectively:

	As of and for the Calendar Year Ended December 31,		
	2013	2012	2011
GDP growth ⁽¹⁾	2.3%	0.9%	2.7%
Inflation rate (IGP-M) ⁽²⁾	5.5%	7.8%	5.1%
Inflation rate (IPCA) ⁽³⁾	5.9%	5.8%	6.5%
CDI ⁽⁴⁾	9.8%	8.4%	11.6%
SELIC rate ⁽⁵⁾	10.0%	7.25%	11.00%
Appreciation (devaluation) of <i>real</i> against the U.S. dollar	13.1%	(8.9)%	12.6%
Exchange rate of <i>reais</i> against U.S.\$1.00	R\$ 2.36	R\$ 2.04	R\$ 1.88
Average exchange rate — <i>reais</i> against U.S.\$1.00 ⁽⁶⁾	R\$ 2.16	R\$ 2.11	R\$ 1.66

Sources: IBGE, Central Bank, Cetip and Getulio Vargas Foundation (*Fundação Getulio Vargas*), or FGV.

(1) GDP growth presents the variation in the seasonally adjusted GDP index compared to the previous equivalent period, expressed as a percentage.

(2) IGP-M is the general index of market prices calculated by the FGV (accumulated for the end of each period).

(3) IPCA is a consumer price index calculated by the IBGE (accumulated for the end of each period).

(4) The CDI rate is the average interbank deposit index applicable in Brazil (accumulated for the end of each period).

(5) As of the last day of the relevant period.

(6) Average exchange rate for the last day of each month for the period.

Volume of our Exports

Our products are not subject to any regulation or restriction on exports. Therefore, all our production of both sugar and ethanol can be sold in domestic or foreign markets. The prices of our products sold outside Brazil vary significantly in relation to the prices of our products sold in the domestic market from year to year. The variations in prices are due to several factors, including:

- the U.S. dollar/*real* exchange rate;
- tariffs and duties;
- freight costs; and
- supply and demand of our products in Brazil and abroad.

Our VHP sugar exports represented approximately 40.5%, 56.9%, 61.1% and 48.4% of our net export revenue for the nine-month period ended December 31, 2013 and the financial years ended March 31, 2013, 2012 and 2011, respectively.

The volume of our exports of VHP sugar increased by 14.2% to approximately 338,244 tons for the nine-month period ended December 31, 2013, compared to approximately 296,081 tons for the nine-month period ended December 31, 2012. The volume of our exports of VHP sugar increased by 10.0% to approximately 335,827 tons for the financial year ended March 31, 2013, compared to approximately 305,200 tons for the financial year ended March 31, 2012, and approximately 276,400 tons for the financial year ended March 31, 2011.

Our ability to export our products depends on several factors, including (1) the level of economic growth in our export markets, (2) other economic conditions in our export markets (such as foreign currency exchange rates), (3) fluctuations in the global demand for our products and (4) the level of sugar and ethanol production and imports from other countries in our export markets. Any changes in these or other factors that affect our exports may result in us selling more of our products in the domestic market.

Tax Incentives

Our mills located in the states of Mato Grosso do Sul and São Paulo currently benefit from certain tax incentives granted by state authorities in connection with the Brazilian sales tax (*Imposto sobre Circulação de Mercadorias e Prestação de Serviços*), or ICMS. For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, we recorded tax incentives of R\$3.7 million and R\$4.2 million, respectively. The taxes incentives from which we benefit have definite terms, and may be terminated under certain circumstances, and we may not be able to renew or replace such benefits in the future. See “Business—Tax Incentives.”

Tax Payment Programs

We have included federal taxes and social security contribution debts as ordinary payments in our income statement pursuant to an installment agreement we entered into with the Brazilian Tax Authorities (*Receita Federal do Brasil*), or RFB, and the National Treasury Attorney-General's Office (*Procuradoria Geral da Fazenda Nacional*), or PGFN. We pay monthly installments of approximately R\$320.3 thousand and, as of December 31, 2013, approximately R\$6.8 million remains outstanding under this agreement.

In addition, we have included several ICMS debts as ordinary payments in our income statement pursuant to an installment agreement we entered into with the Treasury of the state of São Paulo. We are pay monthly installments and, as of December 31, 2013, approximately R\$7.0 million remains outstanding under this agreement.

In September 2009, we joined the Tax Recovery Program instituted by Law No. 11.941/2009 (*REFIS IV*), which allows us to pay outstanding tax liabilities in installments and on more favorable terms than would apply if payment were to be made outside the program. As of December 31, 2013 the outstanding amount of Corporate Income Tax (*Imposto de Renda Pessoa Jurídica*), or IRPJ, and Social Contribution on Net Income (*Contribuição Social sobre o Lucro Líquido*), or CSLL), was approximately R\$319,000. The amounts included in these installment programs have been acknowledged as uncontroversial debts by us *vis-à-vis* the tax authorities, meaning we can no longer dispute the amounts due in any administrative or judicial legal proceedings.

Investment Agreement

On January 27, 2010, we, FIP DGF Terra Viva, the Tonon Family Holding Companies and the members of the Tonon Family entered into an investment agreement, in order to regulate the investment made by FIP DGF Terra Viva in our Company as well as other matters relating to us. In order to secure the obligations in connection with the investment agreement, Tonon Holding pledged 8,793,361, or 15.9%, of our shares. This pledge agreement expires in February 2015.

Under the terms of this investment agreement, Tonon Holding, the Tonon Family Holding Companies and the members of the Tonon Family are liable for any losses or contingencies related to acts or omissions related to the investment agreement. See "Principal Shareholders."

Corporate Transactions

On May 3, 2013, we completed the acquisition of Paraíso, a sugar and ethanol producer in the state of São Paulo, which operates one mill with a sugarcane crushing capacity of 2.5 million tons per harvest period. On September 30, 2013, Paraíso was merged with and into Tonon. As a result, Paraíso was extinguished and ceased to exist as a legal entity and Tonon succeeded to all its assets and liabilities. Our financial statements for the nine-month period ended December 31, 2013 are comprised of the operations of (1) our current three mills (the Vista Alegre mill, the Santa Cândida mill and the Paraíso mill) from May 1, 2013 to December 31, 2013, and (2) our two original mills (the Vista Alegre mill and the Santa Cândida mill), and excluding Paraíso, from April 1, 2013 to April 30, 2013. Since our financial statements for the nine-month period ended December 31, 2013 include the financial information of Paraíso as set out above, our financial information for the nine-month period ended December 31, 2013 is not directly comparable to our financial information for the nine-month period ended December 31, 2012.

For periods prior to May 1, 2013, unless the context requires otherwise, financial information pertaining to us or our mills included in this offering memorandum pertains to Tonon and our Santa Cândida and Vista Alegre mills only, and such information with respect to Paraíso is not included in our results. Operational data pertaining to us and our mills included in this offering memorandum for all periods after March 31, 2013, including for the nine-month period ended December 31, 2013, pertains to all three of our mills, including our Paraíso mill. Accordingly, we include operational data for the Paraíso mill combined with our Santa Cândida and Vista Alegre mills as from April 1, 2013, which includes data from the period before we acquired Paraíso on May 3, 2013. As a result, our financial information presented in this offering memorandum for the nine-month period ended December 31, 2013 (which includes Paraíso financial information as of May 1, 2013) is not directly comparable with our operational information for the nine-month period ended December 31, 2013 (which includes Paraíso financial information as of April 1, 2013).

On October 18, 2012, we acquired from Tonon Holding and the Tonon Family Holding Companies 100% of the capital stock of Auto Posto Santa Cândida de Bocaina Ltda., a company that owns a gas station located close to our Santa Cândida mill. The acquisition cost was R\$4.6 million, and we made this acquisition to reduce our transportation costs in view of the proximity of the gas station to the Santa Cândida mill.

On June 30, 2010, Tonon Agricultura S.A. merged into Tonon. At the time of this merger, FIP DGF Terra Viva owned 100% of Tonon Agricultura S.A.'s shares, which, in turn, owned an equity interest in Tonon. As a result of this merger, FIP DGF Terra Viva became our direct shareholder.

Operating Expenses

We incur operating expenses, including (1) our general and administrative expenses, which consist of salaries and benefits paid to our employees, taxes, expenses related to third-party services, leases (other than land), depreciation, amortization and other expenses and (2) sales expenses, which consist of freight costs, commissions and port costs related to storage and loading of our products onto ships. As a percentage of our net revenue, our general and administrative expenses represented 4.6%, 3.2%, 3.2% and 6.8% for the nine-month period ended December 31, 2013 and the financial years ended March 31, 2013, 2012 and 2011, respectively. Sales expenses accounted for approximately 6.7%, 6.1%, 6.6%, and 7.6% of our net revenue for the nine-month period ended December 31, 2013 and the financial years ended March 31, 2013, 2012 and 2011, respectively. We incurred sales expenses which represented 59.2%, 65.2%, 67.5% and 52.6% of our total operating expenses for the nine-month period ended December 31, 2013 and the financial years ended March 31, 2013, 2012 and 2011, respectively.

The costs and expenses we incur in selling our products include freight costs, commissions and port costs related to storage and loading of our products onto ships.

Seasonality

Our business is subject to seasonal trends based on the sugarcane growing cycle in the Southeast and Midwest regions of Brazil. The annual sugarcane harvesting period in the Southeast and Midwest regions of Brazil begins in April and ends in December. The location of our operations in these regions enables us to harvest sugarcane for approximately nine months in each calendar year. This creates fluctuations in our inventory, usually peaking in December to cover sales between crop inter-harvest (*i.e.*, January through March). Our overall sugarcane supply and consequently, our production, can be impacted by adverse weather conditions such as heavy rains or drought. In addition, seasonality affects our level of outstanding indebtedness and working capital, as we generally incur more indebtedness and as we require more working capital to support our operations during the harvesting period, which increases our financial expenses.

Other Factors

Other factors that may impact the results of our sugar and ethanol operations include:

- hedging transactions (as discussed under “—Quantitative and Qualitative Disclosures about Market Risk”);
- fluctuations in oil price levels; and
- the tax policies adopted by the Brazilian federal government and the governments of the Brazilian states in which we operate (including tax incentives), and our resulting tax obligations.

Financial Presentation and Accounting Policies

Critical Accounting Policies

The presentation of our financial condition and results of operations in conformity with Brazilian GAAP and IFRS requires us to make certain judgments and estimates regarding the effects of matters that are inherently uncertain and that impact the carrying value of our assets and liabilities. Actual results could differ from those estimates. In order to provide an understanding regarding how we form our judgments and estimates of certain

future events, including the variables and assumptions underlying the estimates, and the sensitivity of those judgments to different variables and conditions, we have summarized the following critical accounting policies set forth below under Brazilian GAAP and IFRS.

Accounting for business combinations

The application of acquisition accounting under IFRS 3 Business Combination and CPC 15 requires us to make estimates on the: (1) fair value of the assets and equity instruments issued; and (2) fair value of the net assets acquired at the date of acquisition. In determining the fair value of the net assets acquired and goodwill we use the best available information at the time of the acquisition. Any difference between the consideration transferred and the net assets acquired is determined to be goodwill. In addition, when applying the acquisition accounting we are required to estimate the tax effects of the acquisition accounting. See additional information on accounting of deferred taxes below.

Goodwill is mainly attributable to increases in cash flow forecasted for future years. For our individual balance sheet and consolidated financial statements, goodwill is included in the carrying amount of investments and intangible assets.

Revenue Recognition

Revenue from the sale of products in the normal course of business is recognized at fair value of the consideration received or receivable. The revenue is recognized when there is convincing evidence that the most significant risks and benefits inherent to the ownership of property are transferred to the buyer, that it is probable that the financial economic benefits will flow to us, that the associated costs and possible return of goods can be estimated reliably, that there is no continuing involvement with the products sold, and that the sales price may be measured reliably. The moment of transfer of risks and benefits varies depending on the individual terms of each sales contract. For sugar and ethanol sales in the domestic market, the transfer normally occurs when the product is delivered to the establishment of the client or when it is picked up by the client directly from us. In the case of export sales, the transfer occurs upon loading the goods onto the ship at the seller's port. For sales of electricity, we use power meters installed for clients, whereby we calculate the quantity at the end of each month and consequently, the revenue recognized.

Property, Plant and Equipment

Property, plant and equipment is measured at the historic cost of acquisition or construction, less accumulated depreciation and impairment. This cost includes expenses that are directly attributed to the acquisition of an asset. Software purchased as an integral part of equipment is capitalized as a part of the equipment. When parts of an item of property, plant and equipment have different useful lives, these items are recorded separately. Gains and losses in the disposal of fixed assets (established by comparing the sales price with the book value of the fixed assets) are recognized in other income/net operating expenses in the statement of income. Depreciation is recognized in the income statement using the straight-line method in the operating results based on the estimated life of each component. Land is not depreciated.

Impairment of Non-financial Assets

The book value of our non-financial assets, which are goodwill, non-biological assets, deferred assets and inventory are reviewed on every financial statement presentation date to determine whether there is any indication of loss in the recoverable value. If there is such an indication of loss, then the recoverable value of the asset is estimated. An impairment loss through a reduction in recoverable value is recognized if the carrying amount of the asset or cash-generating unit, or CGU, exceeds its recoverable value.

The recoverable value of an asset or reporting unit is the higher of (1) the value in-use and (2) the fair value less sales costs. When determining the value in-use, the estimated future cash flows are discounted to their present values at a pre-tax discount rate that reflects the current market terms accounting for the capital recoverability period and the asset's specific risks or CGU. For impairment testing purposes, assets that cannot be tested individually are grouped in the smallest group of assets that generate cash for continuous use and which are largely independent from the cash flows from other assets or groups of assets.

Losses resulting from a reduction in the recoverable value are recognized as profit or loss. The impairment is reverted only to the extent that the carrying amount of the asset does not exceed the book value that has been established, net of depreciation or amortization, if the loss of value has not been previously recognized.

For purposes of impairment testing goodwill was tested at the entity level.

Biological Assets

Biological assets are measured at their fair value less sales expenses. Adjustments to the fair value, minus the sales expenses, are recognized in the statement of income. Sales costs include all costs that are necessary to sell the assets. The standing sugarcane is transferred to the inventory at its fair value, deducting the estimated sales expenses as of the cutting date.

Inventory

Inventories are measured as the lower of their cost and net realizable value. Inventory costs are valued at the average cost of purchase or production and include expenses incurred in the acquisition of inventories, production and conversion costs and other costs incurred in transporting them to their current locations and conditions. The net realizable value is the estimated sale price in the normal course of business, less estimated completion costs and sales expenses. The cost transferred from the biological assets to inventory is the fair value minus the sales expenses, estimated on the cutting date.

Provision for Contingencies

A provision is recognized when we have a legal or constructive obligation as a result of a past event that can be reliably estimated, and it is probable that an outflow of resources will be required to settle the obligation. The provisions are established based on our best estimates of the risk involved.

Leasing

The minimum leasing payments made under financial leases are allocated between financial expenses and reduction of liabilities. Financial expenses are allocated for each period during the leasing term in order to produce a periodic rate including the interest rate on the remaining balance of the financing lease liabilities. Upon execution of a contract for the use of an asset, we determine whether it is a lease, which must meet both of the following conditions:

- compliance with the contract requires the use of a specific asset; and
- the contract allows the right to use the asset.

At the inception of the arrangement or upon a reassessment of the arrangement, we separate payments and other consideration required by the arrangement into those for the lease and those for other aspects on the basis of their relative fair values. If we conclude that it is impracticable to separate the payments of a financial lease reliably, an asset and a liability are recognized at an amount equal to the fair value of the underlying asset. Subsequently, the payments under the financial lease are allocated to financial expense (using our incremental borrowing rate) and reduce the outstanding liability.

Income and Social Contribution Taxes

Income and social contribution taxes, both current and deferred, are calculated at the rate of 15% plus a surcharge of 10% on taxable income in excess of R\$240,000 for income tax and 9% on taxable income for social contribution on net income, considering the offsetting of any tax loss carryforwards and negative basis of social contribution, limited to 30% of annual taxable profit. Income and social contribution expenses consist of current and deferred income tax. Current income tax and deferred taxes are recognized in the income statement. Current tax is tax payable or receivable on the expected taxable income or loss for the year, at rates effective or substantially effective at the reporting date and any adjustment to the taxes payable in relation to prior years. Deferred tax is recognized in relation to temporary differences between the book values of assets and liabilities for accounting purposes and the corresponding amounts used for tax purposes. Deferred tax is measured at the rates expected to

apply to the temporary differences when they are reversed, based on the laws in effect or substantially in effect as of the reporting date.

In determining current and deferred income tax, we take into consideration the impact of uncertainties related to the tax position taken and if any additional payment of income tax and interest rate has been made. We believe that the provision for income tax in the liabilities is appropriate in comparison to all the pending financial years based on its evaluation of several factors, including interpretations of tax laws and past experience. This evaluation is based on estimates and premises that could involve a series of judgments on future events. New information may be made available, which would cause us to change our judgment as to the adequacy of the existing reserves; these changes may impact income tax expenses during the year in which they are made.

Deferred tax assets and liabilities are offset if there is a legal right to offset current tax assets and liabilities, and they are related to income taxes levied by the same tax authority on the same entities subject to taxation. Deferred income and social contribution tax assets are recognized on deductible tax losses, tax credits and temporary differences not used when it is probable that future taxable earnings will be generated against which they can be offset. Deferred income and social contribution tax assets are reviewed at each reporting date and reduced when their realization is no longer probable.

Description of the Principal Statement of Income Line Items

Net Revenue

Our net revenue comprises revenues from the sale of sugar, ethanol and others to the domestic and foreign markets.

In addition to the income and social contribution taxes described below, we are subject to the following taxes: (1) ICMS, on revenues from the sale of all our products in the domestic market, at a rate of 7% for sugar and 12% for ethanol, according to their importance for human consumption (*essencialidade ao consumo humano*) and product use; (2) PIS and COFINS at the rates of our revenues of 1.65% and 7.6%, respectively, for sugar, and a fixed rate of R\$48 per cubic meter, for ethanol; (3) INSS at a rate of 2.85% on the gross revenue from the sale of sugarcane in the domestic market, applicable to our agricultural activities; and (4) Tax on Services (*Imposto sobre Serviços*), or ISS, at a rate ranging from 2% to 5%, depending on the municipality where the applicable services are rendered.

Other Revenues

Our other revenues comprise revenues from the sale of bagasse, yeast and other by-products.

Cost of Goods Sold and Services Rendered

We incur costs and expenses in producing sugar and ethanol. We classify our cost of goods sold into two major categories: the cost of sugarcane and industrial costs. Our cost of sugarcane reflects the cost of producing sugarcane and purchasing sugarcane from related parties and from third parties, and amortization. Our industrial costs include costs relating to our purchase of other raw materials that we use to process sugarcane, labor costs and benefits, third-party service costs, maintenance and replacement part costs, depreciation, and fuel and lubricant costs.

Changes in the Fair Value of Biological Assets

This line item consists of unrealized gains or losses arising from changes in fair value less estimated costs of our biological assets. It is calculated based on the discounted cash flow method according to technical pronouncement CPC 29-Biological assets.

Sales Expenses

Our selling expenses consist of freight, commissions and port costs related to storage and loading products on to ships.

General and Administrative Expenses

Our general and administrative expenses consist of salaries and benefits paid to our employees, taxes, expenses related to third-party services, rentals (other than land), depreciation, amortization and other expenses.

Other Net Operating Income

Other operating income (expenses), net consist of the sale of the co-generation assets to Energisa, sale of scrap and provision for doubtful receivables, among others.

Financial Income (Expenses)

Financial expenses consist primarily of (1) interest payable and bank expenses, (2) gains/losses from financial derivative instruments, (3) gains/losses from exchange rate fluctuations, (4) discounts obtained, (5) contractual fines and (6) earnings from financial investments.

Current and Deferred Income and Social Contribution Taxes

The income and social contribution taxes, both current and deferred, are calculated based on rates of 15% plus a surcharge of 10% on taxable income of the financial year in excess of R\$240,000 for income tax and 9% on taxable income for social contribution on net income, and consider the offsetting of tax loss carryforward and negative basis of social contribution, limited to 30% (for industrial entities) and 100% (for agricultural entities) of annual taxable income.

Results of Operations

The following discussion of our results of operations is based on our consolidated financial statements prepared in accordance with Brazilian GAAP and IFRS.

Nine-Month Period Ended December 31, 2013 Compared to Nine-Month Period Ended December 31, 2012

On May 3, 2013, we completed the acquisition of Paraíso, which we merged with and into Tonon on September 30, 2013. Our financial statements for the nine-month period ended December 31, 2013 are comprised of the operations of (1) our current three mills (the Vista Alegre mill, the Santa Cândida mill and the Paraíso mill) from May 1, 2013 to December 31, 2013, and (2) our two original mills (the Vista Alegre mill and the Santa Cândida mill), and excluding Paraíso, from April 1, 2013 to April 30, 2013. Since our financial statements for the nine-month period ended December 31, 2013 include the financial information of Paraíso as set out above, our results of operations for the nine-month period ended December 31, 2013 is not directly comparable to our results of operations for the nine-month period ended December 31, 2012.

The following table sets forth financial information for the nine-month period ended December 31, 2013 and 2012:

	December 31,		% Change	% of Net revenue	
	2013	2012		2013	2012
	<i>(in millions of reais)</i>				
Net revenue	729.1	523.9	39.2	100.0	100.0
Cost of goods sold and services rendered	(641.5)	(432.1)	48.5	(88.0)	(82.5)
Changes in the fair value of biological assets	57.7	9.4	513.8	7.9	1.8
Gross profit	145.3	101.2	43.6	19.9	19.3
Sales expenses	(49.2)	(38.3)	28.5	(6.7)	(7.3)
General expenses	(14.1)	(10.8)	30.6	(1.9)	(2.1)
Administrative expenses	(19.8)	(4.0)	395.0	(2.7)	(0.8)
Equity in net income of subsidiaries	(0.8)	—	—	(0.1)	—
Other operating (expenses) income, net	12.5	(1.8)	(794.4)	1.7	(0.3)
Financial income (expenses), net	(314.4)	(134.4)	133.9	(43.1)	(25.7)
Financial income	187.8	18.0	943.3	25.8	3.4
Financial expenses	(502.2)	(152.4)	229.5	(68.9)	(29.1)
Current and deferred income and social contribution taxes	44.2	51.0	(13.3)	6.1	9.7
Net profit (loss) from continuing operations	(196.3)	(37.1)	429.1	(26.9)	(7.1)

	December 31,		% Change	% of Net revenue	
	2013	2012		2013	2012
	(in millions of reais)				
Discontinued operation.....	—	0.7	n/a	—	0.1
Net profit (loss)	(196.3)	(36.4)	439.3	(26.9)	(6.9)

Net Revenue

Net revenue increased 39.2% to R\$729.1 million for the nine-month period ended December 31, 2013 from R\$523.9 million for the nine-month period ended December 31, 2012. The principal components of our net revenue are discussed further below.

Sugar

Net revenue from sugar sales increased 29.8% to R\$411.8 million for the nine-month period ended December 31, 2013 from R\$317.2 million for the nine-month period ended December 31, 2012. The increase was primarily due to a 46.0% increase in the volume of sugar sold, which increased to approximately 455,143.2 tons of sugar for the nine-month period ended December 31, 2013 from approximately 311,720.6 tons of sugar for the nine-month period ended December 31, 2012. This increase in the volume of sugar sold was primarily due our acquisition of Paraíso, which produces granulated refined sugar and VHP sugar, which benefits from higher premiums as compared to granulated refined sugar, and was partially offset by the lower price of sugar for the nine-month period ended December 31, 2013 of R\$904.9 per ton compared to the nine-month period ended December 31, 2012 of R\$1,017.5 per ton.

Ethanol

Net revenue from ethanol sales increased 56.5% to R\$290.7 million for the nine-month period ended December 31, 2013 from R\$185.8 million for the nine-month period ended December 31, 2012 for the reasons described below.

- **Anhydrous**

Net revenue from anhydrous ethanol sales increased 17.0% to R\$189.0 million for the nine-month period ended December 31, 2013 from R\$161.6 million for the nine-month period ended December 31, 2012. This increase was primarily due to (1) a 10.0% increase in the price of anhydrous ethanol sold at approximately 1,315.6 per cubic meter for the nine-month period ended December 31, 2013 compared to 1,195.6 per cubic meter for the nine-month period ended December 31, 2012, (2) an increase in the production of anhydrous ethanol from 144,100 cubic meters for the nine-month period ended December 31, 2012 to 163,600 cubic meters for the nine-month period ended December 31, 2013, mainly due to a higher production mix towards anhydrous ethanol at our Santa Cândida mill (97% of our ethanol production at this mill was allocated to anhydrous ethanol for the nine-month period ended December 31, 2013 compared to 82% for the nine-month period ended December 31, 2012), and (3) an increase in the volume of anhydrous ethanol sold to 143,620 cubic meters for the nine-month period ended December 31, 2013 from 135,128 cubic meters for the nine-month period ended December 31, 2012.

- **Hydrous**

Net revenue from hydrous ethanol sales increased to R\$101.7 million for nine-month period ended December 31, 2013 from R\$24.2 million for the nine-month period ended December 31, 2012. This increase was primarily due to an increase in the volume of hydrous ethanol sold, which increased to approximately 89,472.7 cubic meters for the nine-month period ended December 31, 2013 from approximately 21,986.2 cubic meters for the nine-month period ended December 31, 2012. This increase in the volume of hydrous ethanol sold was primarily due to (1) our acquisition of Paraíso, which exclusively produces hydrous ethanol, and (2) higher prices of hydrous ethanol which increased to R\$1,136.9 per cubic meter for the nine-month period ended December 31, 2013 from R\$1,102.2 for the nine-month period ended December 31, 2012.

Other Revenues, Net

Other revenues, net increased 27.3% to R\$26.6 million for the nine-month period ended December 31, 2013 from R\$20.9 million for the nine-month period ended December 31, 2012, primarily as a result of Paraíso's new sugarcane juice sales to Amyris totaling approximately R\$16.0 million for the nine-month period ended December 31, 2013.

Cost of Goods Sold and Services Rendered

Cost of goods sold and services rendered increased 48.5% to R\$641.5 million for the nine-month period ended December 31, 2013 from R\$432.1 million for the nine-month period ended December 31, 2012. As a percentage of our net revenue, cost of goods sold and services rendered increased to 88.0% for the nine-month period ended December 31, 2013 from 82.5% for the nine-month period ended December 31, 2012 as a result of higher non-cash costs, including higher crop care expenditures for Paraíso's biological assets that we amortized in the nine-month period ending December 31, 2013, but which originally arose from capitalization of Paraíso's crop care expenses during the nine-month period ended December 31, 2012 (before Tonon acquired it), which were more expensive per hectare than the crop care expenses of Tonon. This increase was partially offset by a decrease in ATR costs to R\$0.4494 per kg for the nine-month period ended December 31, 2013 from R\$0.4743 per kg for the nine-month period ended December 31, 2012.

Changes in the Fair Value of Biological Assets

Changes in the fair value of biological assets increased to R\$57.7 million for the nine-month period ended December 31, 2013 from R\$9.4 million for the nine-month period ended December 31, 2012 primarily due to an increase in the productivity of our sugarcane field due to investments in crop care and sugarcane planting made throughout the previous periods.

Sales, General and Administrative Expenses

Sales, general and administrative expenses (including executive officers' compensation) increased 56.5% to R\$83.1 million for the nine-month period ended December 31, 2013 from R\$53.1 million for the nine-month period ended December 31, 2012. As a percentage of our net revenue, sales, general and administrative expenses increased to 11.4% for the nine-month period ended December 31, 2013 from 10.1% for the nine-month period ended December 31, 2012 as a result of the inclusion of Paraíso's general and administrative expenses and aggregate freight costs (despite our lower freight costs per ton) associated with an increase in volume of sugar exported to 447,820.1 thousand tons of sugar for the nine-month period ended December 31, 2013 from 296,080.6 thousand tons of sugar for the nine-month period ended December 31, 2012.

Sales expenses increased 28.5% to R\$49.2 million for the nine-month period ended December 31, 2013 from R\$38.3 million for the nine-month period ended December 31, 2012. As a percentage of our net revenue, sales expenses decreased to 6.7% for the nine-month period ended December 31, 2013 from 7.3% for the nine-month period ended December 31, 2012, primarily due to lower freight costs per ton for the nine-month period ended December 31, 2013 compared to the same period in 2012.

General and administrative expenses (including executive officers' compensation) increased 129.1% to R\$33.9 million for the nine-month period ended December 31, 2013 from R\$14.8 million for the nine-month period ended December 31, 2012. As a percentage of our net revenue, general and administrative expenses (including executive officers' compensation) increased to 4.6% for the nine-month period ended December 31, 2013 from 2.8% for the nine-month period ended December 31, 2012 primarily as a result of the inclusion of Paraíso's general and administrative expenses.

Other Operating (Expenses) Income, Net

Other operating (expenses) income, net was an income of R\$12.5 million for the nine-month period ended December 31, 2013 compared to an expense of R\$1.8 million for the nine-month period ended December 31, 2012 primarily as a result of an ICMS tax credit of approximately R\$7.4 million for the nine-month period ended December 31, 2013.

Financial Income (Expenses), Net

Financial income (expenses), net increased 133.9% to an expense of R\$314.4 million for the nine-month period ended December 31, 2013 compared to an expense of R\$134.4 million for the nine-month period ended December 31, 2012 as a result of the depreciation of the Brazilian *real* against the U.S. dollar which caused us to incur an expense of R\$188.7 million mainly in connection with our U.S.-dollar denominated indebtedness for the nine-month period ended December 31, 2013.

Current and Deferred Income and Social Contribution Taxes

Income and social contribution taxes decreased to R\$44.2 million for the nine-month period ended December 31, 2013 from R\$51.0 million for the nine-month period ended December 31, 2012. This decrease was primarily due to deferred taxes from assets and liabilities and lower pretax income.

Net Profit (Loss)

As a result of the foregoing, we recorded a net loss of R\$196.3 million for the nine-month period ended December 31, 2013, compared to a net loss of R\$36.4 million for the nine-month period ended December 31, 2012.

Financial Year Ended March 31, 2013 Compared to Financial Year Ended March 31, 2012

The following table sets forth financial information for the financial years ended March 31, 2013 and 2012:

	For the Financial Year Ended March 31,		% Change	% of Net revenue	
	2013	2012		2013	2012
	<i>(in millions of reais)</i>				
Net revenue	594.1	475.8	24.9	100.0	100.0
Cost of goods sold and services rendered	(486.6)	(376.1)	29.4	(81.9)	(79.0)
Changes in the fair value of biological assets	47.5	29.2	62.7	8.0	6.1
Gross profit	155.0	128.9	20.2	26.1	27.1
Sales expenses	(36.0)	(31.5)	14.3	(6.1)	(6.6)
General expenses	(14.0)	(10.4)	34.6	(2.4)	(2.2)
Administrative expenses	(5.2)	(4.8)	8.3	(0.9)	(1.0)
Other operating (expenses) income, net	(0.5)	63.6	(100.8)	(0.1)	13.4
Financial income (expenses), net	(133.8)	(119.4)	12.1	(22.5)	(25.1)
Financial income	79.1	122.0	(35.2)	13.3	25.6
Financial expenses	(212.9)	(241.4)	(11.8)	(35.8)	(50.7)
Current and deferred income and social contribution taxes	19.5	(8.9)	n.m.	3.3	(1.9)
Net profit (loss) from continuing operations	(15.0)	17.5	n.m.	(2.5)	3.7
Discontinued operation	0.7	2.4	(70.8)	0.1	0.5
Net profit (loss)	(14.3)	19.9	(171.9)	(2.4)	4.2

* n.m. denotes not meaningful.

Net Revenue

Net revenue increased 24.9% to R\$594.1 million for the financial year ended March 31, 2013 from R\$475.8 million for the financial year ended March 31, 2012. The principal components of our net revenue are discussed further below.

Sugar

Net revenue from sugar sales increased 20.9% to R\$351.9 million for the financial year ended March 31, 2013 from R\$291.0 million for the financial year ended March 31, 2012. The increase was primarily due to a 15.1% increase in the volume of sugar sold, which increased to approximately 351,467 tons of sugar for the financial year ended March 31, 2013 from approximately 305,300 tons of sugar for the financial year ended March 31, 2012. This increase in volume sold was primarily due to an increase in our sugar production (specifically an increase in the volume of sugarcane crushed).

Ethanol

Net revenue from ethanol sales increased 25.3% to R\$220.2 million for the financial year ended March 31, 2013 from R\$175.7 million for the financial year ended March 31, 2012 for the reasons described below.

Anhydrous

Net revenue from anhydrous ethanol sales increased 41.0% to R\$189.0 million for the financial year ended March 31, 2013 from R\$134.0 million for the financial year ended March 31, 2012. This increase was primarily due to a 56.8% increase in the volume of anhydrous ethanol sold to approximately 155,305 cubic meters for the financial year ended March 31, 2013 from 99,100 cubic meters for the financial year ended March 31, 2012. This increase was primarily due to an increase in ethanol production during the financial year ended March 31, 2013 compared to the same period in 2012 as a result of our strategic decision to increase our production of anhydrous ethanol relative to hydrous ethanol in our product mix, since anhydrous ethanol is more profitable. This increase was partially offset by a decrease in the price of anhydrous ethanol, which declined to R\$1,216.3 per cubic meter for the financial year ended March 31, 2013 from R\$1,352.4 per cubic meter for the financial year ended March 31, 2012.

Hydrous

Net revenue from hydrous ethanol sales decreased 25.2% for the financial year ended March 31, 2013 compared to the financial year ended March 31, 2012. This decrease was primarily due to a decline in the volume of hydrous ethanol sold, which decreased 25.1% to approximately 27,805 cubic meters for the financial year ended March 31, 2013 from approximately 37,100 cubic meters for the financial year ended March 31, 2012. This decrease was primarily due to our strategic decision to reduce our production of hydrous ethanol relative to anhydrous ethanol in our product mix as it is a less profitable ethanol product.

Other Revenues, Net

Other revenues, net increased 138.0% to R\$21.9 million for the financial year ended March 31, 2013 from R\$9.2 million for the financial year ended March 31, 2012.

Cost of Goods Sold and Services Rendered

Cost of goods sold and services rendered increased 29.4% to R\$486.6 million for the financial year ended March 31, 2013 from R\$376.1 million for the financial year ended March 31, 2012. This increase was primarily due to an increase in the price of sugarcane purchased from third parties. As a percentage of our net revenue, cost of goods sold and services rendered increased to 81.9% for the financial year ended March 31, 2013 from 79.0% for the financial year ended March 31, 2012.

Changes in the Fair Value of Biological Assets

Changes in the fair value of biological assets increased 62.7% to R\$47.5 million for the financial year ended March 31, 2013 from R\$29.2 million for the financial year ended March 31, 2012 as a result of an increase in the productivity of our sugarcane fields due to investments made in previous years.

Sales, General and Administrative Expenses

Sales, general and administrative expenses (including executive officers' compensation) increased 18.2% to R\$55.2 million for the financial year ended March 31, 2013 from R\$46.7 million for the financial year ended March 31, 2012. As a percentage of our net revenue, sales, general and administrative expenses decreased to 9.3% for the financial year ended March 31, 2013 from 9.8% for the financial year ended March 31, 2012.

Sales expenses increased 14.3% to R\$36.0 million for the financial year ended March 31, 2013 from R\$31.5 million for the financial year ended March 31, 2012. This increase was primarily due to an increase in freight costs. As a percentage of our net revenue, sales expenses decreased to 6.1% for the financial year ended March 31, 2013 from 6.6% for the financial year ended March 31, 2012.

General expenses increased 34.6% to R\$14.0 million for the financial year ended March 31, 2013 from R\$10.4 million for the financial year ended March 31, 2012. This increase was primarily due to the hiring of new staff. As a percentage of our net revenue, general expenses increased to 2.4% for the financial year ended March 31, 2013 from 2.2% for the financial year ended March 31, 2012.

Administrative expenses (including executive officers' compensation) increased 8.3% to R\$5.2 million for the financial year ended March 31, 2013 from R\$4.8 million for the financial year ended March 31, 2012. As a percentage of our net revenue, administrative expenses decreased to 0.9% for the financial year ended March 31, 2013 from 1.0% for the financial year ended March 31, 2012.

Other Operating (Expenses) Income, Net

Other operating (expenses) income, net was an expense of R\$0.5 million for the financial year ended March 31, 2013 compared to income of R\$63.6 million for the financial year ended March 31, 2012.

Financial Income (Expenses), Net

Financial income (expenses), net increased 12.1% to an expense of R\$133.8 million for the financial year ended March 31, 2013 from an expense of R\$119.4 million for the financial year ended March 31, 2012. The increase was primarily due to an increase in the principal amounts of outstanding loans and financings during the financial year ended March 31, 2013, compared to the financial year ended March 31, 2012.

Current and Deferred Income and Social Contribution Taxes

Income and social contribution taxes were a credit of R\$19.5 million for the financial year ended March 31, 2012 compared to an expense of R\$8.9 million for the financial year ended March 31, 2012. This change was primarily due to deferred taxes from assets and liabilities and lower pretax income.

Net Profit (Loss)

As a result of the foregoing, we recorded a net loss of R\$14.3 million for the financial year ended March 31, 2013, compared to a net profit of R\$19.9 million for the financial year ended March 31, 2012.

Financial Year Ended March 31, 2012 Compared to Financial Year Ended March 31, 2011

The following table sets forth financial information for the financial year ended March 31, 2012 and 2011:

	For the Financial Year Ended March 31,		% Change	% of Net revenue	
	2012	2011		2012	2011
	<i>(in millions of reais)</i>				
Revenue.....	475.8	392.3	21.3	100.0	100.0
Cost of goods sold and services rendered	(376.1)	(332.4)	13.1	(79.0)	(84.7)
Changes in the fair value of biological assets	29.2	13.0	124.6	6.1	3.3
Gross profit	128.9	72.9	76.8	27.1	18.6
Sales expenses	(31.5)	(29.7)	6.1	(6.6)	(7.6)
General expenses.....	(10.4)	(20.1)	(48.3)	(2.2)	(5.1)
Administrative expenses.....	(4.8)	(6.7)	(28.4)	(1.0)	(1.7)
Other operating (expenses) income, net	63.6	1.2	n.m.	13.4	0.3
Financial income.....	122.0	62.4	95.5	25.6	15.9
Financial expenses	(241.4)	(124.5)	93.9	(50.7)	(31.7)
Financial income (expenses), net.....	(119.4)	(62.1)	92.3	(25.1)	(15.8)
Current and deferred income and social contribution taxes	(8.9)	22.0	n.m.	(1.9)	5.6
Net profit (loss) from continuing operations.....	17.5	(22.5)	n.m.	3.7	(5.7)
Discontinued operation.....	2.4	1.6	50.0	0.5	0.4
Net profit (loss)	19.9	(20.9)	n.m.	4.2	(5.3)

* n.m. denotes not meaningful.

Net Revenue

Net revenue increased 21.3% to R\$475.8 million for the financial year ended March 31, 2012 from R\$392.3 million for the financial year ended March 31, 2011. The main components of our net revenue are discussed further below.

Sugar

Net revenue from sugar sales increased 47.6% to R\$291.0 million for the financial year ended March 31, 2012 from R\$197.1 million for the financial year ended March 31, 2011. The increase was primarily due to (1) a 38.9% increase in the average price of sugar to R\$952.9 per ton for the financial year ended March 31, 2012 from an average price of R\$686.1 per ton for the financial year ended March 31, 2011; and (2) a 6.3% increase in the volume of sugar sold to approximately 305,300 tons for the financial year ended March 31, 2012 from approximately 287,200 tons for the financial year ended March 31, 2011.

Ethanol

Net revenue from ethanol sales decreased 9.0% to R\$175.7 million for the financial year ended March 31, 2012 from R\$193.0 million for the financial year ended March 31, 2011. This decrease was primarily due to:

- Anhydrous

Net revenue from anhydrous ethanol sales increased 2.2% for the financial year ended March 31, 2012 primarily due to a 26.5% increase in the price of anhydrous ethanol to R\$1,352.4 per cubic meter for the financial year ended March 31, 2012 from R\$1,069.4 per cubic meter for the financial year ended March 31, 2011. This increase was partially offset by a 19.2% decrease in the volume of anhydrous ethanol sold to 99,100 cubic meters for the financial year ended March 31, 2012 from 122,600 cubic meters for the financial year ended March 31, 2011. This decrease was primarily a result of a lower crushing volume of sugarcane and a change in the sugar/ethanol production mix for the financial year ended March 31, 2012 in comparison to the corresponding period in 2011.

- Hydrous

Net revenue from hydrous ethanol sales decreased 32.6% for the financial year ended March 31, 2012 primarily due a 44.8% decrease in the volume of hydrous ethanol sold to 37,100 cubic meters for the financial year ended March 31, 2012 from 67,200 cubic meters for the financial year ended March 31, 2011. This decrease was primarily due to our strategic decision to increase our production of anhydrous ethanol relative to hydrous ethanol in our product mix, which is a more profitable ethanol product. This decrease in volume was partially offset by a 21.7% increase in the price of hydrous ethanol to R\$1,122.6 per cubic meter for the financial year ended March 31, 2012 from R\$922.2 per cubic meter for the financial year ended March 31, 2011.

Other Revenues, Net

Our revenues, net increased 318.2% to R\$9.2 million for the financial year ended March 31, 2012 from R\$2.2 million for the financial year ended March 31, 2011.

Cost of Goods Sold and Services Rendered

Cost of goods sold and services rendered increased 13.1% to R\$376.1 million for the financial year ended March 31, 2012 from R\$332.4 million for the financial year ended March 31, 2011. This increase was primarily due to an increase in the price of sugarcane purchased from third parties. As a percentage of our net revenue, the cost of goods sold and services rendered decreased to 79.0% for the financial year ended March 31, 2012 from 84.7% for the financial year ended March 31, 2011.

Changes in the Fair Value of Biological Assets

Changes in the fair value of biological assets increased 124.6% to R\$29.2 million for the financial year ended March 31, 2012 from R\$13.0 million for the financial year ended March 31, 2011 as a result of a 44.9%

increase in the amount of sugarcane planted in the financial year ended March 31, 2012, when compared to the corresponding period in 2011.

Sales, General and Administrative Expenses

Sales, general and administrative expenses (including executive officers' compensation) decreased 17.3% to R\$46.7 million for the financial year ended March 31, 2012 from R\$56.5 million for the financial year ended March 31, 2011. As a percentage of our net revenue, sales, general and administrative expenses decreased to 9.8% for the financial year ended March 31, 2012 from 14.4% for the financial year ended March 31, 2011.

Sales expenses increased 6.1% to R\$31.5 million for the financial year ended March 31, 2012 from R\$29.7 million for the financial year ended March 31, 2011. This primarily reflected the increase in freight costs related to VHP sugar as a result of the increase in exports. As a percentage of our net revenue, sales expenses decreased to 6.6% for the financial year ended March 31, 2012 from 7.6% for the financial year ended March 31, 2011.

General expenses decreased 48.3% to R\$10.4 million for the financial year ended March 31, 2012 from R\$20.1 million for the financial year ended March 31, 2011 as we reclassified a provision related to a R\$7.9 million contractual penalty (due in connection with contracted export sales that we strategically decided to sell domestically for a higher price) that occurred during the financial year ended March 31, 2011 from general expenses to financial expenses. As a percentage of our net revenue, general expenses decreased to 2.2% for the financial year ended March 31, 2012 from 5.1% for the financial year ended March 31, 2011.

Administrative expenses (including executive officers' compensation) decreased 28.4% to R\$4.8 million for the financial year ended March 31, 2012 from R\$6.7 million for the financial year ended March 31, 2011 as a result of a more efficient structure of management. As a percentage of our net revenue, administrative expenses (including executive officers' compensation) decreased to 1.0% for the financial year ended March 31, 2012 from 1.7% for the financial year ended March 31, 2011.

Other Operating (Expenses) Income, Net

Other operating (expenses) income, net increased to an income of R\$63.6 million for the financial year ended March 31, 2012 from an income of R\$1.2 million for the financial year ended March 31, 2011, primarily as the result of the sale of our co-generation assets in the amount of R\$57.8 million.

Financial Income (Expenses), Net

Financial income (expenses), net increased 92.3% to an expense of R\$119.4 million for the financial year ended March 31, 2012 from R\$62.1 million for the financial year ended March 31, 2011. The increase was primarily due to variations in the *real*/U.S. dollar exchange rate in the financial year ended March 31, 2012 when compared to the financial year ended March 31, 2011, amounting to an expense of R\$43.6 million.

Current and Deferred Income and Social Contribution Taxes

Income and social contribution taxes increased to an expense of R\$8.9 million for the financial year ended March 31, 2012 from a gain of R\$22.0 million for the financial year ended March 31, 2011. This increase was primarily due to the increase in profit for the financial year ended March 31, 2012, compared to a net loss in the financial year ended March 31, 2011.

Net Profit (Loss)

As a result of the foregoing, we recorded a net profit of R\$19.9 million for the financial year ended March 31, 2012, compared to a net loss of R\$20.9 million for the financial year ended March 31, 2011.

Liquidity and Capital Resources

Our financial condition and liquidity are influenced by several factors, including:

- our ability to generate cash flow from our operations;

- the level of our outstanding indebtedness and related accrued interest, which affects our net financial expenses;
- prevailing Brazilian and international interest rates, which affects our debt service requirements;
- our ability to continue to borrow funds from Brazilian and international financial institutions and to obtain pre-export financing from certain of our customers; and
- our capital expenditure requirements, which consist primarily of investments in crop planting, crop care, agricultural and industrial inter-harvest and the purchase of equipment.

Our cash needs have traditionally consisted of working capital requirements, servicing of our indebtedness, capital expenditures related to investments in operations, maintenance and expansion of plant facilities. Our sources of liquidity have traditionally consisted of cash flows from our operations and short- and long-term loans and financings.

For our financial years ended March 31, 2013, 2012 and 2011, we used cash flow generated by operations primarily for working capital, capital expenditures and short-term refinancing. As of December 31, 2013 and March 31, 2013 and 2012, our cash and cash equivalents and investments totaled R\$151.6 million, R\$323.9 million and R\$78.9 million, respectively.

Projected Sources and Uses of Cash

We anticipate that we will be required to spend approximately R\$331.6 million to meet our short-term contractual obligations and commitments due between December 31, 2013 and December 31, 2014. We expect that we will meet these cash requirements through a combination of cash generated from operating activities and cash generated from financing activities, including through this offering and the refinancing of our existing short-term indebtedness as it becomes due.

We anticipate that we will be required to spend approximately R\$221.5 million to meet our long-term contractual obligations and commitments maturing between December 31, 2014 and December 31, 2015. We anticipate that we will meet these cash requirements through a combination of cash generated from operating activities and cash generated from financing activities, including additional debt financings and the refinancing of our indebtedness as it becomes due.

Cash Flows

The table below sets forth our cash flows for the nine-month periods ended December 31, 2013 and 2012 and for the financial years ended March 31, 2013, 2012 and 2011.

	Nine-Month Periods Ended December 31,		Financial Years Ended March 31,		
	2013	2012	2013	2012	2011
<i>(in millions of reais, except percentages, ratios, tons and liters)</i>					
Cash flows provided by (used in):					
Operating activities	145.8	87.8	183.2	208.9	0.3
Investing activities.....	(277.6)	(121.1)	(214.8)	(219.8)	(190.4)
Financing activities	(36.6)	36.5	308.0	13.1	183.8
Increase (decrease) in cash and cash equivalents.....	(168.4)	3.2	276.4	2.2	(6.3)

Cash Flows Provided by (Used in) Operating Activities

Cash flows provided by operating activities increased by R\$58.0 million to R\$145.8 million for the nine-month period ended December 31, 2013 from R\$87.8 million for the nine-month period ended December 31, 2012, primarily due to our acquisition of Paraíso on May 3, 2013, and our resulting consolidation of cash flows from operations of Paraíso following the acquisition. This increase was partially offset by an increase in accounts receivable from R\$1.5 million to R\$47.7 million.

Cash flows provided by operating activities decreased by R\$25.7 million to R\$183.2 million for financial year ended March 31, 2013 from R\$208.9 million for the financial year ended March 31, 2012 primarily due to a decrease in the balance of suppliers, as well as a decrease in advances from clients.

Cash flows provided by operating activities increased by R\$208.6 million to R\$208.9 million for financial year ended March 31, 2012 from R\$0.3 million for the financial year ended March 31, 2011 primarily due to an increase in the balance of accounts payable, which was the result of extending the terms of those accounts payable, as well as increased advances from clients.

Cash Flows Used in Investing Activities

Cash flows used in investing activities increased R\$156.5 million to R\$277.6 million for the nine-month period ended December 31, 2013 from R\$121.1 million for the nine-month period ended December 31, 2012, primarily due to investments in biological assets we made totaling R\$185.7 million. This increase was also due to our acquisition of Paraíso, for which we made a cash payment of R\$50 million *reais*.

Cash flows used in investing activities decreased R\$5.0 million to R\$214.8 million for the financial year ended March 31, 2013 from R\$219.8 million for the corresponding period in 2012 primarily due to a decrease in our investments in sugarcane planting and crop care.

Cash flows used in investing activities increased R\$29.4 million to R\$219.8 million for the financial year ended March 31, 2012 from R\$190.4 million for the corresponding period in 2011 primarily due to our increased investments in sugarcane planting and crop care.

Cash Flows Provided by (Used in) Financing Activities

Cash flows provided by (used in) financing activities decreased by R\$73.1 million to R\$36.6 million used in financing activities for the nine-month period ended December 31, 2013 from R\$36.5 million provided by financing activities for the nine-month period ended December 31, 2012, primarily due to a capital increase received by Tonon in September, 2012 of R\$44 million and also by a net amount (loans and financing obtained less amortization of principal on loans and financing) of R\$36.6 million used in financing activities.

Cash flows provided by financing activities increased R\$294.9 million to R\$308.0 million for the financial year ended March 31, 2013 from R\$13.1 million for the financial year ended March 31, 2012, primarily due to net proceeds totaling U.S.\$288.7 that we received from our issuance of U.S.\$300.0 million in aggregate principal amount of 9.250% senior notes due 2020.

Cash flows provided by financing activities decreased R\$170.7 million to R\$13.1 million for the financial year ended March 31, 2012 from R\$183.8 million for the financial year ended March 31, 2011, primarily due to a decrease in amounts payable in connection with higher payments we made with respect to outstanding loans and financing during financial year ended March 31, 2011.

Indebtedness

The following table sets forth selected information with respect to our principal outstanding indebtedness as of December 31, 2013 and March 31, 2013:

Modality	Index	Currency	Average annual interest rate	Year of maturity (final amortization)	Outstanding balance as of December 31, 2013	Outstanding balance as of March 31, 2013	Collateral / Guarantees	Value of Collateral
<i>(in thousands of R\$, unless otherwise specified)</i>								
ACC (Advances on Foreign Exchange Contracts)	Fixed rate + exchange variation	USD	6.45%	2013	18,202	—	—	—
Bonds	Fixed rate	USD	9.25%	2020	701,011	585,797	—	—
							Lien of property, plant and equipment/ alcohol monitoring/	
Operating Capital	Pre-fixed rate + CDI	R\$	16.62%	2013 to 2015	47,047	49,850		64,266

Modality	Index	Currency	Average annual interest rate	Year of maturity (final amortization)	Outstanding balance as of December 31, 2013	Outstanding balance as of March 31, 2013	Collateral / Guarantees	Value of Collateral
(in thousands of R\$, unless otherwise specified)								
Operating Capital	Pre-fixed rate + exchange variation	USD	11.69%	2014 to 2017	92,324	16,782	—	—
FINAME	Pre-fixed rate + TJLP/ UMBNDES variation	R\$	6.83%	2014 to 2018	17,065	5,607	Chattel of equipment	17,065
Leasing	Pre-fixed rate + CDI	R\$	20.24 %	2013	—	191	Lien of equipment	—
Export prepayment (PPE)	Pre-fixed rate + CDI/ LIBOR + exchange variation	USD	8.14%	2013 to 2017	294,547	39,348	Rural property mortgage/ assignment/ promissory note	185,000
Syndicated	Fixed rate + CDI	R\$	19.27%	2017	98,723	120,539	Cession of cred. Rights/ pledge of sugarcane	45,281
Syndicated	Fixed rate + exchange variation	USD	11.50%	2017	105,708	111,895	Cession of cred. Rights/ pledge of sugarcane	—
Pesa	IGPM	R\$	5.53%	2019	3,258	0	—	—
Total	—	—	—	—	1,377,855	930,009	—	311,612

As of December 31, 2013, our total outstanding indebtedness was R\$1,377.9 million, consisting of R\$218.6 million of short-term indebtedness, including the current portion of long-term indebtedness, or 15.9% of our total indebtedness, and R\$1,159.3 million of long-term indebtedness, or 84.1% of our total indebtedness. As of December 31, 2013, 12.1% of our outstanding indebtedness was denominated in *reais* and the remaining 87.9% was denominated in U.S. dollars.

As of December 31, 2013, 50.9% of our total indebtedness corresponded to our issuance of U.S.\$300.0 million in aggregate principal amount of 9.250% senior notes due 2020, 14.9% to syndicated loans in *reais* and U.S. dollars, 10.1% to working capital loans, 21.4% to export prepayment agreements, 1.2% to investment financing lines of credit for the purchase of machinery and equipment (*financiamento de máquinas e equipamentos*), or FINAME, 1.3% to advances on foreign exchange contracts and the remaining 0.2% to agricultural financings.

As of December 31, 2013, R\$655.4 million, or 47.6%, of our total indebtedness was secured by liens on certain of our sugarcane inventories, agricultural and industrial equipment and machinery, our plant facilities and accounts receivables.

Seasonality affects our level of outstanding indebtedness and working capital, as we generally incur more indebtedness and working capital to support our operations during the first six-months of our financial year, which increased our financial expenses for this period. Accordingly, our level of indebtedness as of March 31, 2013 is significantly higher than as of the end of the last two financial quarters of our financial year.

Short-Term Indebtedness

Our short-term debt, including the current portion of long-term debt, increased to R\$218.6 million as of December 31, 2013 from R\$107.5 million as of March 31, 2013, primarily due to our acquisition of Paraíso.

We have also historically maintained short-term lines of credit with a number of financial institutions in Brazil. Although we currently do not have any committed lines of credit with these financial institutions, we believe that we will continue to be able to obtain sufficient credit to finance our working capital needs based on current

market conditions. As of December 31, 2013, the total outstanding balance under our short-term operating capital lines of credit was R\$125.8 million.

Long-Term Indebtedness

Our long-term debt increased to R\$1,159.3 million as of December 31, 2013 from R\$822.6 million as of March 31, 2013.

As of December 31, 2013, some of our outstanding indebtedness owed to financial institutions required that we comply with financial covenants. Our definitions of EBITDA, Adjusted EBITDA and net debt in this offering memorandum are not necessarily the same as that we use for purposes of establishing covenant compliance under our financing agreements or under the indenture that will govern the Notes Units offered hereby, the most restrictive of which covenants in our financing agreements were the following:

- our ratio of net debt to EBITDA may not exceed 3.50 to 1.00 as of the end of the financial year ending March 31, 2013, 2.50 to 1.00 as of the end of the financial year ending March 31, 2014 and 2.00 to 1.00 for any financial year thereafter;
- our ratio of EBITDA to net financial expenses must be at least 3.50 to 1.00 for the financial year ended 2013, 3.00 to 1.00 for the financial year 2014, 3.50 to 1.00 for the financial year 2015 and 4.00 to 1.00 for any financial year thereafter;
- our ratio of liquidity must be at least 0.80 for any financial year;
- our net shareholders' equity must be at least R\$280.0 million for any financial year;
- our EBITDA must be at least R\$140.0 million, to be measured based on our financial statements as of the end of each fiscal quarter;
- our ratio of total liabilities to tangible net worth may not exceed 4.5 to 1.00 measured based on our financial statements as of the end of each fiscal quarter;
- our ratio of current assets to current liabilities must be at least 0.80 to 1.00 for the financial year ending on March 31, 2014 and 1.00 to 1.00 for any financial year thereafter, measured based on our financial statements as of the end of each fiscal quarter; and
- our net debt to crushing ratio may not exceed R\$125/mt, measured based on our financial statements as of the end of each financial year.

As of December 31, 2013, we were in compliance with all our financial covenants other than a financial covenant of the Syndicated Loan to maintain a minimum Shareholder's equity of R\$280 million, for which we already obtained a waiver.

Many of these instruments also contain other covenants that restrict, among other things, our ability to:

- incur additional indebtedness;
- incur additional liens or grant security interest over certain of our assets;
- issue guarantees;
- pay dividends in excess of certain mandatory amounts or make certain other restricted payments;
- consummate certain asset sales;
- enter into certain transactions with affiliates;

- change the current structure of our capital stock, or perform other certain amendments to our corporate documents, including our by-laws;
- change the account treatment, reporting practices or financial year or promote the revaluation of our assets, except as permitted by Brazilian GAAP;
- make any modification of certain insurance policies;
- make investments;
- enter into any corporate reorganization;
- change in control of our Company;
- make any material change in the nature of our business; or
- merge, consolidate or amalgamate with any other person or sell or otherwise dispose of all or substantially all of our assets.

In addition, the instruments governing a substantial portion of our indebtedness contain cross-default or cross-acceleration clauses, such that the occurrence of an event of default under one of these instruments could trigger an event of default under other indebtedness or enable the creditors under certain other indebtedness to accelerate that indebtedness.

Material Financing Agreements

Paraíso Merger and Acquisition

On September 30, 2013, we merged Paraíso with and into Tonon. As a result, Paraíso was extinguished, ceased to exist as legal entity and Tonon succeeded to all its indebtedness, including the indebtedness of Paraíso that is described under these material financing agreements. Pursuant to the terms of Paraíso Acquisition Agreement, we are required to employ our best efforts to substitute the guarantees granted by the Pinheiro Family and Pinhal Administração de Bens Próprios Ltda. of certain credit agreements entered by Paraíso. However, as of the date of this offering memorandum, Paraíso's creditors have not responded to our request. The Pinheiro Family and Pinhal Administração de Bens Próprios Ltda. are entitled to a payment of 1% *per annum* of the guaranteed amount, limited to R\$1 million *per annum*, to compensate them for their guarantees until such time as the substitution of the guarantees is completed. As of the date of this offering memorandum, as far as we are aware, any shareholder guarantees issued by the prior shareholders of Paraíso in respect of Paraíso's indebtedness remain in place.

Adiantamento sobre Contrato de Câmbio

On March 31, 2014, we entered into a *adiantamento sobre contrato de câmbio*, or ACC, guaranteed by Tonon Holding, with Banco do Brasil S.A. in an aggregate principal amount of US\$8.9 million. The principal amount is due on March 23, 2015. This loan bears interest of 4.5% *per annum*, which has already been paid. This loan is secured by an assignment of fiduciary credit rights (*cessão fiduciária de direitos creditórios*).

Banco do Brasil S.A. Cédula de Crédito Bancário

On September 3, 2012, we entered into a CCB, guaranteed by Tonon Holding and by certain members of the Tonon Family, with Banco do Brasil S.A. in an aggregate principal amount of R\$50.0 million. The principal amount under this loan is amortized on a monthly basis starting on December 6, 2012. This loan bears interest at 109.5% of the CDI rate *per annum*, which is payable quarterly for certain periods (from date of execution of the CCB through September 6, 2013, from November 6, 2013 through August 6, 2014, from October 6, 2014 through July 6, 2015, from October 6, 2015 through July 6, 2016 and from October 6, 2016 through July 6, 2017) and monthly on the remaining periods until maturity on September 6, 2017. In addition, this facility is secured by a rural agricultural lien (*penhor rural agrícola*) and an assignment of fiduciary credit rights (*cessão fiduciária de direitos creditórios*).

Export Prepayment Agreements

On December 15, 2011, Paraíso entered into an amended and restated export prepayment facility agreement, guaranteed by Paraíso Holding and Wilson Helio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro, Renata de Albuquerque Pinheiro and Silvia de Barros Brisolla, with Rabobank Curaçao N.V. among other creditors, in an aggregate principal amount of U.S.\$73.5 million. Principal payments under this loan are due semi-annually starting on July 31, 2013 through final maturity on July 31, 2016. Interest is payable on a semi-annual basis at the applicable LIBOR plus 6.8% *per annum*. This loan is secured by a mortgage over certain real estate property, a fiduciary assignment of equipment and a pledge over the relevant collection account. This export prepayment facility agreement contains, among other provisions, a covenant limiting Paraíso's ability to incur intercompany indebtedness. On May 15, 2013, Rabobank international Brasil S.A., as Administrative Agent under that facility, granted a waiver of this covenant with respect to the financial year ended March 31, 2013. We intend to prepay this agreement with the proceeds from this offering. For more information, see "Use of Proceeds".

On August 7, 2012, we entered into an export prepayment finance agreement, guaranteed by Tonon Holding, with Amerra Agri Fund II, LP and Amerra Capital Management LLC, in an aggregate principal amount of U.S.\$15.0 million. Principal payments under this loan are due in May, June and July of 2014, 2015 and 2016 and interest is payable quarterly at the applicable LIBOR plus 8% *per annum*. This loan is secured by a fiduciary assignment of agricultural deposit certificates and agricultural warranties, a fiduciary assignment of export receivables, a rural agricultural pledge and a pledge over the relevant payment account. On August 8, 2012, we received two side letters from Amerra Capital Management LLC waiving the collateral coverage ratio requirement set forth in the export prepayment finance agreement and reducing the amount available for disbursement to US\$14.3 million until such conditions were satisfied. On July 23, 2013, we amended and restated the loan agreement, increasing the aggregate amount of the loan to U.S.\$20 million which was disbursed in two disbursements.

On September 24, 2013, we entered into an export prepayment finance agreement, guaranteed by Tonon Holding, with Amerra Agri Fund II, LP and Amerra Capital Management LLC, in an aggregate principal amount of U.S.\$15.0 million. Principal payments under this loan are due in May, June and July of 2014, 2015 and 2016 and interest is payable quarterly at the applicable LIBOR plus 8% *per annum*. This loan is secured by a fiduciary assignment of agricultural deposit certificates and agricultural warranties, a fiduciary assignment of export receivables, a rural agricultural and commercial pledge, a pledge over the relevant payment account and security over the relevant debt service reserve account.

On December 18, 2013, we entered into an export prepayment agreement with Banco ABC Brasil S.A., Cayman Islands Branch, and Banco ABC Brasil S.A. in an aggregate principal amount of U.S.\$4.3 million. The principal amount and interest under this loan are due and payable on June 12, 2015. Interest accrues at a rate of 70% of the CDI rate *per annum*.

On December 27, 2013, we entered into an export prepayment agreement, guaranteed by Tonon Holding, with HSBC Bank Brasil S.A – Banco Múltiplo, Grand Cayman Branch and HSBC Bank Brasil S.A – Banco Múltiplo, in an aggregate principal amount of U.S.\$10.0 million. Principal payments under this loan are due annually starting on December 22, 2014 and continue until December 6, 2017. Interest is payable quarterly at the applicable LIBOR plus 6.3% *per annum*.

On March 17, 2014, we entered into an export prepayment agreement, guaranteed by Tonon Holding, with HSBC Bank Brasil S.A – Banco Múltiplo, Grand Cayman Branch and HSBC Bank Brasil S.A – Banco Múltiplo, in an aggregate principal amount of U.S.\$10.0 million. The principal sum is due in annual installments, commencing on April 30, 2015 and continuing until May 2, 2017. Interest is payable quarterly at the applicable LIBOR plus 6.3% *per annum*.

On March 11, 2014, we entered into an export prepayment finance agreement with Banque Cantonale Vaudoise, in an aggregate principal amount of U.S.\$10.0 million. The principal sum under this loan is due on November 30, 2014 and interest is payable quarterly at the applicable 4.5% *per annum*.

ED&F Man Customer Advance

On February 10, 2014, we entered into an export prepayment facility agreement, guaranteed by Tonon Holding S.A., with Holco Man Limited, as lender, ED&F Man Capital Markets Limited, as administrative agent, and ED&F Man Brazil S.A., as collateral agent, in an aggregate principal amount of U.S.\$25.0 million as amended on April 29, 2014. The principal sum under this loan is due in instalments on July 31, 2015 and on final maturity on November 20, 2015. Interest is payable on a quarterly basis at a rate based on LIBOR plus 8.5% *per annum*. The loan is secured by a pledge of certain receivables and an agricultural pledge and is accounted for on our balance sheet as a customer advance.

Cédula de Crédito à Exportação Syndicated Loan

On September 3, 2012, we entered into a syndicated loan composed of 11 *cédulas de crédito à exportação*, or CCEs, guaranteed by Tonon Holding and by certain members of the Tonon Family, with Banco BTG Pactual S.A., Banco Itaú BBA S.A., Banco Santander (Brasil) S.A., Banco Industrial e Comercial S.A., and Banco de Investimentos Credit Suisse (Brasil) S.A. in an aggregate principal amount of approximately R\$200.0 million. The principal amounts and interest are payable according to a fixed schedule from December 6, 2012 through final maturity on September 6, 2017. Interest accrues at either a fixed rate of 11.5% *per annum* or at CDI plus 9.5% *per annum*. This loan is secured by a credit rights fiduciary ownership assignment (*cessão fiduciária de direitos creditórios*), rural agricultural lien (*penhor rural agrícola*) and lien on escrow account (*gravame sobre conta vinculada*).

Banco BTG Pactual S.A. Cédula de Crédito à Exportação

On January 28, 2013, we entered into four CCEs, guaranteed by Paraíso Holding and Wilson Helio de Albuquerque Pinheiro Júnior, Flávio de Albuquerque Pinheiro, Renata de Albuquerque Pinheiro, Sílvia de Barros Brisolla and Pinhal Administração de Bens Próprios Ltda with Banco BTG Pactual S.A., in an aggregate principal amount of approximately U.S.\$30.0 million. Principal payments and interest are payable according to a fixed schedule from March 28, 2013 through final maturity on December 28, 2017. Interest accrues at a fixed rate from 9.75% *per annum* to 15.50% *per annum*, depending on certain contractual conditions. This loan is secured by a fiduciary assignment of credit rights (*cessão fiduciária de direitos creditórios*) and financial assets (*cessão fiduciária de ativos financeiros*), a fiduciary assignment of certain real estate (*alienação fiduciária de imóveis*) and a rural agricultural pledge (*penhor rural agrícola*).

Notas de Crédito à Exportação

On January 20, 2011, we entered into a *nota de crédito à exportação*, or NCE, guaranteed by Tonon Holding and certain members of the Tonon Family, with Banco Itaú BBA S.A. in an aggregate principal amount of US\$15.0 million. The principal amount under this loan is amortized on an annual basis on October 31, 2011, October 30, 2012, October 30, 2013 and July 1, 2014. This loan bears interest at 7.5% rate *per annum*, which is payable on the same dates as the principal installments. In addition, this loan is secured by fiduciary assignment of credit rights (*cessão fiduciária de direitos creditórios*).

On November 12, 2012, we entered into a NCE, guaranteed by Tonon Holding, with Banco Pine S.A. in an aggregate principal amount of R\$15.0 million. The principal amount under this loan is amortized in eight installments due on July 12, 2013, August 12, 2013, September 12, 2013, October 14, 2013, August 12, 2014, September 12, 2014, October 13, 2014 and November 12, 2014. This loan bears interest at 100.0% of the CDI rate, plus 6.5% *per annum*, which is payable on a monthly basis until maturity on November 12, 2014. In addition, this facility is secured by fiduciary sale of rural sugarcane agriculture (*alienação fiduciária de lavoura de cana-de-açúcar*).

On September 24, 2013, we entered into an NCE, guaranteed by Tonon Holding, with Banco Safra S.A., in an aggregate principal amount of US\$2.3 million. Principal and interest payments under this loan are due in nine installments in July, August and September of 2014, 2015 and 2016 until maturity in September 2016. This loan accrues interest at 8.55% rate *per annum*.

On September 25, 2013, we entered into an NCE, guaranteed by Tonon Holding, with Banco Safra S.A., in an aggregate principal amount of US\$2.3 million. Principal and interest payments under this loan are due in nine installments on July, August and September of 2014, 2015 and 2016 until maturity in September 2016. This loan accrues interest at 6.55% rate *per annum*.

Banco Industrial e Comercial S.A. Cédula de Crédito Bancário

On November 12, 2012, we entered into a CCB, guaranteed by Tonon Holding, with Banco Industrial e Comercial S.A., in an aggregate principal amount of R\$30.0 million. The principal amount under this loan is amortized in 29 bi-monthly installments commencing on December 3, 2012 and maturing on April 1, 2015. This loan bears interest at 100.0% of the CDI rate, plus 6.17% *per annum*, which is payable on maturity on April 1, 2015. In addition, this facility is secured by fiduciary assignment of credit rights (*cessão fiduciária de direitos creditórios*), fiduciary assignment of financial application (*cessão fiduciária de aplicações financeiras*) and fiduciary sale of ethanol (*alienação fiduciária de etanol*).

In addition, we have entered into eight CCBs with Banco Industrial e Comercial S.A., all guaranteed by Tonon Holding, maturing in November and December 2014, with an aggregate principal amount of approximately R\$1.7 million. The principal amount under these loans is amortized in 24 monthly installments. These loans bear interest at 100.0% of the CDI rate *per annum* plus 0.45% per month, which is payable on the same dates as the principal amount until maturity of the respective loan. In addition, these facilities are secured by fiduciary sale of certain vehicles (*alienação fiduciária de veículos*).

Banco Industrial e Comercial S.A. Cédula de Crédito à Exportação

On September 27, 2013, we entered into a CCE, guaranteed by Tonon Holding, with Banco Industrial e Comercial S.A., in an aggregate principal amount of R\$12.0 million. Principal under this loan is due on October 27, 2014. This loan bears interest at a rate of CDI plus 7.44% *per annum*, payable on a monthly basis, and is secured by a fiduciary assignment of ethanol and credit rights.

On December 23, 2013, we entered into a CCE, guaranteed by Tonon Holding, with Banco Industrial e Comercial S.A., in an aggregate principal amount of R\$5.0 million. Principal under this loan is due on January 23, 2015. This loan bears interest at a rate of CDI plus 8.73% *per annum*, payable on a monthly basis, and is secured by a fiduciary assignment of ethanol and credit rights.

BNDES-FINAME (Tonon)

We are currently party to eight Brazilian law-governed credit agreements with FINAME (a division of BNDES) and certain of its accredited financial institutions. These BNDES-FINAME credit agreements comprise loans in the total amount of R\$8.5 million, as follows: (1) in the amount of R\$0.7 million pursuant to a CCB dated January 15, 2013 with Banco J. Safra S.A., which accrues interest at a fixed rate of 3% *per annum*, with principal payments due monthly beginning in September 2013 until maturity in February 2018; (2) in the amount of R\$1.5 million disbursed on March 15, 2013 pursuant to a CCB dated December 21, 2012 with Banco J. Safra S.A., which bears interest at a fixed rate of 2.5% *per annum*, with principal amortized monthly beginning in August 2013 until maturity in January 2018; (3) in the amount of R\$1.0 million disbursed on March 21, 2013 pursuant to a CCB dated February 20, 2013 with Banco J. Safra S.A., which bears interest at a fixed rate of 3.0% *per annum*, with principal amortized monthly beginning in October 2013 until maturity in March 2018; (4) in the amount of R\$3.1 million disbursed on March 22, 2013 pursuant to a CCB dated December 17, 2012 with Banco Daycoval S.A., which bears interest at a fixed rate of 2.5% *per annum*, with principal amortized monthly beginning in August 2013 until maturity in January 2016; (5) in the amount of R\$0.5 million disbursed on January 23, 2014 pursuant to a CCB dated October 23, 2013 with Banco J. Safra S.A., which bears interest at a fixed rate of 3.5% *per annum*, with principal amortized monthly beginning in June 2014 until maturity in November, 2018; (6) in the amount of R\$1.0 million disbursed on March 1, 2014 pursuant to a CCB dated December 5, 2013 with Banco J. Safra S.A., which bears interest at a fixed rate of 3.5% *per annum*, with principal amortized monthly beginning in January 2015 until maturity in December, 2018; (7) in the amount of R\$0.7 million disbursed on March 1, 2014 pursuant to a CCB dated December 5, 2013 with Banco J. Safra S.A., which bears interest at a fixed rate of 3.5% *per annum*, with principal amortized monthly beginning in January 2015 until maturity in December, 2018; and (8) in the amount of R\$0.5 million disbursed on March 1, 2014 pursuant to a CCB dated December 5, 2013 with Banco J. Safra S.A.,

which bears interest at a fixed rate of 3.5% *per annum*, with principal amortized monthly beginning in January 2015 until maturity in December, 2018. The BNDES credit agreements are guaranteed by Tonon Holding and are secured by fiduciary assignments of machinery and equipment.

BNDES-FINAME (formerly Paraíso)

In addition to the credit agreements described in “—BNDES-FINAME (Tonon)” above, Paraíso entered into 37 BNDES credit agreements with FINAME (a division of BNDES) and certain of its accredited financial institutions (which BNDES-FINAME credit agreements entered into by us and Paraíso, we refer to collectively as the BNDES/FINAME Financing Agreements) in the total aggregate principal amount of R\$21.1 million, the largest ten of which total R\$14.6 million in aggregate principal amount. The outstanding balance of all 37 BNDES loans to Paraíso as of December 31, 2013 was R\$11.4 million, of which the largest ten comprised R\$8.1 million and are summarized as follows:

- On May 18, 2011, Paraíso entered into a financing agreement with Banco ABC Brasil S.A., maturing on May 16, 2016, which bears interest at 5.5% *per annum*. The total principal and interest outstanding is R\$1.8 million.
- On February 3, 2011, Paraíso entered into a financing agreement with Banco CNH Capital S.A., maturing on February 15, 2016, which bears interest at 5.5% *per annum*. The total principal and interest outstanding is R\$1.5 million.
- On July 25, 2011, Paraíso entered into a financing agreement with Banco ABC Brasil S.A., maturing on June 15, 2016, which bears interest at 5.5% *per annum*. The total principal and interest outstanding is R\$1.2 million.
- On June 30, 2011, Paraíso entered into a financing agreement with Banco Bradesco S.A., maturing on July 15, 2017, which bears interest at 8.7% *per annum*. The total principal and interest outstanding is R\$0.7 million.
- On February 2, 2011, Paraíso entered into a financing agreement with Banco De Lage Landen Brasil S.A., maturing on February 15, 2017, which bears interest at 5.5% *per annum*. The total principal and interest outstanding is R\$0.7 million.
- On February 3, 2011, Paraíso entered into a financing agreement with Banco CNH Capital S.A., maturing on February 15, 2016, which bears interest at 5.5% *per annum*. The total principal and interest outstanding is R\$0.5 million.
- On June 22, 2011, Paraíso entered into a financing agreement with Banco De Lage Landen Brasil S.A., maturing on May 16, 2016, which bears interest at 8.7% *per annum*. The total principal and interest outstanding is R\$0.5 million.
- On July 14, 2011, Paraíso entered into a financing agreement with Banco ABC Brasil S.A., maturing on June 15, 2016, which bears interest at 5.5% *per annum*. The total principal and interest outstanding is R\$0.4 million.
- On April 11, 2011, Paraíso entered into a financing agreement with Banco Volkswagen S.A., maturing on April 15, 2016, which bears interest at 5.66% *per annum*. The total principal and interest outstanding is R\$0.4 million.
- On March 11, 2011, Paraíso entered into a financing agreement with Banco Volkswagen S.A., maturing on February 15, 2016, which bears interest at 8% *per annum*. The total principal and interest outstanding is R\$0.3 million.

The BNDES/FINAME Financing Agreements we are party to with FINAME (a division of BNDES) and its accredited financial institutions following our acquisition on May 3, 2013 of Paraíso, which was the original debtor under most of these BNDES/FINAME Financing Agreements, and the subsequent merger of Paraíso into us on

September 30, 2013, include a number of restrictive covenants, including restrictions on (1) our ability to grant certain liens on our fixed assets, (2) a change of control of the debtor and (3) the merger of the debtor with or into another entity. Although we believe that BNDES and these accredited financial institutions would not accelerate the BNDES/FINAME Financing Agreements in connection with this offering or otherwise, we have decided to prepay each of these BNDES/FINAME Financings in full. Our prepayment in full of each of these BNDES/FINAME Financing Agreements is one of the conditions to the release of the proceeds of this offering from the Escrow Account pursuant to the terms of the Escrow Agreement. See “Use of Proceeds” and “Description of the Notes Units—Escrow of Proceeds; Special Mandatory Redemption.”

Off-Balance Sheet Arrangements

We do not currently have any transactions involving off-balance sheet arrangements.

Contractual Commitments and Capital Expenditures

Contractual Commitments

The following table summarizes significant contractual obligations and commitments as of December 31, 2013 that have an impact on our liquidity:

	As of December 31, 2013				
	Payments due by period				Total
	Up to 1 year	Between two and three years	Between four and five years	> 5 years	
Financial liabilities					
Suppliers	107,049	102,427	4,622	—	—
Derivative financial instruments	6,272	6,272	—	—	—
Loans and financing	1,377,885	218,570	216,912	259,207	683,196
Other accounts payable	4,358	4,358	—	—	—
	1,495,564	331,627	221,534	259,207	683,196

Capital Expenditures

Our capital expenditures of property, plant and equipment and sugarcane planting were R\$243.1 million for the nine-month period ended December 31, 2013, R\$84.2 million for the financial year ended March 31, 2013, R\$118.4 million for the financial year ended March 31, 2012 and R\$102.1 million for the financial year ended March 31, 2011. Over the last three financial years, we have applied our capital expenditures mainly to:

- maintain our mills;
- maintain and improve our agricultural productivity; and
- modernize our agricultural equipment and processing facilities.

The following table sets forth our principal proposed capital expenditures for the financial years ended March 31, 2014 (including those already made), 2015 and 2016.

Financial Year	Total Budgeted Amount
	(in millions of reais)
2014	282
2015	324
2016	337

We intend to fund approximately 30% of our capital expenditures through internal cash generation and the remainder through BNDES and other external financing.

Quantitative and Qualitative Disclosures about Market Risk

Risk Management

We consider market risk to be the potential loss arising from adverse changes in market rates and prices. We are exposed to a number of market risks arising from our normal business activities. Such market risks principally involve the possibility that changes in commodity prices, interest rates or exchange rates will adversely affect the value of our financial assets and liabilities or future cash flows and earnings. We periodically review our exposure to market risks and determine at the senior management level how to manage and reduce the impact of these risks. We do not use derivative financial instruments to manage market risks neither for hedging fluctuation in commodity prices nor for hedging variations in the U.S. dollar/*real* exchange rate. Despite the fact that a substantial portion of our debt is denominated in U.S. dollars, we believe that our business is naturally hedged against our exposure to foreign exchange variations as a result of a portion of our revenues being linked to the U.S. dollar/*real* exchange rate through VHP sales indexed to the U.S. dollar and certain domestic sale contracts of crystal sugar also indexed to the U.S. dollar.

We do not enter into derivative or other hedging instruments for speculative purposes.

Interest Rate Risk

We have fixed and floating rate indebtedness, and therefore, we are exposed to market risk as a result of changes in interest rates. We engage in interest rate-related hedging transactions from time to time for reasons other than trading or speculative purposes. As of December 31, 2013, our fixed rate debt comprised 40.1%, or R\$552.9 million, of our total debt. Interest rate risk is the effect on our financial results resulting from an increase in interest rates on our variable rate debt indexed to LIBOR, TJLP, Reference Rate (*Taxa Referencial*), or TR, IGP-M, and CDI. Based on the amount of our floating-rate indebtedness as of December 31, 2013, we believe that a hypothetical 10% increase in interest rates would have increased our interest expense by R\$1.6 million for the 12-month period ending on such date.

Foreign Currency Exchange Rate Risk

A portion of our net operating income is denominated in U.S. dollars. Our net revenue from exports totaled R\$481.2 million in the nine-month period ended December 31, 2013 and R\$410.0 million in the financial year ended March 31, 2013. We use a sensitivity analysis to regularly estimate our exposure to foreign exchange risk in respect of our export positions. Based on our net operating income from exports in the financial year ended March 31, 2013, we believe that a hypothetical 10% depreciation of the *real* to the U.S. dollar would have decreased our net operating income by R\$41.0 million for the financial year ended March 31, 2013. Furthermore, a portion of our costs are denominated in *reais*, therefore, our operating margins could be negatively affected when there is an appreciation of the *real* relative to the U.S. dollar.

A substantial portion of our debt is also denominated in U.S. dollars, which exposes us to market risk related to exchange movements between the *real* and the U.S. dollar. From time to time, we engage in foreign exchange rate-related financial transactions for reasons other than trading or speculative purposes. As of December 31, 2013, 87.9%, or R\$1,211.8 million, of our debt was denominated in U.S. dollars. We estimate our foreign currency exchange rate risk as the potential devaluation of the *real* on our U.S. dollar-denominated debt and other U.S. dollar-denominated liabilities. Based on our outstanding U.S. dollar denominated exposure as of December 31, 2013 we believe that a hypothetical 10% devaluation of the *real* would have increased our financial expenses by R\$121.2 million for the nine-month period ended December 31, 2013.

SUGAR AND ETHANOL INDUSTRIES

Introduction

The sugar and ethanol industries differ significantly from one another even though both commodities in Brazil are produced from sugarcane. Sugar is a staple consumer product that supplies a highly-developed market that continues to grow largely due to population growth. Ethanol, on the other hand, has been produced in large quantities and has been sold in Brazil since the 1970s, but is a relatively new product in international markets. Ethanol production offers significant growth prospects, particularly in light of recent initiatives in several countries to seek alternative sources of energy as a substitute for petroleum.

Sugarcane

Sugarcane is the primary raw material used in the production of sugar and ethanol throughout the world. Sugarcane is a tall grass (*gramineae*) that grows best in tropical climates characterized by warm temperatures and high humidity. The climate and topography of the Southeast and Midwest regions of Brazil is ideal for the cultivation of sugarcane. The Southeast and Midwest regions of Brazil account for approximately 91.1% of Brazil's sugarcane production, according to UNICA.

World Sugar and Ethanol Industry

Sugar

Sugar is a staple consumer product and essential commodity produced in various parts of the world. Sugar is primarily derived from sugarcane and sugar beet. Sugar has agricultural and industrial applications and its production is both labor and capital intensive.

Sugar Products

Sugar can be categorized into three main product categories (raw sugar, white sugar and liquid sugar).

These categories are based on two principal criteria:

Polarization: The sucrose content of sugar is measured as Polarization degrees (°S or °Z). As an illustration, granulated refined sugar, which is more pure than crystal sugar has a reading of more than 99.80°Z compared to 99.70°Z for crystal sugar.

Color: The color of white sugar is measured on the International Commission of Uniform Methods of Sugar Analysis scale, or the ICUMSA scale. This scale measures the purity of the sugar according to the reflection of light through the sugar crystals, with zero being the purest possible for a crystal. The ICUMSA scale ranges from 15 to 1600.

Raw Sugar

Raw sugar is a tan to brown colored, coarsely grained solid obtained on the evaporation of clarified sugarcane or sugar beet juice. It is a partially purified sugar, characterized by sucrose crystals covered with a film of molasses. Raw sugar is processed from the cane or the sugar beet at a sugar mill and usually further refined to produce white sugar for consumption. It ranges from 92°Z to 99.6°Z average polarization.

VHP sugar is a 99.6°Z raw sugar which allows a simplified process for refining (no affination).

Raw sugar is traded in U.S.\$ per pound at the New York's ICE under the contract no. 11. The Sugar No. 11 contract is the world benchmark contract for raw sugar trading. The contract prices the physical delivery of raw cane sugar, FOB, the receiver's vessel to a port within the country of origin of the sugar. The Sugar No. 11 contract refers to raw centrifugal cane sugar based on 96°Z average polarization.

White Sugar

White sugar is a purified sugar whose average polarization ranges from 99.6°Z to 99.9°Z. White sugar is may be produced directly from sugarcane or beet; the only difference in the final product produced is in its appearance. White sugar from beet tends to be produced in slightly smaller and more uniform crystals than that from cane due to the higher purity of the beet concentrate; there is no difference in taste between the two. White sugar can also be produced indirectly from raw sugar under a refining process.

White sugar can be subdivided into two different products:

Crystal sugar. Crystal sugar is commonly used for direct human consumption in the retail market. It is also used extensively by the agro-food industry to make beverages and confectionery items. The reference price for crystal sugar is monitored in Brazil through a crystal sugar price index released by ESALQ.

Granulated refined sugar. This white sugar is obtained from crystal sugar or from VHP sugar, in order to obtain defined crystals of uniform grain size. It is a pure sugar, with no coloring, no humidity and no caking. Granulated refined sugar is commonly used to make syrups of high transparency and dry mix for the manufacture of food products such as chocolate powders, candies and soft drinks but also in pharmaceutical products—all products for which appearance, outflow and solubility are very important qualities. Granulated refined sugar is traded in U.S.\$ per metric ton at London's Euronext LIFFE, under the contract no. 5. The White Sugar Futures Contract, launched in July 1983, has become the benchmark upon which white sugar is traded. The basis of the contract is 45 ICUMSA white sugar, delivered FOB in designated ports across the world, based on 99.8 °Z minimum polarization.

Liquid Sugar

Liquid sugar classification includes products that may have only a limited percentage of pure sugar or sucrose content. Liquid sugar is a natural sweetener made from sucrose and is an odorless solution, crystal clear, obtained by dissolving solid sugar in water with subsequent purification and discoloration, which ensures that the product has high transparency and clarity. In general, it has a concentration from 66.7 to 67.3% Brix. This is a product with the same flavor and sweetness profile of common solid sugar, and for these reasons, highly requested by the industries producing carbonated beverages.

The highest rate of sucrose content is found in liquid products obtained by dissolving sugar in demineralized water followed by filtration and discoloration stages to obtain perfectly pure and clean syrup. Pure and clear, this sugar syrup is used in particular in the soft drinks sector, in spirits and in syrups; it is particularly recommended for all applications with very strict coloring criteria. In contrast, amber liquid sugar is darker in color and can be used in products where brown color is desired.

Isoglucose (or inverted sugar), which is obtained by the inversion of sucrose can also be diluted to obtain liquid sugar. This inverted sugar syrup is a natural sweetener obtained from the mixture of glucose, fructose and sucrose. It can be produced from acid or enzymatic inversion. It is presented in liquid form in a clear and slightly yellowish solution with characteristic odor and flavor, and high sweetening power.

Glucose syrups, dextrose syrups, low fructose syrups and high maltose syrups are also liquid sugars, but they are obtained through enzymatic hydrolysis of starch and/or chemical conversions.

Finally, liquid sugars can also be made from a blend of sugar, glucose and isoglucose syrups.

Sugar End Markets

Food

Sugar is the most versatile sweetener available. It is commonly used in a variety of foods because of its unique qualities, which cannot be reproduced by any other ingredient. It can be considered one of the cheapest sources of energy for humans. It is used for baked products, beverages, biscuits, soft drinks, chocolates, confectionary and dairy products.

Non-Food

The two main non-food applications of sugar are in the pharmaceutical and fermentation industries. In some applications such as fermentation, sugar has been able to partly replace hydrolysates or molasses when price arbitrage is in favor of sugar. This is notably the case in Europe where sugar for industrial uses is not limited by the sugar regime and has become competitive with other substrates.

Pharmaceuticals. There is a significant use of sugar in the pharmaceutical industry, for example in medicated sweets, blended powders (cold and flu remedies), cough syrups, tablets and pastilles. In addition to adding sweetness to medical products to make them more palatable, sugar also provides desirable functional properties: low toxicity, high purity, ability to act as a natural preservative and ability to control the dissolving of medical products.

Fermentation. Sugar is also used by several industries as a substrate for bacteria and other living micro-organisms such as yeasts to generate organic acids and other compounds. In this respect, sugar is a starting substrate for the production of penicillin and vaccines or organic acids such as lysine. Sugar is also an alternative to hydrolysates or molasses in the production of fermentation products such as citric acid for use in beverages or detergents or for the production of enzymes.

Production and Consumption

Worldwide sugar production and consumption have increased by 8.0% and 8.3%, respectively over the last three years, totaling approximately 174,826 million tons and 167,640 million tons, respectively, during the 2013/2014 harvest, according to the USDA. Consumption has generally outpaced production, reducing world sugar inventories. We believe that the consumption of sugar is likely to continue to grow due to overall population growth, increasing purchasing power of consumers in many areas of the world and increasing worldwide consumption of processed foods as a result of the widespread migration from rural to urban areas. Accordingly, we believe the strongest future growth in per capita consumption is likely to occur in Asia, where per capita income is growing rapidly and population migration to urban centers is occurring on an accelerated basis.

The following table shows the relation between global production and consumption, as well and the impacts on imports, exports and inventories:

Year	Total Sugar Production	Total Imports	Total Exports	Human Consumption	Ending Stocks	Ratio
(in thousands of tons)						
1998/1999	130,851	37,142	37,566	124,526	34,098	27.4%
1999/2000	135,722	36,998	41,770	127,362	37,433	29.4%
2000/2001	130,764	40,381	38,315	130,087	39,861	30.6%
2001/2002	134,398	39,688	42,333	134,342	36,629	27.3%
2002/2003	148,552	41,699	47,205	138,033	40,593	29.4%
2003/2004	142,487	41,256	46,537	138,921	38,055	27.4%
2004/2005	140,734	45,478	46,951	141,645	34,739	24.5%
2005/2006	144,303	44,720	49,534	142,941	30,572	21.4%
2006/2007	164,458	44,306	51,021	149,393	36,890	24.7%
2007/2008	163,536	45,715	50,903	150,855	43,650	28.9%
2008/2009	144,014	42,673	45,401	153,389	30,303	19.7%
2009/2010	153,403	48,569	48,656	154,081	28,759	18.6%
2010/2011	161,923	49,357	54,701	154,794	29,830	19.2%
2011/2012	171,931	48,791	55,702	158,145	35,987	22.7%
2012/2013	176,033	52,328	56,561	163,673	43,162	26.2%
2013/2014	174,826	52,545	58,678	167,640	43,379	25.7%

Source: USDA, FAS, Foreign Agricultural Service's Production, Supply and Distribution online.

The world's five largest sugar producing countries accounted for approximately 60.6% of the global sugar output during the 2013/2014 harvest according to the USDA. Brazil is the largest sugar producer and exporter with an approximate 22.2% share of total world sugar production. The next largest producers are India and the European Union, with approximate 14.6% and 9.2% shares, respectively. The following charts show the largest producers and exporters of sugar during the harvests indicated.

The following table shows the leading global producers of sugar:

Leading Sugar Producers	2010/2011	2011/2012	2012/2013	2013/2014*
	<i>(in thousands of tons)</i>			
1. Brazil.....	38,350	36,150	38,600	38,750
2. India	26,574	28,620	27,200	25,450
3. European Union	15,939	18,320	16,591	16,000
4. China	11,199	12,341	14,000	14,800
5. Thailand	9,663	10,235	10,000	10,900
6. United States	7,104	7,700	8,144	8,054
7. Mexico	5,495	5,351	7,393	6,890
8. Pakistan	3,920	4,520	4,780	4,970
9. Russia	2,996	5,545	5,000	4,400
10. Australia	3,700	3,683	4,250	4,300
11. Others	36,983	39,466	40,075	40,312
World	161,923	171,931	176,033	174,826

Sources: USDA, UNICA, ISO and Agroconsult.

* USDA Estimates as of November 2013

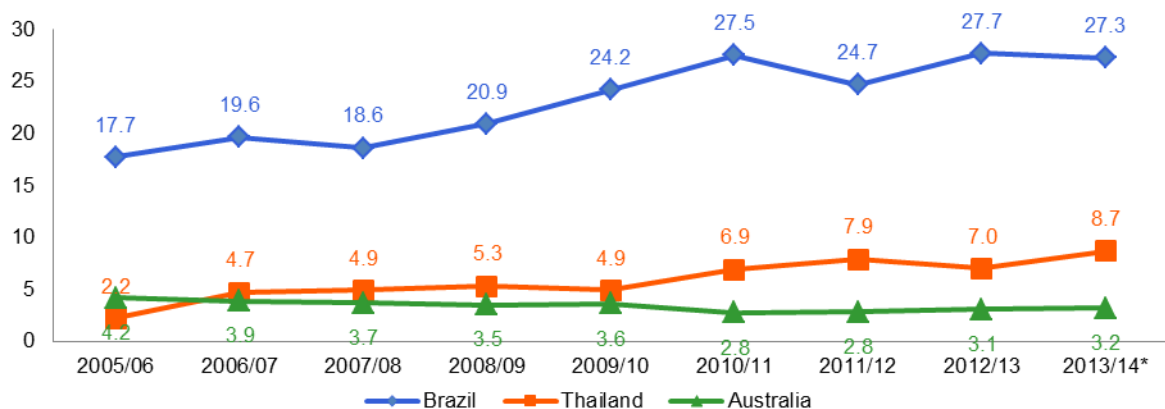
The following table shows the leading global exporters of sugar:

Leading Sugar Exporters	2010/2011	2011/2012	2012/2013	2013/2014*
	<i>(in thousands of tons)</i>			
1. Brazil	25,800	24,650	27,650	27,250
2. Thailand	6,642	7,898	7,000	8,700
3. Australia	2,750	2,800	3,100	3,190
4. Mexico	1,557	985	2,090	2,485
5. India	3,903	3,764	1,240	2,000
6. Guatemala	1,544	1,619	1,950	1,850
7. European Union	1,113	2,343	1,500	1,500
8. Cuba	577	830	750	850
9. United Arab Emirates	1,228	935	564	650
10. Colombia.....	830	876	600	600
11. Others	8,757	9,002	10,117	10,116
World	54,701	55,702	56,561	59,191

Sources: USDA, SECEX, ISO and Agroconsult.

* USDA Estimates as of November 2013

The following chart shows export volumes of the main global exporting countries (in millions of tons):



Source: USDA.

The main importers of sugar are:

Leading Sugar Importers	2010/2011	2011/2012	2012/2013	2013/2014*
	(in thousands of tons)			
1. Indonesia	3,082	3,027	3,570	3,700
2. European Union	3,755	3,552	3,900	3,650
3. United States	3,391	3,294	2,925	3,059
4. China	2,143	4,430	3,800	2,800
5. United Arab Emirates	1,969	2,154	2,583	2,700
6. Algeria	1,193	1,594	1,940	2,000
7. Malaysia	1,813	1,720	1,966	1,900
8. South Korea	1,688	1,668	1,806	1,820
9. Iran	1,292	1,079	1,700	1,805
10. India	455	188	1,800	1,800
11. Bangladesh	1,537	1,700	1,547	1,550
12. Nigeria	1,495	1,399	1,450	1,475
13. Others	25,544	23,166	23,341	24,286
World	49,357	48,971	52,328	52,545

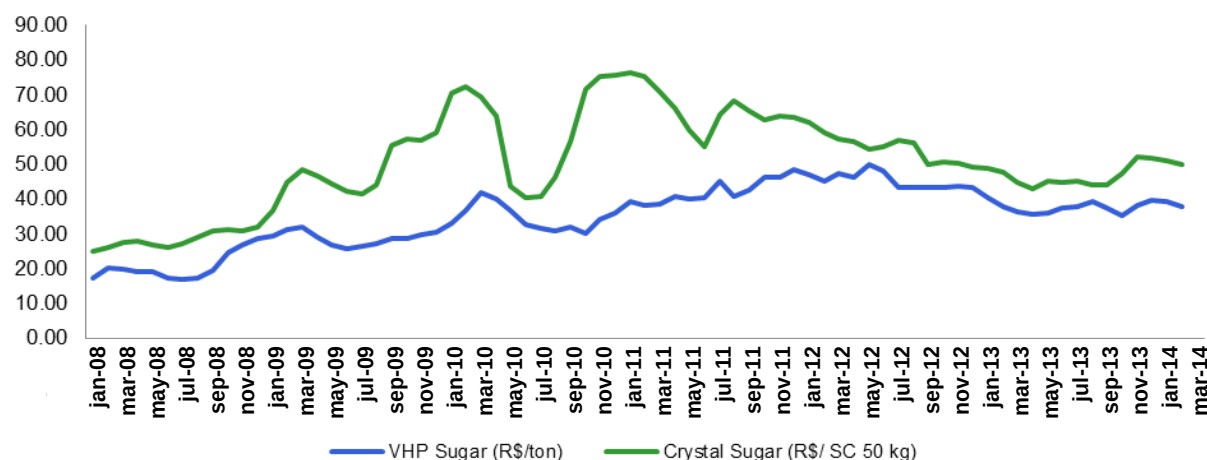
Sources: USDA, SECEX, ISO and Agroconsult.

* USDA Estimates as of November 2013

Sugar Prices

Most sugar-producing countries, including the United States and countries of the European Union, protect their domestic sugar markets from foreign competition through policies, regulations and other measures, including import and export restrictions, quotas, duty taxes and subsidies. As a result of these regulatory measures, domestic sugar prices fluctuate from one country to another. The unregulated international prices of raw sugar follow the rates established by the NY11 contract. The London No. 5 White Sugar Futures Contract, or Lon 5 rate is based on the price of crystal sugar traded on LIFFE. In Brazil, domestic sugar prices are established according to free market principles. The main rate adopted in Brazil is established by ESALQ. In Brazil, domestic sugar prices generally follow international sugar prices.

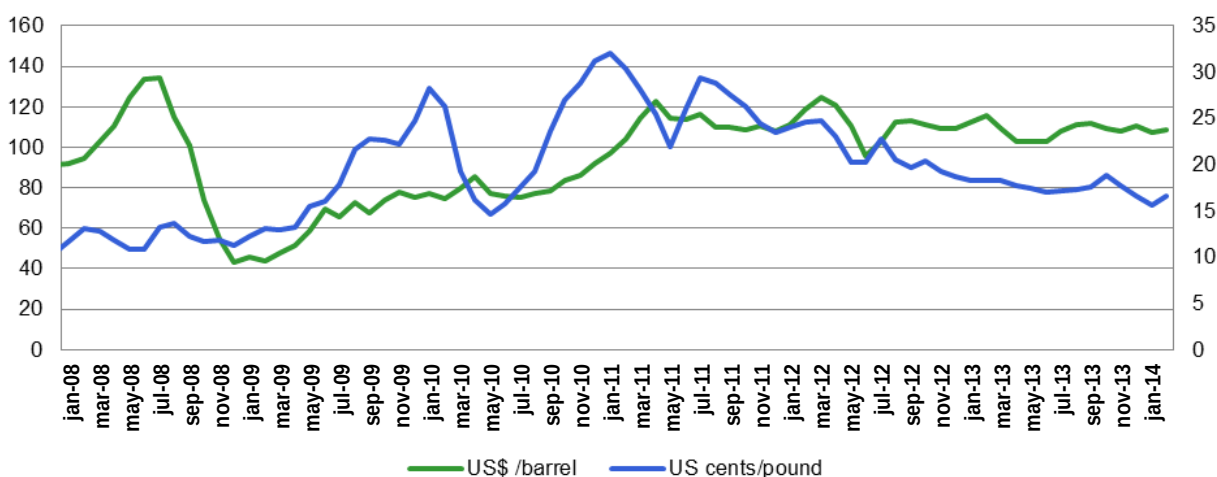
The following chart shows the market prices of raw sugar in the NY11 and crystal sugar (ESALQ tax free).



The impact of fluctuations in international sugar prices on sugar production is mitigated by two factors. Many sugar producers operate in regulated markets, are protected from price fluctuations and accordingly do not tend to modify production significantly. In addition, sugarcane, the main raw material used for global sugar production, is semi-perennial, with two- to seven-year plant cycles. In Brazil, the world's largest sugar producer, the average plant cycle is five years.

Over the last few years, international sugar prices have generally increased as a result of a reduction in global sugar inventories and certain production problems faced by sugar producers in China, India and Thailand, mainly related to unfavorable climate conditions and the reduction of government subsidies for the planting of sugarcane in the European Economic Area. Brazil, as the world's largest sugar producer, accounting for approximately 45.3% of global exports during the 2012/2013 harvest, plays a key role in the establishment of world sugar prices. Appreciation of the *real* against the U.S. dollar has also contributed to higher international sugar prices.

In addition, the prices of sugar are indirectly affected by changes in the price of oil. This occurs because Brazil, the largest exporter of sugar, produces sugar and ethanol from the same raw material—sugarcane. Accordingly, a relative increase in the price of oil stimulates the consumption of ethanol in Brazil, reducing the supply of sugar in world markets and resulting in an increase in sugar prices. The following chart shows changes in the prices of raw sugar in the NY11 contract, as compared with changes in the prices of oil. The prices of these commodities are presented as quoted on the ICE, or U.S. cents per pound for sugar and U.S.\$/barrel for oil.



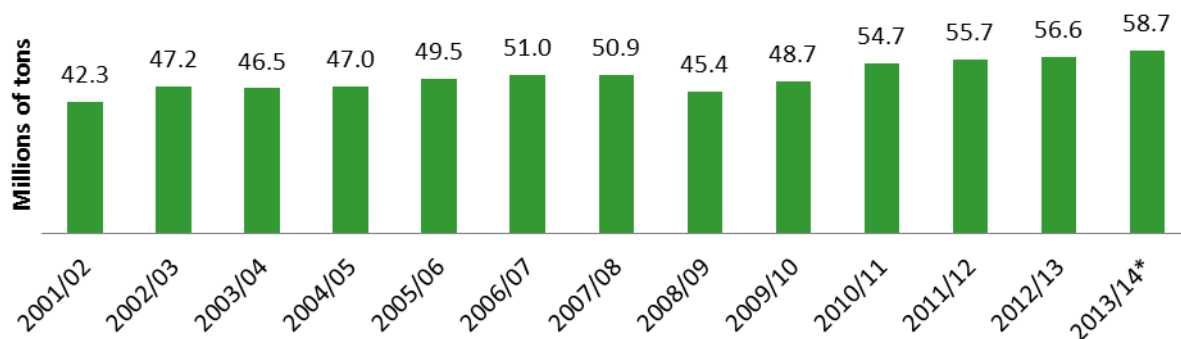
Source: CEPEA/ESALQ/USP.

Trade Restrictions

USDA estimates that approximately 94.1% of the sugar produced in the world during the 2011/2012 harvest was consumed domestically by sugar-producing countries. The world sugar production increased from approximately 130.9 million tons during the 1998/1999 harvest to 174.8 million tons during the 2013/2014 harvest. Despite this significant growth, the sugar industry remains highly regulated and protected in several countries through quotas, subsidies and import restrictions.

The following chart shows the volume of global sugar exports for the harvest periods indicated.

Global Sugar exports



Source: USDA.

* USDA Estimates as of November 2013

We believe that these protectionist policies are due to sugar's strategic value to governments as a means to development and job creation and as a relatively cheap source of energy. The United States and the European Union, which respectively consumed 10.7 million and 18.3 million tons of sugar in the 2013/14 harvest, are heavily protected, supported by lobbying efforts from farmers and processors. Brazil and other sugar-producing nations have limited access to these large markets as a result of these trade restrictions. The European Union has been under pressure from other countries and international organizations to relax its sugar-import regulations and subsidies for domestic production.

On August 29, 2003, the WTO established an arbitration panel upon requests made by Australia, Brazil and Thailand, which alleged that the European Union had breached rules governing the establishment of export subsidies in violation of international agreements and other rules in connection with the European Union sugar regime, causing a distortion in world sugar prices. These countries allege that if these subsidies had not been granted, global sugar prices would rise by approximately 20.0%, and Brazilian sugar producers would have earned additional net income ranging from U.S.\$500.0 million to U.S.\$700.0 million per year from exports. In August 2004, the WTO issued a preliminary ruling in favor of these countries after concluding that the European Union's sugar subsidies give its farmers an unfair advantage in global export markets. The European Union's appeal of this decision was rejected in April 2005 and, as a result, the European Union was forced to reduce sugar exports by 4.0 to 4.6 million tons of granulated refined sugar per year, allowing more competitive sugar-producing countries to absorb a larger share of the world sugar market.

In July 2006, following almost 40 years during which the European Union sugar subsidies system remained largely unchanged, the European Union enacted reforms seeking to enhance the competitiveness and market orientation of European sugar exports, to guarantee the long-term sustainable future for European sugar production and to strengthen the European Union's negotiating position in the international sugar market.

Among the measures adopted was a cut in prices paid to sugar producers by approximately 36% over a period of four years in the following manner: 20% in the first year, 27.5% in the second year, 35% in the third year and, finally, 36% in the fourth year. In addition, sugar producers that renounced their quota in the European sugar market received €730 as compensation per renounced ton of sugar during the first two years. The 2006-2009 scheme for the restructuring of the European sugar industry resulted in the renunciation of 5.8 million tons of quota, slightly below the six million tons initial goal set by the European Union Commission, and decreased the guaranteed minimum sugar price from €631.9/ton in the 2006/2007 harvest to €404.4/ton in the 2011/2012 harvest.

Artificial Sweeteners

The world market for artificial sweeteners, or high-intensity sweeteners, was dominated by saccharin until 1981. In 1981, aspartame, launched by GD Searle, revolutionized the artificial sweetener market because of its improved taste and lack of side effects. In 2003, aspartame had the largest share of the artificial sweetener market and was sold under various brand names, including Equal, Candarel, Spoonfuls and NutraSweet.

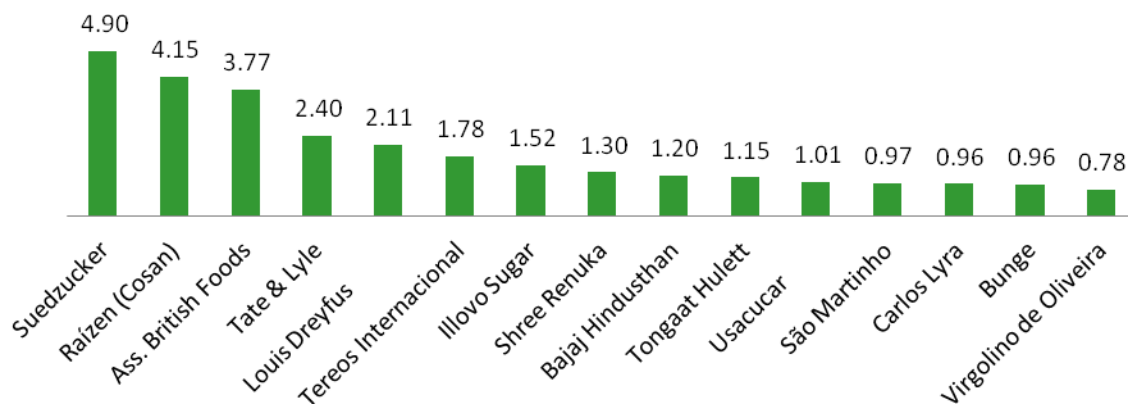
In recent years, sucralose, a third-generation sweetener commercialized under the Splenda brand, has emerged as a competitor to aspartame. Sucralose (trichlorogalactosucrose), a sugar by-product, was first discovered in 1975 when it was found that by modifying the sucrose (sugar) molecule it was possible to make a much sweeter alternative substance (600 times that of sugar) while retaining the natural taste of sugar. The chlorination of sugar, a process by which three hydrogen-oxygen groups are replaced by three chlorine atoms, produces sucralose, an artificial sugar-based sweetener that has no calories when ingested by humans and can be consumed by diabetics. Unlike aspartame, sucralose is heat-resistant and thus able to broaden the end-user market to include the canned and baked food industries, among others.

The most visible evidence of the success of sucralose is in its growing level of acceptance in the retail market. Since its launch in mid-2000, Splenda has rapidly replaced other low-calorie sweeteners to become consumers' preferred artificial sweetener. We believe that the growth in the production and use of sucralose, given its sugar base, should create significant growth opportunities for sugar producers.

Global Industry Players

Sugar Producers

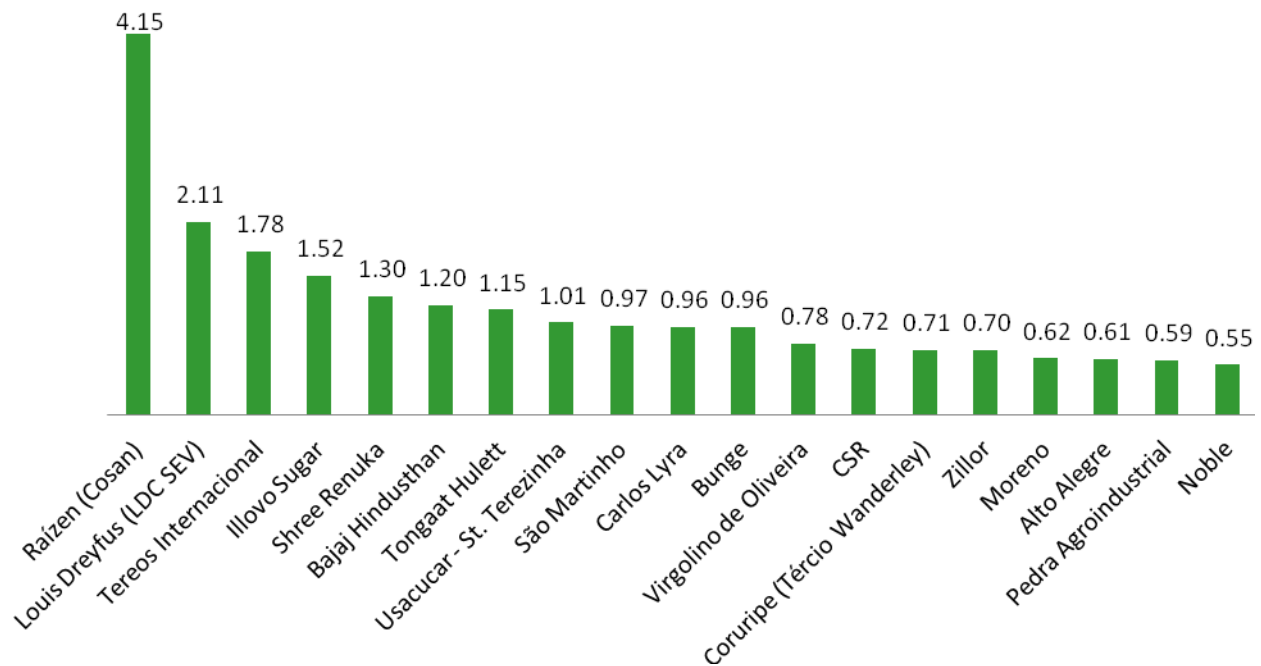
The chart below shows the world's principal sugar producers (as measured by millions of tons of sugar produced during the 2012/2013 harvest) according to company reports and UNICA's estimates:



Source: Company reports and UNICA.

Sugarcane Processors

The chart below shows the world's principal processors of sugar from sugarcane (as measured by millions of tons of sugarcane crushed from the 2012/2013 harvest):

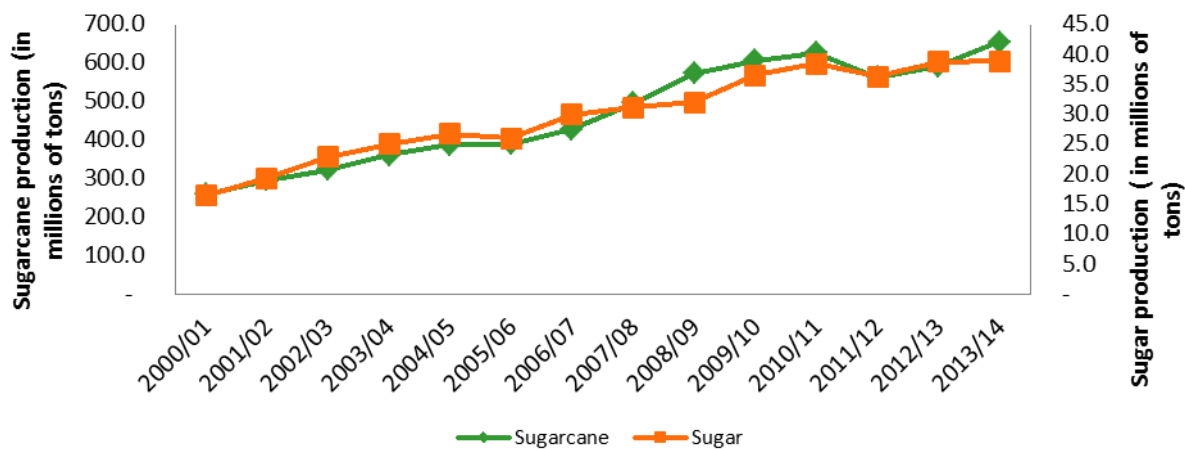


Source: Agroconsult.

Brazilian Sugar Industry

Brazil is the world's largest producer of sugarcane for the production of ethanol and sugar. Brazil produced 38.7 million tons of sugar during the 2013/14 harvest and 27.2 million cubic meters of ethanol estimated for 2013/2014, according to data published by CONAB.

The following chart shows the evolution of Brazilian sugarcane production and sugar production between 2000/2001 and 2012/2013 according to CONAB:



Source: CONAB

Ethanol

The increase in oil prices over the last few years and increasing concerns with the environment have created favorable conditions for the use of renewable resources of energy such as ethanol. Despite an increase of 33% over the last five years in global ethanol production, from approximately 66.8 million cubic meters in 2007 to approximately 88.7 million cubic meters 2013, the ethanol market is in its stages of development.

Ethanol is a fuel that can be produced from sugarcane, corn and/or sugar beet. It is a clean and biodegradable fuel and its manufacturing and burning are not believed to increase the greenhouse effect. Ethanol's high oxygen content reduces carbon monoxide emission levels emitted from the burning of gasoline, according to the United States Environmental Protection Agency. Ethanol blends also reduce emissions of hydrocarbons, a major contributor to the depletion of the ozone layer. Environmental concerns and initiatives are raising awareness of the need to reduce world consumption of fossil-based fuels and adopt cleaner fuels, such as ethanol. One example is the Kyoto Protocol, an agreement on global warming reached in 1997 by the United Nations Conference on Climate Change in Kyoto, Japan that became effective on February 16, 2005. Under the Kyoto Protocol, major industrial nations have pledged to reduce their emissions of carbon dioxide and five other greenhouse gases between 2008 and 2012. Currently, a total of 191 countries and one regional economic integration organization have ratified the Kyoto Protocol agreement. Global initiatives like the Kyoto Protocol are expected to increase the demand for ethanol over the next years.

Production, Exports and Consumption

Currently, the United States and Brazil are the principal producers and consumers of ethanol, producing 56.8% and 26.7% of the ethanol in the world in 2012/2013, respectively, according to the USDA. Most ethanol produced in the United States is made from corn, while in Brazil it is produced from sugarcane. The following charts illustrate the world's main ethanol producers during the 2012/2013 harvest period and the growth of ethanol production.

The following table shows the market share of the largest ethanol-producing countries:

Main Ethanol-Producing Countries	2012/2013
United States	56.8%
Brazil.....	26.7%
European Union	5.9%
China.....	3.0%
India	2.3%
Others.....	5.3%

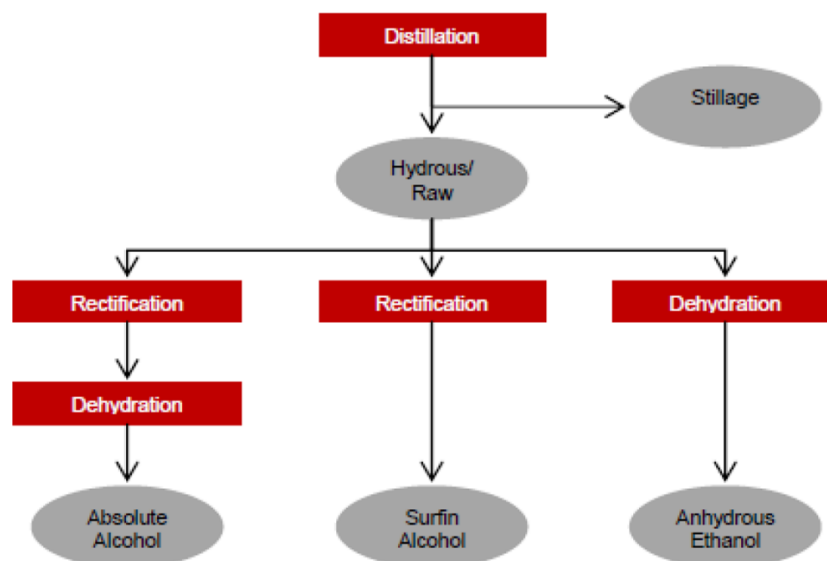
Source: RFA, USDA.

Growing concern for the environment and the search for cleaner and renewable sources of fuel, as well as the increase in oil prices, have led many countries to adopt, at different levels, rules regarding the obligatory addition of ethanol to gasoline.

Although the ethanol industry is also regulated and protected in several countries, we expect our future access to the international ethanol markets to increase with the greater use of ethanol as an additive to gasoline (especially due to high oil prices), the recognition of its additional environmental benefits and Brazil's competitive advantages in ethanol production.

Ethanol Products

The flowchart below shows how the four different grades of alcohols (hydrous/raw ethanol, anhydrous ethanol, surfin alcohol and absolute alcohol) are obtained:



Hydrous/raw ethanol and anhydrous ethanol are two different fuel grades of ethanol (or biofuel).

Hydrous/Raw Ethanol. Hydrous or raw ethanol is produced from the distillation of centrifuged wine obtained from the fermentation of sugar juice and molasses. In Brazil, hydrous ethanol has a minimum alcoholic content of 92.6°, as determined by the Brazilian National Institute of Weights and Measures, or INPM. Hydrous ethanol is colorless and is sold directly to hydrous ethanol distributors and sent to gas stations for direct use in vehicles.

Anhydrous Ethanol. When hydrous or raw ethanol is dehydrated to reach a higher concentration of ethyl alcohol content, it is called anhydrous ethanol. In Brazil, anhydrous ethanol has a minimum alcoholic content of 99.3°, as determined by INPM. Anhydrous ethanol is sold in bulk in tanks that are specially designed for the transportation of flammable products and is used as a gasoline additive and later sent to gas stations. Such ethanol is the only fuel-grade ethanol that can be used by car vehicles in Europe, because of the specifications of engines sold to European customers.

Biofuel. Biofuel is defined as fuel derived from biological materials or from the metabolic by-products of living organisms. These include wood, vegetable oils, animal fats and animal manure. By contrast, fossil fuels, such as coal and petroleum, are derived from long-dead biological materials that have been transformed by geological processes.

In principle, biofuels can be obtained from any biological carbon source, but the most common sources are photosynthetic plants. A number of agricultural crops are being grown for biofuel production, including sugarcane, wheat, corn, sugar beet, soybean and sorghum. They are known as agrofuels.

The use of biofuels is expanding, as they offer several advantages over fossil fuels. For example, many biofuels are nontoxic, biodegradable and renewable. The use of biofuels reduces dependence on oil and enhances energy security. Also, unlike fossil fuels, which return carbon that was stored beneath the earth's surface for millions of years into the atmosphere, biofuels can produce energy without causing a net increase of atmospheric carbon. This is because as new agrofuel plants are grown, they remove the same amount of carbon dioxide from the atmosphere as they will release as fuel.

Ethanol Prices

International Trade

A world ethanol market does not exist yet in the way that it does for other energy commodities. There is no liquid futures contract, worldwide or even domestically. Moreover, international trade accounts for only about 8% of world production, since it is a result of the trade of local surpluses.

The low international trade level is also a consequence of large-scale domestic ethanol fuel programs, which create strong domestic markets at the expense of a strong international market.

Countries that are net importers of ethanol generally arbitrate import prices as being the price at the origin plus freight and commercial tariffs. In most importing countries, including the United States, domestic ethanol prices correlate with gasoline prices (oil prices). In Brazil, ethanol prices are generally correlated with sugar prices.

Brazilian Domestic Market

In Brazil, approximately 7% to 8% of the total ethanol production is usually exported. This makes ethanol prices less dependent on international prices (usually oil-correlated prices) and more related to domestic sugar prices. Domestic prices for hydrous, anhydrous and industrial ethanol are collected, analyzed and released on a daily, weekly and monthly basis by ESALQ, creating a valuable index which allows contracts, indexation and spot deals.

A future contract was launched on May 17, 2010 by the BM&FBOVESPA, relating to hydrous ethanol, priced in *reais* per cubic meter, based in the city of Paulínia, state of São Paulo, allowing financial liquidation, instead of physical delivery. This is not the first movement attempting to settle a futures contract and provide a more predictable market, while allowing a hedging tool for producers and offtakers.

U.S. Domestic Market

According to Elobio, approximately 95% of the ethanol produced in the United States is produced from corn. U.S. domestic ethanol prices correlate strongly to gasoline prices. As the consumption regions are usually far from the production regions, an important price driver is that of transport freight. Sometimes, depending on market conditions in Brazil, is more profitable for U.S. blenders to import ethanol from Brazil than it would be to receive it from other U.S. regions, even taking into account the import tariff.

European Union Domestic Market

Volumes produced and prices of ethanol in Europe depend to a significant degree on government policies and regulations. Currently, government support for biofuels in the European Union and its Member States is primarily implemented by means of tax benefits and biofuel blending obligations for diesel and gasoline.

The market price of ethanol in Europe is directly linked to supply and demand as expressed by the FOB Rotterdam quotations published by companies like Platt's, ICIS or Kingsman, as well as consumption estimates based on European and Member States' Regulations. FOB Rotterdam prices are available on a daily basis. Contracts with customers are either at fixed prices or indexed to the FOB Rotterdam prices, depending on the length of the contract. Contracts with a period longer than one month mainly have fixed pricing. Spot contracts (sales contracted for the month following the negotiation) can be agreed either with a fixed price or with an indexed price.

Global Industry

Despite an increase of 57.0% over the last five years in global ethanol production, from approximately 57.0 million cubic meters in 2007 to 89.5 million cubic meters in 2011, the ethanol market is in its early stages of development. The increase in oil prices over the last years and the increasing concerns with the environment have created favorable conditions for the use of renewable resources of energy such as ethanol. Sugar- and ethanol-producing countries still give priority to supplying their domestic markets.

U. S. Ethanol Industry

Ethanol is currently marketed across the United States as a fuel additive that reduces vehicle emissions as part of federal and state clean fuel programs. Ethanol is also marketed as an octane enhancer to improve vehicle performance and reduce engine knock. Two programs in the U.S. Federal Clean Air Act, the Winter Oxyfuel Program and the Reformulated Gasoline Program require the use of oxygenated gasoline in areas with certain levels of air pollution.

Due to their availability and cost, ethanol and MTBE are the two primary additives currently used to meet the U.S. Federal Clean Air Act's oxygenate requirements. However, in recent years, there has been growing public concern about MTBE contamination of water supplies as a result of leaks from underground gasoline storage tanks and other releases into the environment. These concerns have resulted in over 20 states banning or significantly limiting the use of MTBE and switching to the use of ethanol. MTBE is expected to be banned or significantly limited in many other states, which is likely to increase the demand for ethanol in the United States.

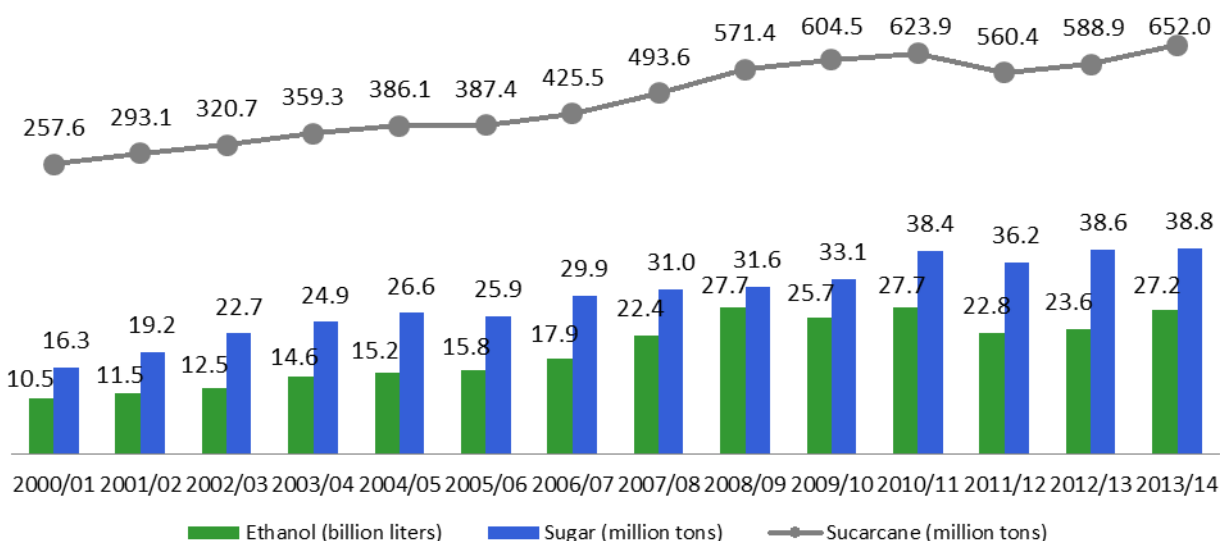
In addition, federal energy legislation, the Energy Policy Act of 2005, was signed into law by President George W. Bush on August 8, 2005. The Energy Policy Act of 2005 implemented a Renewable Fuel Standard, or RFS, that established minimum nationwide levels of renewable fuels (ethanol, biodiesel or any other liquid fuel produced from biomass or biogas) to be included in gasoline, increasing to 7.5 billion gallons (approximately 28,000 cubic meters) of RFS mandated usage by 2012. Ethanol would likely account for the largest share of renewable fuels produced and consumed under the RFS.

Ethanol produced in the United States is derived largely from corn by way of a productive process that is deficient from an energy point of view. Ethanol produced in Brazil from sugarcane produces bagasse as a by-product. Because bagasse can be burned to produce vapor that is canalized through turbo-generators to produce electricity, the production of sugarcane-based ethanol is less expensive than the production of corn-based ethanol, which yields no energy-rich by-product. Regardless of its plans to increase ethanol production, the United States is one of the largest ethanol importers in the world.

Brazilian Sugar and Ethanol Industry

Brazil is the largest producer of sugar and raw materials for the production of ethanol and sugar, the largest exporter of ethanol and the second largest ethanol producer in the world. In 2011, agribusiness accounted for approximately 22.2% of Brazil's GDP. During the 2013/2014 harvest, Brazil crushed 652.0 million tons of sugarcane and produced 38.8 million tons of sugar and 27.2 million cubic meters of ethanol. During the same harvest, Brazil exported a total of 27.2 million tons of sugar, according to CONAB, representing approximately 46.0% of the world's sugar exports.

The following chart illustrates the growth of Brazilian sugarcane, sugar and ethanol production.



Source: CONAB.

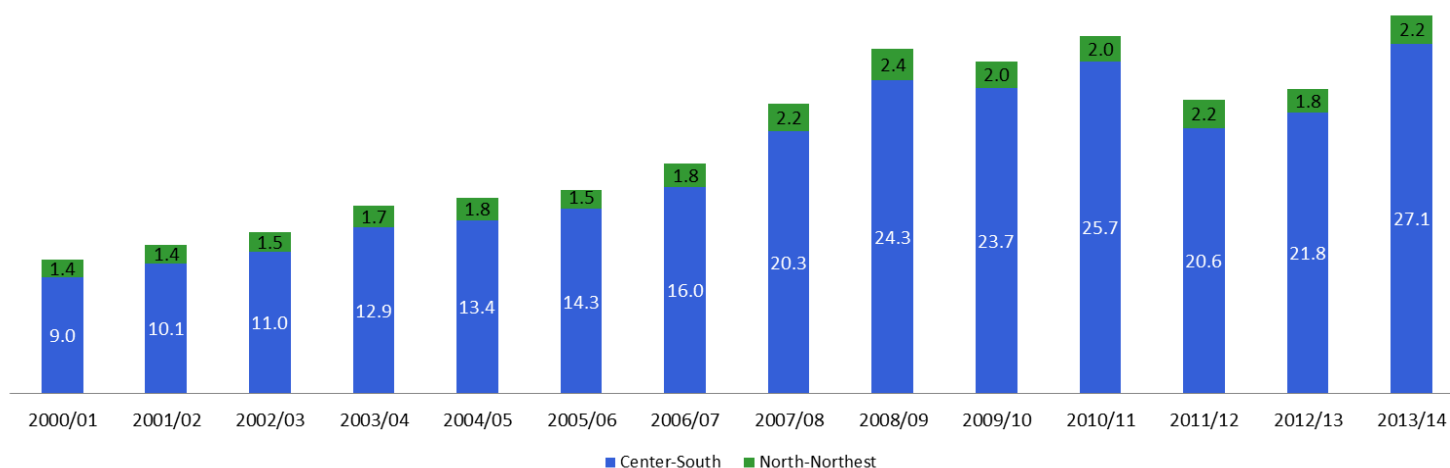
History of Sugar and Ethanol Production in Brazil

Sugarcane is cultivated in two main regions of Brazil: the Southeast and Midwest regions, including the South, Southeast and Midwest regions, encompassing the states of Paraná, São Paulo, Minas Gerais, Rio de Janeiro, Espírito Santo, Mato Grosso do Sul and Goiás; and the North and Northeast regions, encompassing the states of Alagoas, Pernambuco, Paraíba, Sergipe, Rio Grande do Norte and Bahia.

There are two harvesting periods in Brazil, one in each region, and the land on which sugarcane is cultivated accounts for 1.0% of Brazil's total fertile land, or approximately 8.5 million hectares during the 2011/2012 harvest, according to CONAB. In the Southeast, Midwest and North regions, the harvesting period runs from April to December, whereas in the Northeast region, it runs from August to March.

The Southeast and Midwest regions accounted for approximately 92.7%, 90.6%, 92.2% and 93.0% of the 2010/2011, 2011/2012, 2012/2013 and 2013/14 total ethanol production in Brazil, respectively.

Historically, due to soil, climate and economic conditions, production of ethanol has been concentrated in the Southeast and Midwest regions of Brazil. The chart below presents the ethanol production in Brazil by region for the harvest periods indicated (in billions of liters):



Source: SECEX

Brazil's vast territory and favorable climate provides a large supply of available land for sugarcane production. Brazil's favorable conditions permit sugarcane to be harvested five to six times before requiring re-planting, compared to other countries, such as India, where, on average, sugarcane needs to be re-planted every two to three harvests. Brazil is the world's largest producer of sugarcane, followed by India and China, having produced 652.0 million tons during the 2013/2014 harvest. The planting and harvesting of sugarcane is significantly less costly than planting and harvesting sugar beet, which has one annual crop, needs to be re-planted every year and requires crop rotations every three to five years. According to IBGE, from 2006 to 2011, the average Brazilian yield per hectare increased at an annual growth rate of 3.5%, reaching 77.7 tons per hectare in 2011. In addition, Brazilian sugarcane mills are also powered by bagasse and leaves, sugarcane's by-products, which when burned in boilers generate steam and electric energy. A large portion of Brazilian mills are energy self-sufficient. As a result, Brazilian ethanol has some of the lowest production costs in the world.

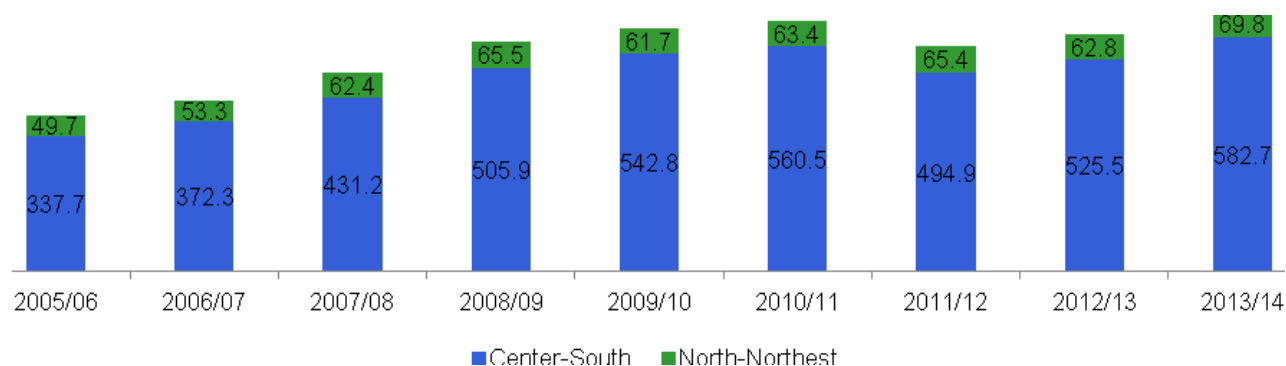
Brazilian Sugar Production

Brazil is one of the lowest-cost producers of sugar in the world due to its favorable climate and its development of agricultural and industrial technology related to the production of sugarcane, sugar and ethanol over the last 30 years.

Brazil's technological developments have resulted in longer harvesting cycles, higher sugarcane production per hectare, higher sucrose contents from the crushed sugarcane and lower losses during production of sugar and ethanol, which has yielded larger sugar outputs.

Production costs for raw sugar in the Southeast and Midwest regions of Brazil are lower than those in the North-Northeast region due to a more favorable topography and climate, a more developed transportation infrastructure and the close proximity of the sugarcane mills in the Southeast and Midwest regions to ports and the major consumption centers in Brazil. Privatization of various highways, port facilities and railroads have improved Brazil's transportation and export infrastructure, resulted in reduced sugar costs and shorter delivery times of sugar to world markets.

The following chart shows the total Brazilian sugarcane crushed by region since the 2005/2006 harvest period:



Source: Agroconsult.

Brazilian Sugar Consumption

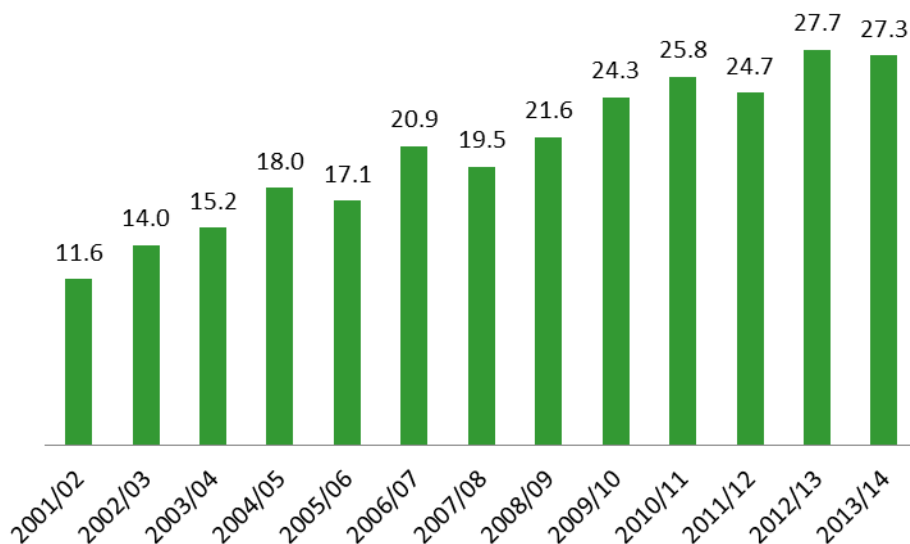
Brazil is one of the world's largest consumers of sugar, having consumed approximately 11.3 million tons during the 2013/2014 harvest. The consumption of sugar in Brazil continues to grow principally as a result of an increase in processed products made from sugar. Food manufacturers, especially manufacturers of soft drinks, chocolate and ice cream, account for approximately 40% of domestic sugar consumption.

Leading Sugar Exporter

Brazil is the world's largest exporter of sugar, exporting 27.3 million tons (Raw Value) during the 2013/2014 harvest. Brazilian sugar exports consist primarily of raw sugar and refined white sugar. Raw sugar is mainly handled and shipped in bulk and reprocessed in refineries.

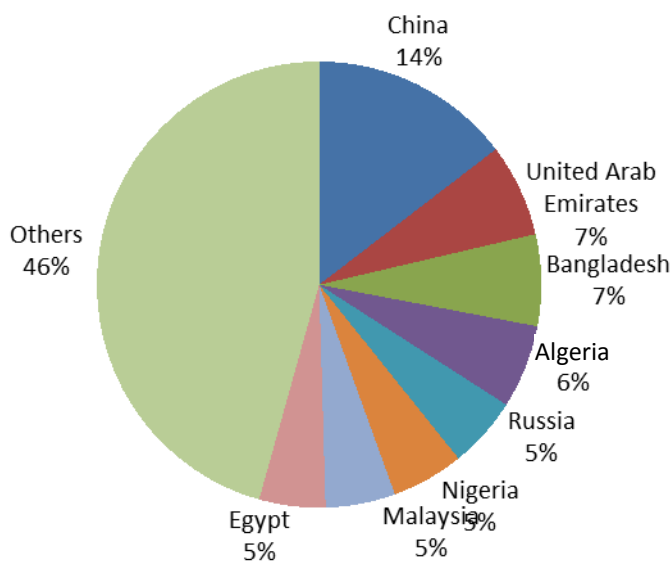
Granulated refined sugar then is used in manufacturing food products, such as chocolate powders, soft drinks or retail products, as well as in pharmaceutical products.

The following chart shows the total Brazilian sugar exports during the harvest periods indicated:



Source: USDA.

Brazil accounted for approximately 46.0% of the world's total sugar exports during the 2012/2013 harvest. In 2013, China, the United Arab Emirates, Bangladesh and Algeria were the main importers of Brazilian sugar, as shown in the following chart:



Source: Unica.

Ethanol in Brazil

According to CONAB, Brazil produced 23.2 billion liters of ethanol in 2012/2013, representing over 26.2% of the world's total ethanol production. Over 90% of Brazil's ethanol production is sold domestically.

Over the past several years, the use of ethanol as a fuel in Brazil has increased significantly. There are two types of ethanol, hydrous and anhydrous ethanol. Anhydrous ethanol is used as a fuel additive, and hydrous ethanol

is used directly by vehicles that run exclusively on ethanol or flex-fuel vehicles, which run on ethanol, gasoline or a combination of both. Ethanol has been used as a fuel additive in Brazil since the 1930s. Ethanol increased in importance in Brazil in the mid-1970s as a result of the international oil crisis and high domestic demand for gasoline, in response to which the Brazilian government implemented the Pro-Ethanol (*Pró-Álcool*) program, mandating the addition of anhydrous ethanol to gasoline to minimize Brazil's vulnerability to oil shortages, trade balance deficits and foreign exchange fluctuations. The program diversified the output of the sugar industry. Significant investments were made, with support from the World Bank, to allow for the expansion of areas cultivated with sugarcane and the introduction of ethanol distilleries. Amid the worldwide petroleum crisis, the experience helped reduce Brazil's vulnerability and increase its energy security.

The following table shows the top producer states and regions in Brazil.

Ethanol Production States	2009/2010	2010/2011	2011/2012	2012/2013	Market Share
	<i>(in thousands of cubic meters (1000^{m3})</i>				<i>(%)</i>
São Paulo	14,919	15,489	11,704	11,830	51%
Goiás	2,194	2,947	2,773	3,130	13%
Minas Gerais	2,297	2,617	2,028	1,994	9%
Mato Grosso do Sul	1,268	1,850	1,596	1,917	8%
Paraná	1,881	1,640	1,439	1,299	6%
Mato Grosso	825	861	852	975	4%
Alagoas	623	671	699	543	2%
Paraíba	388	277	317	306	1%
Pernambuco	380	393	340	275	1%
Espírito Santo	237	189	227	178	1%
Others	750	767	882	779	3%
Brazil	25,762	27,701	22,857	23,226	100%
Total Southeast and Midwest regions	23,737	25,681	20,702	21,362	92%

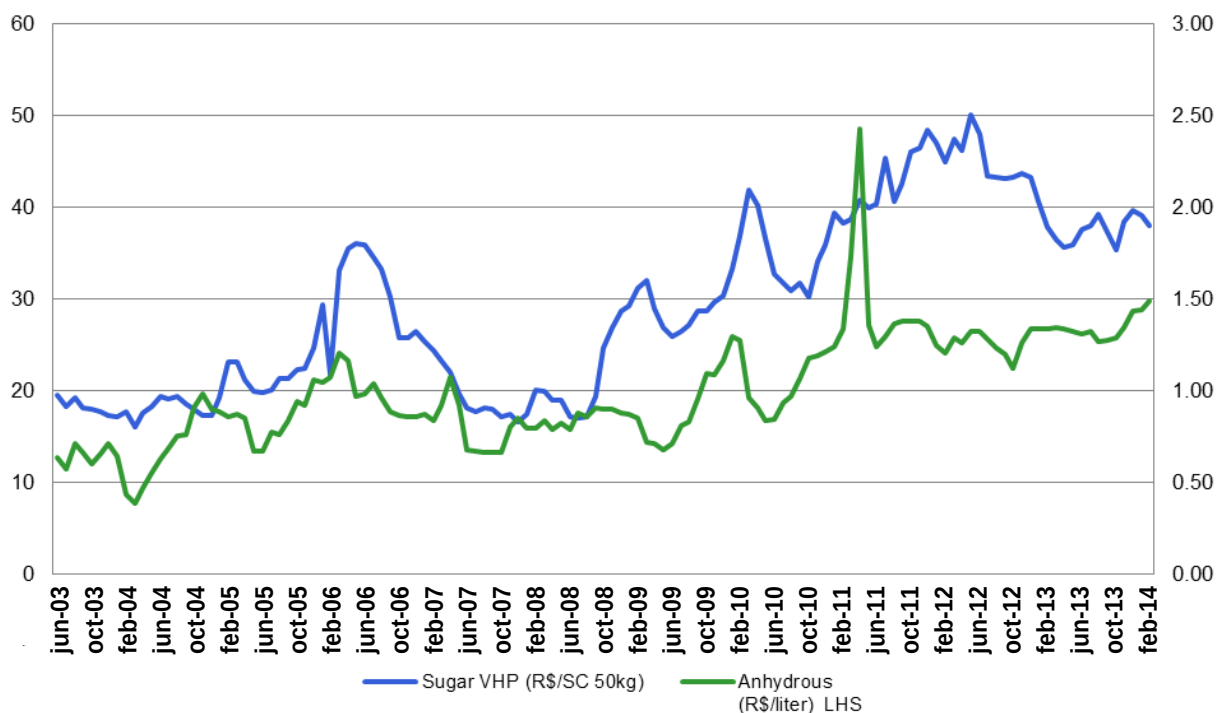
Source: CONAB

Engineering advances following the second global oil crisis, in 1979, led to the development of engines powered strictly with hydrated ethanol. By 1984, automobiles equipped with "alcohol engines" accounted for 94.4% of overall production by major automakers established in Brazil, according to UNICA. After 1986, the lessened effects of the oil crisis combined with government economic plans designed to fight high inflation to cause a downward slide in the production of strictly ethanol-powered automobiles. This led to an ethanol supply crisis in 1989, and a plunge in the production of ethanol-powered vehicles, which fell to about 1% of all vehicles on the road by 2001, according to UNICA.

Although many countries produce ethanol, most countries produce volumes of ethanol that are significantly lower than Brazilian production. Brazil is not only the world's largest ethanol exporter, but also one of the world's largest ethanol consumers. In terms of cost, Brazil is the most cost-competitive among ethanol-producing countries, including as a result of expansive tracts of land in Brazil that are suitable for sugarcane cultivation, the development of state-of-the-art industrial and agricultural technology, large production scale and favorable climate.

The Brazilian government requires a certain percentage of anhydrous ethanol to be mixed with gasoline, which may fluctuate between 18% and 25%. Currently, 25% of gasoline content in Brazil is required to be composed of anhydrous ethanol, in part due to concerns by the Brazilian government that ethanol producers will not be able to meet higher demand for anhydrous ethanol. As the percentage of anhydrous ethanol in gasoline increases, both the price of gasoline to consumers and the amount of harmful emissions from vehicles tends to decrease.

Anhydrous ethanol and hydrous ethanol prices have not been subject to Brazilian government control since 1997 and 1999, respectively. The ability of sugar and ethanol producers to shift production quickly from one product to another has historically caused sugar and ethanol prices to be highly correlated. The following chart shows the evolution of sugar and ethanol prices in Brazil during the periods indicated.



Source: CEPEA-ESALQ.

Ethanol Consumption in Brazil

As a result of the Brazilian Pro-Ethanol program, the number of hydrous ethanol-fueled vehicles increased significantly, peaking in 1986 when approximately 697,000 vehicles were sold, representing 91.8% of domestic sales of lightweight vehicles, according to data published by ANFAVEA. However, Brazilian ethanol producers were unable to meet increasing demand, causing hydrous ethanol prices to increase and the supply of hydrous ethanol to decrease at the same time that petroleum and gasoline prices were falling, leading to a decline in demand for hydrous ethanol-fueled vehicles. The reduction in demand for hydrous ethanol was partially offset by greater use of anhydrous ethanol.

During the 1990s, the government promoted the use of anhydrous ethanol as an additive to gasoline. The introduction of flex-fuel vehicles in Brazil in March 2003 increased demand for hydrous ethanol significantly. Flex-fuel vehicles are designed to operate on gasoline, hydrous ethanol or a mixture of both.

According to ANFAVEA, sales of flex-fuel vehicles accounted for approximately 2.8 million vehicles in 2011, while, during 2013, such number totaled approximately 3.2 million, representing approximately 84.0% of overall new car sales in Brazil.

The following table sets forth the number of flex-fuel and pure ethanol vehicles registered in Brazil for the years indicated.

Year	Pure ethanol vehicles	Flex-fuel vehicles
2004	50,950	328,379
2005	32,357	812,104
2006	1,863	1,430,334
2007	107	2,003,090
2008	84	2,329,247
2009	70	2,652,298
2010	50	2,876,173
2011	51	2,848,071

Year	Pure ethanol vehicles	Flex-fuel vehicles
2012	0	3,162,874
2013	0	3,169,144

Source: ANFAVEA.

Leading Ethanol Exporter

The volume of ethanol exports from Brazil has always been significantly lower than domestic consumption of ethanol. However, as a result of increasing awareness of environmental concerns related to greenhouse gases, such as global warming, and consequently of the need to reduce dependence on petroleum derivatives, Brazilian ethanol and production-related technology have attracted global attention. After reaching a maximum of 4.7 billion liters during the 2008/2009 harvest, Brazilian ethanol exports decreased to 1.9 billion cubic meters in the 2010/2011 harvest, to 3.5 billion cubic meters in the 2011/2012 harvest and to 2.5 billion cubic meters in the 2012/2013 harvest.

The following table shows ethanol export volumes (in billions of liters).

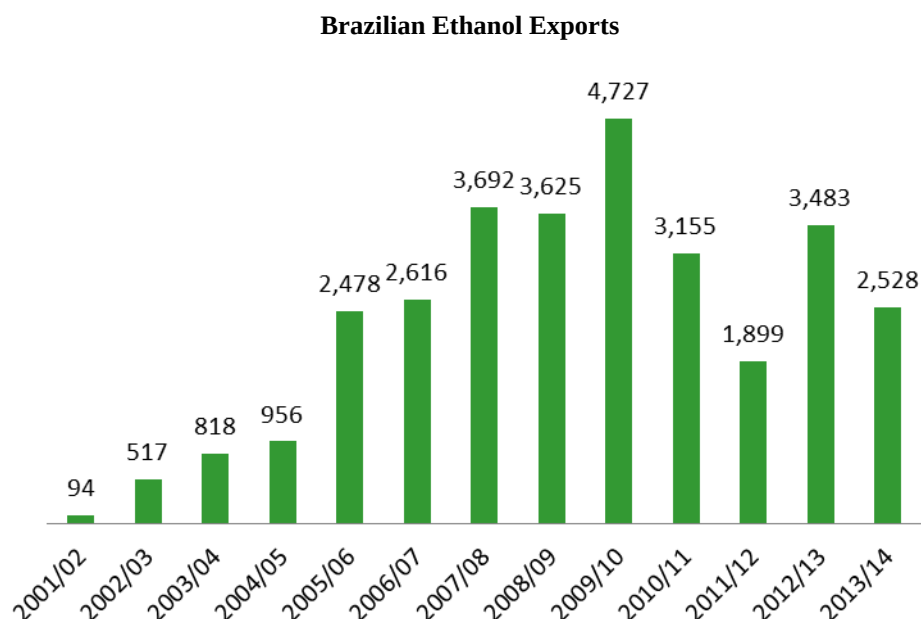
Harvest Period	Export Volume (in billions of liters)
2000/2001	94.0
2001/2002	516.5
2002/2003	817.6
2003/2004	956.1
2004/2005	2,478.2
2005/2006	2,615.6
2006/2007	3,691.6
2007/2008	3,624.8
2008/2009	4,726.9
2009/2010	3,154.9
2010/2011	1,898.6
2011/2012	3,482.8
2012/2013	2,528.3

Source: SECEX.

The United States, Japan, China and India have adopted, or are planning based on publicly announced initiatives to adopt, programs that require anhydrous ethanol blended with gasoline to replace MTBE, a gasoline additive whose use is strongly opposed by environmental groups. Delegations from several countries have visited Brazilian companies involved in the sugar and ethanol industry, as well as Brazilian governmental authorities, to learn more about ethanol production and flex-fuel technology.

Based on the interest expressed by these delegations, we believe that world ethanol consumption will increase. As a number of countries do not have the installed capacity to meet expected demand, Brazilian ethanol exports are expected to grow significantly.

The following chart shows Brazilian ethanol exports for the harvest periods indicated:



Source: Unica

In 2013, the following countries were the main destinations for Brazilian ethanol exports (in thousands of cubic meters):

Country	Volume	% of Total Exports
	(in thousands of cubic meters)	
United States	1,395	55%
South Korea	433	17%
Netherlands	123	5%
Japan	120	5%
Nigeria	80	3%
Philippines.....	68	3%
Others	309	12%
Total	2,528	100%

Source: Unica

Regulatory Aspects

Many countries are attempting to reduce their dependence on oil by raising the regulatory required percentage of ethanol in the composition of gasoline. This trend is also influenced by the pressure on governments to take actions to reduce global warming.

Regulatory policies have influenced biofuel demand through targets and blending quotas. Mandates for blending biofuels into vehicle fuels had been enacted in at least 23 countries at a national level and within 26 states and provinces as of 2011, according to Renewables Global Status Report (REN21, 2012). Most mandates require blending 5-10% ethanol with gasoline.

Brazil has been a leader in mandating ethanol blending for 30 years, since the inception of its Pro-Ethanol program. The blending composition is adjusted occasionally, but may fluctuate between 18% and 25%, according to ANP. Since the beginning of May 2013, the required blending composition has been 25%. All gas stations in Brazil

are required to sell both gasohol (E25), a mixture of gasoline and anhydrous ethanol, and pure ethanol (E100). The blending mandate has been accompanied by a host of supporting policies, including retail distribution requirements and preferential tax treatment for certain vehicles.

In the United States, the American Clean Energy Leadership Act was approved by a vote in the House of Representatives mandating that 18% of U.S. primary energy come from low- or zero-carbon energy (*source: EPA*). In line with this trend, the U.S. Environmental Protection Agency raised the ethanol allowance in gasoline consumed in the United States from 10% to 15% in October 2010.

In addition, after months of negotiations between the ethanol industry and the California Air Resources Board, or CARB, an agreement was reached in July 2009, when CARB announced a revision to its calculations for carbon dioxide emissions attributable to ethanol production from sugarcane. The new numbers have been lowered by taking into account sugarcane co-generation and the mechanization of the sugarcane harvest. This announcement designates Brazilian sugarcane ethanol as a first-of-its-kind Low Carbon Fuel Standard, or LCFS. According to RFA, the United States will have to reach a blending of E20 or more in order to comply with the future RFS targets.

In the European Union and its Member states, government support for biofuels is primarily implemented by means of tax benefits and biofuel blending obligations for diesel and gasoline as a consequence of the implementation of several directives, including Directives 2009/28 and 2003/96. Objectives to be reached are a mix of qualitative and quantitative criteria. Qualitatively, the European Union determines what is considered as a biofuel based on the level of greenhouse gas emissions reduction compared to fossil fuels as set forth in the “Energy Climate” Directive: from 35% reduction of emissions against fossil fuel initially, green fuels will have to reach 50% reduction by 2017 and fuel produced by new plants will have to reach up to 60% greenhouse gas emission reductions in order to be considered as biofuels. Quantitatively, according to such directives, 10% of energy used in transport should come from renewable energy sources by 2015, while 20% of all energy used will have to come from renewable sources by 2020. The European Union has already reached its goal for 2015, by deriving 12.7% of its energy from renewable sources. As of 2012, Europe has not established any preferential treatment among the various types of biofuels.

In 2004, China introduced an E10 blending mandate in nine provinces and the coverage area of such mandate has since been enlarged. Partially due to this policy, China may become a major importer of ethanol, particularly if the E10 blend is extended across the country.

Japan has a biofuel blending target of 10% for 2030 and may enact a mandate for all cars produced to be E10 compatible.

BUSINESS

Overview

We are a sugar, ethanol and energy producer with operations in the Southeast and Midwest regions of Brazil. We cultivate, harvest, purchase and process sugarcane, from which we produce VHP sugar, granulated refined sugar, anhydrous ethanol and hydrous ethanol to sell domestically and internationally. We also provide sugarcane bagasse by-products in exchange for electricity to power our industrial operations through co-generation. We currently conduct our sugar and ethanol operations through three mills: (1) Santa Cândida, in Bocaina, in the state of São Paulo; (2) Vista Alegre, in Maracaju, in the state of Mato Grosso do Sul; and (3) Paraíso, in Brotas, in the state of São Paulo.

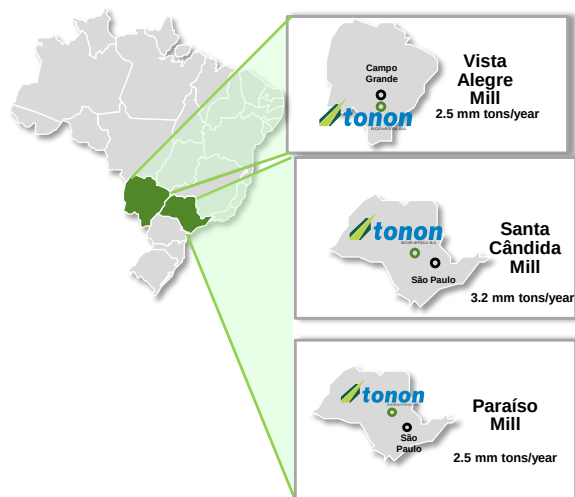
As of the date of this offering memorandum, our three mills had a combined sugarcane crushing capacity of 8.2 million tons per harvest period. The Southeast and Midwest regions of Brazil in which our mills are located provide excellent climate conditions and soil for harvesting sugarcane. As of December 31, 2013, 85.6% of our harvest at our Santa Cândida mill, 100.0% of our harvest at our Vista Alegre mill and 89.4% of our harvest at our Paraíso mill was mechanized.

Our Santa Cândida mill has a sugarcane crushing capacity of 3.2 million tons per harvest period. It is located in the state of São Paulo, in the Southeast region of Brazil, and benefits from higher sugarcane yield than other regions of Brazil. It is also close to Paulínia, the main fuel distribution center in the state of São Paulo, and to the port of Santos, the main port for Brazilian sugar exports.

Our Vista Alegre mill has a sugarcane crushing capacity of 2.5 million tons per harvest period. It is located in Mato Grosso do Sul, in the Midwest region of Brazil and benefits from low cost land leases and flat harvesting land, which enables the complete mechanization of the harvesting process, as well as providing an expansive plantable area for cultivation.

Our Paraíso mill has a sugarcane crushing capacity of 2.5 million tons per harvest period. Our Paraíso mill, which is located less than 40 kilometers (24.9 miles) away from our Santa Cândida mill, underwent a complete industrial retrofit in 2012 and is, in our view, a state-of-the-art facility. As a result of our acquisition of Paraíso on May 3, 2013, we not only increased our total sugarcane crushing capacity at the time by approximately 44% but also expanded our portfolio of sugar products, as Paraíso also produces granulated refined sugar.

The following map shows the locations of our Santa Cândida, Vista Alegre and Paraíso mills in Brazil.



Our Santa Cândida, Vista Alegre and Paraíso mills crushed approximately 7.2 million tons of sugarcane for the nine-month period ended December 31, 2013 and 5.1 million tons for the financial year ended March 31, 2013. For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, approximately 54.2% and 57.0%, respectively, of the sugarcane our mills crushed was used to produce sugar, while the remaining

sugarcane was used to produce ethanol. For the financial year ended March 31, 2013, our Santa Cândida and Vista Alegre mills produced approximately 363,667 tons of sugar and 175,066 cubic meters of ethanol and reported net revenue of R\$594.1 million and Adjusted EBITDA of R\$244.9 million. For the financial year ended March 31, 2013, our Paraíso mill produced approximately 130,845 tons of sugar and 80,411 cubic meters of ethanol and reported net revenue of R\$237.9 million and Adjusted EBITDA of R\$64.6 million.

We primarily produce sugarcane, which in Brazil has low production costs and high energy efficiency ratio relative to other energy sources, such as corn and sugar beet. We currently cultivate and harvest sugarcane on 103,529 hectares, which we lease from third parties. Once harvested, sugarcane is transported to our mills using trucks and trailers. The average distance from the land on which our sugarcane is harvested to our Santa Cândida mill is approximately 28 kilometers (17.4 miles), approximately 32 kilometers (20.3 miles) to our Vista Alegre mill and approximately 29 kilometers (18.0 miles) to our Paraíso mill. The proximity of our mills to the locations where our sugarcane is harvested reduces transportation costs and enables us to process the sugarcane promptly after harvesting, thereby minimizing the loss of sucrose concentration in the sugarcane. We also purchase sugarcane from third-party suppliers, which represented approximately 1.8 million tons, or 24.4%, of the total sugarcane our mills crushed for the nine-month period ended December 31, 2013 and approximately 1.0 million tons, or 20.4%, of the total sugarcane these mills crushed for the financial year ended March 31, 2013. With respect to our Santa Cândida and Vista Alegre mills, these purchases represented approximately 1.0 million tons, or 19.4%, of the total sugarcane these mills crushed for the nine-month period ended December 31, 2013 and approximately 1.0 million tons, or 21.3%, of the total sugarcane these mills crushed for the financial year ended March 31, 2012. With respect to our Paraíso mill, these purchases represented approximately 0.8 million tons, or 35.5% of the total sugarcane the mill crushed for the nine-month period ended December 31, 2013 and approximately 0.8 million tons, or 41.4%, of the total sugarcane this mill crushed for the financial year ended March 31, 2013.

Each of our three mills also have thermoelectric power plants located on the premises. We entered into a strategic partnership with Energisa, an energy company in Brazil, with respect to our Santa Cândida and Vista Alegre mills. In connection with this partnership, we sold co-generation assets to Energisa and, in relation to our Santa Cândida and Vista Alegre mills, agreed to exchange bagasse for energy and steam produced at the power plants which we continue to operate at those mills. The sale occurred in December 2011, when we executed four share purchase and sale agreements with Energisa pursuant to which we agreed to sell shares of four SPEs: (1) USC I, into which we transferred all of our co-generation assets at our Santa Cândida mill; (2) USC II, into which we transferred all of our construction and operation rights in case of expansion of our Santa Cândida co-generation plant; (3) UVA I, into which we transferred all of our co-generation assets at our Vista Alegre mill; and (4) UVA II, into which we transferred all of our construction and operation rights in case of expansion of our Vista Alegre co-generation plant. In August 2012, pursuant to such share purchase and sale agreements, Energisa acquired: (1) 85% of the capital stock of USC I; (2) 85% of the capital stock of UVA I; (iii) 100% of the capital stock of USC II; and (iv) 100% of the capital stock of UVA II from us for an aggregate amount of approximately R\$150.0 million. Pursuant to the terms of the agreements, in approximately 20 years Energisa will sell back the assets owned by each of USC I, USC II, UVA I and UVA II to us. Energisa publicly announced its plans to increase the installed capacity of the co-generation power plants to 170 MW from the current 60 MW within the next year, including by undertaking to build and operate two additional power plants near the existing assets. In addition, Energisa publicly announced its plans to invest approximately R\$350 million to expand these power plants by the end of the 2014/2015 harvest period in order to have the capacity to sell approximately 710 GWh per year on the free market (*Ambiente de Contratação Livre*) by 2015.

In September 2010, our Paraíso mill entered into a partnership with Rhodia, a world leader in the development and production of specialty chemicals, now a member of the Solvay Group. As a result of this partnership, Rhodia agreed to upgrade and operate a co-generation facility in exchange for biomass from our Paraíso mill to produce electricity. Most of the electricity generated by this co-generation facility is sold to the Brazilian electricity grid, while simultaneously supplying our Paraíso with all the electricity and steam it needs to meet its demand. The upgraded facility has a capacity of 70 MW and commenced operations during the 2012/2013 harvest.

In March 2011, our Paraíso mill entered into a long-term agreement to supply sugarcane juice to Amyris, a biotechnology company focused on the production of renewable chemicals, to produce farnesene, a long-chain branched hydrocarbon, at Amyris's Brotas facility which is located next to our Paraíso mill.

Operations

Sugarcane is the main raw material used in the production of sugar and ethanol. It is a tropical grass that grows most successfully in locations with stable, warm temperatures and high humidity, although dry periods are an important factor for the sucrose concentration of sugarcane. The soil, topography, climate and availability of land in the Southeast and Midwest regions of Brazil are ideal for the growth of sugarcane. Our mills are located in the Southeast and Midwest regions of Brazil, which accounted for approximately 91.1% of Brazil's sugarcane production in the 2013/2014 harvest, according to CONAB.

As of December 31, 2013, we cultivated and harvested sugarcane over 103,529 hectares of land, all of which we lease and use through land lease agreements or agricultural partnerships (some of those entered into with members of the Tonon Family with respect to our Santa Cândida and Vista Alegre mills, and members of the Pinheiro Family, with respect to our Paraíso mill). As of December 31, 2013, we did not own any land, and held all of the land we cultivate and harvest sugarcane through land lease agreements or agricultural partnerships. For the nine-month period ended December 31, 2013, the sugarcane we harvested from the land we leased and used represented 75.6% of the total sugarcane that we crushed during that period, while we purchased the remaining 24.4% from third parties.

Out of the total 103,529 hectares we cultivated and harvested, we leased and used approximately 8,370 hectares, or approximately 8.1% of the total area, from the Tonon Family primarily through agricultural partnership agreements (*parceria*), and approximately 2,432 hectares, or approximately 2.3% of the total area, from the Pinheiro Family primarily through agricultural lease agreements (*arrendamento*). As of December 31, 2013, (1) 14% of the land on which we cultivate and harvest sugarcane at our Santa Cândida mill was held through land lease agreements and 86% through agricultural partnership agreements (*parceria*), (2) 6.6% of the land on which we cultivate and harvest sugarcane at our Vista Alegre mill was held through land leases and 93.4% through agricultural partnership agreements (*parceria*), and 29.5% of the land on which we cultivate and harvest sugarcane at our Paraíso mill was held through land leases and 70.5% through agricultural partnership agreements (*parceria*).

We cultivated and harvested sugarcane over 87,880 hectares of land through long-term agricultural partnership agreements (*parceria*) as of December 31, 2013. Under these partnership contracts, we cultivate sugarcane on land owned by third parties and, in return, make monthly or annual payments to our partners based upon a fixed amount of sugarcane per hectare. Each monthly or annual payment, as the case may be, is based on the price of sugarcane established by CONSECANA and a fixed amount of total ATR. For payments made on a monthly basis, an additional amount is paid following each harvest to reflect subsequent price fluctuations of the monthly price indicators during the harvest according to a final report published by CONSECANA. We cultivated and harvested sugarcane over 15,648 hectares of land through long-term lease agreements. Most of these lease agreements include a right of first refusal in case of a sale of the land where the sugarcane is grown or renewal of the relevant agreement, in both cases under the same terms as the offer presented by third parties.

We also purchase sugarcane directly from third-party sugarcane suppliers, which represented 24%, 23.3% and 32% of the total sugarcane that we crushed for nine-month period ended December 31, 2013 and the financial years ended March 31, 2013 and 2012, respectively. During the 2013/2014 harvest, we expect to purchase 1,163,769 tons of sugarcane from third-party growers through long-term contracts and 602,138 tons of sugarcane from third-party growers on the spot market. We have longstanding relationships with third-party growers which have historically produced sufficient sugarcane to fulfill our demand. We provide the majority of our third-party growers with services for cutting, loading and transporting the sugarcane, and deduct any amounts we spent on these services provided from the purchase price of the sugarcane. For sugarcane purchased through long-term contracts, we pay a price based on fixed tons of sugarcane per hectare *multiplied* by the ATR per ton of sugarcane *multiplied* by the price published by CONSECANA. At the end of each harvest, CONSECANA publishes the price for the preceding harvest, which is used to adjust the amount already advanced to the suppliers upon delivery of the sugarcane to our mills.

We intend to maintain the percentage of the sugarcane we harvest ourselves from leased lands and partnership agreements at approximately 80% of our total sugarcane and continue to purchase approximately 20% from third parties. We believe the percentage of sugarcane we harvest from leased lands and partnership agreements is significantly higher than that of our competitors based on the information disclosed by publicly listed companies in the sector.

Sugarcane Harvesting Cycle

The annual sugarcane harvesting cycle in the Southeast and Midwest regions of Brazil begins in April and ends in December. During the harvest cycle, we plant several species of sugarcane, with the species used in a particular area depending on the most adequate species for the particular soil quality and rain levels, among other factors.

Sugarcane is ready for harvest when the crop's sucrose content reaches its peak, generally following a one-year cycle. There is an exception for the initial harvest of sugarcane, which may require up to 18 months before it can be harvested for the first time, depending on the type of sugarcane. With each subsequent harvest, agricultural yields decrease in terms of tons per hectare, and the harvests must be carefully managed in order to continue attaining yields similar to the newly-planted crop. The current optimum economic cycle is five or six consecutive harvests, after which the sugarcane must be re-planted. The average age of the sugarcane fields we use under lease and agricultural partnership agreements is 3.2 years. We replanted approximately 17% of our sugarcane during the 2012/2013 harvest. We believe the average age of our sugarcane fields is lower than that of publicly listed companies in the sector based on information they disclosed.

In accordance with our expansion strategy, over the last two harvests we have focused on expansion of the areas on which we cultivate and harvest sugarcane by entering into additional land lease agreements or agricultural partnership agreements (*parceria*).

Harvesting is performed either manually or mechanically. Leaves that remain after sugarcane has been harvested mechanically form a protective cover over the crop, reducing evaporation and aiding in pest and disease control. This protective cover of leaves decomposes into organic material over time, increasing the fertility of the soil. Furthermore, mechanical harvesting is time efficient and has relatively lower overall production costs when compared to manual harvesting. In the nine-month period ended December 31, 2013, we mechanically harvested approximately 85.6%, 100.0% and 89.4% of the sugarcane that we cultivated at our Santa Cândida, Vista Alegre and Paraíso mills, respectively. In the financial year ended March 31, 2013, we mechanically harvested approximately 66%, 100% and 69% of the sugarcane that we cultivated in our Santa Cândida, Vista Alegre and Paraíso mills, respectively. We expect to improve the mechanization level of our Santa Cândida mill within the next few years. Our Santa Cândida and Paraíso mills currently comply with all requirements of the protocol executed between mills in the state of São Paulo, the state of São Paulo's environmental agency (*Companhia Ambiental do Estado de São Paulo*), or CETESB, and the public attorney's office. Harvesting at our Vista Alegre mill has been 100% mechanized since we began its crushing operations in the 2009/2010 harvest and it is not subject to the protocol mentioned above.

Sugarcane yield, which is measured in tons of sugarcane per hectare and kilograms of ATR per ton of sugarcane, is an important productivity measure for harvesting operations. Geographical factors such as land composition, topography and climate, agricultural techniques and sugarcane varieties used affect sugarcane yield.

The average agricultural yield from our mills for the nine-month period ended December 31, 2013 was 78.0 tons per hectare, compared to 78.0 tons per hectare for the financial year ended March 31, 2013 and 67.2 tons of sugarcane per hectare for the financial year ended March 31, 2012. The average agricultural yield in the Southeast and Midwest regions of Brazil for the financial year ended March 31, 2013 was 72.1 tons of sugarcane per hectare.

The following chart shows our agricultural yield in tons of sugarcane per hectare during the last three harvests, compared to the average productivity in the Southeast and Midwest regions.

Average Agricultural Yield per Harvest			
For the Financial Year Ended March 31,			
	2013 (2012/2013 Harvest)	2012 (2011/2012 Harvest)	2011 (2010/2011 Harvest)
	(tons of sugarcane per hectare)		
Our mills:			
Santa Cândida mill	79.0	64.4	63.0
Vista Alegre mill	77.3	71.3	103.5
Paraíso mill	79.0	62.3	69.3

Average Agricultural Yield per Harvest			
For the Financial Year Ended March 31,			
	2013 (2012/2013 Harvest)	2012 (2011/2012 Harvest)	2011 (2010/2011 Harvest)
<i>(tons of sugarcane per hectare)</i>			
Total	79.0	65.8	73.2
Brazil:			
Southeast and Midwest regions (average)⁽¹⁾	72.1	68.6	86.0

Source: ATR – CONSECANA/ÚNICA. Productivity – CONAB.

Our agricultural yields, especially at our Santa Cândida mill and particularly for the financial year ended March 31, 2013, were higher than our historical average due to our investments in planting and crop care.

The following chart shows the average sugar extraction yield in kilograms of ATR per ton of sugarcane for our mills during the last three harvests compared to average productivity in the Southeast and Midwest regions of Brazil.

Average Sugar Extraction Yield per Harvest			
For the Financial Year Ended March 31,			
	2013 (2012/2013 Harvest)	2012 (2011/2012 Harvest)	2011 (2010/2011 Harvest)
<i>(kilograms of ATR per ton of sugarcane)</i>			
Our mills:			
Santa Cândida mill	134.6	138.6	137.4
Vista Alegre mill	136.1	132.9	132.5
Paraíso mill	135.5	139.5	140.1
Brazil:			
Southeast and Midwest regions (average)⁽¹⁾	135.4	137.5	140.5

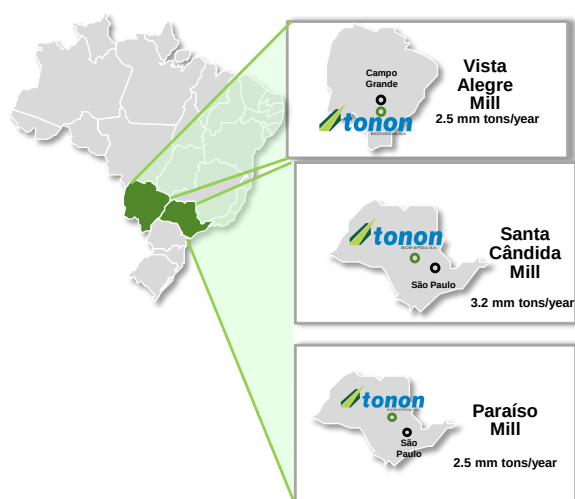
Source: UNICA.

Once harvested, the sugarcane is loaded onto trucks and transported to our Santa Cândida, Vista Alegre and Paraíso mills for inspection and weighing. Our Santa Cândida mill is an average distance of approximately 27.8 kilometers (17.4 miles) from the land on which our sugarcane is harvested, our Vista Alegre mill is an average distance of approximately 32.4 kilometers (20.3 miles) from the land on which our sugarcane is harvested and our Paraíso mill is an average distance of approximately 21.3 kilometers (13.2 miles) from the land on which our sugarcane is harvested. The proximity of our milling facilities to the land on which we or third parties cultivate the sugarcane we crush reduces our transportation costs and also enables us to maximize sucrose recovery, as sucrose concentration in sugarcane begins to decrease from the time it is harvested, resulting in more efficient processing.

Our Mills

We have a total crushing capacity of 8.2 million tons of sugarcane per harvest period, including 3.2 million tons at our Santa Cândida mill, 2.5 million tons at our Vista Alegre mill and 2.5 million tons at our Paraíso mill. We face competition in accessing new land to cultivate sugarcane from other sugarcane mills located near our mills. However, we believe that we can continue to increase production volumes by increasing the productivity of sugarcane cultivation on current lands (measured by ATR per hectare) as well as expanding our harvest areas by entering into additional land lease and agricultural partnership agreements.

The following map shows the location of our Santa Cândida, Vista Alegre and Paraíso mills:



We are able to adjust our production mix, within certain capacity limits, between anhydrous and hydrous ethanol and granulated refined sugar and VHP sugar, providing us with flexibility to respond to changes in customer demand and market prices. For the nine-month period ended December 31, 2013, we produced a total of approximately 340,539 tons of VHP sugar, 112,755 tons of granulated refined sugar, 163,643 cubic meters of anhydrous ethanol and 96,958 cubic meters of hydrous ethanol. For the financial year ended March 31, 2013, we produced a total of approximately 363,667 tons of VHP sugar, 149,140 cubic meters of anhydrous ethanol and 25,925 cubic meters of hydrous ethanol and Paraíso produced a total of approximately 83,264 tons of granulated refined sugar, 47,581 tons of VHP sugar and 80,411 cubic meters of hydrous ethanol.

The following table sets forth, for each of our mills, the breakdown of sugarcane crushed, the volumes of products we produced, and the harvest period length for the periods indicated.

Name	Operational data	For the Nine-Month Period Ended December 31,		For the Financial Year Ended March 31,		
		2013	2012	2013	2012	2011
Santa Cândida mill (SP)	Sugarcane crushed⁽¹⁾	2,797.5	2,679.5	2,834.4	2,686.9	2,770.8
	Own sugarcane ⁽¹⁾	1,861.7	1,685.5	1,840.1	1,602.0	1,808.0
	Own sugarcane (%)	66.5%	62.9%	64.9%	59.6%	65.3%
	Third-party purchased sugarcane ⁽¹⁾	935.8	994.0	994.3	1,085.00	962.8
	Third-party purchased sugarcane (%)	33.5%	37.1%	35.1%	40.4%	34.7%
	Products produced					
	VHP sugar ⁽¹⁾	192.9	179.9	187.6	182.7	181.4
	Hydrous ethanol ⁽²⁾	3.2	17.9	19.7	24.3	33.5
	Anhydrous ethanol ⁽²⁾	96.0	81.0	84.3	79.9	80.4
	Number of days in harvest	267	252	275	231	242
Vista Alegre mill (MS)	Sugarcane crushed⁽¹⁾	2,165.1	2,175.6	2,234.0	1,467.1	1,813.0
	Own sugarcane ⁽¹⁾	2,138.3	2,136.9	2,194.9	1,234.5	1,239.8
	Own sugarcane (%)	98.8%	98.2%	98.3%	84.1%	68.4%
	Third-party purchased sugarcane ⁽¹⁾	26.8	38.7	39.1	232.6	573.2
	Third-party purchased sugarcane (%)	1.2%	1.8%	1.70%	15.90%	31.6%
	Products produced					
	VHP sugar ⁽¹⁾	140.4	173.7	176.1	115.5	110.4
	Hydrous ethanol ⁽²⁾	0.1	6.2	6.2	13.4	32.5
	Anhydrous ethanol ⁽²⁾	67.7	63.4	64.8	31.0	39.6
	Number of days in harvest	264	242	260	188	224
Paraíso mill (SP)	Sugarcane crushed⁽¹⁾	2,262.5	1,807.5	1,932.6	1,699.6	
	Own sugarcane ⁽²⁾	1,459.2	1,012.3	1,132.1	1,205.1	
	Own sugarcane (%)	64.5%	37.8%	58.6%	70.9%	
	Third-party purchased sugarcane ⁽²⁾	803.3	795.2	800.5	494.6	

Name	Operational data	For the Nine-Month Period Ended December 31,		For the Financial Year Ended March 31,		
		2013	2012	2013	2012	2011
	Third-party purchased sugarcane (%).....	35.5%	29.7%	41.4%	29.1%	
	Products produced					
	VHP sugar ⁽²⁾	7.2	41.5	83.6	117.9	
	Granulated refined sugar.....	112.8	83.1	47.6	15.1	
	Hydrous ethanol ⁽²⁾	93.7	75.9	80.4	62.7	
	Anhydrous ethanol ⁽²⁾	—	—	—	—	
	Number of days in harvest	265	231	260	238	

(1) In thousands of tons.

(2) In thousands of cubic meters.

The following table sets forth our storage capacity by product at our mills as of December 31, 2013.

	Sugar	Ethanol
	<i>(thousands of tons)</i>	<i>(thousands of cubic meters)</i>
Santa Cândida Mill	12.5	56.0
Vista Alegre Mill	15.0	30.0
Paraíso Mill	39.5	30.0
Total	67.0	116.0

Paraíso Mill Appraisal Reports

Solely for the purposes of this offering, we retained the Independent Appraiser, a Brazilian independent consulting firm to prepare the Appraisal Reports attached to this offering memorandum as Annex A, which contain appraisals of the fair market and future residual values of the Paraíso mill and related equipment. The estimates and projections contained in the Appraisal Reports were not prepared for the purpose of complying with the requirements of any regulatory entity of any country with respect to financial information. You should understand that the information contained in the Appraisal Reports, including estimates and projections, is subject to significant risks and uncertainties and, therefore, you should not rely solely on them in making an investment decision. Before making an investment decision, you should read this offering memorandum as a whole, including the information contained in “Risk Factors.” For more information regarding this report, see “Forward-Looking Statements—Paraíso Mill Appraisal Report” and “Presentation of Financial and Other Information—Paraíso Mill Appraisal Report.”

Our Main Products

The following tables set forth a breakdown of our domestic and export sales volumes and net revenues for our mills by product for the periods indicated.

Santa Cândida Mill

Santa Cândida Mill – For the Nine-Month Period Ended December 31,						
	2013			2012		
	Volume Sold ⁽¹⁾	Net Revenues		Volume Sold ⁽¹⁾	Net Revenues	
		(millions of reais)	(%)		(millions of reais)	(%)
Domestic net sales:						
VHP sugar.....	3.8	2.9	0.9%	10.6	8.8	3.0%
Anhydrous ethanol	46.9	60.8	19.9%	47.8	56.4	19.2%
Hydrous ethanol	2.9	3.5	1.1%	15.7	16.8	5.7%
Other revenues ⁽²⁾	—	2.5	0.8%	—	5.2	1.8%
Total domestic net sales		69.7	22.8%	—	87.2	29.7%
Export net sales:						
VHP sugar.....	196.2	174.2	56.9%	151.9	157.3	53.6%
Anhydrous ethanol	48.7	62.3	20.3%	41.5	48.8	16.6%
Hydrous ethanol	—	—	—	—	—	—
Yeast	—	—	—	—	—	—
Total export net sales		236.5	77.2%		206.1	70.3%
Total net revenues		306.2	100.0%		293.3	100.0%

(1) Sugar volumes are measured in thousands of tons and ethanol volumes are measured in thousands of cubic meters.

(2) Includes revenues from the sale of bagasse and yeast.

Santa Cândida Mill – For the Financial Year Ended March 31,									
	2013			2012			2011		
	Volume Sold ⁽¹⁾	Net Revenues		Volume Sold ⁽¹⁾	Net Revenues		Volume Sold ⁽¹⁾	Net Revenues	
		(millions of reais)	(%)		(millions of reais)	(%)		(millions of reais)	(%)
Domestic net sales:									
VHP sugar.....	10.6	8.8	2.7%	0.1	0.1	—	10.7	7.6	3.1%
Anhydrous ethanol	57.7	69.2	21.1%	71.3	95.8	31.3%	43.4	45.6	18.6%
Hydrous ethanol	20.4	22.3	6.8%	23.5	26.5	8.7%	34.6	27.7	11.3%
Other revenues ⁽²⁾	—	5.8	1.8%	—	6.7	2.2%	—	0.3	0.1%
Total domestic net sales	—	106.1	32.4%	—	129.1	42.2%	—	81.2	33.1%
Export net sales:									
VHP sugar.....	168.4	172.0	52.6%	182.7	177.0	57.8%	171.5	123.0	50.1%
Anhydrous ethanol	41.5	48.8	14.9%	—	—	—	39.7	40.0	16.3%
Yeast	—	0.2	0.1%	—	0.1	—	—	1.3	0.5%
Total export net sales ...		221.0	67.6%		177.1	57.8%		164.3	66.9%
Total net revenues		327.1	100.0%		306.2	100.0%		245.5	100.0%

(1) Sugar volumes are measured in thousands of tons and ethanol volumes are measured in thousands of cubic meters.

(2) Includes revenues from the sale of bagasse and yeast.

Vista Alegre Mill

Vista Alegre Mill – For the Nine-Month Period Ended December 31,						
	2013			2012		
	Volume Sold ⁽¹⁾	Net Revenues		Volume Sold ⁽¹⁾	Net Revenues	
		(millions of reais)	(%)		(millions of reais)	(%)
Domestic net sales:						
VHP sugar.....	—	—	—	5.0	5.2	2.3%
Anhydrous ethanol	41.0	56.9	30.4%	36.6	45.4	19.7%
Hydrous ethanol	—	—	—	6.3	7.4	3.2%

	Vista Alegre Mill – For the Nine-Month Period Ended December 31,					
	2013			2012		
	Volume Sold ⁽¹⁾	Net Revenues		Volume Sold ⁽¹⁾	Net Revenues	
		(millions of reais)	(%)		(millions of reais)	(%)
Energy	—	—	—	—	—	—
Other revenues ⁽²⁾	—	1.0	0.5%	—	3.1	1.3%
Total domestic net sales		57.9	30.9%		61.1	26.5%
Export net sales:						
VHP sugar	140.3	120.1	64.3%	144.2	145.9	63.2%
Anhydrous ethanol	7.1	8.9	4.8%	9.3	11.0	4.8%
Hydrous ethanol	—	—	—	—	—	—
Other revenues	—	—	—	—	12.6	5.5%
Total export net sales		129.0	69.1%		169.6	73.5%
Total net revenues		186.9	100.0%		230.7	100.0%

(1) Sugar volumes are measured in thousands of tons and ethanol volumes are measured in thousands of cubic meters.

(2) Includes revenues from the sale of bagasse and yeast.

Vista Alegre Mill – For the Financial Year Ended March 31,									
	2013			2012			2011		
	Volume Sold ⁽¹⁾	Net Revenues		Volume Sold ⁽¹⁾	Net Revenues		Volume Sold ⁽¹⁾	Net Revenues	
		(millions of reais)	(%)		(millions of reais)	(%)		(millions of reais)	(%)
Domestic net sales:									
VHP sugar	5.0	5.2	1.9%	—	—	—	—	(0.4)	(0.3%)
Anhydrous ethanol.....	46.8	60.0	22.5%	27.8	38.2	22.5%	39.5	45.5	31.0%
Hydrous ethanol.....	7.4	8.9	3.3%	13.7	15.2	9.0%	32.7	34.2	23.3%
Other revenues ⁽²⁾	—	3.8	1.4%	—	2.4	1.4%	—	0.6	0.4%
Total domestic net sales	—	77.9	29.1%	—	55.8	32.9%	—	79.9	54.4%
Export net sales:									
VHP sugar	167.4	165.9	62.1%	122.6	113.9	67.1%	104.9	66.9	45.6%
Anhydrous ethanol.....	9.3	11.0	4.1%	—	—	—	—	—	—
Other revenues ⁽²⁾	—	12.1	4.7%	—	—	—	—	—	—
Total export net sales		189.0	70.9%		113.9	67.1%		66.9	45.6%
Total net revenues		266.9	100.0%		169.7	100.0%		146.8	100.0%

(1) Sugar volumes are measured in thousands of tons and ethanol volumes are measured in thousands of cubic meters.

(2) Includes revenues from the sale of bagasse and yeast.

Paraíso Mill

Paraíso Mill – For the Eight-Month Period Ended December 31,				Paraíso Mill – For the Financial Year Ended March 31,					
2013				2013			2012		
	Volume Sold ^{(1) (2)}	Net Revenues ⁽³⁾		Volume Sold ⁽¹⁾	Net Revenues		Volume Sold ⁽¹⁾	Net Revenues	
		(millions of reais)	(%)		(millions of reais)	(%)		(millions of reais)	(%)
Domestic net sales:									
Granulated refined sugar	3.6	3.1	1.3%	2.8	2.5	1.1%	6.0	6.0	2.8%
VHP sugar	—	—	—	—	—	—	—	—	—
Hydrous ethanol.....	83.2	94.0	39.8%	78.1	81.6	34.3%	62.6	71.6	33.3%
Other revenues ⁽⁴⁾	—	23.0	9.8%	—	16.6	7.0%	—	18.4	8.5%
Total domestic net sales		120.1	50.9%		100.7	42.4%		96.0	44.6%
Export net sales:									
Granulated refined sugar	109.6	110.2	46.7%	81.7	91.7	38.5%	108.8	103.1	47.9%
VHP sugar	1.7	1.3	0.6%	48.0	45.5	19.1%	15.1	16.2	7.5%
Hydrous ethanol.....	3.4	4.2	1.8%	—	—	—	—	—	—
Total export net sales		115.8	49.1%		137.2	57.6%		119.3	55.4%
Total net revenues		235.9	100.0%		237.9	100.0%		215.3	100.0%

- (1) Sugar volumes are measured in thousands of tons and ethanol volumes are measured in thousands of cubic meters.
- (2) Volumes sold comprise Paraíso's volumes of sales during the full nine-month period from April 1, 2013 to December 31, 2013, which includes volumes from the period before we acquired Paraíso on May 3, 2013.
- (3) Net Revenues for Paraíso comprises net revenues during the period from May 1, 2013 to December 31, 2013 only.
- (4) Includes revenues from the sale of bagasse and yeast.

Sugar

Our Santa Cândida and Vista Alegre mills produce VHP sugar and our Paraíso mill produces both VHP sugar and granulated refined sugar. VHP sugar has a higher sucrose content than raw sugar (96.0% polarization), low moisture and is handled in bulk. As a result, VHP sugar is easily transportable allowing for export in port terminals. Granulated refined sugar is higher quality sugar than VHP sugar, having a color of ICUMSA 45 and a minimum polarization of 99.8%.

The current annual sugar production capacity of our Santa Cândida, Vista Alegre and Paraíso mills is approximately 221,000 tons, 180,000 tons and 140,000 tons, respectively. For the nine-month period ended December 31, 2013, our Santa Cândida, Vista Alegre and Paraíso mills produced approximately 192,912 tons, 140,402 tons and 7,205 tons of VHP sugar, respectively, and our Paraíso mill produced approximately 112,755 tons of granulated refined sugar. For the financial year ended March 31, 2013, our Santa Cândida, Vista Alegre and Paraíso mills produced approximately 187,609 tons, 176,058 tons and 47,581 tons of VHP sugar, respectively, and our Paraíso mill produced approximately 83,264 tons of granulated refined sugar. Sugar sales represented 56.6% of our net revenue for the nine-month period ended December 31, 2013 and 59.2% of our net revenue for the financial year ended March 31, 2013.

Customers

We primarily export the sugar we produce. We export VHP sugar from our Santa Cândida mill through the Port of Santos, which is approximately 380 kilometers from our Santa Cândida mill. We export our VHP sugar from our Vista Alegre mill through the Port of Paranaguá, which is approximately 1,000 kilometers from our Vista Alegre mill. We export VHP sugar and granulated refined sugar from our Paraíso mill through the Port of Santos, which is approximately 328 kilometers from our Paraíso mill.

We export VHP sugar to trading companies, including Bunge, ADM, Sucden and ED&F Man. We export substantially all the granulated refined sugar we produce to Cargill.

The following table sets forth the percentage volume of our sugar sales to our main customers, as well as the total sugar volume sold for the periods indicated.

Customer	% of Volume Sold		
	2012/2013 Harvest	2011/2012 Harvest	2010/2011 Harvest
Bunge.....	42.3%	62.0%	63.0%
ED&F Man.....	43.9%	38.0%	16.0%
Other	13.8%	—	22.0%

Sales and Distribution

For the nine-month period ended December 31, 2013, we sold approximately 342,013.0 tons of VHP sugar, recording net revenue from sugar of R\$298.5 million, and sold approximately 113,130 tons of granulated refined sugar, recording net revenue from granulated refined sugar of R\$113.3 million.

We primarily export the sugar we produce. We export VHP sugar in bulk to be refined at its final destination, and refined granulated sugar is usually exported in bags of 50 kgs in containers or break bulk vessels. We primarily route our exports through the ports of Santos, in the state of São Paulo, and Paranaguá, in the state of Paraná. We engage third parties to transport our product from the warehouses at our mills to these ports and, in the case of bagged sugar, we engage port terminals to fill containers or to load the break bulk vessels.

The following tables set forth our net export revenue and export sales volumes of sugar for the periods indicated from our mills:

	For the Nine-Month Period Ended December 31,	For the Financial Year Ended March 31,		
Santa Cândida mill (VHP sugar)	2013	2013	2012	2011
Net export revenue (in millions of R\$).....	174.2	172.0	177.0	123.0
% of total net revenue from sales of VHP sugar.....	98.4%	95.1%	99.9%	94.2%
Export sales volume (in thousands of tons)	196.2	168.4	182.7	171.5
% of total VHP sugar sales volume	98.1%	95.2%	100.0%	94.1%

	For the Nine-Month Period Ended December 31,	For the Financial Year Ended March 31,		
Vista Alegre mill (VHP sugar)	2013	2013	2012	2011
Net export revenue (in millions of R\$).....	120.1	165.9	113.9	66.9
% of total net revenue from sales of VHP sugar.....	100.0%	97.0%	100.0%	100.0%
Export sales volume (in thousands of tons)	140.3	167.4	122.6	104.9
% of total VHP Sugar sales volume	100.0%	97.1%	100.0%	100.0%

	For the Nine-Month Period Ended December 31,	For the Financial Year Ended March 31,	
Paraíso mill (VHP sugar and granulated refined sugar)	2013	2013	2012
Net export revenue (in millions of R\$).....	1.3	45.5	16.2
% of total net revenue from sales of VHP sugar and granulated refined sugar	100.0%	100.0%	100.0%
Export sales volume (in thousands of tons)	1.7	48.0	15.1
% of total VHP sugar and granulated refined sugar sales volume	100.0%	100.0%	100.0%

Prices

The price for VHP sugar is based on the NY11 price, which, as of December 31, 2013, commanded a premium of 4.05% over the raw sugar NY11 based price as a result of VHP sugar's higher sucrose content. The average price of raw sugar on the New York Mercantile Exchange was U.S.\$0.2228 per pound for the financial year ended March 31, 2013, compared to U.S.\$0.2563 per pound for the financial year ended March 31, 2012.

The following table sets forth our average sales price per ton for VHP sugar and granulated refined sugar exports in *reais* for the periods indicated:

Tonon	For the Nine-Month Periods Ended December 31,		For the Financial Year Ended March 31,		
	2013	2012	2013	2012	2011
			(R\$/ton)		
Average VHP sugar sales price	872.9	1,017.5	1,001.0	952.9	686.1
Average granulated refined sugar sales price	1,001.7	—	1,115.3	950.4	—

Ethanol

Although our Santa Cândida and Vista Alegre mills have the flexibility to produce both hydrous and anhydrous ethanol, we have produced increasingly lower amounts of hydrous ethanol during recent harvests, and intend to continue decreasing our production of hydrous ethanol for as long as anhydrous ethanol commands a premium over hydrous ethanol (after taking into consideration the additional processing required for anhydrous ethanol). Anhydrous ethanol is used for industrial purposes or as a gasoline additive, which improves performance while reducing pollution levels, while hydrous ethanol is used as fuel for flex-fuelled vehicles. Our Paraíso mill produces exclusively hydrous ethanol.

The Brazilian government currently requires anhydrous ethanol to be used as a gasoline additive. Since 1997, CIMA has set a percentage of anhydrous ethanol required to be added to gasoline (which percentage may

fluctuate between 18% and 25%). In November 2006, the required ethanol content for gasoline was set at 25% and, as of October 1, 2011, it was reduced to 20%. In March 2013, the required ethanol content for gasoline increased from 20% to 25% by volume, effective as of May 1, 2013.

Our current annual ethanol production capacity at our Santa Cândida, Vista Alegre and Paraíso mills is approximately 123,000 cubic meters, 96,000 cubic meters and 145,000 cubic meters, respectively. For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, our Santa Cândida mill produced approximately 99,144 cubic meters and 104,081 cubic meters of ethanol, of which approximately 95,960 cubic meters and 84,337 cubic meters were anhydrous ethanol and approximately 3,184 cubic meters and 19,743 cubic meters were hydrous ethanol, respectively. For those same periods, our Vista Alegre mill produced approximately 67,744 cubic meters and 70,985 cubic meters of ethanol, of which approximately 67,683 cubic meters and 64,803 cubic meters were anhydrous ethanol and approximately 60 cubic meters and 6,182 cubic meters were hydrous ethanol, respectively. For those same periods, our Paraíso mill produced approximately 93,714.1 cubic meters and 80,411 cubic meters of hydrous ethanol, respectively. Ethanol sales represented 39.9% of our net revenue for the nine-month period ended December 31, 2013 and 36.9% of our net revenue for the financial year ended March 31, 2013. Ethanol sales represented 34.3% of Paraíso's net revenue for the financial year ended March 31, 2013.

Customers

In Brazil, we sell ethanol to large fuel distributors, such as Raízen, and to medium and small distributors of gasoline. We also export a portion of the ethanol we produce to Greenergy.

We have agreements with some of our major customers, such as Raízen, for the sale of ethanol. These agreements generally have terms varying from one to three years. For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, we sold approximately 233,092.7 cubic meters and 183,110 cubic meters of ethanol to various customers, respectively.

Sales and Distribution

For the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, we sold in Brazil (to be used as a gasoline additive) approximately 87,906 and 104,499 cubic meters of anhydrous ethanol, respectively, and exported approximately 55,714 and 50,806 cubic meters of anhydrous ethanol, respectively.

Under our domestic ethanol sales agreements, the buyer typically collects the predetermined ethanol volumes directly at our mills. Sale prices under these agreements are based on the ESALQ index and payment generally occurs within ten days of delivery. For sales on the spot market, pricing is also based on the ESALQ index and payment generally occurs on or prior to delivery.

Our export sales agreements generally set out the volume to be delivered, quality of sugar, delivery and supply schedule, delivery costs and payment conditions. We primarily route our exports through the ports of Santos, in the state of São Paulo, and Paranaguá, in the state of Paraná. We use third parties to transport our products from our warehouses at our mills to these ports.

We believe that the domestic ethanol market has a strong potential to expand. In addition, the global trend is shifting towards adoption of cleaner-burning fuel and renewable energy sources and alternative fuels, which is reducing reliance on oil and increasing the use of flex-fuel cars and therefore demand for ethanol. We also believe broader international acceptance of ethanol as a fuel or fuel additive will expand the market for our ethanol exports.

Prices

The sale price of our ethanol is set according to market pricing, based on the ethanol indices published by ESALQ. Due to the relatively low number of mills which are capable of producing anhydrous ethanol as compared to hydrous ethanol, and the fact that anhydrous ethanol requires more processing, the price of anhydrous ethanol is usually higher than that of hydrous ethanol.

The following table sets forth the average sales prices for ethanol produced at our mills for the periods indicated:

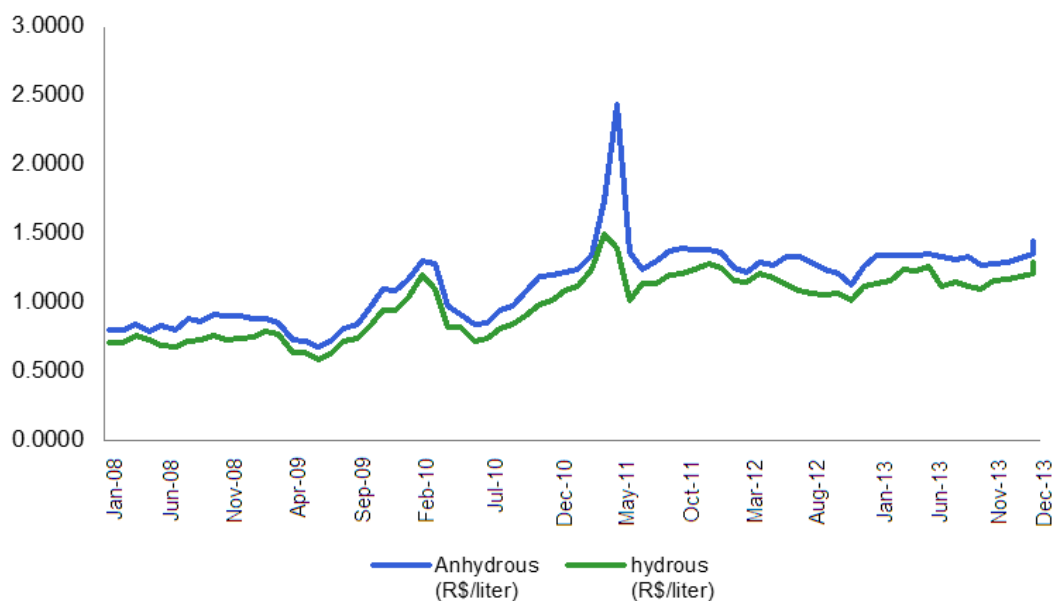
	For the Nine-Month Period Ended December 31,		For the Financial Year Ended March 31,		
	2013	2012	2013	2012	2011
	(R\$/liter)				
Santa Cândida mill:					
Average hydrous ethanol sales price (domestic).....	1,177	1,073	1,091	1,131	803
Average anhydrous ethanol sales price (domestic).....	1,298	1,182	1,199	1,344	1,051
Average anhydrous ethanol sales price (export)	1,280	1,174	1,174	n/a	1,010
Vista Alegre mill:					
Average hydrous ethanol sales price (domestic).....	n/a	1,176	1,205	1,376	1,150
Average anhydrous ethanol sales price (domestic).....	1,387	1,242	1,282	n/a	n/a
Average anhydrous ethanol sales price (export)	1,264	1,183	1,183	n/a	n/a
Paraíso mill:					
Average hydrous ethanol sales price (domestic).....	1,131	n/a	1,044	1,145	n/a

The table below shows the market prices for hydrous and anhydrous ethanol in the Brazilian market for the periods indicated:

Brazil	For the Nine-Month Period Ended December 31,		For the Financial Year Ended March 31,		
	2013	2012	2013	2012	2011
	(R\$/liter)				
Average hydrous ethanol selling price.....	1,3232	1,2621	1,1164	1,1956	0,9589
Average anhydrous ethanol selling price.....	1,1669	1,0899	1,2792	1,4161	1,0944

Source: CEPEA-ESALQ.

The following chart sets forth hydrous and anhydrous ethanol market prices in *reais* per liter during the period from January 2008 to December 2013:



Source: CEPEA/ESALQ/USP.

Bagasse and Co-Generation of Electricity

Sugarcane is composed of water, fibers, sucrose and other sugars and minerals. In the milling process, we separate water, sugar and minerals from the fibers, or bagasse. Sugarcane bagasse is an important sugarcane by-product and is used to fuel the boilers in our mills. Sugarcane bagasse is burned and heats the water in the boilers to high temperatures.

We use the resulting steam in our production of sugar and ethanol. Part of the steam is also used to produce electricity we use to power our mills by a turbo-generator at the USC I and UVA I co-generation plants, in the case of our Santa Cândida and Vista Alegre mills, and the Rhodia co-generation plant, in the case of our Paraíso mill. Currently, all of the energy requirements of our Santa Cândida mill and Vista Alegre mill is supplied by USC I and USC II, and all of the energy requirements of our Paraíso mill is supplied by Rhodia. Each of USC I and USC II and Rhodia are companies with which we exchange bagasse for steam and energy that we use to produce our sugar and ethanol during the harvest. Electricity generated by burning sugarcane bagasse is advantageous because it is a renewable energy and it complements hydroelectric energy (the primary source of Brazilian energy) because it is generated during the harvest periods when water-reservoir levels are typically lower.

Each of our Santa Cândida and Vista Alegre mills also has a thermoelectric power plant located on the premises through our strategic partnership with Energisa. In connection with this partnership, we sold co-generation assets to Energisa and, in relation to our Santa Cândida and Vista Alegre mills, we agreed to exchange bagasse for energy and steam produced at the power plants, which we continue to operate. The sale occurred in December 2011, when we executed four share purchase and sale agreements with Energisa pursuant to which we agreed to sell shares of four SPEs: (1) USC I, into which we transferred all of our co-generation assets at our Santa Cândida mill; (2) USC II, into which we transferred all of our construction and operation rights in case of expansion of our Santa Cândida co-generation plant; (3) UVA I, into which we transferred all of our co-generation assets at our Vista Alegre mill; and (4) UVA II, into which we transferred all of our construction and operation rights in case of expansion of our Vista Alegre co-generation plant. In August 2012, Energisa acquired (1) 85% of the capital stock of USC I; (2) 85% of the capital stock of UVA I; (3) 100% of the capital stock of USC II; and (4) 100% of the capital stock of UVA II, from us for an aggregate amount of approximately R\$150.0 million. Pursuant to the terms of the agreements, in approximately 20 years Energisa will sell back the assets owned by each of USC I, USC II, UVA I, and UVA II to us. Energisa has publicly announced its plans to increase the installed capacity of the co-generation power plants to 170 MW from the current 60 MW within the next year, including by undertaking to build and operate two additional power plants nearby the existing assets on the land we currently lease to Energisa. In addition, Energisa has publicly announced it plans to invest approximately R\$350 million to expand the power plants by the end of 2014/2015 harvest period in order to have the capacity to sell approximately 710 GWh *per annum* on the free market (*Ambiente de Contratação Livre*) by 2015.

In addition, in September 2010, Paraíso entered into a partnership with Rhodia, a world leader in the development and production of specialty chemicals, whereby Rhodia agreed to upgrade and operate a co-generation facility in exchange for Paraíso's bagasse. Most of the electricity generated by this co-generation facility is sold to the Brazilian electricity grid, while simultaneously supplying our Paraíso with all the electricity and steam it needs to meet its demand. The upgraded facility has a capacity of 70 MW and commenced operations during the 2012/2013 harvest.

Material Agreements

Sale and Purchase Agreements for Sugar and Ethanol

We have entered into several agreements with subsidiaries of the Bunge Group (Bunge Alimentos S.A., Bunge International Commerce Ltd., Bunge London Limited, Ceval International Ltd. (currently Bunge London Limited)). These agreements provide for our sale and delivery of sugar and ethanol from the 2011/2012 harvest through to the 2016/2017 harvest. We have also entered into several agreements with Agrograin Ltd. Sucursal Uruguay for the sale of sugar and ethanol between the 2012/2013, 2013/2014 harvest and 2017/2018 harvest. In addition, we have also entered into certain sale agreements for sugar and/or ethanol with ED&F Man Sugar Ltd., MM Original Distribuidora de Petróleo Ltda and Oil Petro Brasileira de Petróleo Ltda., Taurus Distribuidora de Petróleo Ltda., Energy Comercial Importadora e Exportadora, Bauche-Energy Brasil Comercial Importadora e Exportadora Ltda. (and Bauche-Energy Brasil Trading S.A.), Greenenergy Brasil Trading S.A., Cana Brava Transp.

e Comércio Ltda., Petrobrás Distribuidora S.A., Realcool Distribuidora de Petróleo Ltda., Ruff CJ Distribuidora de Petróleo Ltda., Porto Real Agribusiness e Eventos Ltda., Real Sugar Comércio e Exportação Ltda. and Sucres ET Denrees, from the 2011/2012 harvest through to the 2016/2017 harvest.

Through our Paraíso mill, we have entered into three agreements with Cargill Agrícola S.A. Turks and Caicos for the sale and delivery of refined granulated sugar cane for the period from October 1, 2011 through July 31, 2016. The obligations of Paraíso under certain agreements with Cargill are secured by pledges over sugar. In addition, our Paraíso mill entered into one agreement with Amyris for the sale of sugar syrup derived from sugarcane juice or, in start-up periods, derived from VHP sugar or other high sucrose content components, for a 15-year term commencing March 18, 2011.

Competition

The sugar and ethanol industry in Brazil began to change in 1990 when the Brazilian government relaxed restrictions on sugar exports, and, in 1999, the Brazilian government deregulated sugar and ethanol prices. During the last several years, the Brazilian sugar industry has become increasingly consolidated through mergers and acquisitions. Most of this activity has involved companies and facilities located in the Southeast and Midwest regions of Brazil, one of the most productive sugar-producing regions in the world. Despite this recent wave of consolidation, the Brazilian sugar industry remains highly fragmented, with more than 422 sugar mills and 85 company groups, according to “*Anuário da Cana*” 2013.

The sugar and ethanol industries are highly competitive, particularly with respect to the supply of sugarcane and availability of suitable areas for planting and harvesting sugarcane. We compete with numerous domestic sugar and ethanol producers. As a result of their distance and high logistical costs, we face little competition from sugarcane, sugar and ethanol producers in the North-Northeast regions of Brazil. Our main competition is concentrated in the Southeast and Midwest regions of Brazil. Certain competitors may have lower costs or benefit from greater financial, technological or other resources, as well as being more able to readily adapt to new or technological developments in the industry or customer demands.

Tax Incentives

We benefit from a tax incentive in the state of Mato Grosso do Sul in the form of deferred payments of ICMS. This benefit is conditioned on our fulfillment of all of the following conditions: (1) receipt of the annual authorization issued by the Mato Grosso do Sul State Treasury as required by law; (2) the fulfillment of the principal and ancillary tax obligations; and (3) use of a tax stamp or issuance of an electronic invoice. Under this tax incentive agreement, our tax benefit is calculated based on the use of a presumed ICMS credit of 9.3% based on calculation of ICMS on shipments of hydrated ethyl or ethanol fuel from Mato Grosso do Sul to another Brazilian state, or shipments of anhydrous ethanol to fuel distributors, petroleum refineries or distilleries situated in another Brazilian state until December 31, 2028, as established in the agreement with the state of Mato Grosso do Sul.

The benefits we receive from this tax incentive agreement are recorded in our statement of income as a deduction within the sales taxes line item. For the financial years ended March 31, 2013, 2012 and 2011, we received tax incentive benefits under this agreement totaling R\$4.2 million, R\$2.8 million and R\$3.5 million, respectively.

In addition, since December 22, 2005, the state of Mato Grosso do Sul has granted us the following tax benefits under the state law No. 93/2001: (1) a 67% discount over the ICMS balance due from operations with sugar until July 20, 2018; (2) deferred ICMS payments related to the importation of equipment for industrial production, for an indefinite term; (3) deferred ICMS payments related to equipment acquisitions from other states, also for an indefinite term; and (4) deferred ICMS payments due for the transfer or acquisition of industrial or energy production equipment, from other states, until November 30, 2016. Among other conditions, to maintain these benefits we must incorporate the corresponding value benefited during the financial year to our capital by the 30th day after our balance sheet closing date.

These benefits are already in effect and are conditioned on our fulfillment of several terms, including the payment of a monthly contribution to a state fund (*Fundo Estadual de Apoio à Industrialização*), which is equal to 2% of the tax incentives received under the terms of this agreement.

Moreover, the state of São Paulo has granted us a tax benefit allowing us to defer ICMS payments which would be due upon the entry of sugarcane in our Santa Cândida mill and Paraíso mill located in the state of São Paulo. This tax benefit is already in effect for an indefinite term. However, the benefit will be immediately terminated if we (1) do not communicate any changes related to our shareholders' composition to the Brazilian tax authorities; or (2) default under any payment owed to the national, state or municipal treasury, except if any such debt is secured by an administrative or judicial deposit or attachment.

Technology, Research and Development

Intellectual Property

We have filed 16 trademarks for registration with the Brazilian Patent and Trademark Office (*Instituto Nacional da Propriedade Industrial*), or INPI. As of the date of this offering memorandum, nine trademarks have been registered by INPI. Six trademark applications have been granted (and the fees for the respective registrations have been paid), but we are still awaiting registration. One trademark application is still under examination by the INPI. Our main trademark, "Tonon Bioenergia S.A." has had its registration granted in several classes, which means that we have exclusivity to use this trademark in a variety of markets in which we operate. In addition to our main trademark, we have filed the following trademarks for registration: "Tonon Biogás", "Tonon Bioeletricidade" and "Tonon Eletricidade" in their nominative form. Furthermore, we have 34 internet domains duly registered with the Brazilian Internet Domains Registry (*Registro de Domínios para a Internet no Brasil*), or Registro.br, among which are *tononbioenergia.com.br*, *tononsa.com.br*, *tononbiogas.com.br*, *usnavistaalegre.com.br* and *vistaalegrems.com.br*, which are in force until at least 2015.

Also, with our acquisition and merger of Paraíso, we have acquired rights over the two "Paraíso Bioenergia" trademarks filed with the INPI. As of the date of this offering memorandum, one of such trademarks (used in connection with ethanol as fuel) has been granted registration and the other one (used in connection with sugar) has had its application denied and the INPI is reviewing the appeal. Furthermore, we have duly registered the internet domain *paraísobioenergia.com.br* with Registro.br, which is in force until at least 2015.

Research and Development

We are members of the CTC, a private institution focused on research, development and improvement of technologies for agricultural activities, logistics, and industry, as well as creating new varieties of sugarcane. The CTC has already developed biological methods for controlling pests, biodegradable plastic, co-generation technology and VHP sugar that requires less energy to be processed.

We also analyze our best possible use of new varieties of sugarcane in light of the different soil and climate conditions in the areas where we harvest sugarcane.

Information Technology

We have made investments in our technological platform in order to improve the management and supervision of all phases of our production process, ensure the quality of our products, achieve higher operating efficiency and improve the analysis and management of our production costs.

Governmental Regulations

The sugar and ethanol industries were heavily regulated by the Brazilian government until 1999. Prices of sugarcane, ethanol and sugar were established in accordance with federal law, and their production was controlled through centralized harvest plans established by the Brazilian government. In 1975, the Brazilian government implemented the Pro-Ethanol program, which created incentives for the production of ethanol-fueled vehicles and established ethanol prices.

The deregulation of the sugar and ethanol industries began with the promulgation of Brazil's Federal Constitution in 1988. In 1989, producers were authorized to directly export sugarcane under governmental supervision. In 1990, the Brazilian government dissolved the Sugar and Ethanol Institute, an agency that controlled several aspects of sugar production and sales, including the preparation of harvest plans and the establishment of

prices. In 1996, the government's harvest plans ceased to be compulsory and were used only for indicative purposes. From 1995 to 1999, government control of the prices of sugar and ethanol was gradually relaxed and sugar was permitted to be exported freely. The full deregulation of sugarcane prices occurred on February 1, 1999.

Since August 1997, the Brazilian government has required that all gasoline sold must be mixed with between 18% to 25% anhydrous ethanol (currently 25%, effective since May 1, 2013).

In 2011, Law No. 12,490 changed the classification of ethanol from an agricultural product to a biofuel. This change brought the production, import, export, storage, transport, transfer, distribution and marketing of ethanol under the ANP's regulation and supervision, increasing the ANP's role in the regulation of ethanol by applying various regulations to ethanol that were previously only applicable to petroleum and its derivatives, natural gas and condensate.

Brazilian Law No. 12,490/11 also set forth that the exploitation of biofuels activities (including ethanol activities) is subject to ANP's prior authorization, which will only be issued for companies (1) incorporated or organized under Brazilian law, (2) that are in good standing with the Brazilian tax authorities and the ANP, (3) which present a basic plan for implementation in accordance with the technical legislation applicable, (4) which possess an environmental license or another equivalent government authorization, (5) which present a project which ensures adequate safety of the facilities, and (6) which have paid-in capital or other financing sources sufficient to develop the project.

ANP's Resolution No. 7, dated February 9, 2011, and Resolution No. 26, dated August 30, 2012, provide technical specifications for the production and marketing of ethanol. As per Resolution No. 26, companies may be authorized by ANP to produce ethanol provided that they comply with these technical specifications. However, an ANP authorization will not be granted (1) to a company which is or whose officers, managers or shareholders, either as individuals or legal entities, as applicable, are delinquent with their debt owed to governmental entities and are enrolled in the Brazilian Government's Registry of Unpaid Debts (*Cadastro Informativo de Créditos não Quitados do Setor Público Federal*), or CADIN; or (2) if in the last five years the company has had its authorization to conduct its activities revoked by the ANP due to noncompliance with the applicable provisions.

The imposition of price controls, any reduction in the mandatory percentage of ethanol required to be added to gasoline or any other change in the Brazilian government policy towards ethanol use could have a material adverse effect on our business. See "Risk Factors—Risks Relating to Our Business and the Ethanol and Sugar Industries—Government policies and regulations affecting the agricultural and ethanol sectors and related industries could materially adversely affect us."

Environmental Rules and Regulations

Article 225 of the Brazilian Federal Constitution classifies the environment as a common usage asset, essential to a good quality of life, and imposes on public authorities and on the community the duty to protect and defend it for present and future generations. The Brazilian Federal Constitution grants the Brazilian government, state governments and municipalities the power to enact environmental protection laws and issue regulations under such laws. Most of the environmental regulations in Brazil are thus at the state and local level rather than at the federal level, with environmental standards established in the operating permits issued to each plant rather than through regulations of general applicability. Operating permits must be renewed from time to time.

We are subject to Brazilian federal, state and local laws and regulations governing the discharge of effluents and gas emissions into the environment, the handling and disposal of industrial waste, the preservation of wildlife in protected areas, and the use of natural resources or otherwise relating to the protection of the environment.

Environmental Liability

The Brazilian Federal Constitution has followed the guidelines established by the National Environmental Policy (*Política Nacional do Meio Ambiente*), outlined in Federal Law No. 6,938/1981, which is considered one of the main Brazilian environmental legal statutes. As a general rule, Brazilian law requires that any individual or legal entity that causes damage to the environment may be subject to civil, criminal and administrative liability.

The Brazilian National Environmental Policy regulates civil liability for damages caused to the environment irrespective of fault. Demonstration of the cause and effect relationship suffices to trigger the obligation to repair environmental damage. The fact that the wrongdoer's operations are in accordance with environmental licenses does not exclude such liability.

The Brazilian National Environmental Policy further expanded the list of persons liable for environmental damages and established joint liability among polluting agents. In the case of environmental damage to an industrial area or potentially polluting activity, it may be difficult to identify the source of the environmental damage and the intensity. The aggrieved party is not compelled to sue all of the polluting parties in one proceeding. Instead, the aggrieved party may choose the polluting party (given joint liability) that meets the necessary requirements to appear as a defendant. A polluting party that is sued has the right to be indemnified by the polluting party directly responsible for the damages.

Another important liability issue concerns acquisition operations. An acquirer of a property that pursues or pursued an activity potentially damaging to the environment automatically undertakes the obligation to repair any environmental damage or correct adverse impacts left by the property seller, regardless of the means of acquisition. For example, should a property owner's soil become contaminated by hazardous materials, the Brazilian environmental authority may issue a violation notice requiring the owner to remediate the land, which may require significant expenditures by the owner. However, if the acquirer of a property becomes liable for environmental damage, the acquirer may pursue its right of recourse against the original property owner if the acquirer can prove that the liability existed before the acquisition, provided that this liability was not disclosed during negotiations or is set forth in the underlying acquisition documents.

The Public Attorneys' Office, foundations, state agencies, state-owned companies and associations established for environmental protection are authorized by law to take action in order to protect the environment.

Furthermore, although not provided for in an express legal provision, mainstream doctrine advocates that a claimant seeking compensation for environmental damages is not barred by any statute of limitations.

Under the Environmental Crimes Act (Federal Law No. 9,605/98), individuals and legal entities, including officers, controllers, directors, managers, auditors, nominees (quotaholders or not) and employees of such legal entities, may also incur criminal liability when acting with negligence or imprudence in violating environmental legislation. The Environmental Crimes Act was the first law to create criminal liability for legal entities in the Brazilian legal system. A civil or administrative judicial settlement will not prevent prosecution for criminal liability in the case of an environmental crime.

The criminal penalties that can be imposed upon legal entities include, *inter alia*: (1) the obligation to render services to the community; (2) the requirement to fund environmental programs and projects; (3) payment for the restoration of damaged areas; (4) financial contribution to public entities whose purpose is to protect the environment; and (4) payment of fines. In principle, there is a presumption of negligence on the part of the legal entity.

The criminal penalties that may be imposed upon an individual include, among other penalties, imprisonment ranging from one month to ten years and/or the payment of a fine. The most severe penalties are related to pollution crimes, which are most commonly committed by legal entities and their managers. Penalties in this respect include possible imprisonment of up to five years, which can be doubled if the pollution results in a death. If the violator is sentenced to confinement or imprisonment, such penalty may be replaced by community service.

Administrative penalties under the Environmental Crimes Act are established by Federal Decree No. 6,514/08. Under this decree, every action or omission that violates a law regarding environment usage, enjoyment, support, protection or restoration is considered an environmental administrative violation and may be subject to single or daily fines, embargoes, full or partial suspension of activities, right-restrictive penalties and compensatory damages, among other. Fines are assessed based on the unit, hectare, cubic meter, kilogram or other applicable unit of measure, depending on the damaged asset, and may range from R\$50.00 to R\$50.0 million. Generally, the maximum fine will only be imposed when the violation creates a high environmental risk or may cause serious environmental damages. The goals of the aforementioned legal statutes are environmental protection

and restoration of environmental degradation. Therefore, enforceability of fines contemplated by the Federal Decree No. 6,514/08 may be suspended upon signing of a commitment statement, approved by the appropriate environmental authority, whereby the violator undertakes specific steps to repair the environmental damage within a certain period of time.

Environmental Licensing

The Brazilian National Environmental Policy sets forth that the environmental licensing process is necessary to authorize the construction, installation, expansion or operation of facilities or activities that uses natural resources, and are deemed actually or potentially polluting, as well as those capable of causing any kind of environmental degradation. This license will establish conditions, restrictions and inspection procedures for the project.

Generally, the environmental licensing process in Brazil is composed of three stages, represented by the issuance of three different licenses: (1) preliminary license (*Licença Prévia*), which is granted during the preliminary stage of planning the enterprise or activity and approves its location and concept, after the analysis by the competent environmental agencies of the environmental assessments presented, which can be a simplified report or a full Environmental Impact Report and correspondent Environmental Impact Assessment (*Estudo de Impacto Ambiental e respectivo Relatório de Impacto ao Meio Ambiente*), or EIA/RIMA; (2) installation license (*Licença de Instalação*), which authorizes the setting up of the enterprise, according to the specifications of the approved plans, programs and designs; and (3) operation license (*Licença de Operação*), which authorizes the operation of the activity or enterprise, after effective compliance with the previous licenses and with the environmental control measures and conditions determined for the operation. The environmental licensing process is contingent on the preparation of technical environmental studies and, in some cases, on the payment of environmental compensation fees.

We seek to obtain all the necessary environmental licenses, permits and authorizations required by law or the competent environmental agencies in order to operate our facilities. On February 2, 2012, we received pre-authorization, valid for five years (while the final approval is pending), from CETESB for the expansion of the crushing capacity of our Santa Cândida mill from 2.5 million tons of sugarcane per harvest period to 3.5 million tons of sugarcane per harvest period. The lack of an environmental license to construct, implement, operate, expand or enlarge a facility which may have a significant environmental impact, as well as non-compliance with requirements environmental licenses, such as total production capacity, exposes the wrongdoer to criminal and administrative penalties, including fines ranging from R\$500.00 to R\$10.0 million, amongst other sanctions that can be applied, such as suspension of activities and shutdown orders. Generally, shutdown orders are only applied when a non-compliant operation triggers a high environmental risk or causes serious environmental damage.

Solid Waste

Final disposal of waste directly affects both the environment and the public health. Brazilian legislation, specifically the Solid Waste National Policy, set out in Federal Law No. 12,305/2010, requires that transportation, management and final disposal of waste neither cause any damage to the environment, nor any harm to the public health and welfare. Brazilian legislation regulates the segregation, collection, storage, transportation, treatment and final disposal of wastes and also imposes joint and several liability upon entities that outsource such activities to third parties. Specific kinds of waste, such as industrial by-products, must be disposed of in specified locations. The improper disposal of waste may subject the wrongdoer to civil, criminal and administrative liability.

With respect to subcontractor liability, environmental liability in Brazil involves strict joint and several liability, meaning: (1) such liability does not depend on direct fault of the agent; and (2) such liability affects all those directly or indirectly involved. Thus, we may be held liable for the irregular conduct of our subcontractors, such as the irregular disposal of waste. A single violation of waste disposal administrative rules may subject the entrepreneur to fines ranging from R\$5,000 to R\$50,000,000.

We seek to ensure that third parties we hire to dispose of waste are compliant with applicable rules and legislation.

Registration before IBAMA

We are required to register with the Federal Technical Registry (*Cadastro Técnico Federal*), or CTF, of the Brazilian Renewable Natural Resources and Environmental Agency (*Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis*), or IBAMA, in order to operate sugar mills. We are also required to make quarterly payments of the Environmental Control and Inspection Fee (*Taxa de Controle e Fiscalização Ambiental*), or TCFA, pursuant to Federal Law No. 6,938 and Regulation No. 31/2009. The lack of registration is subject to fines of up to R\$9,000. As per the certification we received on April 10, 2014 (certificate No. 1572627), we are in compliance with the IBAMA registration requirements and TCFA quarterly payments as of the date of this offering memorandum.

Permanent Preservation Areas

The Brazilian Forestry Code sets forth that some areas are protected against certain land use, including areas bordering streams and rivers and hill tops. Activities may only be undertaken in these Permanent Preservation Areas (*Áreas de Preservação Permanente*), or APP, if such human interference is permitted in case of public need and social interest. In these cases, prior authorization is required on the part of the relevant environmental authority, provided that measures to mitigate and compensate the environmental impacts in the existing APP are adopted by the entrepreneur.

Pursuant to Federal Decree No. 6,514/08, illegal interference with or damage to any kind of vegetation in an APP may subject the wrongdoer to fines ranging from R\$5,000 to R\$50,000 for each hectare or fraction thereof. Additionally, the removal of trees in an APP may also subject the wrongdoer to fines ranging from R\$5,000 to R\$20,000 per hectare or fraction thereof. Regardless of administrative sanctions, damages to an APP trigger the obligation to repair such damages. Since environmental liability imposes a strict joint and several liability, any company involved, directly or indirectly, with damage to an APP is automatically required to repair any environmental damages or to correct any adverse impacts, regardless of the causes of such degradation. Nevertheless, should such liability be caused by the land owner, the company sued may have a right of indemnification against the person or entity that caused the environmental damage.

In the event of noncompliance with APP requirements we and landowners of the property on which we cultivate and harvest sugarcane, are jointly and severally liable for environmental liability. As of the date of this offering memorandum, we believe that we and most landowners of the properties we lease are in compliance with the APP requirements.

Legal Forestry Reserve

Federal Law No. 12,727/2012, which modified Federal Law No. 12,651/2012 revoking the Brazilian Forestry Code and Federal Decree No. 7,830/2012 sets forth the necessity to preserve minimum areas of rural properties with native forests. The percentage varies depending on the location of the property and is, as a general rule, 20%. However, the percentage differs for areas located in the Amazon region, which encompasses seven states in the Amazon Basin (Acre, Amapá, Amazonas, Pará, Rondônia, Roraima and Tocantins) and part of the States of Mato Grosso and Maranhão. This percentage is 35% for areas located in the Cerrado Biome and 80% for areas located in the Amazon rainforest.

The new forestry rules of the Brazilian government require enrollment in the CAR for all rural properties in Brazil. The CAR contemplates the geo-coordinate references, which indicates the exact location of the rural property. Registry with the CAR exempts the registrant from registration with the Real Estate Registry Office for legal reserve areas. Court decisions tend to require registration of the Legal Forestry Reserve with the Real Estate Registry Office until the CAR is implemented.

Decree No. 6,514/08 provides that any failure to register the legal reserve with the Real Estate Registry Office shall subject the land owner to the payment of a daily fine, which value ranges from R\$50 to R\$500 per hectare or fraction thereof. Release of registration with the real estate entry, and consequent obligation of registration at the CAR, will require the Brazilian Government to update the penalties described herein. Finally, as per Brazilian law, the suppression of vegetation inside a legal reserve area may subject the violator to criminal and administrative liabilities, including a fine of R\$5,000 per hectare.

As the scope of our lease agreements is restricted to cultivated areas and does not encompass legal reserve areas, the respective landowners are responsible for such areas and its preservation in accordance with the Brazilian Forestry Code. However, in the case of our Fazenda Paraíso cultivation area, before it was transferred to its current owners (who currently lease it to us), Paraíso agreed with CETESB to preserve 20% of the cultivation area as a legal reserve until September 11, 2014. Santa Cândida agreed with CETESB to preserve 20% of the cultivation area as legal reserve until May 20, 2014 and has requested an extension of the deadline for compliance. Vista Alegre agreed with IMASUL to comply with the Legal Forestry Reserve requirements and an agreement was executed on August 14, 2008.

We incentivize the compliance with preservation of legal reserve areas in accordance with Brazilian legislation. In the event of noncompliance with the legal reserve requirements by the landowners of the property on which we cultivate and harvest sugarcane, we believe our risk of environmental joint and several liability is low because we only lease cultivated areas. As of the date of this offering memorandum, we believe that most owners of the land we lease are in compliance with the legal forestry reserve requirements. See “Risk Factors—Risks Relating to Our Business and the Ethanol and Sugar Industries—We are subject to extensive environmental and labor regulations and may be exposed to liabilities and potential costs for environmental and labor compliance.”

Finally, as per Brazilian law, the suppression of vegetation inside a legal reserve area may subject the violator to criminal and administrative liabilities, including a fine of R\$5,000 per hectare.

Conservation Units

Brazilian Federal Law No. 9,985/2000 establishes that the federal, state and municipal governments may establish conservation units (*Unidades de Conservação*), or UCs. According to this law, UCs may be of integral protection (*unidade de proteção integral*), in which no human interference is allowed, or sustainable use (*unidade de uso sustentável*), in which only sustainable use of natural resources is authorized.

Federal Decree No. 6,514/08 and Brazilian Law No. 9,605/98 provide that non-compliance with rules concerning the use of UCs, as well as generally causing damage to the UCs, may subject the violator to several administrative and criminal sanctions, such as fines up to R\$100,000.

Also, Brazilian law requires, for the implementation of activities with significant environmental impact as considered by the Environmental Impact Assessment and correspondent Environmental Impact Report (*Estudo de Impacto Ambiental e Respetivo Relatório de Impacto ao Meio Ambiente*), that the land owner support the implementation and maintenance of UCs as a compensatory measure. The environmental compensation corresponds to up to 0.5% of the value of the enterprise or project, depending on the impacts to be generated by the activity.

As our activities do not involve a significant EIA/RIMA environmental impact, our licensing processes do not require payment of environmental compensation for implementing and maintaining UCs, except that we have been assessed, and paid a license fee in March 2013 for expansion of the crushing capacity of Santa Cândida. Although the scope of our lease agreements are restricted to cultivated areas, we incentivize the compliance by the landowners of rural properties we lease to the Brazilian legislation relating to the UCs, in situations in which the rural properties have any overlap in these areas. In the event of non-compliance with the UC requirements by the landowners of the property on which we cultivate and harvest sugarcane, we believe our risk of environmental joint and several liability is low because we only lease cultivated areas. As of the date of this offering memorandum, we believe that most landowners of the properties we lease are in compliance with the UC requirements.

Cultural Heritage

Article 216 of the Brazilian Federal Constitution defines cultural heritage as including artistic and technological creations as well as general cultural, historical and archeological sites, documents, and other tangible and intangible assets. Furthermore, the Brazilian Federal Constitution establishes that the Brazilian government and civil society are responsible for the protection of Brazilian cultural heritage. Accordingly, any interferences in culturally and historically relevant areas requires authorization from the National Historical and Artistic Heritage Institute (*Instituto do Patrimônio Histórico e Artístico Nacional*), or IPHAN.

Any unauthorized interference in cultural, historical or archeological areas is considered an administrative infraction, subjecting the violator to penalties such as embargos or fines, which may range from R\$10,000 to R\$100,000.

As of the date of this offering memorandum, we believe we are in compliance with our obligations relating to cultural heritage.

Property, Plant and Equipment

Our headquarters and principal executive office is located in the city of Bocaina (where our Santa Cândida mill is located), in the state of São Paulo. Our properties consist primarily of sugarcane, sugar and ethanol production facilities in which we process sugarcane.

We cultivate sugarcane on land we lease and land we use pursuant to agricultural partnership agreements.

We believe that all of our production facilities are in good operating condition. As of December 31, 2013, the total net book value of our property, plant and equipment was R\$512.8 million and 47.6% of our indebtedness was secured by certain of our sugarcane inventories, Paraíso mill, agricultural and industrial equipment and machinery and accounts receivables.

Employees

As of December 31, 2013, we had 4,186 employees. As of December 31, 2013, all of our employees were represented by unions. We deduct a mandatory union contribution from all of our employees' compensation. We believe that we have good relations with our employees and the unions that represent them, and we have never experienced strikes or other labor slowdowns. We are a party to certain collective bargaining agreements with the following unions: Union of Workers in the industries of manufacturing of Alcohol, Chemicals, Pharmaceuticals, Plastics, Paints and Varnishes of the City of Bauru and Region, State of São Paulo (*Sindicato dos Trabalhadores nas Indústrias da Fabricação do Alcool, Químicas, Farmacêuticas, Plásticas, Tintas e Vernizes de Bauru e Região*); Union of the Road Transport Workers of the City of Jaú and Region (*Sindicato dos Trabalhadores em Transporte Rodoviário de Jau e Região*); Union of the Rural Workers of the City of Bocaina, State of São Paulo (*Sindicato dos Trabalhadores Rurais de Bocaina, Estado de São Paulo*); Union of the Rural Workers of the City of Dois Córregos, State of São Paulo (*Sindicato dos Trabalhadores Rurais de Dois Córregos, Estado de São Paulo*); Union of the Rural Workers of the City of Dourados, State of São Paulo (*Sindicato dos Trabalhadores Rurais de Dourados, Estado de São Paulo*); Union of the Rural Workers of the City of Torrinha, State of São Paulo (*Sindicato dos Trabalhadores Rurais de Torrinha, Estado de São Paulo*); Union of the Rural Workers of the City of Brotas, State of São Paulo (*Sindicato dos Trabalhadores Rurais de Brotas, Estado de São Paulo*); Union of the Workers of the Chemical and Pharmaceutical Industries of the City of Botucatu and Region (*Sindicato dos Trabalhadores nas Indústrias Químicas e Farmacêuticas de Botucatu e Região*); Union of the Workers of the Food and related products Industries of the City of Jaú and Region (*Sindicato dos Trabalhadores nas Indústrias de Alimentação e afins de Jaú e Região*); Union of the Workers of the industries of manufacture of Sugar and Alcohol of the City of Rio Brilhante, State of Mato Grosso do Sul (*Sindicato dos Trabalhadores nas Indústrias de Fabricação de Açúcar e Alcool de Rio Brilhante, Estado do Mato Grosso do Sul*); Union of the Workers of the industries and Metallurgical and Mechanical Workshop, Electrical Equipment, Shipbuilding, Automobiles Mechanics, machinery and related of the City of Jaú and Region (*Sindicato dos Trabalhadores nas Indústrias e Oficinas Metalúrgicas Mecânicas, Material Elétrico, Construção Naval, Mecânica de Autos, Máquinas e afins de Jaú*); and the Union of the Rural Workers of the City of Maracaju, State of Mato Grosso do Sul (*Sindicato dos Trabalhadores Rurais de Maracaju, Estado do Mato Grosso do Sul*), which have one-year terms. These agreements are subject to annual renewal pursuant to the terms to be agreed with the respective union and are subject to changes in Brazilian law. We apply the terms of these collective bargaining agreements entered into with the unions equally to all of our employees.

Our payroll expenses totaled R\$23.3 million and R\$12.4 million for the nine-month period ended December 31, 2013 and the financial year ended March 31, 2013, respectively, which includes provisions for vacations, bonuses, taxes and social contributions.

Benefits

We offer our employees, including our executive officers, various benefits in compliance with collective labor agreements and Brazilian labor laws. Benefits include medical and dental assistance, meals, transportation and life insurance. We continue to improve and develop new training programs for our employees, as well as programs to minimize workforce accidents. We are also committed to constantly improving the working conditions of our workforce.

Social Programs

We are currently involved in 57 social, cultural and environmental initiatives through our Life in Action (*Vida em Ação*) program. Our initiatives include collection and waste management components designed to reduce the amount of waste dumped into landfills and programs to provide environmental education in communities surrounding our mills.

We are the sponsors of a child development center for approximately 70 infants and children in Brotas called Centro de Educação Infantil Zilda Francini Pinheiro. This center's focus is to shelter and care for infants from birth until they start school, as this is when their experiences will have a powerful impact in their future.

Profit Sharing Program

In compliance with the collective labor agreements entered into with the labor unions representing our employees, we implemented a profit sharing program for employees, based on operating and financial targets previously established and based on our budget plan.

The operating and financial indicators agreed between us and our employees, through the labor unions that represent them, are related to the following aspects: (1) agro-industrial operating indexes; (2) budget index; (3) health, safety and environmental statistic indexes; (4) efficiency gains; and (5) our financial performance.

Measurement of these indicators is segregated among our respective departments, which include, for purposes of this program, the agricultural, industrial and administrative departments.

For the nine-month periods ending December 31, 2013 and 2012, our expenses for profit sharing totaled R\$6.1 million and R\$5.9 million, respectively, which we recorded in "operating costs and expenses."

Insurance

As of December 31, 2013, we carried insurance policies covering our facilities and their contents, including furniture, equipment, machinery, raw materials and inventory stored therein. These insurance policies cover damages from fire, electrical damage, natural disasters and industrial accidents and have coverage limits of up to R\$720.1 million. As of June 30, 2013, we no longer carry significant lost profits insurance.

We do not anticipate having any difficulties renewing any of our insurance policies and believe that our insurance coverage is reasonable in amount and consistent with industry standards applicable to similarly situated sugar and ethanol companies operating in Brazil.

Legal and Administrative Proceedings

We are engaged in several legal proceedings, including tax, social contribution, labor, civil and environmental proceedings. We established provisions in an aggregate amount of R\$7.3 million as of December 31, 2013 in relation to legal proceedings. However, there are certain legal proceedings currently pending in which we are involved for which we have not established provisions. If any of these proceedings is decided adversely to us, our results of operations or financial condition could be materially adversely affected.

As of December 31, 2013, we were involved in a conduct adjustment agreement (*Termo de Ajustamento de Conduta*), or TAC, and two commitment agreements (*Termos de Compromisso*) with the labor office's prosecutor of the state of São Paulo, in order to bring into compliance and maintain certain labor practices related to the labor conditions of our rural workers.

We entered into the TAC in 2003, pursuant to which we committed to (1) use our employees exclusively for the planting and harvesting of sugarcane; and (2) monitor the compliance of companies we hired for outsourcing rural activities, with respect to labor rules related to employees registration, payment of salaries, the provision of free transport to work and health and safety conditions at work. In the event of any non-compliance with these obligations, the TAC establishes that we would be subject to a daily fine of R\$200,000 per worker in non-compliance.

We entered into two commitment agreements with the São Paulo labor office's prosecutor in April 2008 and March 2010, respectively. Pursuant to the first commitment agreement, signed in April 2008, we agreed to abolish the working regime of five days worked for each day off, and to comply with the Regulatory Norm No. 31, of the Brazilian Labor Ministry (*Ministério do Trabalho*). In case of any non-compliance with these obligations, a fine of R\$1,000 will be imposed per obligation breached, without prejudice to our obligations established under the TAC. In the second commitment agreement, which we entered into in March 2010, we agreed to comply with twelve obligations related to improving work conditions of our rural workers. In the event of any non-compliance with these obligations, we would be subject to a R\$5,000 fine per obligation breached, plus a R\$500 daily fine during the period of non-compliance.

We are also the subject of two legal investigations by the Labor Public Prosecutor Office (*Ministério Público do Trabalho*) of the state of Mato Grosso do Sul and two legal investigations by the Labor Public Prosecutor Office of the state of São Paulo. All of these investigations focus on the existence of irregularities regarding our employees' working conditions. We have already presented all the information and documents requested and are waiting for a response from the Labor Public Prosecutor Office. Depending on their response, each legal investigation may result in either a Public Civil Action or a new TAC.

We are also subject to three legal investigations by the state of Mato Grosso do Sul Public Prosecutor's Office, which focus (1) on the construction of a dish in APP without the competent authorization at São Pedro, which we expect shall be archived soon; (2) potential environmental damages resulting from the erosive proceeding of sugarcane plantation at Pontal, which we expect shall be archived soon; and (3) irregular management of vinasse in soil at Vista Alegre neighborhood which is under analysis of the Public Prosecutor's Office and will likely be archived.

Tax and Social Contribution Proceedings

As of December 31, 2013, we were involved as defendants in approximately 99 tax and social contribution administrative and judicial proceedings. The aggregate amount in dispute in these proceedings totals approximately R\$50.2 million. The majority of these proceedings relate to debts in respect of COFINS, PIS, Tax on Manufactured Products (*Imposto sobre Produtos Industrializados*), or IPI, and ICMS taxes. As of December 31, 2013, we recorded provisions in connection with these proceedings amounting to approximately R\$1.0 million. In addition, amounts in dispute in some of the judicial proceedings are secured by certain of our assets.

Our primary contingency is related to several proceedings regarding IPI tax credits, amounting to approximately R\$9.3 million in dispute as of December 31, 2013. Some of these proceedings are in regards to the disallowance of presumed IPI credits for the acquisition of goods from individuals. Our external counsel assessed the likelihood of loss in connection with these proceedings as possible or remote, and we have not established any provisions relating to these claims. Other IPI proceedings relate to the disallowance of IPI tax credits for intermediate products or tax exempt products. In these cases, our external counsel has assessed the likelihood of loss as possible, and we have not established any provisions relating to these claims.

Moreover, we are party to several other proceedings related to the disallowance of PIS and COFINS tax credits derived from expenses related to, for example,: (1) the acquisition of lubricants, (2) the rental of machinery and equipment, and (3) the maintenance of machinery and industrial equipment. The total amount in dispute of these claims as of December 31, 2013 is approximately R\$12.9 million. Our external counsel assessed the likelihood of loss as possible, and we have not established any provisions relating to these claims. In addition, the National Treasury Attorney's Office (*Procuradoria Geral da Fazenda Nacional*), or PGFN, filed for a tax foreclosure as we off-set overpaid PIS debts. The total amount involved in this claim was R\$3.0 million as of December 31, 2013 and our external counsel have assessed the likelihood of loss as remote.

In addition, the State Treasury of São Paulo filed a tax foreclosure seeking the collection of ICMS as a result of (1) an incorrect assessment of the calculation basis for sugar operations; (2) undue ICMS credits relating to transportation services provided by companies with irregular state registration; and (3) undue ICMS credits relating to transportation services provided by companies that adopt the simplified tax system (*Simples Nacional*). The total amount in dispute is approximately R\$2.3 million as of December 31, 2013. Our external counsel assessed the likelihood of loss as possible and we have not established any provision relating to this claim.

In July 2011, the National Social Security Institute (INSS) filed a tax assessment seeking to collect social security contribution over exports revenues of Paraíso through trading companies. The total amount in dispute is approximately R\$4.1 million as of December 31, 2013. Our external counsel assessed the likelihood of loss as possible and we have not established any provision relating to this claim.

Labor Proceedings

As of December 31, 2013, we were a party to approximately 586 judicial labor proceedings and three public civil actions. The total amount in dispute totaled approximately R\$20 million as of December 31, 2013.

The majority of these labor proceedings relate to claims for the payment of overtime, indemnification for moral and actual damages related to occupational illnesses or labor accidents and discrepancies related to severance payments. Among the labor proceedings that we were party to, three involve labor unions, two of which are related to the legitimacy of such unions representing our employees, and one of which is related to the payment of commuting hours as overtime to the employees located in the city of Maracajú, state of Mato Grosso do Sul.

In addition, we are party to three public civil actions, instituted by the Labor Prosecutor Office. One of them is related to health and safety conditions of our employees during the manual harvest of sugarcane. Another public civil action is related to our compliance with the Social Assistance Plan (*Plano de Assistência Social*), or PAS, which is given to employees in the sugarcane industry. The third public civil action is related to the compliance of the labor legislation regarding health and safety conditions, resting periods and working hours. The amount in dispute for these proceeding was R\$1.4 million as of December 31, 2013.

As of December 31, 2013, we established provisions in connection with labor proceedings totaling R\$5.3 million.

Civil and Environmental Proceedings

As of December 31, 2013, we were party to 52 civil proceedings, for which the historic aggregate amount in dispute totaled R\$20.4 million, including lawsuits that we filed against third parties and lawsuits in which we were named as defendant. The majority of these proceedings relate to contractual claims. The historic aggregate amount in dispute for the claims filed by us totaled approximately R\$4.7 million as of December 31, 2013. The historic aggregate amount in dispute for the actions filed against us totaled approximately R\$15.8 million as of December 31, 2013. As of December 31, 2013, we established provisions in connection with these civil proceedings totaling R\$1.0 million.

We initiated a confidential arbitration proceeding seeking compensation for damages arising from a certain investment agreement. The historical amount claimed is equivalent to R\$40 million. There is a counterclaim, in the historical amount of R\$40 million, and currently the proceeding is at the stage of presentation of written allegations and answers by the parties. The likelihood of our success, according to the counsel responsible for conducting the arbitration proceeding, is classified as possible.

As of December 31, 2013, we were a party to at least seven environmental administrative proceedings and four tax enforcements, for which the aggregate amount in dispute totaled R\$1.0 million. Moreover, there are at least nine judicial proceedings/enforcements discussing previous environmental administrative proceedings, in the total amount R\$1.5 million.

Also, we are a party to one civil class action, relating to the remediation of environmental damage caused at an APP and the pending registration of a Legal Reserve with the relevant Real Estate Registry Office, in the amount of R\$50,000, and to three legal investigations by the state of Mato Grosso do Sul Public Prosecutor's Office, relating

to (1) the construction of a dish in APP without the competent authorization at São Pedro; (2) potential environmental damages resulting from the erosive proceeding of sugarcane plantation at Pontal; and (3) irregular management of vinasse in soil at Vista Alegre neighborhood.

In addition, if we are unable to evidence compliance with environmental regulations, we may be subject to fines, which could materially adversely affect us or the renewal of our environmental licenses.

Tax Credits

Based on interpretations and understandings of our external legal counsel, we recognize certain tax credits related to PIS and COFINS. The RFB has started questioning some of these PIS and COFINS credits, which are under discussion in administrative proceedings mentioned above. In these cases the external lawyers assessed the likelihood of loss as possible, and we recorded no provision in relation to these PIS and COFINS credits. These tax credits are being questioned as there is a discussion about which expenses are considered as inputs by the RFB.

As of December 31, 2013, the total amount in dispute relating to these tax credits was R\$22.1 million.

We also recognize tax credits of ICMS, IPI and INSS related to certain inputs and the acquisitions of goods and services for which we also have not recorded any provision.

MANAGEMENT

Board of Directors (*Conselho de Administração*)

Our board of directors sets the general guidelines and policies for our business and supervises the implementation of these guidelines by our executive officers. It currently has nine members and may be comprised of up to nine members, which are to be appointed proportionately based on the equity interest held by each of the shareholders in Tonon, provided that pursuant to the shareholders' agreement, FIP DGF Terra Viva shall be entitled to appoint at least two members. The members of our board of directors are elected for one-year terms at our annual general shareholders' meetings.

The following table lists the current members of our board of directors:

Name	Appointed by	Member Since	End of Term ⁽¹⁾
Antonio Tonon	Tonon Holding	April 7, 2011	April 10, 2015
Carlos Eduardo Bartelotti Tonon.....	Tonon Holding	April 7, 2011	April 10, 2015
Claudia Maria Tonon	Tonon Holding	April 7, 2011	April 10, 2015
Francisco Tonon Neto	Tonon Holding	April 7, 2011	April 10, 2015
Rafael Tonon.....	Tonon Holding	April 7, 2011	April 10, 2015
Renato José Tonon Filho.....	Tonon Holding	April 7, 2011	April 10, 2015
Carlos Alberto Rodrigues Miranda (<i>Chairman</i>)	Tonon Holding	April 2, 2012	April 10, 2015
Ricardo Casagrande.....	FIP DGF Terra Viva	September 3, 2012	April 10, 2015
Daniel Kalansky Ponczek.....	FIP DGF Terra Viva	January 20, 2014	April 10, 2015

- (1) The term of our board of directors will end at the annual shareholders' meeting at which our financial statements for the fiscal year ended March 31, 2015 are approved, which meeting has not yet been scheduled. According to our bylaws, until new members are elected (or the current members are reelected) at our annual shareholders' meeting, the current members remain in their respective positions.

We are not aware of any conflicts, or potential conflicts, between any duties to us of any of the members of our board of directors and their private affairs.

The following is a summary of the business experience of the members of our board of directors:

Antonio Tonon. Mr. Tonon has over 20 years of experience in the sugarcane industry. He holds a bachelor's degree in industrial engineering from Centro Universitário da Faculdade de Engenharia Industrial (FEI). He has also completed a director training course (*Curso de Formação de Conselheiros*) at the Fundação Dom Cabral.

Carlos Eduardo Bartelotti Tonon. Mr. Tonon worked in the marketing department of Thonhauser and Eisvogel (Austria) from 2003 to 2004. He also worked in the Legal Department of Tonon from 2006 to 2008. He holds a bachelor's degree in marketing and communication from Universidade Presbiteriana Mackenzie and a bachelor's degree in law from Faculdade Integrada in Jaú-SP.

Claudia Maria Tonon. Ms. Tonon has over 20 years of experience in the sugarcane industry. She served as an executive officer, with a focus on finance, management and business operations at Tonon. She holds a bachelor's degree in business administration from Universidade de Marília and a bachelor's degree in law from Faculdade Integrada. She also holds a post-graduate degree in foreign trade and business from the University of Ohio and a post-graduate degree in business management from FGV. She has also completed a director training course (*Curso de Formação de Conselheiros*) at the Fundação Dom Cabral.

Francisco Tonon Neto. Mr. Tonon has over 20 years of experience in the sugarcane industry. He served as the executive officer of operations. He holds a bachelor's degree in agronomy from Faculdade Manoel Carlos Gonçalves with a specialization in business management from FGV. He has also completed a director training course (*Curso de Formação de Conselheiros*) at the Fundação Dom Cabral.

Rafael Tonon. Mr. Tonon worked in the finance and supply sectors of Tonon. He holds a bachelor's degree in business administration from Universidade Presbiteriana Mackenzie and specialized in agribusiness management at FGV. He has also completed the director training course (*Curso de Formação de Conselheiros*) through the Fundação Dom Cabral.

Renato José Tonon Filho. Mr. Tonon Filho served as laboratory manager and project engineer at Nesita Energy LLC. He is currently the chairman of the operational management committee at Tonon. He holds a bachelor's degree in physical engineering with a specialization in chemical engineering from Universidade Federal de São Carlos. He has also completed a director training course (*Curso de Formação de Conselheiros*) at the Fundação Dom Cabral.

Carlos Alberto Rodrigues Miranda. Mr. Miranda has over 46 years of experience in administration, holding positions in human resources, IT, accountability and strategic planning. Mr. Miranda is currently chairman of the board of directors of Tonon. He holds a bachelor's degree in business administration from Universidade de Taubaté (UNITAU) and holds an MBA from FGV. Mr. Miranda is currently President of our Administrative Counsel and is the CEO of Sakarol Assessoria Empresarial Ltda.

Ricardo Casagrande. Mr. Casagrande is an engineer who specializes in agribusinesses and has expertise in the commercial production of sugarcane, cotton and grains. He served as manager of Rural Credit Banespa for 10 years, as well as commercial manager at Bunge Fertilizantes and director at LC Masiero Engenharia Industrial.

Daniel Kalansky Ponczek. Mr. Kalansky is a partner at Motta, Fernandes Rocha Advogados, where he focuses on private equity and capital markets. Mr. Kalansky has experience advising private and public companies in domestic and international acquisitions and divestitures. He advises local and international funds in all essential aspects of the private equity cycle (fundraising, investment and negotiations, due diligence and divestiture). He serves private equity funds in different sectors (sugar cane and ethanol, infrastructure and logistics, healthcare, technology) and has provided service to many large strategic funds. He has worked as an international associate in New York at Holland Knight LLP and at Covington & Burling. He is a member of the Brazilian Association of Private Equity and Venture Capital – ABVCAP. Daniel was selected by Practical Law Company (PLC) as a recommended lawyer for Private Equity. Currently, he is the President of the Brazilian Institute of Business Law – IBRADEMP, a non-profit organization dedicated to promoting the growth of business law in Brazil. At IBRADEMP, he has chaired conferences on finance and cross-border transactions in the U.S. and Brazil, including the New York Stock Exchange, the Brazilian Securities and Exchange Commission and other organizations. He has a Masters in Commercial Law from Universidade de São Paulo - USP. He is a professor of Corporate Law and Capital Markets at Insper. Mr. Kalansky is a member of the Corporate Governance Committee of the Brazilian Bar Association. He is also the author of several articles published in periodicals and law journals.

Board of Executive Officers (*Diretoria*)

Our board of executive officers is responsible for our internal organization, day-to-day operations and decision-making and the implementation of the general policies and guidelines established by our shareholders and by our board of directors from time to time. The members of our board of executive officers are elected by our board of directors for one-year terms and are eligible for reelection, provided that FIP DGF Terra Viva is entitled to appoint our chief financial officer. Our executive officers may be removed from office at any time with or without cause by our board of directors. In accordance with the Brazilian Corporation Law, executive officers must be residents of Brazil.

Our board of executive officers is currently composed of four members, a chief executive officer, a chief financial officer, a chief industrial officer and a chief agricultural officer. The terms of these executive officers are set to expire on April 10, 2015. Until new members are elected (or the current members are reelected), pursuant to resolutions decided at the annual shareholders' meeting, these current members remain in their respective positions.

Our board of executive officers meets weekly with all our managers to discuss past-week and next-week matters, such as production, operational data, among others. To be at the forefront of accident prevention in our business, and to develop a strong safety culture that effectively prevents accidents, we begin these meetings with an update from our Safety and Health department.

The following table lists the current members of our board of executive officers:

Name	Position	Member Since	End of Term⁽¹⁾
Rodrigo Caldas de Toledo Aguiar	Chief Executive Officer (<i>Diretor Superintendente</i>)	April 2, 2012	April 10, 2015
Vitor Antonio Picini	Chief Financial Officer	February 1, 2013	April 10, 2015
Marco Antonio Cardoso de Toledo	Chief Industrial Officer	May 17, 2011	April 10, 2015
Aluizio Barbosa Machado	Chief Agricultural Officer	March 31, 2011	April 10, 2015

- (1) The term of our board of officers will end at the annual shareholders' meeting at which the financial statements for the fiscal year ended March 31, 2015 are approved, which meeting has not yet been scheduled. According to our bylaws, until new members are elected (or the current members are reelected) at our annual shareholders' meeting, the current members remain in their respective positions.

The following is a summary of the business experience of the members of our board of executive officers:

Rodrigo Caldas de Toledo Aguiar. Mr. Aguiar has over 28 years of experience in corporate finance and investment banking. He was a member of the board of directors of Paraíso. He has also served as CFO of Infinity Bio-Energy; head of energy, roads, mining and pulp and paper sectors at Banco do Espírito Santo; head of the energy sector at Unibanco (currently Itaú BBA). He has also worked for Safra, Sudameris and for PricewaterhouseCoopers. He holds a bachelor's degree in economics from Pontifícia Universidade Católica (PUC/SP), specialized in finance at the University of California (Berkeley) and holds an MBA in finance from IBMEC-SP (currently Insper).

Vitor Antonio Picini. Mr. Picini has over 10 years of experience in the sugarcane industry. He has worked at Louis Dreyfus, EBBA (Maguary/Dafruta) and Infinity Bio-Energy. He holds a bachelor's degree in economics from USP, a postgraduate degree in industrial management from Universidade de São Paulo (USP) and an MBA in accounting from Fipecafi-USP.

Marco Antonio Cardoso de Toledo. Mr. Toledo has over 30 years of experience in the sugarcane industry. He has worked at Cosan, Grupo Nova América and Grupo Zilor. He holds a bachelor's degree in mechanical engineering from Escola Mauá and a post-graduate degree in sugarcane engineering from CTC and in corporate management from Faculdade de Economia, Administração e Contabilidade de Ribeirão Preto (FUNDACE-USP).

Aluizio Barbosa Machado. Mr. Machado has over 30 years of experience in the sugarcane industry. He worked at the Santa Rita, Maringá, Alvorada and CNAA mills. He holds a bachelor's degree in agronomic engineering from UNESP and a post-graduate degree in sugarcane sector management from ESALQ/UDOP.

Fiscal Council

Under Brazilian Corporate Law, a fiscal council is a separate body, independent of management and the independent auditors. Our bylaws establish a non-permanent fiscal council, which as of the date of this offering memorandum has not been installed, but which may be installed at the request of our shareholders.

Other Committees

We maintain a controlling and finance committee, an operations committee and a human resources and sustainability committee. These committees are composed of four, five and six members, respectively, held mainly by members of our board of directors. Their purpose is to perform in-depth analyses on the matters under their responsibility and assist our board of directors in making strategic decisions.

To be at the forefront of risk assessment and management, we hired Capitânia S.A., an independent asset manager and advisory services company, to provide our management with the tools necessary to better understand and mitigate the risks related to our activities.

Compensation

For the financial years ended March 31, 2014, 2013 and 2012, the aggregate amount approved as compensation for the members of our board of directors and board of executive officers was approximately R\$5.5

million, R\$4.4 million and R\$4.8 million, respectively, which include the value of all benefits for our directors and executive officers during those periods.

We do not currently have a stock option plan for our directors, officers or employees.

PRINCIPAL SHAREHOLDERS

Tonon

The following table sets forth information concerning the ownership of our capital stock, which consists of common and preferred voting shares, as of the date of this offering memorandum:

Shareholders	Pre-acquisition			Post-acquisition			Fully diluted ⁽³⁾		
	Number of Common Shares	Number of Preferred Voting Shares	% of Total Capital Stock	Number of Common Shares	Number of Preferred Voting Shares	% of Total Capital Stock	Number of Common Shares	Number of Preferred Voting Shares	% of Total Capital Stock
Tonon Holding S.A. ⁽¹⁾ ...	55,200,009	—	69.6%	55,200,009	—	62.5%	55,200,009	—	58.0%
FIP DGF Terra Viva ⁽²⁾ ...	—	24,110,349	30.4%	—	33,064,744	37.5%	—	33,064,744	34.8%
Pinheiro Family.....	—	—	—	—	—	—	6,874,399	—	7.2%
Total	55,200,009	24,110,349	100.0%	55,200,009	33,064,744	100.0%	62,074,408	33,064,744	100.0%

- (1) The capital stock of Tonon Holding S.A. is owned as follows: ALT Participações Ltda. (22.0%), JAT Participações Ltda. (18.0%), RJT Participações Ltda. (17.0%), CAJRT Participações Ltda. (17.0%), ABT Participações Ltda. (15.0%) and ANT Participações Ltda. (11.0%).
- (2) The capital stock of FIP DGF Terra Viva is owned as follows: Petros (25.0%), Funcef (23.6%), BNDESPar (20.0%), Previ (11.8%), Fachesf (6.8%), FINEP (6.8%), Banesprev (3.4%), Fibra (1.7%) and DGF Investimentos (1.0%).
- (3) Fully diluted: pursuant to the Paraíso Acquisition Agreement, within two years from the closing date (May 3, 2013) the Pinheiro Family may, as elected by Tonon, receive 6,874,399 common shares in Tonon in consideration for the outstanding sum of R\$50 million due to them under the agreement. Alternatively, Tonon (as determined by Tonon Holding and FIP DGF Terra Viva) may elect to satisfy the outstanding amount by paying the Pinheiro Family in cash (subject to adjustment by the IPCA, as from May 3, 2014). Amounts due under the Paraíso Acquisition Agreement are subject to certain post-closing adjustments and share re-allocations. For more information, see “Acquisition and Merger of Paraíso—Transaction Structure.”

Tonon Holding S.A.

Tonon Holding S.A., our controlling shareholder, is controlled by members of the Tonon Family through ALT Participações Ltda. (99.9986% owned by Alfredo Tonon and 0.0014% owned by Claudia Maria Tonon), JAT Participações Ltda. (99.9976% owned by José Antonio Tonon, 0.0008% owned by Francisco Tonon Neto, 0.0008% owned by Mônica Tonon Danieletto and 0.0008% owned by Andrea Tonon), RJT Participações Ltda. (99.9986% owned by Renato José Tonon and 0.0014% owned by Renato José Tonon Filho), CAJRT Participações Ltda. (99.9979% owned by Celso Roberto Tonon, 0.0007% owned by André Roberto Tonon, 0.0007% owned by Juliano Tonon and 0.0007% owned by Rafael Tonon), ABT Participações Ltda. (99.9979% owned by Abelmir Bartolo Tonon, 0.00105% owned by Fernando José Bartelotti Tonon and 0.00105% owned by Carlos Eduardo Bartelotti Tonon) and ANT Participações Ltda. (99.997% owned by Antonio Tonon, 0.0015% owned by Marina Tonon Rossi and 0.0015% owned by Antonio Tonon Junior).

FIP DGF Terra Viva

FIP DGF Terra Viva is an investment fund managed by DGF Investimentos, a pioneer and highly regarded private equity firm in Brazil. The quotaholders of FIP DGF Terra Viva are Petros, Funcef, BNDESPar, Previ, Fachesf, FINEP, Banesprev, Fibra and DGF Investimentos. Founded in 2001, DGF Investimentos was ranked 1st among Private Equity and Venture Capital focused companies in the TOP ASSET ranking of *Investidor Institucional* magazine in February and August 2010.

Subject to the terms and conditions set forth in the shareholders’ agreement (as defined below), FIP DGF Terra Viva has the right, at its sole discretion, to sell its shares to Tonon Holding and to the Tonon Family Holding Companies, from January 28, 2017 onwards. Pursuant to the shareholders’ agreement, the exercise price of the put option corresponds to (1) the sum of the investments made by FIP DGF Terra Viva in our Company, comprising: (i) approximately R\$86.0 million made in January 2010, (ii) approximately R\$44.0 million made in September 2012, (iii) approximately R\$1.9 million made in August 2012, and (iv) approximately R\$70.0 million made in May 2013, in each case adjusted by the IPCA rate plus 12.0% *per annum* from the date of the respective investment; less (2) the aggregate amount of any dividends and interest on shareholders’ equity distributed during the corresponding period, in each case as adjusted by the IPCA rate plus 12.0% *per annum* from the date of the respective distribution.

On March 20, 2013 we entered into, the Paraíso Acquisition Agreement, as amended on May 3, 2013 and April 29, 2014, with the Individual Sellers and FIP DGF Terra Viva. The total purchase price under this agreement was R\$170 million, subject to post-closing adjustments that we do not expect, as of the date of this offering memorandum, will be substantial, R\$70 million of which was paid by us to FIP DGF Terra Viva through the delivery of 8,954,395 preferred shares issued by Tonon through a capital increase on May 3, 2013. On September 30, 2013, we merged Paraíso into our company. For more information, see “Acquisition and Merger of Paraíso.”

Shareholders’ Agreement

FIP DGF Terra Viva and Tonon Holding entered into a shareholders’ agreement on February 26, 2010 (as amended on April 27, 2010, September 16, 2011 and October 15, 2012), or the shareholders’ agreement, for a term of ten years, which is automatically renewed for five year periods if neither party objects in writing. The shareholders’ agreement will also terminate if FIP DGF Terra Viva ceases to be our shareholder or if FIP DGF Terra Viva transfers shares to a third party that is not an institutional investor that becomes party to the shareholders’ agreement pursuant to its terms.

Management. The shareholders’ agreement provides that we shall be managed by a board of directors composed of up to nine members and by a board of executive officers composed of up to four members. Our board of executive officers shall be composed of a chief executive officer, a chief financial officer, a chief industrial officer and a chief agricultural officer. Pursuant to the shareholders’ agreement, the members of the board of directors are appointed in proportion to the respective equity interests held by each of our shareholders, provided that FIP DGF Terra Viva is entitled to appoint at least two directors and the chief financial officer.

IPO. Pursuant to the terms of the shareholders’ agreement, FIP DGF Terra Viva and Tonon Holding agreed to use their best efforts to conduct an initial public offering by February 26, 2017, in an offering encompassing at least 40% of our total shares.

Resolutions of the Board of Directors. The shareholders’ agreement establishes that, as a general rule, board of directors resolutions shall be passed by a simple majority of votes, except for the following matters, which require the approval of the directors appointed by FIP DGF Terra Viva: (1) material acquisitions, disinvestments, disposal or encumbrance on our assets, involving individual or aggregate amounts exceeding R\$5.0 million in any 12-month consecutive period, except as provided in the business plan and the annual budget, (2) hiring and dismissal of our independent auditors, (3) material changes to our accounting policies, practices or principles, except when resulting from legal rules, (4) hiring of law firms, investment banks, financial consultants or advisors, whose fees exceed the amount of R\$200,000 per project or event, except as provided in the in the business plan and the annual budget, and (5) entering into any other transaction or series of transactions not contemplated in the business plan and our annual budget that would result in (i) an indebtedness above 10.0% of our net revenue of the previous financial year or (ii) monetary obligations in an amount greater than R\$10.0 million.

Resolutions of the Shareholders’ Meetings. The shareholders’ agreement establishes that, as a general rule, resolutions of the shareholders’ meetings shall be passed by a simple majority of votes, except for the following matters, which shall require the approval of FIP DGF Terra Viva: (1) liquidation, dissolution, request for judicial or extrajudicial recovery, self-declared bankruptcy by us or our controlled companies, (2) disposal, assignment of use and transfer to third parties of all or the majority of our assets, as well as the licensing of brands, licenses, logos, expressions, software, slogans and any other type of intellectual property owned by us or our controlled companies to third parties outside the ordinary course of business, (3) our public offering and delisting, admission and listing of our shares on the stock market and in any other special listing segments of securities, including the signing of any contract or commitment with any entities in connection thereto, (4) entering into any transaction or commercial agreement with Tonon Holding, FIP DGF Terra Viva or the Tonon Family Holding Companies and any other entities in which any shareholder, the Tonon Family Holding Companies, any director, executive officer or member of the fiscal council hold direct or indirect interest, except for the contracts related to the exploration of sugarcane culture at market fair value, (5) declaration, retention or payment of dividends, interest on shareholders’ equity or any other form of distribution or compensation to shareholders, in an amount superior to the mandatory minimum dividend determined by the Brazilian Corporate Law, (6) any grouping, bonus, split and conversion of our shares or other securities or our controlled companies, (7) any merger, spin-off, amalgamation, transformation, trade or any other similar act of corporate reorganization involving us and third parties to form joint-ventures, to acquire equity interests in other companies and to acquire equity interests in groups of companies, (8) any increase of our corporate

capital and the corporate capital of our controlled companies (except when resulting from the capitalization of profits or profit reserves) or capital reduction for payment to shareholders, as well as the repurchase of our securities or securities of our controlled companies, (9) any amendment to our by-laws, including but not limited to our corporate purpose, rights, preferences, advantages, powers or restrictions assigned to our shares and (10) any issuance of our shares or any other security, whether or not convertible into shares at any issuance price.

Preemptive Rights. The shareholders' agreement establishes that the shareholders shall have preemptive rights in the subscription of new shares issued by us, in the proportion of their respective equity interests.

Right of First Refusal. The shareholders' agreement establishes that in case any shareholder receives an offer to sell, assign, transfer, contribute to the capital of another company, or in any other form dispose of its shares, in a single transaction or in a series of transactions, directly or indirectly, the offered shareholder shall notify the other shareholders informing the terms and conditions of the offer and such shareholders shall have a right of first refusal in the acquisition of the shares under the same terms and conditions of the offer.

Right of First Offer. The shareholders' agreement establishes that in case any shareholder decides to sell, assign, transfer, or in any other form dispose of its shares in a single transaction or in a series of transactions, and has not received any third-party offer, the offering shareholder shall notify the other shareholders informing the intended terms and conditions of the transaction and the shareholders shall have the right to present a first offer in relation to the totality of the offered shares.

Indirect Transfers. The shareholders' agreement establishes that as long as FIP DGF Terra Viva is our shareholder, in case of sales of shares or quotas of the Tonon Family Holding Companies or Tonon Holding, in connection with which the existing shareholders/quotaholders of the Tonon Family Holding Companies or Tonon Holding fail to exercise their respective right of first refusal in any such sale or transfer, FIP DGF Terra Viva shall have a subsequent right of first refusal for the acquisition of such shares or quotas, as the case may be.

Tag-along Right. The shareholders' agreement establishes that in case Tonon Holding decides to assign, directly or indirectly, its shares to one or more interested third parties, the other shareholders shall be entitled to sell the totality or part of their respective shares together with Tonon Holding, on the same terms and conditions.

Share Pledge. On February 26, 2010, we, Tonon Holding, FIP DGF Terra Viva and the Tonon Family Holding Companies entered into a share pledge agreement, pledging 8,833,904 common shares issued by us and owned by Tonon Holding, or 15.93% of our total capital stock at that time, in order to secure the obligations pursuant to the investment agreement entered into on January 27, 2010 with FIP DGF Terra Viva, Tonon Family Holding Companies and the members of the Tonon Family. On August 13, 2012, the share pledge agreement was amended to increase the number of pledged shares from 8,833,904 to 8,793,361, or 15.9% of our common shares at that time.

Fiduciary Sale. On February 26, 2010, Tonon, Tonon Holding and other parties entered into an agreement for the fiduciary sale (*alienação fiduciária*) of shares, pursuant to which 27,740,400 common shares issued by Tonon and owned by Tonon Holding were offered in guarantee for the fulfillment of the obligations assumed by us under the FINEM/BNDES Agreement executed on September 12, 2008, as amended on February 26, 2010. This guarantee shall include all new shares that might be issued by us to the members of the Tonon Family or Tonon Holding as a result of any share split, reverse share split, bonus share or the exercise of preemptive rights related to the shares, as well as other shares presented as reinforcement for the guarantee, limited, however, to 50.01% of the total shares issued by us, as well as other securities and respective incomes arising from such shares. The voting rights of the shares subject to this fiduciary sale may be freely exercised by the members of the Tonon Family and/or by Tonon Holding, as the case may be.

Obligation to amend the shareholders agreement. Pursuant to the terms of the Paraíso Acquisition Agreement, in case the purchase price is paid by Tonon to the Individual Sellers' holding company through the issuance of common shares, Tonon Holding and FIP DGF Terra Viva are obligated to amend the shareholders' agreement in order to grant tag along rights to the Individual Sellers' holding company. See "Acquisition and Merger of Paraíso."

Additionally, pursuant to the terms of the Paraíso Acquisition Agreement, the amendment to the shareholders' agreement shall stipulate that Tonon Holding, FIP DGF Terra Viva and the Individual Sellers shall agree in relation to certain corporate governance rights and that the Individual Sellers shall not be directly or indirectly responsible for any of our liabilities and/or materialized contingencies before the subscription of our shares by the Individual Sellers' holding company.

As of the date of this offering memorandum, we have not participated in significant negotiations with the Individual Sellers with respect to the shareholders' agreement in connection with the Paraíso acquisition.

RELATED PARTY TRANSACTIONS

We enter into related-party transactions from time to time. All of the agreements we enter into with related parties are carried out on an arm's-length basis.

Some of our shareholders are also suppliers of sugarcane or owners of rural areas where we grow our crops through land lease agreements (*parcerias e arrendamentos agrícolas*). We have agricultural partnership agreements (*parcerias*) with certain members of the Tonon Family under which we lease approximately 8,370 hectares of land (approximately 8.1% of the total area leased by us) and lease agreements (*arrendamento*) with certain members of the Pinheiro Family under which we lease approximately 2,432 hectares, or (approximately 2.3% of the total area we lease). These land lease agreements are on arms'-length terms equivalent to those we enter into with third parties. In accordance with these land lease agreements, we pay the lessors a certain fixed number of tons of sugarcane per hectare as consideration for the use of the land, and a certain fixed productivity per ton of sugarcane in terms of ATR. The overall volume of ATR is obtained by multiplying the number of hectares leased by the committed tons of sugarcane per hectare by the ATR per ton of sugarcane. The price that we pay for each kilogram of ATR is set from time to time based on the reference price published by CONSECANA.

Some of our minority shareholders are also shareholders of companies that supply industrial equipment to the sugarcane industry, with which we have entered into agreements. These agreements are on arms'-length terms equivalent to those we enter into with third parties (see table below).

On October 18, 2012, we acquired from the Tonon Family 100% of the capital stock of Auto Posto Santa Cândida de Bocaina Ltda., a company that owns a gas station located close to our Santa Cândida mill, for R\$4.6 million. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Corporate Transactions."

The table below sets forth our related party transactions entered into as of December 31, 2013 and March 31, 2013.

	December 31, 2013	March 31, 2013
	(in thousands of reais)	
Asset balances		
Trade accounts receivable with related parties		
Estrela Dalva Tecnologia em Limpeza	45	—
Silvia de Barros Brisola	130	—
Flavio de Albuquerque Pinheiro	126	—
Wilson Helio de Albuquerque Pinheiro Junior	116	—
Renata de Albuquerque Pinheiro	118	—
Transbocainense Transportes Ltda.....	—	1,466
Total of trade accounts receivable with related parties	535	1,466
Advances to related party suppliers		
Abelmir Bortolo Tonon	444	374
Alfredo Tonon and Others	—	1,211
Antônio Tonon.....	—	237
Aparecida T. Tonon Ghiselli.....	128	357
Auto Posto Santa Cândida de Bocaina Ltda.....	1,324	855
Celso Roberto Tonon.....	—	324
Dionete Tonon	96	116
José Antônio Tonon.....	457	876
Mauro de Albuquerque Pinheiro.....	247	—
Renato José Tonon.....	301	689
Tereza de Francisco	17	—
Transbilin Transp. Ltda.	41	1,902
Tonon Agroimóveis Rurais Ltda.....	2,662	1,490
Transbocainense Transportes Ltda.....	—	1,041
Tonon Holding.....	500	—
Vera Tonon Durante.	435	180
Wilson Jelio Albuquerque Pinheiro Junior	296	—
Total advances to related party suppliers	6,948	9,652
Liability balances		
Amounts owed to related party suppliers		
ABT Participações Ltda.....	12	8
Alfredo Tonon	—	—
Auto Posto Santa Cândida de Bocaina Ltda.....	—	10
ALT Participações Ltda.....	12	8
ANT Participações Ltda.	12	8
CAJRT Participações Ltda.....	12	8
Celso Roberto Tonon.....	—	15
JAT Participações Ltda.....	12	8
J. Tonon Transp. Ltda.....	33	28
RJT Participações Ltda.....	12	6
Tonon Agroimóveis Rurais Ltda.....	—	—
Transbilin Transportes Ltda.....	—	—
Transbocainense Transportes Ltda.....	—	—
Mauro Albuquerque Pinheiro.	—	—
Tereza Albuquerque Pinheiro	3	—
Flavio Albuquerque Pinheiro.....	65	—
Total of amounts owed to related party suppliers.....	173	99

For information on our related-party transactions, see note 26 to our unaudited interim consolidated financial statements as of and for the nine-month periods ended December 31, 2013 and 2012 and our audited financial statements as of and for the financial years ended March 31, 2013, 2012 and 2011.

DESCRIPTION OF THE NOTES UNITS

The following summary describes certain provisions of the Notes Units and the Underlying Notes and the Indenture. This summary does not purport to be complete and is subject to and qualified in its entirety by reference to the provisions of the Indenture, the Notes Units and the Underlying Notes. Copies of the Indenture are available for inspection during normal business hours at the Company's principal office, at the Corporate Trust Office of the Trustee in New York City, New York. The holders of the Notes are entitled to the benefits of, are bound by, and are deemed to have notice of, all the provisions of the Indenture. Certain terms used in this description are defined under the subheading "—Certain Definitions."

The notes units (the "Notes Units"), the Tranche 1 Notes, the Tranche 2 Notes, the Tranche 3 Notes and the Tranche 4 Notes (each defined here below) are to be issued under and governed by an indenture (the "Indenture"), among Tonon Luxembourg S.A., as issuer (the "issuer"), Tonon Bioenergia S.A., as a Guarantor, The Bank of New York Mellon, as trustee (the "Trustee"), registrar, transfer agent and paying agent, The Bank of New York Mellon, as U.S. collateral agent (the "U.S. Collateral Agent"), The Bank of New York Mellon, as escrow agent (the "Escrow Agent") and Planner Trustee DTVM Ltda., as Brazil collateral agent (the "Brazil Collateral Agent"). The Security Documents referred to below under the caption "—Security" will define the terms of the agreements that will secure the Notes Units. For purposes of this "Description of the Notes Units," the term the "Company" means Tonon Bioenergia S.A. and its successors under the Indenture, in each case excluding its Subsidiaries, and the term "Subsidiary Guarantors" means certain future Subsidiaries of the Company that are from time to time guarantors of the Notes Units pursuant to the provisions described below under "—Restrictive Covenants—Future Subsidiary Guarantors," unless the context indicates otherwise. As of the Closing Date, the Company's only Subsidiaries will be the issuer and Auto Posto Santa Cândida de Bocaína Ltda., of which Auto Posto Santa Cândida de Bocaína Ltda. will be an Unrestricted Subsidiary.

General

The issuance of Notes Units in this offering will be U.S.\$230,000,000 consisting of: (1) an aggregate of U.S.\$73,000,000 principal amount of the issuer's 10.50% senior secured notes due 2024 secured by the Tranche 1 Collateral (as defined below) (the "Tranche 1 Notes"); (2) an aggregate of U.S.\$96,000,000 principal amount of the issuer's 10.50% senior secured notes due 2024 secured by the Tranche 2 Collateral (as defined below) (the "Tranche 2 Notes"); (3) an aggregate of U.S.\$32,000,000 principal amount of the issuer's 10.50% senior secured notes due 2024 secured by the Tranche 3 Collateral (as defined below) (the "Tranche 3 Notes"); and (4) an aggregate of U.S.\$29,000,000 principal amount of the issuer's 10.50% senior secured notes due 2024 secured by the Tranche 4 Collateral (as defined below) (the "Tranche 4 Notes"). The Tranche 1 Notes, the Tranche 2 Notes, the Tranche 3 Notes and the Tranche 4 Notes are referred to herein collectively as the "Underlying Notes" and individually as a "Tranche."

Each U.S.\$1,000 Notes Unit consists of U.S.\$317.39, U.S.\$417.39, U.S.\$139.13 and U.S.\$126.09 in principal amount of Tranche 1 Notes, Tranche 2 Notes, Tranche 3 Notes and Tranche 4 Notes, respectively. The Underlying Notes may only be transferred as part of the Notes Units in this same proportion and will not trade or be redeemable individually or separately.

Notes Units Guarantee

The Company will, subject to applicable legal limitations, fully, unconditionally and irrevocably guarantee the due and punctual payment of the principal of, and interest and Additional Amounts on, the Notes Units and the Underlying Notes, as well as any other amounts whatsoever owed by the issuer under the Financing Documents. The Notes Units Guarantee by the Company will not be subordinated to any of the Company's other unsecured debt obligations. Certain future Subsidiaries of the Company may be required to guarantee the Notes Units pursuant to the provisions described below under "—Restrictive Covenants—Future Subsidiary Guarantors."

Ranking

The Underlying Notes will:

- be senior obligations of the issuer;

- be secured by the Collateral pursuant to the terms of the Security Documents, subject to Permitted Liens;
- rank equally in right of payment with all other existing and future Senior Indebtedness of the issuer;
- rank senior in right of payment to all existing and future Subordinated Obligations of the issuer;
- be effectively subordinated to all existing and future Indebtedness of the issuer that is secured by Liens on assets that do not constitute Collateral, to the extent of the value of the assets securing such secured Indebtedness; and
- be subordinated to liabilities preferred by statute.

The Notes Units Guarantee by the Company will:

- be senior obligations of the Company;
- be secured by the Collateral pursuant to the terms of the Security Documents, subject to Permitted Liens;
- rank equally in right of payment to all other existing and future Senior Indebtedness of the Company;
- rank senior in right of payment to all existing and future Subordinated Obligations of the Company;
- be structurally subordinated to all existing and future Indebtedness of the Company's Subsidiaries that are not Subsidiary Guarantors (other than the issuer);
- be effectively subordinated to all existing and future Indebtedness of the Company that is secured by Liens on assets that do not constitute Collateral, to the extent of the value of the assets securing such secured Indebtedness; and
- be subordinated to liabilities preferred by statute.

As of December 31, 2013, after adjusting for the post December 31, 2013 capitalization adjustments described in "Capitalization," and after adjusting for this offering and the application of the net proceeds therefrom, as described under "Use of Proceeds," the Company's outstanding Indebtedness would have amounted to R\$1,447.8 million (or U.S.\$618.0 million using the commercial market selling rate as reported by the Brazilian Central Bank at December 31, 2013 of R\$2.3426 to U.S.\$1.00), of which R\$824.8 million (or U.S.\$352.1 million) was secured by assets of the Company. The issuer does not have any indebtedness (other than the Notes Units and its subsidiary guarantee of the Company's U.S.\$300,000,000 9.250% Senior Notes due 2020).

Principal, Maturity and Interest

The initial outstanding principal amount of the Notes Units will be U.S.\$230,000,000. The Underlying Notes will mature on May 14, 2024 (the "Maturity Date"), and the aggregate principal amount of Underlying Notes outstanding at such time will become due and payable. On such date, the issuer will pay the registered Holder(s) of the Notes Units principal in an amount equal to the outstanding principal amount of the Underlying Notes. The Underlying Notes will bear interest at (1) the rate of 10.50% *per annum* for the period from and including May 14, 2014, the date of issuance, to but excluding the date that is the fifth anniversary of the Issue Date, or the Initial Interest Rate, and (2) for the period from and including the date that is the fifth anniversary of the Issue Date to but excluding the Maturity Date, a rate equal to the the sum of 2.00% *per annum* and the Initial Interest Rate. Interest on the Underlying Notes will be payable semi-annually on May 14 and November 14 of each year, commencing on November 14, 2014, to the person in whose name a Notes Unit is registered at the close of business on the preceding

April 30 or October 30 (each, a “Record Date”), as the case may be. Interest on the Underlying Notes will be computed on the basis of a 360-day year of twelve 30-day months.

The Indenture does not limit the aggregate principal amount of Notes Units or Underlying Notes that may be issued under the Indenture. The issuer may issue an unlimited principal amount of additional Notes Units (the “Additional Notes Units”) with underlying notes (the “Additional Underlying Notes”) having identical terms and conditions as the Underlying Notes, except that interest may accrue from the date of issuance of such Additional Underlying Notes; provided, however, that the Tranche 1 Notes, Tranche 2 Notes, Tranche 3 Notes and Tranche 4 Notes underlying such Additional Notes Units shall be issued in the same proportion as for the Notes Units being sold in this offering; provided further that the issuer shall only issue Additional Notes Units if, after giving effect to such issuance, the Company shall be in compliance with the Collateral Coverage Ratio in respect of each of the Tranches. Each Tranche of Additional Underlying Notes will be secured, equally and ratably, with the corresponding Tranche of the Underlying Notes. As a result, the issuance of Additional Underlying Notes will have the effect of diluting the security interest in the Collateral for the then outstanding Underlying Notes. The issuance of such Additional Underlying Notes will be subject to the covenant described under “—Restrictive Covenants—Limitation on Indebtedness.” Such Additional Underlying Notes may be issued in one or more series and with the same or different CUSIP number; *provided, however*, that unless such Additional Underlying Notes are issued under a separate CUSIP, either such Additional Underlying Notes are part of the same “issue” for U.S. federal income tax purposes or are issued pursuant to a “qualified reopening” for U.S. federal income tax purposes. The Notes Units and the Additional Notes Units, if any, will be treated as a single class for all purposes under the Indenture, including waivers, amendments, redemptions and offers to purchase, and under the Security Documents. Unless the context otherwise requires, for all purposes of the Indenture, the Security Documents and this “Description of the Notes Units,” references to the Notes Units and Underlying Notes include any Additional Notes Units and Additional Underlying Notes, respectively, actually issued.

The Notes Units will be issued in fully registered form in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof and will be issued as one or more Global Notes Units. Principal is to be payable, and the Notes Units will be transferable and exchangeable, at the office or agency maintained for such purposes in New York City, New York, which initially will be the Corporate Trust Office of the Trustee; *provided* that the Global Notes Units will be exchangeable only in the manner and to the extent set forth under “Form of the Notes Units—Global Notes Units.” No service charge will be made for any registration of transfer or exchange of Notes Units, but the issuer and the Trustee may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge in connection therewith.

If any payment date or redemption date falls on a day which is not a Business Day, any payment of interest and principal with respect to the Underlying Notes will be made on the next succeeding Business Day with the same force and effect as if made on the due date, and no interest on such payment will accrue from and after such due date. The principal of and interest on the Underlying Notes will be payable in U.S. dollars or in such other coin or currency of the United States as at the time of payment is legal tender for the payment of public and private debts.

The issuer will maintain a registrar (the “Registrar”) and a transfer agent (the “Transfer Agent”). The initial Registrar will be The Bank of New York Mellon and the initial Transfer Agent will be The Bank of New York Mellon. The Registrar will maintain a register reflecting ownership of the Notes Units outstanding from time to time, if any, and together with the Transfer Agent, will facilitate transfers of the Notes Units on behalf of the issuer. A register of the Notes Units shall be kept at the registered office of the issuer. In case of inconsistency between the register of Notes Units kept by the Registrar and the one kept by the issuer at its registered office, the register kept by the issuer shall prevail for evidence of ownership.

Security

The Notes Units, the Underlying Notes, the Notes Units Guarantee and all other Obligations of the issuer, the Company and any other Guarantors under the Financing Documents will be secured on a first priority basis by the Collateral, which, pursuant to the terms of the Security Documents, shall include the following:

- with respect to the Tranche 1 Notes, (i) the Paraíso Mill, (ii) certain equipment necessary for the operation of the Paraíso mill, (iii) certain Receivables from the sales of Products and (iv) funds on deposit from time to time in the Tranche 1 Collection Account;

- with respect to the Tranche 2 Notes, (i) certain sugarcane, (ii) certain Receivables from the sales of Products and (iii) funds on deposit from time to time in the Tranche 2 Collection Account;
- with respect to the Tranche 3 Notes, (i) certain sugarcane, (ii) certain Receivables from the sales of Products and (iii) funds on deposit from time to time in the Tranche 3 Collection Account; and
- with respect to the Tranche 4 Notes, (i) certain equipment necessary for the operation of the Paraíso Mill, (ii) certain sugarcane, (iii) certain Receivables from the sales of Products and (iv) funds on deposit from time to time in the Tranche 4 Collection Account.

The Company, the Trustee, the U.S. Collateral Agent and the Brazil Collateral Agent shall enter into on or before the Issue Date the following Security Documents establishing the terms of the security interests and Liens that secure the Notes Units, the Underlying Notes, the Notes Units Guarantees and all other Obligations of the issuer, the Company and any other Guarantors under the Financing Documents.

- With respect to the Tranche 1 Notes:
 - (i) the Tranche 1 Paraíso Mill Mortgage Deed;
 - (ii) the Tranche 1 Paraíso Mill Equipment Fiduciary Assignment Agreement;
 - (iii) the Tranche 1 Assignment and Security Agreement; and
 - (iv) the Tranche 1 Collection Account Pledge Agreement.
- With respect to the Tranche 2 Notes:
 - (i) the Tranche 2 Rural Pledge Agreement;
 - (ii) the Tranche 2 Assignment and Security Agreement; and
 - (iii) the Tranche 2 Collection Account Pledge Agreement.
- With respect to the Tranche 3 Notes:
 - (i) the Tranche 3 Rural Pledge Agreement;
 - (ii) the Tranche 3 Assignment and Security Agreement; and
 - (iii) the Tranche 3 Collection Account Pledge Agreement.
- With respect to the Tranche 4 Notes:
 - (v) the Tranche 4 Paraíso Mill Equipment Fiduciary Assignment Agreement;
 - (vi) the Tranche 4 Rural Pledge Agreement;
 - (vii) the Tranche 4 Assignment and Security Agreement; and
 - (viii) the Tranche 4 Collection Account Pledge Agreement.

Certain security interests in the Collateral will not be in place on the Issue Date or will not be perfected on the Issue Date pending the release of the Company from all of its obligations under the Existing Financing Documents and the release of the security interests in the Existing Pledged Collateral. The issuer and the Company will, however, ensure that all security interests in the Collateral are duly created and enforceable and perfected, to the extent required by the Security Documents, not later than the date that is thirty (30) days after the Issue Date (with respect to Collateral comprised of Property other than real property, sugarcane and Products) and ninety (90) days after the Issue Date (with respect to Collateral comprised of real property, sugarcane and Products); provided,

however, that in the case the competent Real Estate Registry Offices present any request of documents or other requirements in accordance with applicable Law, such period of ninety (90) days may be extended once for thirty (30) days if the Company provides to the Trustee and the Collateral Agents evidence that it is in compliance with the requirements made by such Real Estate Registry Offices. As a result, under certain circumstances, the holders of the Notes Units may not have the ability to foreclose, or control decisions in respect of, a portion or all of the Collateral until such time as an enforceable and perfected first priority security interest has been created in the Collateral. See “Risk Factors—Risks Relating to the Notes Units, the Underlying Notes and the Notes Units Guarantees—Before the creation and perfection of a first priority security interest in the Collateral, the obligations under the Notes Units, the Underlying Notes and the Notes Units Guarantees may not be fully secured.”

The ability of the holders of the Notes Units to realize the full value of the Collateral upon an enforcement action will be subject to several additional limitations and risks as described in “Risk Factors—Risks Relating to the Notes Units, the Underlying Notes and the Notes Units Guarantee,” including the specific Risk Factors “—Rights of holders of Notes Units in the Collateral may be materially adversely affected by bankruptcy proceedings,” and “—Luxembourg bankruptcy laws may be less favorable to you than bankruptcy and insolvency laws in other jurisdictions.”

In connection with any enforcement action with respect to the Collateral or any insolvency or liquidation proceeding, all proceeds of any Collateral securing the Obligations with respect to any Tranche, after paying the fees and expenses of the Trustee, the Collateral Agents and any expenses of selling or otherwise foreclosing on the Collateral, will be applied to the repayment of the Obligations under the relevant Tranche that are secured by such Collateral pursuant to the terms of the Security Documents.

The issuer will be permitted to issue Additional Units and Additional Underlying Notes in the future which could share in the Collateral. The amount of such additional Indebtedness is and will be limited by the covenant described under “—Restrictive Covenants—Limitation on Indebtedness” and the covenant described under “—Restrictive Covenants—Limitation on Liens.”

Subject to the terms of the Security Documents and so long as no Event of Default has occurred and is continuing, the Company and the issuer shall have the right to remain in possession and retain exclusive control of the Collateral, to freely operate the Collateral and to collect, invest and dispose of any income from the Collateral (in each case, except as set forth in the Security Documents).

Release of Collateral

Subject to the terms of the Security Documents, the issuer and the Company will be entitled to the release of Property and other assets constituting Collateral from the Liens securing the Obligations and under any one or more of the following circumstances:

- (1) to enable the Company to consummate the sale, transfer, exchange or other disposition of such Property or assets to the extent not prohibited under the covenant described under “—Restrictive Covenants—Limitations on Sales of Assets;”
- (2) in accordance with the Indenture and the applicable Security Documents if (x) at any time either Collateral Agent forecloses upon or otherwise exercises remedies against any Collateral resulting in the sale or disposition thereof or (y) a sale or other disposition of any Collateral is consummated which is permitted by the terms of the Indenture and the applicable Security Document (or is made pursuant to a valid waiver and consent to an otherwise prohibited transaction);
- (3) as described under “—Modification of the Indenture” below;
- (4) upon payment in full of the principal of, together with accrued and unpaid interest on, the Underlying Notes and all other Obligations that are due and payable at or prior to the time such principal, together with accrued and unpaid interest, is paid; and
- (5) upon a legal defeasance or covenant defeasance under the Indenture as described below under “—Defeasance” or a discharge of the Indenture as described under “—Satisfaction and Discharge.”

The Company may, subject to the provisions of the Indenture and the Security Documents (including without limitation, the Company's obligation to comply with the Collateral Coverage Ratio in respect of each of the Tranches), among other things, without any consent by either of the Collateral Agents and the Trustee, conduct ordinary course activities with respect to the Collateral, including, without limitation:

- selling or otherwise disposing of, in any transaction or series of related transactions, any Property subject to a Lien of the Security Documents that has become worn out, defective, obsolete or not used or useful in the business;
- altering, repairing, replacing, changing the location or position of and adding to the structures, machinery, systems, equipment, fixtures and appurtenances;
- selling, transferring or otherwise disposing of inventory in the ordinary course of business;
- collecting accounts receivable in the ordinary course of business as permitted by the Indenture and the applicable Security Documents; and
- making cash payments (including for the repayment of Indebtedness or interest) from cash that is at any time part of the Collateral in the ordinary course of business that are not otherwise prohibited by the Indenture and the applicable Security Documents.

Notwithstanding the foregoing, the Company will not be permitted to sell, lease, transfer or otherwise dispose of the Paraíso Mill, the Tranche 1 Paraíso Mill Encumbered Equipment and the Tranche 4 Paraíso Mill Encumbered Equipment.

The U.S. Collateral Agent shall calculate the Collateral Coverage Ratio with respect to each Collateral Coverage Ratio Measurement Date and will provide written evidence of such calculation to the Trustee, the issuer and the Company within five (5) Business Days following each such Collateral Coverage Ratio Measurement Date. If on any Collateral Coverage Ratio Measurement Date (x) the Collateral Coverage Ratio in respect of any Tranche at the time of and after giving effect to any releases from the applicable Collection Account pursuant to this paragraph, as calculated by the U.S. Collateral Agent, exceeds the level required pursuant to the Indenture and (y) no Default or Event of Default has occurred and is then continuing or shall result from any such release from the applicable Collection Account, as certified in writing by the Company to the Trustee and the U.S. Collateral Agent, then the Company may request in writing to the U.S. Collateral Agent to instruct the Offshore Accounts Bank to release from the relevant Collection Account and remit to the Company the amount of cash specified in the written request received by the U.S. Collateral Agent and the Offshore Accounts Bank, all in accordance with the applicable Collection Account Pledge Agreement.

One or more Acceptable Letters of Credit may be maintained in lieu of depositing or maintaining required amounts in cash in any of the Collection Accounts in accordance with and subject to the terms of the applicable Collection Account Pledge Agreement.

Optional Redemption

Optional Redemption with a Make-Whole Premium

Prior to May 14, 2017, the issuer may, at its option, redeem all of the Notes Units at any time or part of the Notes Units from time to time (provided that, in the case of any partial redemption, the Underlying Notes are redeemed on a *pro rata* basis) at a redemption price equal to 100% of the principal amount of the Underlying Notes plus the Applicable Premium as of, and accrued and unpaid interest to, but excluding, the redemption date (subject to the right of holders of the Underlying Notes on the relevant Record Date to receive interest due on the relevant interest payment date).

“Applicable Premium” means with respect to an Underlying Note at any redemption date, the greater of (1) 1.0% of the principal amount of such Underlying Note on such redemption date and (2) the excess, if any, of (A) an amount equal to the present value at such redemption date of (i) the redemption price of such Underlying Note on May 14, 2017 (such redemption price being described in the “—Optional Redemption without a Make-Whole

Premium” section exclusive of any accrued interest) plus (ii) all required remaining scheduled interest payments due on such Underlying Note (assuming that the interest rate *per annum* on the relevant Underlying Notes applicable on the date on which the notice of redemption was given was in effect for the entire period) through May 14, 2017 (but excluding accrued and unpaid interest to the redemption date), in each case, computed using a discount rate equal to the Adjusted Treasury Rate plus 0.50%, over (B) the principal amount of such Underlying Note on such redemption date.

“Adjusted Treasury Rate” means, with respect to any redemption date, (1) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated “H. 15(519)” or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption “Treasury Constant Maturities” for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after May 14, 2017, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (2) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date, in each case calculated on the third Business Day immediately preceding the redemption date.

“Comparable Treasury Issue” means, with respect to any redemption date, the United States Treasury security selected by the Quotation Agent as having a maturity comparable from such redemption date to May 14, 2017 that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a maturity most nearly equal to May 14, 2017.

“Comparable Treasury Price” means, with respect to any redemption date, if clause (2) of the Adjusted Treasury Rate is applicable, the average of three, or such lesser number as is obtained by the Quotation Agent, Reference Treasury Dealer Quotations for such redemption date.

“Quotation Agent” means the Reference Treasury Dealer selected by the issuer.

“Reference Treasury Dealer” means Morgan Stanley & Co. LLC, HSBC Securities (USA) Inc. and their respective successors and assigns, and any two additional nationally recognized investment banking firms selected by the issuer that are primary U.S. Government securities dealers; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer (a “Primary Treasury Dealer”) the issuer will substitute therefor another Primary Treasury Dealer.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as calculated by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day immediately preceding such redemption date.

Optional Redemption without a Make-Whole Premium

On and after May 14, 2017, the issuer may, at its option, redeem all of the Notes Units and the Underlying Notes at any time or part of the Notes Units from time to time (provided that, in the case of any partial redemption, the Underlying Notes are redeemed on a *pro rata* basis) at the following redemption prices (expressed as a percentage of principal amount), plus accrued and unpaid interest to, but excluding, the redemption date (subject to the right of holders of the Underlying Notes on the relevant Record Date to receive interest due on the relevant interest payment date), if redeemed during the twelve-month period commencing on May 14 of the years set forth below:

Period	Redemption Price
2017.....	105.250%
2018.....	102.625%

Period	Redemption Price
2019 and thereafter	100.000%

Optional Redemption upon Eligible Equity Offering

At any time prior to May 14, 2017, the issuer may at its option on one or more occasions redeem the Notes Units in an aggregate principal amount not to exceed 35% of the aggregate principal amount of the outstanding Underlying Notes (including any Additional Underlying Notes) at a redemption price (expressed as a percentage of principal amount) of 110.50%, plus accrued and unpaid interest to, but excluding, the redemption date, with the Net Cash Proceeds from one or more Eligible Equity Offerings; *provided, however*, that:

- (1) at least 65% of such aggregate principal amount of Underlying Notes remains outstanding immediately after the occurrence of each such redemption (including any Additional Underlying Notes); and
- (2) the issuer gives notice of such redemption not more than 60 days after the consummation of the related Eligible Equity Offering.

Notice of any redemption upon any Eligible Equity Offering may be given prior to the completion thereof, and any such redemption or notice may, at the issuer's discretion, be subject to one or more conditions precedent, including, but not limited to, completion of the related Eligible Equity Offering.

Optional Tax Redemption

The Notes Units may be redeemed at the issuer's election, as a whole, but not in part, by the giving of notice as provided in the Indenture, at a price in U.S. dollars equal to the outstanding principal amount of the Underlying Notes, together with any Additional Amounts and accrued and unpaid interest to, but excluding, the redemption date, if, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of Luxembourg, Brazil or any other jurisdiction from or through which payments are made, or in each case any political subdivision or taxing authority thereof or therein, or any change in the official application, administration or interpretation of such laws, regulations or rulings in Luxembourg, Brazil or such other jurisdiction, the issuer or the Company would be obligated to pay Additional Amounts on the Notes Units or Underlying Notes on the next interest payment date at a rate of withholding or deduction in excess of the rate of withholding applicable in such jurisdiction as of the date hereof (which (i) in the case of Luxembourg shall mean a rate of withholding or deduction in excess of 0%) and (ii) in the case of Brazil shall mean a rate of withholding or deduction in excess of 15% or 25% if in case the holder of the Notes Units is resident in a tax haven jurisdiction as defined by applicable Brazilian law and, if such change or amendment is effective on or after the date hereof, and such obligation cannot be avoided by the issuer or the Company taking reasonable measures available to it; *provided, however*, that (1) for the avoidance of doubt, reasonable measures shall not include changing the jurisdiction of the issuer or the Company or the incurrence of material out-of-pocket costs by the issuer or the Company or an Affiliate thereof, but may include changing the jurisdiction of a paying agent and (2) no such notice of redemption shall be given earlier than 60 days prior to the earliest date on which the issuer or the Company would be obligated to pay such Additional Amounts, were a payment in respect of the Notes Units or Underlying Notes then due. Prior to the distribution of any notice of redemption and as a condition to redemption of the Notes Units pursuant to this paragraph, the issuer will deliver to the Trustee (i) an Officer's Certificate stating that the issuer or the Company has or will become obligated to pay such an increase in Additional Amounts as a result of such change or amendment, and that such obligation cannot be avoided by the issuer or the Company taking reasonable measures available to it, and (ii) an opinion of independent legal counsel of recognized standing in the jurisdiction in question to the effect that the issuer or the Company has or will become obligated to pay such Additional Amounts as a result of such change in or amendment to law.

For the avoidance of doubt, in the event that there is a Successor Company (as defined in "—Restrictive Covenants—Consolidation, Merger, Conveyance, Sale or Lease") or a Substituted issuer (as defined in "—Substitution of the issuer") where, in either case, such Person is incorporated in a jurisdiction other than Luxembourg or Brazil (such other jurisdiction, a "Successor Jurisdiction") then all references in the preceding paragraph to Luxembourg or Brazil (other than the references to the Luxembourg and Brazilian rates of withholding

tax in effect on the Closing Date) shall be read to refer to the Successor Jurisdiction, and all references in the preceding paragraph to the Closing Date shall be read to refer to the date that such Person became the Successor Company or Substituted issuer, as applicable.

Notice of Redemption

Notice of any redemption will be mailed to the holders of the Notes Units (with a copy to the Trustee), at least 30 days but not more than 60 days before the redemption date to each holder of Notes Units to be redeemed.

Unless the issuer and the Company defaults in payment of the redemption price, on and after the redemption date interest will cease to accrue on the relevant Underlying Notes.

If the issuer is redeeming less than all the Notes Units at any time, the Trustee will select the Notes Units on a pro rata basis (and the relevant Underlying Notes in the same proportion as for the Notes Units being sold in this offering), by lot or by such other method as the Trustee in its sole discretion shall deem to be fair and appropriate, unless otherwise required by law or applicable stock exchange and subject to the applicable procedures of the depository. If any Notes Unit is to be redeemed in part only, the notice of redemption that relates to that Notes Unit will state the portion of the principal amount of that Notes Unit and the Underlying Notes to be redeemed.

At least U.S.\$50.0 million in aggregate principal amount of the Notes Units issued under the Indenture (including any Additional Notes Units, but excluding any Notes Units held by the Company or any of its Affiliates) must remain outstanding after any partial redemption of the Notes Units.

Annual Offer to Purchase

On the fifth anniversary of the Issue Date and annually thereafter, to the extent the issuer has not provided to the holders of the Notes Units and the Trustee a notice of redemption of all of the Notes Units in accordance with “—Optional Redemption—Notice of Redemption,” the issuer shall make an offer (an “Annual Offer”) to purchase all of the Notes Units at a purchase price, in U.S. dollars, of 100% of their principal amount plus accrued and unpaid interest (including Additional Amounts, if any) thereon, to, but excluding, the date of purchase.

The issuer will comply, to the extent applicable, with the requirements of Section 14(e)-1 of the Exchange Act and any other applicable securities laws or regulations in connection with any repurchase of Notes Units pursuant to this covenant. To the extent that the provisions of any applicable securities laws or regulations conflict with provisions of this covenant, the issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

Repurchases at the Option of the Holders of the Notes Units upon Change of Control

If a Change of Control that results in a Rating Decline occurs, each holder of Notes Units will have the right to require the issuer to repurchase all or any part (in integral multiples of U.S.\$1,000) of that holder’s Notes Units pursuant to a Change of Control Offer (as defined below) on the terms set forth in the Indenture. No such purchase in part shall reduce the outstanding principal amount of the Notes Units held by any holder to below U.S.\$200,000. In the Change of Control Offer, the issuer will offer a “Change of Control Payment” in U.S. dollars equal to 101% of the aggregate principal amount of Notes Units repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Notes Units repurchased (and the Underlying Notes with respect thereto), to the date of purchase (subject to the right of the holders of record on the relevant Record Date to receive interest and Additional Amounts, if any, on the relevant interest payment date).

No later than 30 days following a Change of Control that results in a Rating Decline, the issuer will make a “Change of Control Offer” by notice to each holder of Notes Units (with a copy to the Trustee) by mailing and publishing such notice in accordance with the provision set out under “—Notices” below, describing the transaction or transactions that constitute the Change of Control that results in a Ratings Decline and offering to repurchase Notes Units on the date specified in the notice (the “Change of Control Payment Date”), which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice.

The issuer will comply, to the extent applicable, with the requirements of Section 14(e)-1 of the Exchange Act and any other applicable securities laws or regulations in connection with the repurchase of Notes Units pursuant to this covenant. To the extent that the provisions of any applicable securities laws or regulations conflict with provisions of this covenant, the issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue of its compliance with such securities laws or regulations.

The paying agents will promptly mail to each holder of Notes Units properly tendered the Change of Control Payment for such Notes Units. The issuer will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The provisions described above that require the issuer to make a Change of Control Offer following a Change of Control that results in a Rating Decline will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control that results in a Rating Decline, the Indenture does not contain provisions that permit the holders of the Notes Units to require that the issuer repurchase or redeem the Notes Units in the event of a takeover, recapitalization or similar transaction.

The issuer will not be required to make a Change of Control Offer upon a Change of Control that results in a Rating Decline if (i) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements, set forth in the Indenture, that are applicable to a Change of Control Offer made by the issuer and such third party purchases all Notes Units properly tendered and not withdrawn under the Change of Control Offer or (ii) notice of redemption for all outstanding Notes Units has been given pursuant to the Indenture as described above, unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary contained herein, the issuer may make a Change of Control Offer in advance of a Change of Control and conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the offer to purchase is made.

Open Market Purchases

The issuer, the Company or any of their Affiliates may purchase Notes Units in the market or in negotiated transactions at any time (in any manner and at any price), *provided* that any such purchased Notes Units will not be resold, except in compliance with applicable requirements or exemptions under the relevant securities laws.

Escrow of Proceeds; Special Mandatory Redemption

The proceeds of this offering will be placed in escrow pending the satisfaction of the conditions set forth below.

The terms of the escrow will be set forth in an escrow agreement (the “Escrow Agreement”) among the issuer, the Company, the Trustee, the U.S. Collateral Agent and the Escrow Agent.

Pursuant to the Escrow Agreement, the issuer will deposit with the Escrow Agent in an escrow account in the name of the Trustee for the benefit of the holders of the Notes Units (the “Escrow Account”) the proceeds of the offering, and the Company will deposit an amount of cash or Acceptable Letters of Credit in the Escrow Account such that the escrowed funds are in an amount sufficient to redeem the Notes Units, on the Special Mandatory Redemption Date, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the redemption date.

The Notes Units will be subject to a special mandatory redemption (a “Special Mandatory Redemption”) in the event the following conditions (the “Release Conditions”) do not occur by on or before the date that is 60 days after the Issue Date (the “Special Mandatory Redemption Date”):

(1) The Company shall have repaid, in full, all amounts outstanding under each of the 45 credit agreements described in the Escrow Agreement to which, as of the issue date of the Notes Units, the Company is party with BNDES and/or FINAME (a division of BNDES) and its accredited financial institutions (the “BNDES/FINAME Financing Agreements”), including without limitation all principal, together with any interest, fees or other amounts due thereunder, in each case as evidenced by a written statement issued by the applicable

accredited financial institution party thereto confirming or otherwise evidencing repayment in full of all obligations under each BNDES/FINAME Financing Agreement such that no amounts thereunder remain outstanding or due (collectively, the “Prepayment Confirmations”). To confirm satisfaction of this condition, the Company will deliver to the Escrow Agent, and the Escrow Agent may rely upon, an opinion of counsel from external counsel to the Company confirming that: (i) the Company has obtained each of the Prepayment Confirmations and (ii) each of the Prepayment Confirmations duly establish that all of the obligations outstanding or due under each of the BNDES/FINAME Financing Agreements have been fully discharged (*liquidadas*); and

(2) The Company shall have delivered an Officer’s Certificate dated no earlier than date of the opinion of counsel set forth in the preceding condition, executed by its chief executive officer and its chief financial officer, to the Escrow Agent certifying that (1) no event of default or event of acceleration has occurred and is continuing, (2) no event which, with notice or lapse of time or both, would constitute an event of default has occurred and is continuing, and (3) the Company has not received any notice of any default, event of default or event of acceleration, under: (i) any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which it is a party or by which it is bound or to which any of its properties or assets is subject, including, without limitation, any such event relating to the BNDES/FINAME Financing Agreements or the applicable General Conditions to BNDES Contracts (*Disposições Aplicáveis aos Contratos BNDES*); or (ii) the Notes Units, the Underlying Notes, the Notes Units Guarantees, the Indenture or any of the Security Documents, including without limitation any event or circumstance that may limit the Company’s ability to perfect the security interest in the Collateral pursuant to the Security Documents.

The Escrow Account will be established, and maintained at all times until the satisfaction of the Release Conditions, in the name of the Trustee for the benefit of the holders of the Notes Units. Neither the issuer nor the Company will have any property interest in the Escrow Property or the Escrow Account, prior to the distribution by the Escrow Agent of the Escrow Property to the issuer after satisfaction of the Release Conditions.

The issuer and the Company will covenant to apply the escrowed funds, promptly following or substantially concurrent with the release thereof, in accordance with “Use of Proceeds.”

Restrictive Covenants

Limitations with respect to the issuer

The issuer shall not, so long as any of the Notes Units are outstanding:

- (1) engage in any business or enter into, or be party to, any transaction or agreement, except (A) the issuance, sale, redemption, repurchase, or defeasance of the Notes Units (including any Additional Notes Units) and any other Indebtedness for the financing of the Company and the Restricted Subsidiaries not otherwise prohibited by the Indenture and activities incidentally related thereto, (B) enter into affiliate credit and debt transactions, including import and export financing transactions, with regards to proceeds from the Notes Units (including any Additional Notes Units) and any other Indebtedness not otherwise prohibited by the Indenture, (C) enter into hedging agreements not for speculative purposes, (D) as required by law, (E) in order to maintain its existence as a corporation, and (F) in connection with any transaction not otherwise prohibited under this covenant;
- (2) acquire or own any Subsidiary or other assets or properties, except (A) an interest in hedging agreements relating to its or its Affiliates’ Indebtedness and instruments evidencing interests in the foregoing, (B) cash and cash equivalents, (C) any assets related to affiliate credit and debt transactions, including import and export financing transactions and any other Indebtedness not otherwise prohibited by the Indenture, (D) the Notes Units and other Indebtedness not otherwise prohibited by the Indenture, and (E) other non-material assets and properties; and
- (3) Incur or suffer to exist any Lien upon any properties or assets whatsoever, except (A) Liens imposed by law, (B) any Liens that in the aggregate are not material to the issuer and (C) Liens securing the Obligations under the Notes Units (if any).

In addition, the Company will covenant to beneficially own and control, directly or indirectly through any Restricted Subsidiary, 100% (on a fully diluted basis) of the Capital Stock of the issuer.

Limitation on Restricted Payments

- (1) The Company will not, and will not permit any Restricted Subsidiary, directly or indirectly, to:
- (a) declare or pay any dividend or make any distribution on or in respect of its Capital Stock (including any payment in connection with any merger or consolidation involving the Company or any Restricted Subsidiary of the Company) except dividends or distributions payable solely in the form of its Capital Stock (other than Disqualified Stock) and except dividends or distributions payable to the Company or any Restricted Subsidiary (and, if such Restricted Subsidiary has shareholders other than the Company or any other Restricted Subsidiary, to its other shareholders on a *pro rata* basis);
 - (b) purchase, redeem, retire or otherwise acquire for value any Capital Stock of the Company held by Persons other than the Company or another Restricted Subsidiary (other than a purchase, redemption, retirement or other acquisition for value that would constitute a Permitted Investment);
 - (c) purchase, repurchase, redeem, defease or otherwise acquire or retire for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment, any Subordinated Obligations (other than the purchase, repurchase, redemption, defeasance or other acquisition of Subordinated Obligations made in anticipation of satisfying a sinking fund obligation, a principal installment or a final maturity, in each case, due within one year of the date of such purchase, repurchase, redemption, defeasance or other acquisition); or
 - (d) make any Investment (other than a Permitted Investment) in any Person;

(the actions described in clauses (a) through (d) above being herein referred to as “Restricted Payments” and each, a “Restricted Payment”), if at the time the Company or such Restricted Subsidiary makes such Restricted Payment:

- (i) an Event of Default will have occurred and be continuing;
- (ii) the Company is not able to Incur at least U.S.\$1.00 of additional Indebtedness pursuant to clause (1) of “—Limitation on Indebtedness”; or
- (iii) the aggregate amount of such Restricted Payment and all other Restricted Payments declared or made subsequent to the Closing Date would exceed the sum of, without duplication:
 - (A) 50% of the aggregate amount of Consolidated Net Income accrued during the period (treated as one accounting period) from the beginning of the first day of the fiscal quarter in which the Closing Date occurs and ending on the last day of the most recent fiscal quarter for which financial statements are available prior to the date of such Restricted Payment (or, in case such Consolidated Net Income will be a loss, *minus* 100% of such loss); *plus*
 - (B) the aggregate Net Cash Proceeds, and the Fair Market Value of any Property, received by the Company from the issue or sale of its Capital Stock (other than Disqualified Stock) or other capital contributions subsequent to the Closing Date (other than Net Cash Proceeds received from an issuance or sale of such Capital Stock to a Restricted Subsidiary of the Company or an employee stock ownership plan, option plan or similar trust to the extent such sale to an employee stock ownership plan or similar trust is financed by loans from or Guaranteed by the Company or any Restricted Subsidiary unless such loans have been repaid with cash on or prior to the date of determination); *plus*

- (C) (1) the amount of a Guarantee of the Company or any Restricted Subsidiary upon the unconditional release in full of the Company or such Restricted Subsidiary from such Guarantee if such Guarantee was previously treated as a Restricted Payment; and
- (2) in the event that the Company or any Restricted Subsidiary makes an Investment in a Person that, as a result of or in connection with such Investment, becomes a Restricted Subsidiary, an amount equal to the Company's or such Restricted Subsidiary's existing Investment in such Person;

provided that any amount added pursuant to clauses (1) and (2) of this clause (C) shall not exceed the amount of such Investment or Guarantee, respectively, previously made and treated as a Restricted Payment; *provided, however*, that no amount will be included under this clause (C) to the extent it is already included in Consolidated Net Income; *plus*

- (D) the amount by which Indebtedness of the Company or any Restricted Subsidiary is reduced on the Company's balance sheet or the balance sheet of any Restricted Subsidiary, in each case, upon the conversion or exchange (other than for Indebtedness held by the Company or any Restricted Subsidiary) subsequent to the Closing Date of any such Indebtedness for Capital Stock (other than Disqualified Stock) of the Company (less the amount of any cash or the Fair Market Value of other Property distributed by the Company or any Restricted Subsidiary upon such conversion or exchange); *plus*
- (E) the amount equal to the net reduction of Investments (other than Permitted Investments) made by the Company or any Restricted Subsidiary in any Person resulting from repurchases or redemptions of such Investment by such Person, proceeds realized upon the sale of such Investment, repayments of loans or advances or other transfers of assets (including by way of dividend or distribution) by such Person to the Company or any Restricted Subsidiary; *provided* that any amount added pursuant to this clause (E) shall not exceed the amount of such Investment previously made and treated as a Restricted Payment; *provided, however*, that no amount will be included under this clause (E) to the extent it is already included in Consolidated Net Income; *plus*
- (F) 100% of any dividends received by the Company or any of its Restricted Subsidiaries from an Unrestricted Subsidiary; *provided, however*, that no amount will be included under this clause (F) to the extent it is already included in Consolidated Net Income.

(2) The provisions of clause (1) above will not prohibit:

- (a) any Restricted Payment in exchange for, or out of the proceeds of the substantially concurrent sale of, Capital Stock of the Company (other than Disqualified Stock and other than Capital Stock issued or sold to a Restricted Subsidiary of the Company or an employee stock ownership plan or other trust established by the Company or any of its Restricted Subsidiaries to the extent that such sale to an employee stock ownership plan or other trust was financed by loans from or Guaranteed by the Company or a Restricted Subsidiary unless such loans have been repaid with cash on or prior to the date of determination); *provided, however*, that (x) such Restricted Payment will be excluded in the calculation of the amount of Restricted Payments pursuant to clause (1)(iii) above and (y) the Net Cash Proceeds from such sale of Capital Stock, to the extent such Net Cash Proceeds are used for such Restricted Payment will be excluded from clause (1)(iii)(B) of this covenant;
- (b) any purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Obligations made in exchange for, or out of the proceeds of the substantially concurrent sale of, Subordinated Obligations that is permitted to be Incurred pursuant to the covenant described under "—Limitation on Indebtedness"; *provided, however*, that such purchase, repurchase, redemption, defeasance or other acquisition or retirement for value will be excluded in the calculation of the amount of Restricted Payments pursuant to clause (1)(iii) above;

- (c) any purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Obligations owed to the Company or any of its Restricted Subsidiaries, the incurrence of which was permitted under clause (2)(a) of the covenant described under “—Limitation on Indebtedness”; *provided, however*, that such purchase, repurchase, redemption, defeasance or other acquisition or retirement for value will be excluded in the calculation of the amount of Restricted Payments pursuant to clause (1)(iii) above;
- (d) so long as no Default has occurred and is continuing, any purchase or redemption of Subordinated Obligations at a purchase price of up to 101% of the principal amount thereof (together with accrued and unpaid interest) in the event of the occurrence of a Change of Control; *provided*, that prior to such purchase or redemption, the Company (or a third party to the extent permitted by the Indenture) has made the Change of Control Offer described under “—Repurchases at the Option of the Holders of the Notes Units Upon Change of Control” and has purchased all Notes Units validly tendered and not withdrawn pursuant thereto; *provided, further* that any such purchase shall be included in the calculation of the amount of Restricted Payments pursuant to clause (1)(iii) above;
- (e) dividends paid or distributions made after the date of declaration thereof if at such date of declaration such dividend or distribution would have complied with this covenant; *provided, however*, that the payment or declaration, but not both the payment and the declaration, of such dividend will be included in the calculation of the amount of Restricted Payments pursuant to clause (1)(iii) above;
- (f) as long as no Default has occurred and is continuing, any purchase or redemption of Subordinated Obligations from Net Available Cash; *provided* that the Company has complied with the covenant described under “—Limitation on Sales of Assets”; *provided, further*, that such purchase or redemption shall be included in the calculation of the amount of Restricted Payments pursuant to clause (1)(iii) above;
- (g) the payment of the Minimum Legally Required Dividends; *provided, however*, that such payment shall be included in the calculation of the amount of Restricted Payments pursuant to clause (1)(iii) above;
- (h) repurchases of Capital Stock deemed to occur upon the exercise of stock options, warrants or other convertible securities if such Capital Stock represents a portion of the exercise price thereof and cash payments in lieu of the issuance of fractional shares; *provided, however*, that such repurchases shall be excluded from calculations of the amount of Restricted Payments pursuant to clause (1)(iii) above;
- (i) payments of dividends on Disqualified Stock issued pursuant to the covenant described under “—Limitation on Indebtedness”; *provided, however*, that such payments shall be excluded from the calculation of the amount of Restricted Payments pursuant to clause (1)(iii) above;
- (j) the repurchase, redemption or other acquisition or retirement for value of any of the Company’s Capital Stock or any Capital Stock of any of its Restricted Subsidiaries held by any then-existing or former director, officer, employee, independent contractor or consultant of the Company, its direct or indirect parent or any of its Restricted Subsidiaries or their respective assigns, estates or heirs; *provided, however*, that the price paid for all repurchased, redeemed, acquired or retired Capital Stock in all cases, other than as a result of death or disability, does not exceed U.S.\$5.0 million in the aggregate in any fiscal year (with unused amounts in any fiscal year being carried over to succeeding fiscal years subject to a maximum payment (without giving effect to the following provisions) of U.S.\$10.0 million in any calendar year); *provided*, that the amounts in any fiscal year may be increased by an amount not to exceed: (A) the cash proceeds received by the Company from the sale of Capital Stock (other than Disqualified Stock) of the Company to any present or former employees, directors, officers or consultants (or their respective permitted transferees) of the Company or any of its Restricted Subsidiaries following the Closing Date, plus

(B) the cash proceeds of “key man” life insurance policies received by the Company or any of its Restricted Subsidiaries since the Closing Date; *provided, further*, that such payments shall be included in the calculation of the amount of Restricted Payments pursuant to clause (1)(iii) above; and

- (k) other Restricted Payments in an aggregate amount not to exceed U.S.\$10.0 million since the Closing Date; *provided, however*, that such payments shall be excluded in the calculation of the amount of Restricted Payments pursuant to clause (1)(iii) above.

The amount of all Restricted Payments (other than cash) shall be the Fair Market Value on the date of such Restricted Payment of the asset(s) or securities proposed to be paid, transferred, issued, purchased, repurchased, redeemed, retired, defeased or otherwise acquired by the Company or such Restricted Subsidiary, as the case may be, pursuant to such Restricted Payment; *provided*, that if such Restricted Payment or a series of related Restricted Payments involves aggregate consideration in excess of U.S.\$15.0 million, as determined in good faith by the management of the Company, such determination shall be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of recognized standing.

Limitation on Indebtedness

(1) The Company will not, and will not permit any Restricted Subsidiary to, Incur any Indebtedness; *provided, however*, that the Company or any Restricted Subsidiary may Incur Indebtedness if, on the date of such incurrence and after giving effect thereto and the application of the proceeds therefrom, the Net Debt to EBITDA Ratio would be no greater than 3.5 to 1.0.

(2) Notwithstanding clause (1) above, the Company or any Restricted Subsidiary may Incur the following Indebtedness:

- (a) intercompany Indebtedness between or among the Company and any Restricted Subsidiary or between or among Restricted Subsidiaries; *provided, however*, that:
 - (i) if the Company or any Subsidiary Guarantor is the obligor on such Indebtedness Incurred and the obligee is a Person other than the Company or a Subsidiary Guarantor, such Indebtedness must be expressly subordinated in right of payment to the Notes Units and the Underlying Notes; and
 - (ii) any subsequent issuance or transfer of Capital Stock or any other event that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary and any sale or other transfer of any such Indebtedness to a Person that is neither the Company nor a Restricted Subsidiary will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (a);
- (b) Indebtedness:
 - (i) represented by the Notes Units, the Underlying Notes or the Subsidiary Guarantees (other than any Additional Notes Units and Additional Underlying Notes);
 - (ii) outstanding on the Closing Date;
 - (iii) consisting of Refinancing Indebtedness Incurred in respect of any Indebtedness described in this clause (b) or the foregoing clause (1); or
 - (iv) consisting of Guarantees of any Indebtedness permitted under the Indenture;
- (c) (i) Indebtedness of a Restricted Subsidiary Incurred and outstanding on or prior to the date on which such Restricted Subsidiary was acquired by the Company (other than Indebtedness

Incurring as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of related transactions pursuant to which such Restricted Subsidiary became a Restricted Subsidiary of, or was otherwise acquired by, the Company); *provided, however*, that on the date that such Restricted Subsidiary is acquired by the Company, the Company would have been able to incur US\$1.00 of additional Indebtedness pursuant to clause (1) above after giving effect to the Incurrence of such Indebtedness pursuant to this subclause (i); and

(ii) Refinancing Indebtedness Incurred by the Company or a Restricted Subsidiary in respect of Indebtedness Incurred pursuant to this clause (c);

- (d) Indebtedness in respect of bankers' acceptances, deposits, promissory notes, letters of credit, self-insurance obligations, completion guarantees, performance, surety, appeal or similar bonds and Guarantees provided by the Company or any Restricted Subsidiary in the ordinary course of its business or Indebtedness with respect to reimbursement type obligations regarding workers' compensation claims;
 - (e) Hedging Obligations of the Company or any Restricted Subsidiary (entered into for non-speculative purposes) in the ordinary course of business or directly related to Indebtedness permitted to be Incurred by the Company or any Restricted Subsidiary pursuant to the Indenture;
 - (f) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or guarantees or letters of credit, surety bonds or performance bonds securing any obligations of the Company or any Restricted Subsidiary pursuant to such agreements, in any case Incurred in connection with the disposition of any business, assets or Subsidiary (other than guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition), so long as the amount does not exceed the gross proceeds (including non-cash proceeds) actually received by the Company or any Restricted Subsidiary thereof in connection with such disposition;
 - (g) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; *provided, however*, that such Indebtedness is extinguished within five Business Days of its Incurrence;
 - (h) Indebtedness to the extent that the net proceeds thereof are promptly deposited to defease or to satisfy and discharge the Notes Units and the Underlying Notes in accordance with the Indenture;
 - (i) Indebtedness consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply agreements in the ordinary course of business; and
 - (j) Indebtedness in an aggregate principal amount at any time outstanding not to exceed the greater of (i) U.S.\$100.0 million and (ii) 17.5% of the Company's Consolidated Total Assets (or the equivalent amount thereof at the time of determination).
- (3) For purposes of determining compliance with this covenant:
- (a) in the event that an item of Indebtedness meets the criteria of more than one of the types of Indebtedness described above, including clause (1) above, the Company, in its sole discretion, may classify, and from time to time may reclassify, such item of Indebtedness in one of the types of Indebtedness described above, including clause (1) above; and
 - (b) the Company will be entitled to divide and classify, and from time to time may reclassify, an item of Indebtedness in more than one of the types of Indebtedness described above, including clause (1) above.

Notwithstanding any other provision of this covenant, neither the Company nor any Restricted Subsidiary shall, with respect to any outstanding Indebtedness Incurred, be deemed to be in violation of this covenant solely as a result of fluctuations in the exchange rates of currencies.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate determined on the date of Incurrence, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness. The principal amount of any Indebtedness Incurred to Refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being Refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such Refinancing Indebtedness is denominated calculated based on the relevant currency exchange rates as calculated in the first sentence of this paragraph.

The accrual of interest, the accretion or amortization of original issue discount, the payment of regularly scheduled interest in the form of additional Indebtedness of the same instrument will not be deemed to be an Incurrence of Indebtedness for purposes of this covenant; *provided* that any such outstanding additional Indebtedness in respect of Indebtedness Incurred pursuant to any provision of clause (2) above will be counted as Indebtedness outstanding for purposes of any future Incurrence of Indebtedness pursuant to clause (1) above.

Limitation on Liens

The Company will not, and will not permit any Subsidiary to, assume or suffer to exist any Lien on any portion of the Collateral, except for Permitted Liens.

The Company will not, and will not permit any Restricted Subsidiary to, issue or assume any Indebtedness secured by a Lien (the "Initial Lien") upon any Property or assets of the Company or any Restricted Subsidiary (other than Property or assets of the Company or any Restricted Subsidiary comprising the Collateral) without effectively providing that the Notes Units and the Underlying Notes (together with, if the Company so determines, any other Indebtedness or obligations then existing or thereafter created) shall be secured equally and ratably with (or prior to) such Indebtedness so long as such Indebtedness shall be so secured; *provided, however*, that any Lien created for the benefit of the holders of the Notes Units (and, if applicable, holders of such other Indebtedness or obligations) pursuant to the foregoing shall provide by its terms that such Lien will be automatically and unconditionally released and discharged upon release and discharge of the Initial Lien; except that the provisions of this paragraph shall not apply to (without duplication):

- (a) Liens which secure only Indebtedness owing by any Restricted Subsidiary to the Company and/or by the Company to one or more Restricted Subsidiaries;
- (b) Liens on any Property or assets acquired from a Person which is merged with or into the Company or any Restricted Subsidiary, or any Liens on the Property or assets of any Person or other entity existing at the time such Person or other entity becomes a Restricted Subsidiary and, in either such case, is not created as a result of or in connection with or in anticipation of any such transaction; provided that such Liens may not extend to any other Property owned by the Company or any Restricted Subsidiary;
- (c) any Lien on any Property or assets existing at the time of acquisition thereof and which is not created as a result of or in connection with or in anticipation of such acquisition; provided that such Liens may not extend to any other Property owned by the Company or any Restricted Subsidiary;
- (d) Permitted Liens;
- (e) pledges or deposits in connection with workers' compensation laws, unemployment insurance laws or similar legislation, any deposit to secure appeal bonds in proceedings being contested in good faith to which the Company or any Restricted Subsidiary is a party, good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to

which the Company or any Restricted Subsidiary is a party or deposits for the payment of rent, in each case made in the ordinary course of business;

- (f) any Lien in favor of issuers of surety or performance bonds or letters of credit issued pursuant to the request of and for the account of the Company or any Restricted Subsidiary in the ordinary course of business;
- (g) Liens arising solely by virtue of any statutory or common law provision relating to bankers' liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution; *provided, however*, that such deposit account is not a dedicated cash collateral account and is not intended by the Company or any Restricted Subsidiary to provide collateral to such depository institution;
- (h) any rights of set-off of any Person with respect to any deposit account of the Company or any Restricted Subsidiary arising in the ordinary course of business;
- (i) Liens granted to secure borrowing from, directly or indirectly, (i) *Banco Nacional de Desenvolvimento Econômico e Social—BNDES* (including loans from *Financiadora de Estudos e Projetos—FINEP*) or any other Brazilian governmental development bank or credit agency, or (ii) any international or multilateral development bank, government-sponsored agency, export-import bank or official export-import credit insurer;
- (j) judgment Liens not giving rise to an Event of Default so long as such Lien is bonded in accordance with applicable Law and any appropriate legal proceedings which may have been duly initiated for the review of such judgment have not been finally terminated or the period within which such proceedings may be initiated has not expired;
- (k) Liens on Property or assets (including Capital Stock) of any Person that secure Indebtedness Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of such Property or asset and which attach within 365 days after the date of such purchase or the completion of construction or improvement; *provided*, that to the extent that the Property or asset acquired is Capital Stock, the Lien also may encumber other Property or assets of the Person acquired;
- (l) Liens in existence on the Closing Date;
- (m) other Liens securing obligations in an aggregate amount not to exceed 10.0% of the Company's Consolidated Total Assets;
- (n) any Lien securing Hedging Obligations so long as such Hedging Obligations are entered into for bona fide, non-speculative purposes;
- (o) any Lien on the inventory or receivables and related assets of any Person that secure the obligations of such Person under any credit facility or in connection with any structured export or import financing or other trade transaction to the extent that the aggregate amount of receivables securing Indebtedness shall not exceed (a) with respect to transactions secured by receivables from export sales, 80% of such Person's consolidated gross revenues from export sales for the most recently concluded period of four consecutive fiscal quarters; or (b) with respect to transactions secured by receivables from domestic sales, 80% of such Person's consolidated gross revenues from domestic sales for the most recently concluded period of four consecutive fiscal quarters; *provided, further*, that Advance Transactions will not be deemed transactions secured by receivables for the purpose of the above calculation; and
- (p) any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any Lien referred to in the clauses (b), (c), (i), (k) or (l) above or of any Indebtedness secured thereby, provided that the principal amount of Indebtedness so secured shall not exceed the principal amount of Indebtedness so secured at the time of such extension, renewal

or replacement (plus premiums, interest and reasonable expenses incurred in connection therewith), and that such extension, renewal or replacement Lien shall be limited to all or part of the Property which secured the Lien extended, renewed or replaced (plus improvements on or additions to such Property).

Limitation on Sales of Assets

(1) The Company will not, and will not permit any Restricted Subsidiary to, make any Asset Disposition unless the following conditions are met:

- (a) The Asset Disposition is for Fair Market Value;
- (b) At least 75% of the consideration consists of all or part of any of the following, received at closing, (i) cash and Temporary Cash Investments or (ii) Additional Assets; provided that, in the case of any Asset Disposition in respect of any portion of the Collateral securing the Obligations under any Tranche, to the extent necessary to cause the Company to be in compliance with the Collateral Coverage Ratio in respect of such Tranche after giving effect to the consummation of such Asset Disposition, the Person receiving the relevant Additional Assets as consideration for such Asset Disposition shall, simultaneously with such Asset Disposition, grant (and shall enter into all documents satisfactory to the Trustee and the applicable Collateral Agent and take all actions as may be required by applicable Law to grant) a first priority Lien on such Additional Assets in favor of the applicable Collateral Agent for the benefit of the Secured Parties to secure the Obligations under the applicable Tranche. (For purposes of this clause (b), (x) the assumption by the purchasers of Indebtedness or other obligations (other than Subordinated Debt) of the Company or a Restricted Subsidiary pursuant to a customary novation agreement, and (y) instruments or securities received by the Company or any of its Restricted Subsidiaries from the purchasers that are converted into cash or Temporary Cash Investments within 270 days of the closing shall be considered to be cash received at closing, it being understood that clause (x) immediately above shall not apply to an Asset Disposition in respect of any portion of the Collateral);
- (c) Solely with respect to an Asset Disposition in respect of any portion of the Collateral, (i) such Asset Disposition is permitted by the Indenture and the applicable Security Documents and (ii) the Company shall be in compliance with the Collateral Coverage Ratio in respect of each of the Tranches before and immediately after such Asset Disposition;
- (d) Within 365 days after the receipt of any Net Available Cash from an Asset Disposition, the Net Available Cash may be used:
 - to permanently repay Indebtedness, other than Subordinated Obligations, of the Company or of any of its Restricted Subsidiaries, in each case owing to a Person other than the Company or any Subsidiary; provided that the provisions of this paragraph shall only apply to an Asset Disposition in respect of any portion of the Collateral securing the Obligations under any Tranche to the extent the Company shall be in compliance with the Required Collateral Coverage Ratio Level in respect of such Tranche after the consummation of the relevant Asset Disposition;
 - to acquire (or within such 365-day period, the Company shall have made a good faith determination to acquire or make capital expenditures, which acquisition shall be consummated, or capital expenditure shall be made, prior to the second anniversary of such Asset Disposition) (i) all or substantially all of the assets of a Related Business, or a majority of the Voting Stock of another Person that thereupon becomes a Restricted Subsidiary engaged in a Related Business, or to make capital expenditures or otherwise acquire long-term assets that are to be used in a Related Business; or (ii) to acquire Additional Assets for the Company or its Restricted Subsidiaries; provided that, in the case of any Asset Disposition in respect of any portion of the Collateral securing the Obligations under any Tranche, to the extent necessary to cause the Company to be in

compliance with the Required Collateral Coverage Ratio Level in respect of such Tranche after giving effect to the consummation of such Asset Disposition, the Company shall, simultaneously with the acquisition of any assets or Property acquired pursuant to clauses (i) or (ii) above, grant or cause to be granted (and shall enter into or cause to be entered into all documents satisfactory to the Trustee and the applicable Collateral Agent and take all actions as may be required by applicable Law to grant) a first priority Lien on such assets or Property, as the case may be, in favor of the applicable Collateral Agent for the benefit of the Secured Parties to secure the Obligations under the applicable Tranche;

- (e) The Net Available Cash of an Asset Disposition not applied (or determined by the Company to be applied) pursuant to paragraph (d) above within 365 days of the Asset Disposition shall constitute “Excess Proceeds.” Excess Proceeds of less than U.S.\$20.0 million (or the equivalent thereof at the time of determination) will be carried forward and accumulated. When accumulated Excess Proceeds equals or exceeds U.S.\$20.0 million, the issuer shall, within 30 days, make an Offer (as defined in clause (2) below) to purchase Notes Units and Underlying Notes having a principal amount equal to:
- accumulated Excess Proceeds, multiplied by
 - a fraction (x) the numerator of which is equal to the then outstanding principal amount of the Underlying Notes and (y) the denominator of which is equal to the then outstanding principal amount of the Underlying Notes and all *pari passu* Indebtedness similarly required to be repaid, redeemed or tendered for in connection with the Asset Disposition, rounded down to the nearest U.S.\$1,000.

Upon completion of the Offer, Excess Proceeds will be reset at zero and the Company shall be entitled to use any remaining proceeds for any corporate purposes to the extent permitted under the Indenture.

(2) (a) In the event of an Asset Disposition that requires the purchase of Notes Units pursuant to clause (1)(e) above, the issuer will make an offer (an “Offer”) to purchase Notes Units (and any other Senior Indebtedness), at a purchase price, in U.S. dollars, of 100% of their principal amount (or such lesser amount required in the case of any other Senior Indebtedness) plus accrued and unpaid interest (including Additional Amounts, if any) thereon, to, but excluding, the date of purchase and (b) if the aggregate purchase price of the Notes Units (and any other Senior Indebtedness) tendered pursuant to the Offer exceeds the Net Available Cash allotted to their purchase, the Company shall select the Notes Units and other Senior Indebtedness to be purchased on a pro rata basis but in round denominations (subject to the applicable procedures of the depository), which in the case of the Notes Units will be denominations of U.S.\$1,000 or multiples thereof; *provided* that after a purchase from a holder in part, such holder shall hold U.S.\$200,000 in principal amount of Notes Units or a multiple of U.S.\$1,000 in excess thereof.

(3) The issuer will comply, to the extent applicable, with the requirements of Section 14(e)-1 of the Exchange Act and any other applicable securities laws or regulations in connection with any repurchase of Notes Units pursuant to this covenant. To the extent that the provisions of any applicable securities laws or regulations conflict with provisions of this covenant, the issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

Limitation on Transactions with Affiliates

The Company will not, and will not permit any Restricted Subsidiary to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any Property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each, an “Affiliate Transaction”), unless:

- (a) the Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary, taken as a whole, than those that would have been obtained in a comparable arm’s-length transaction by the Company or such Restricted Subsidiary with a Person that is not an Affiliate; and

- (b) the Company delivers to the Trustee:
 - (i) with respect of any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of U.S.\$5.0 million, an Officer's Certificate stating that such Affiliate Transaction complies with this covenant; and
 - (ii) with respect of any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of U.S.\$15.0 million, an opinion as to the fairness to the Company or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by a Brazilian or international investment banking, auditing or consulting firm of recognized standing.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

- (i) transactions between or among the Company and any Restricted Subsidiary or between two or more Restricted Subsidiaries;
- (ii) the payment of reasonable and customary regular fees to directors of the Company;
- (iii) payments (including loans and advances) pursuant to any employee, officer or director compensation or benefit plans, customary indemnifications or arrangements entered into in the ordinary course of business;
- (iv) any agreement in effect as of the Closing Date (and any transaction contemplated thereby) or any amendment, supplement, restatement, replacement, renewal, extension, refinancing thereof or thereto (so long as the renewed or replaced agreement, when taken as a whole, is not more disadvantageous to the holders of the Notes Units in any material respect than the original agreement in effect on the Closing Date);
- (v) any Sale-Leaseback Transaction otherwise permitted under the caption "—Limitation on Sale and Lease-Back Transactions" if such transaction is on market terms;
- (vi) any issuance or sale of Capital Stock of the Company (other than Disqualified Stock);
- (vii) Permitted Investments and Restricted Payments that are permitted by the provisions of the covenant described under "—Limitation on Restricted Payments"; and
- (viii) (A) transactions with customers, clients, distributors, lessors, suppliers or purchasers or sellers of goods or services, in each case, in the ordinary course of business and on market terms or (B) transactions with joint ventures or other similar arrangements on market terms.

Limitation on Sale and Lease-Back Transactions

The Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Lease-Back Transaction unless:

- (a) the Company or such Restricted Subsidiary would be entitled (i) pursuant to the provisions of the covenant described under "—Limitation on Indebtedness" above, to Incur Indebtedness in a principal amount equal to or exceeding the Attributable Debt in respect of such Sale and Lease-Back Transaction; and (ii) pursuant to the provisions of the covenant described under "—Limitation on Liens" above, to Incur a Lien to secure such Indebtedness; or
- (b) the Company, during or immediately after the expiration of three months after the effective date of such Sale and Lease-Back Transaction (whether made by the Company or a Restricted Subsidiary), applies to the voluntary retirement of Funded Debt, an amount equal to the Value of such Sale and Lease-Back Transaction, less an amount equal to the sum of: (i) the principal amount of Notes delivered, within such three-month period, to the Trustee for retirement and cancellation and (ii)

the principal amount of other Funded Debt voluntarily retired by the Company within such three-month period, in each case excluding retirements of Notes and other Funded Debt as a result of conversions or pursuant to mandatory sinking fund or mandatory prepayment provisions or by payment at maturity.

Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

- (1) pay dividends or make any other distributions on the Capital Stock of the Restricted Subsidiary owned by the Company to the Company or any Restricted Subsidiary;
- (2) pay any Indebtedness owed to the Company or any Restricted Subsidiary;
- (3) make loans or advances to the Company or any Restricted Subsidiary; or
- (4) transfer any of its properties or assets to the Company or any Restricted Subsidiary.

However, the preceding restrictions will not apply to encumbrances or restrictions:

- (i) existing under or by reason of applicable Law or governmental rule, regulation or order;
- (ii) existing with respect to any Person, or on any Property or assets acquired from a Person which is acquired by or merged with or into the Company or any Restricted Subsidiary, or by reason of any Liens on the Property or assets, or relating to the Indebtedness, of any Person or other entity existing at the time such Person or other entity becomes a Restricted Subsidiary, or restriction relating to Indebtedness of any such Person and, in any such case, is not created as a result of or in connection with or in anticipation of any such transaction; *provided* that such Liens and any extensions, renewals, replacements or refinancing thereof may not extend to any other Property owned by the Company or any Restricted Subsidiary; *provided further* that the encumbrances and restrictions in the extension, renewal, replacement or refinancing are, taken as a whole, no less favorable in any material respect to the holders of the Notes Units than the encumbrances or restrictions being extended, renewed, replaced or refinanced;
- (iii) on any Property or assets existing at the time of acquisition thereof and which are not created as a result of or in connection with or in anticipation of such acquisition; *provided* that such encumbrances and restrictions and any extensions, renewals, replacements or refinancing thereof may not extend to any other Property owned by the Company or any Restricted Subsidiary; *provided further* that the encumbrances and restrictions in the extension, renewal, replacement or refinancing are, taken as a whole, no less favorable in any material respect to the holders of the Notes Units than the encumbrances or restrictions being extended, renewed, replaced or refinanced;
- (iv) in the case of clause (4) above:
 - (a) that exist by virtue of any transfer of, agreement to transfer, option or right with respect to, or Lien on, any Property or assets of the Company or any Restricted Subsidiary not otherwise prohibited by the Indenture;
 - (b) that restrict in a customary manner the subletting, assignment or transfer of any Property or asset that is subject to a lease, license or similar contract, or the assignment or transfer of any such lease, license or other contract or contractual right;
 - (c) contained in mortgages, pledges or other security agreements permitted under the Indenture securing Indebtedness of the Company or a Restricted Subsidiary to the extent such encumbrances or restrictions restrict the transfer of the Property subject to such mortgages, pledges or other security agreements;

- (d) imposed by Purchase Money Indebtedness for Property acquired in the ordinary course of business or by Capitalized Lease Obligations permitted under the Indenture on the Property so acquired, but only to the extent that such encumbrances or restrictions restrict the transfer of the Property; or
- (e) arising or agreed to in the ordinary course of business, not relating to Indebtedness, and that do not, individually or in the aggregate, detract from the value of the Property or assets of the Company or any Restricted Subsidiary in any manner material to the Company and its Restricted Subsidiaries.
- (v) imposed by the standard loan documentation in connection with loans from (i) *Banco Nacional de Desenvolvimento Econômico e Social—BNDES* (including loans from *Financiadora de Estudos e Projetos—FINEP*) or any other Brazilian governmental development bank or credit agency, or (ii) any international or multilateral development bank, government sponsored agency, export-import bank or official export-import credit insurer;
- (vi) imposed by any agreement governing Indebtedness of any Restricted Subsidiary that is permitted to be Incurred by the covenant described under “—Limitation on Indebtedness”; *provided* that the encumbrance or restriction, taken as a whole, is not materially more restrictive than comparable financings and will not materially affect the issuer’s ability to pay interest or principal, when due, on the Notes Units and the Underlying Notes or the Company’s ability to make payments under its Notes Units Guarantee;
- (vii) existing by reason of Liens that secure Indebtedness otherwise permitted to be incurred under the provisions of the covenant described under “—Limitation on Liens” above and that limit the right of the debtor to dispose of the assets subject to such Liens;
- (viii) imposed with respect to a Restricted Subsidiary pursuant to an agreement entered into for the sale or disposition of all or substantially all the Capital Stock or assets of such Restricted Subsidiary pending the closing of such sale or disposition;
- (ix) with respect to a Restricted Subsidiary and imposed pursuant to a customary provision in a joint venture or other similar agreement with respect to such Restricted Subsidiary that was entered into in the ordinary course of business;
- (x) required pursuant to the Indenture; or
- (xi) existing on the Closing Date and any amendments, extensions, renewals, replacements or refinancing thereof; *provided* that the encumbrances and restrictions in the extension, renewal, replacement or refinancing are, taken as a whole, no less favorable in any material respect to the holders of the Notes Units than the encumbrances or restrictions being extended, renewed, replaced or refinanced.

Future Subsidiary Guarantors

The Company will not permit any of its Restricted Subsidiaries that is not a Subsidiary Guarantor to Incur any Indebtedness (including the guarantee of payment of any Indebtedness) in an aggregate principal amount in excess of U.S.\$5.0 million unless:

- (1) such Restricted Subsidiary simultaneously executes and delivers to the trustee a supplemental indenture in the form attached as an exhibit to the Indenture pursuant to which such Restricted Subsidiary shall unconditionally guarantee the due and punctual payment of the principal of, and interest and Additional Amounts on, the Notes Units and the Underlying Notes, as well as any other amounts whatsoever owed under the Indenture and the other Financing Documents; and
- (2) the Company or such Restricted Subsidiary delivers to the trustee an opinion of counsel that such supplemental indenture (a) has been duly authorized, executed and delivered by such Restricted

Subsidiary and (b) constitutes a valid and legally binding obligation of such Restricted Subsidiary in accordance with its terms.

Any such Subsidiary Guarantor's guarantee of the issuer's obligations under the Notes Units, the Underlying Notes and the Indenture will be senior obligations of such Subsidiary Guarantor and will be limited to the maximum amount that (1) would not render such Subsidiary Guarantor's obligations subject to avoidance under applicable Law, including applicable fraudulent conveyance laws, or (2) would not result in a breach or violation by such Subsidiary Guarantor of any then-existing agreement to which it is party. None of the Company's Unrestricted Subsidiaries will guarantee the Notes Units or the Underlying Notes.

The Guarantee of a Subsidiary Guarantor may be terminated upon:

- (i) a sale or disposition (including by way of consolidation or merger) of all or a portion of the Capital Stock of such Subsidiary Guarantor following which such Subsidiary Guarantor is no longer a Subsidiary of the Company;
- (ii) a sale or disposition (including by way of consolidation or merger) of all or substantially all of the assets of such Subsidiary Guarantor to a Person that is not the Company or a Restricted Subsidiary;
- (iii) defeasance or discharge of the Notes, as described in "—Satisfaction and Discharge" and "—Defeasance"; or
- (iv) the designation of such Subsidiary Guarantor as an Unrestricted Subsidiary;

provided that any such transaction is carried out pursuant to, and in accordance with, all other applicable provisions of the Indenture.

Security Documents; Further Assurances; etc.

(1) On or before the Issue Date, the Collateral Agents and the Trustee shall have received Officers' Certificates of the Company and legal opinions from Brazilian and U.S. external counsel satisfactory to the Trustee and the Collateral Agents to the effect that (subject to customary exceptions and qualifications) each Security Document has been duly authorized, executed and delivered by the issuer and the Company and constitutes the legal, valid, and binding obligation of each of the issuer and the Company, enforceable against the issuer and the Company in accordance with their respective terms.

(2) On or prior to the date occurring thirty (30) days after the Issue Date, the Company shall deliver to the Trustee and the Collateral Agents:

- (a) An Officer's Certificate stating that:
 - (i) the Company has been released from all obligations under the Existing Financing Documents and all Liens on the Existing Pledged Collateral created under or pursuant to the Existing Security Documents have been released;
 - (ii) (x) in respect of Collateral that is not comprised of real property, sugarcane and Products, all filings and other actions (including, without limitation, all required registrations and recordations with the applicable notaries or registries) necessary for the creation and perfection of a first priority security interest in such Collateral in favor of the applicable Collateral Agents for the benefit of the Secured Parties have been completed, and (y) in respect of Collateral that is comprised of real property, sugarcane and Products, all filings for registration necessary for the creation and perfection of a first priority security interest in such Collateral in favor of the applicable Collateral Agents for the benefit of the Secured Parties have been completed; and
 - (iii) no Default has occurred and is continuing; and

- (b) Legal opinions from Brazilian and U.S. external counsel satisfactory to the Trustee and the Collateral Agents (subject to customary exceptions and qualifications) with respect to corporate and collateral matters in connection with the Collateral and the Security Documents, in form and substance as set forth in the Indenture.

(3) On or prior to the date occurring ninety (90) days after the Issue Date, the Company shall deliver to the Trustee and the Collateral Agents Officers' Certificates of the Company and legal opinions from Brazilian and U.S. external counsel satisfactory to the Trustee and the Collateral Agents to the effect that (subject to customary exceptions and qualifications), in respect of Collateral that is real property, sugarcane and Products, all filings and other actions (including, without limitation, all required registrations and recordations with the applicable notaries or registries) necessary for the creation and perfection of a first priority security interest in such Collateral in favor of the applicable Collateral Agents for the benefit of the Secured Parties have been completed.

(4) The Company will ensure at all times that the Collateral Coverage Ratio in respect of each Tranche shall not be less than the Required Collateral Coverage Ratio Level. Without prejudice to the rights of the Secured Parties arising as a result of any failure to satisfy the Required Collateral Coverage Ratio Level in respect of any Tranche, if at any time the Required Collateral Coverage Ratio Level in respect of any Tranche is not satisfied, the Company shall, within thirty (30) days from the relevant Collateral Coverage Ratio Measurement Date or the date of receipt by the Company of written notice of such failure from any of the Trustee or the Collateral Agents, (i) grant (and shall enter into all documents satisfactory to the Trustee and the applicable Collateral Agent and take all actions as may be required by applicable Law to grant) a first priority Lien in favor of the applicable Collateral Agents for the benefit of the Secured Parties on additional Eligible Property or (ii) deposit funds in the applicable Collection Accounts, in each case, as necessary to restore the Collateral Coverage Ratio in respect of the applicable Tranche to its Required Collateral Coverage Ratio Level.

(5) Each of the Company and its Subsidiaries shall take, or cause to be taken, all actions necessary (and/or requested by the applicable Collateral Agent) to maintain each Security Document to which it is a party in full force and effect and enforceable in accordance with its terms and to maintain and preserve the Liens created by such Security Documents and the priority thereof. In furtherance of the foregoing, the Company shall ensure that all of its after-acquired property intended to be covered by the Security Documents shall become subject to the Lien of the Security Documents having the priority contemplated thereby promptly upon the acquisition thereof.

(6) Each of the Company and its Subsidiaries shall grant (and shall take all actions necessary to grant) a first priority Lien in favor of the applicable Collateral Agent for the benefit of the Secured Parties on (i) any Additional Assets received by the Company or any of its Subsidiaries in consideration for any Asset Disposition in accordance with the provisions under “—Restrictive Covenants—Limitation on Sales of Assets,” (ii) any Property or assets acquired with the Net Available Cash from an Asset Disposition in accordance with “—Restrictive Covenants—Limitation on Sales of Assets” and (iii) any other Property of the Company or any of its Subsidiaries to the extent necessary to cause the Company to comply with the Collateral Coverage Ratio required for any Tranche or otherwise under the Financing Documents.

(7) On the Issue Date and at such other times as the Trustee or either Collateral Agent may reasonably request in writing, the issuer and the Company shall furnish, or cause to be furnished, to the Trustee and the Collateral Agents, an opinion or opinions of legal counsel either stating that, in the opinion of such counsel, such action has been taken with respect to (i) amending or supplementing the Security Documents (or providing additional Security Documents, notifications or acknowledgments) as is necessary to subject all the Collateral (including any after-acquired Property of the Company intended to be covered by a Security Document) to the Lien of the Security Documents and (ii) (A) the recordation of the Security Documents (including, without limitation, any amendment or supplement thereto) and any other requisite documents and (B) the execution and filing of any financing statements and continuation statements as are necessary to maintain the Liens purported to be created by the Security Documents and reciting the details of such action or stating that, in the opinion of such counsel, no such action is necessary to maintain such Liens. Such opinion or opinions of counsel shall also describe the recordation of the Security Documents and any other requisite documents and the execution and filing of any financing statements and continuation statements, or the taking of any other action that will, in the opinion of such counsel, be required to maintain the Liens purported to be created by the Security Documents after the date of such opinion.

Notwithstanding anything to the contrary contained herein or in applicable Law, none of the Trustee, the U.S. Collateral Agent or the Brazil Collateral Agent shall have responsibility for (i) preparing, recording, filing, re-recording or re-refiling any financing statement, perfection statement, continuation statement or other instrument in any public office or for otherwise ensuring the perfection or maintenance of any security interest granted pursuant to, or contemplated by, the Indenture and the Security Documents; (ii) taking any necessary steps to preserve rights against any parties with respect to any Collateral; (iii) taking any action to protect against any diminution in value of the Collateral; or (iv) for monitoring or confirming the issuer's compliance with any of its covenants, including but not limited to, covenants regarding the granting, perfection or maintenance of any security interest.

Consolidation, Merger, Conveyance, Sale or Lease

The Company will not consolidate with or merge into another Person or convey, transfer or lease all or substantially all of its assets (determined on a consolidated basis) to any Person unless:

- (a) (i) the Company is the continuing Person or (ii) the resulting, surviving or transferee Person (the "Successor Company") is organized and existing under the laws of Brazil or any political subdivision thereof, the United States of America, any state thereof or the District of Columbia or any other country member of the Organization for Economic Co-operation and Development (OECD) and expressly assumes by supplemental indenture, executed and delivered to the Trustee, in form as set forth in the Indenture or as otherwise satisfactory to the Trustee, all of the obligations of the Company under the Indenture and the Guarantee;
- (b) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing;
- (c) immediately after giving effect to such transaction, the Company or the Successor Company (i) could Incur at least U.S.\$1.00 of Indebtedness under clause (1) of the covenant described under "—Limitation on Indebtedness" above or (ii) would have a Net Debt to EBITDA Ratio less than or equal to that of the Company immediately prior to such transaction;
- (d) each Subsidiary Guarantor (unless it is the other party to the transactions above, in which case clause (a) above shall apply) shall have by supplemental indenture confirmed that its Subsidiary Guarantee shall apply to the issuer's obligations in respect of the Indenture, the Notes Units and the Underlying Notes unless such Subsidiary Guarantor's then existing Subsidiary Guarantee remains in full force and effect; and
- (e) the Company has delivered to the Trustee an Officer's Certificate and an opinion of counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply with the Indenture and that all conditions precedent therein relating to such transaction have been complied with.

None of the Subsidiary Guarantors shall, and the Company will not cause or permit any Subsidiary Guarantor to, consolidate with or merge with or into, or convey, transfer or lease, in one transaction or a series of transactions, all or substantially all of its assets to any Person (other than the Company or any Restricted Subsidiary) unless:

(1) (x) the resulting, surviving or transferee Person (if not such Subsidiary Guarantor) shall be a Person organized and existing under the laws of the jurisdiction under which such Subsidiary Guarantor was organized or under the laws of Luxembourg, Brazil or any political subdivision thereof, the United States of America or any state thereof or the District of Columbia or any other country member of the Organization for Economic Co-operation and Development (OECD), and (y) such Person shall expressly assume, by supplemental indenture, all the obligations of such Subsidiary Guarantor, if any, under such Subsidiary Guarantee;

(2) immediately after giving effect to such transaction or transactions on a pro forma basis (and treating any Indebtedness which becomes an obligation of the resulting, surviving or transferee Person as a result of

such transaction as having been issued by such Person at the time of such transaction), no Default shall have occurred and be continuing; and

(3) the Company delivers to the Trustee an Officer's Certificate and an opinion of counsel, each stating that such consolidation, merger or transfer and such guarantee agreement, if any, complies with the Indenture;

provided, however, that the provisions of this paragraph shall not apply if such Subsidiary Guarantor is released from its Subsidiary Guarantee pursuant to clause (ii) of the last paragraph set forth under the caption under "—Future Subsidiary Guarantors" as a result of such sale, disposition, consolidation, amalgamation or merger.

Other Covenants

In addition, the Indenture will (subject to exceptions, qualifications and materiality thresholds, where appropriate) contain covenants regarding permitted lines of business, the performance of the issuer's and the Company's obligations under the Notes Units, the Underlying Notes and the Company's Notes Units Guarantee, as applicable, maintenance of corporate existence, maintenance of properties, compliance with applicable Laws, maintenance of the Company's and any Subsidiary Guarantors' governmental approvals, payment of taxes and other claims, maintenance of books and records, notices of certain events, provision of access by the Secured Parties and the Collateral Manager to the Company's premises and their rights to inspect any Property (including any Collateral) and further actions.

Substitution of the Issuer

The issuer may, without the consent of any holder of the Notes, be substituted by any Wholly-Owned Subsidiary of the Company as principal debtor in respect of the Notes Units and the Underlying Notes (in that capacity, the "Substituted issuer"); *provided* that the following conditions are satisfied:

- (a) such documents will be executed by the Substituted issuer, the Guarantors and the Trustee as may be necessary to give full effect to the substitution, including a supplemental indenture under which the Substituted issuer assumes all of the issuer's obligations under the Indenture, the Notes Units and the Underlying Notes (collectively, the "issuer Substitution Documents");
- (b) if the Substituted issuer is organized in a jurisdiction other than Luxembourg, the issuer Substitution Documents will contain covenants (1) to ensure that each holder of the Notes Units has the benefit of a covenant in terms corresponding to the obligations of the issuer in respect of the payment of Additional Amounts (but replacing references to Luxembourg with references to such other jurisdiction); and (2) to indemnify each holder and beneficial owner of the Notes Units against all taxes or duties (a) which arise by reason of a law or regulation in effect or contemplated on the effective date of the substitution, which may be incurred or levied against such holder or beneficial owner of the Notes Units as a result of the substitution and which would not have been so incurred or levied had the substitution not been made or (b) which are imposed on such holder or beneficial owner of the Notes Units by any political subdivision or taxing authority of any country in which such holder or beneficial owner of the Notes Units resides or is subject to any such tax or duty and which would not have been so imposed had the substitution not been made;
- (c) the Substituted issuer will deliver, or cause the delivery, to the Trustee of opinions from counsel in the jurisdiction of organization of the Substituted issuer and the United States as to the validity, legally binding effect and enforceability of the issuer Substitution Documents, as well as an Officer's Certificate as to compliance with the provisions described under this section;
- (d) the Substituted issuer will appoint a process agent in the Borough of Manhattan in The City of New York to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Notes Units and the Underlying Notes, the Indenture and the issuer Substitution Documents; and
- (e) no Event of Default has occurred and is continuing.

Upon the execution of the issuer Substitution Documents and compliance with the other conditions in the Indenture relating to the substitution, the Substituted issuer will be deemed to be named in the Notes Units, the Underlying Notes and the Indenture as the principal debtor in place of the issuer and the Notes Units and the Underlying Notes shall thereupon be deemed to be amended to give effect to the substitution, and the issuer will be released from all its obligations under the Notes Units, the Underlying Notes Units and the Indenture, including, without limitation, the covenants described under “—Restrictive Covenants—Limitations with respect to the issuer.”

Not later than 10 business days after the execution of the issuer Substitution Documents, the Substituted issuer will give notice thereof to the holders of the Notes Units in accordance with the provisions of the Indenture.

Reports

The Company shall provide the Trustee, the Collateral Agents and, upon request, the holders of the Notes Units:

- within 120 days following the end of each fiscal year of the Company after the Closing Date, the annual financial statements (including the notes thereto) of the Company prepared in accordance with Brazilian GAAP and presented in the English language and a report thereon by the Company’s certified independent accountants;
- within 60 days following the end of the first three fiscal quarters in each fiscal year of the Company beginning with the quarter ending after the Closing Date, all quarterly financial statements (including the notes thereto) of the Company, prepared in accordance with Brazilian GAAP and presented in the English language;
- at the time it furnishes each set of financial statements as described in the first subparagraph above, an Officer’s Certificate of the Company stating that, to the best of such person’s knowledge, no Default or Event of Default has occurred and is continuing (or, if any Default or Event of Default has occurred and is continuing, describing the same in reasonable detail and describing what action the issuer and the Company have taken and propose to take with respect thereto);
- no later than fifteen (15) Business Days before each Collateral Coverage Ratio Measurement Date, a Collateral Management Report;
- no later than fifteen (15) Business Days before each Collateral Coverage Ratio Measurement Date, an Officer’s Certificate describing the average amount in *Reais* payable annually by the Company per hectare of land on which sugarcane that is pledged under each Rural Pledge Agreement is grown in the State of Mato Grosso do Sul and in the State of São Paulo pursuant to applicable land lease agreements and partnership agreements (*contratos de parceria*) to which the Company is a party;
- no later than fifteen (15) Business Days before the first Collateral Coverage Ratio Measurement Date occurring in 2015 and in each calendar thereafter, an Officer’s Certificate describing (i) an amount in U.S. Dollars per ton of VHP sugar representing the prevalent elevation costs amount set forth in Offtake Contracts to which the Company is a party on the date of the applicable Officer’s Certificate, which contracts shall provide for the sale of an aggregate amount of at least 30,000 tons of VHP sugar and (ii) an amount in U.S. Dollars per ton of granulated refined sugar representing the prevalent elevation costs amount set forth in Offtake Contracts to which the Company is a party on the date of the applicable Officer’s Certificate, which contracts shall provide for the sale of an aggregate amount of at least 30,000 tons of granulated refined sugar; and
- upon reasonable request from the U.S. Collateral Agent, updated Independent Appraisal Reports; provided that, to the extent no Default or Event of Default has occurred and is continuing, the U.S. Collateral Agent shall not request more than one updated Tranche 1 Independent Appraisal Report and one updated Tranche 4 Independent Appraisal Report per calendar year.

In addition, the issuer will furnish to the holders of the Notes and to prospective investors, upon request of such holders or investors, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act so long as the Notes Units are not freely tradable under the Securities Act.

For so long as any of the Notes Units and the Underlying Notes are outstanding, the above information will be made available at the specified offices of each paying agent.

Notwithstanding the foregoing, if the Company makes available the reports described in the first paragraph of this covenant on the Company's website and notifies the Trustee in writing thereof, it will be deemed to have satisfied the reporting requirement set forth in such applicable clause.

Delivery of the above reports to the Trustee and the U.S. Collateral Agent is for informational purposes only and the Trustee's receipt of such reports will not constitute constructive notice of any information contained therein or determinable from information contained therein, including the issuer's, the Company's or any Subsidiary Guarantor's compliance with any of its covenants in the Indenture (as to which the Trustee is entitled to rely exclusively on Officer's Certificates).

Suspension of Covenants

If on any date following the Closing Date:

- (1) the Company is assigned an Investment Grade Rating by any two Rating Agencies; and
- (2) no Default shall have occurred and be continuing,

then, beginning on that day and subject to the provisions of the following paragraph, the covenants specifically listed under the following captions will automatically, without any notice of any kind, be suspended (and the Company and its Subsidiaries will have no obligation or liability whatsoever with respect to such covenants):

- (a) "—Limitation on Restricted Payments";
- (b) "—Limitation on Indebtedness";
- (c) "—Limitation on Sales of Assets";
- (d) "—Limitation on Sale and Lease-Back Transactions";
- (e) "—Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries"; and
- (f) clause (c) of the first paragraph of "—Consolidation, Merger, Conveyance, Sale or Lease."

Clauses (a) through (f) above are collectively referred to as the "Suspended Covenants."

If, during any period in which the Suspended Covenants are suspended, the Company ceases to have an Investment Grade Rating by two Rating Agencies (the "Reversion Date"), the Suspended Covenants will thereafter be reinstated and be applicable pursuant to the terms of the Indenture (including in connection with performing any calculation or assessment to determine compliance with the terms of the Indenture), unless and until the Company subsequently attains an Investment Grade Rating by any two Rating Agencies (in which event the Suspended Covenants will again be suspended for such time that the Company maintains an Investment Grade Rating by any two Rating Agencies); *provided, however*, that no Default or breach or violation of any kind will be deemed to exist under the Indenture, the Notes Units, the Underlying Notes, the Notes Units Guarantee or any Subsidiary Guarantee with respect to the Suspended Covenants (whether during the period when the Suspended Covenants were suspended or thereafter) based on, and none of the issuer, the Company or any Restricted Subsidiary will bear any liability (whether during the period when the Suspended Covenants were suspended or thereafter) for, any actions taken or events occurring after Company attains an Investment Grade Rating by any two Rating Agencies and before any reinstatement of the Suspended Covenants as provided above, or any actions taken at any time (whether during the period when the Suspended Covenants were suspended or thereafter) pursuant to any contractual obligation arising prior to the reinstatement, regardless of whether those actions or events would have been permitted if the applicable Suspended Covenant had remained in effect during such period.

On the Reversion Date, all Indebtedness Incurred during the Suspension Period will be classified to have been Incurred pursuant to paragraph (1) of “—Limitation on Indebtedness” or one of the clauses set forth in paragraph (b) thereto (to the extent such Indebtedness would be permitted to be Incurred thereunder as of the Reversion Date and after giving effect to the Indebtedness Incurred prior to the Suspension Period and outstanding on the Reversion Date). To the extent such Indebtedness would not be permitted to be Incurred pursuant to “—Limitation on Indebtedness,” such Indebtedness shall be deemed to have been outstanding on the Closing Date, so that it is classified as permitted under clause (2)(b)(ii) of “—Limitation on Indebtedness.” The Company will give the Trustee notification upon the occurrence of any covenant suspension or any Reversion Date.

The Company shall give the Trustee written notice of any Covenant Suspension Event and in any event not later than five (5) Business Days after such Covenant Suspension Event has occurred. In the absence of such notice, the Trustee shall assume the Suspended Covenants apply and are in full force and effect. The Company shall give the Trustee written notice of any occurrence of a Reversion Date not later than five (5) Business Days after such Reversion Date. After any such notice of the occurrence of a Reversion Date, the Trustee shall assume the Suspended Covenants apply and are in full force and effect.

Events of Default

An Event of Default with respect to the Notes Units is defined in the Indenture as being a:

(1) default for 30 days in payment of any interest or Additional Amounts on any of the Underlying Notes when the same becomes due and payable;

(2) default in payment of principal of or premium, if any, on the Notes Units and the Underlying Notes when the same becomes due and payable, upon optional redemption, upon required purchase, upon declaration of acceleration or otherwise;

(3) failure by the Company to comply with the provisions described under “—Restrictive Covenants—Consolidation, Merger, Conveyance, Sale or Lease”;

(4) default in the performance, or breach, of any other covenant or obligation of the issuer, the Company or any Restricted Subsidiary in the Indenture or any other Financing Document and continuance of such default or breach for a period of 60 consecutive days after written notice specifying such default or breach is given to the Company by the Trustee or to the Company and the Trustee by the holders of at least 25% in aggregate principal amount of the Notes Units;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness by the Company or any Restricted Subsidiary (or the payment of which is Guaranteed by the Company or any Restricted Subsidiary) whether such Indebtedness or Guarantee now exists, or is created after the Closing Date, if that default:

- (A) is caused by a failure to pay principal of or interest or premium (or Additional Amounts) on such Indebtedness within any applicable grace period (a “Payment Default”); or
- (B) results in the acceleration of such Indebtedness prior to its Stated Maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates U.S.\$15.0 million (or its equivalent in other currencies at the time of determination) or more;

(6) any final judgment or order for the payment of money in excess of U.S.\$15.0 million (or its equivalent in other currencies at the time of determination) is rendered against the issuer, the Company or any Significant Subsidiary and such judgment or order is not paid (whether in full or if there is a failure to pay installments in accordance with the terms of the judgment aggregating in excess of U.S.\$15.0 million) or otherwise discharged and remains unstayed for a period of 60 days after such judgment becomes final and non-appealable;

(7) any involuntary case or other proceeding is commenced against the issuer, the Company or any Significant Subsidiary with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a trustee, receiver, *administrador judicial*, liquidator, custodian or other similar official of it or any substantial part of its assets, and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 days; or a non-appealable final order for relief is entered against the issuer, the Company or any Significant Subsidiary under relevant bankruptcy laws as now or hereafter in effect;

(8) the issuer, the Company or any Significant Subsidiary (i) commences a voluntary case or other proceeding seeking liquidation, reorganization, *recuperação judicial* or *extrajudicial* or other relief with respect to itself or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (ii) consents to the appointment of or taking possession by a receiver, *administrador judicial*, liquidator, assignee, custodian, trustee, sequestrator or similar official of the issuer, the Company or any Significant Subsidiary or for all or substantially all of the assets of the issuer, the Company or any such Significant Subsidiary or (iii) effects any general assignment for the benefit of creditors;

(9) any guarantee of the Notes Units and the Underlying Notes ceases to be in full force and effect, other than in accordance with the terms of the Indenture, or the issuer, the Company or any Subsidiary Guarantor denies or disaffirms its obligations under the Notes Units, the Underlying Notes or any other Financing Documents;

(10) all or substantially all of the assets and revenues of the issuer, the Company and its Restricted Subsidiary, taken as a whole, is condemned, seized or otherwise appropriated by any Person acting under the authority of any national, regional or local government or the issuer, the Company or any Significant Subsidiary is prevented by any such Person for a period of 60 consecutive days or longer from exercising normal control over all or substantially all of the assets and revenues of the issuer, the Company and its Restricted Subsidiaries, taken as a whole;

(11) except as expressly permitted by the Indenture and the Security Documents, any of the Security Documents shall for any reason cease to be in full force and effect in all material respects, or the issuer, the Company or any of its Subsidiaries shall so assert, or any security interest created, or purported to be created, by any of the Security Documents shall cease to be enforceable and of the same effect and priority purported to be created thereby; and

(12) failure by the Issuer to comply with the provisions described under “—Annual Offer to Purchase.”

The Company will deliver to the Trustee, within ten Business Days after obtaining actual knowledge thereof, written notice of any Default or Event of Default that has occurred and is still continuing, its status and what action the Company is taking or proposing to take in respect thereof. The Indenture provides that the Trustee may withhold notice to the holders of the Notes Units of any Default or Event of Default (except in payment of principal of, or interest or premium (and Additional Amounts), if any, on the Notes Units and the Underlying Notes) if the Trustee in good faith determines that it is in the interest of the holders of the Notes Units to do so. The Indenture provides that, if an Event of Default (other than an Event of Default involving a bankruptcy, insolvency or similar event in respect of the Company) with respect to the Notes Units specified therein shall have happened and be continuing, either the Trustee or the holders of at least 25% in aggregate principal amount of the Notes Units, by written notice to the Company (and to the Trustee if notice is given by the holders), may declare the principal amount of (and interest on) all the Notes Units and the Underlying Notes to be due and payable immediately. The Indenture provides that if an Event of Default involving a bankruptcy, insolvency or other similar event in respect of the issuer or the Company or an Event of Default described in clause (12) of the preceding paragraph shall have happened, the principal amount of all the Notes Units and Underlying Notes will be immediately due and payable without notice or any other act on the part of the Trustee or any holder of the Notes Units. In this case, the Company will comply with any and all then applicable regulations of the Central Bank for remittance of funds outside of Brazil. However, if the Company cures all Defaults (except the nonpayment of principal of and accrued interest or premium (and Additional Amounts) on Notes Units and Underlying Notes at maturity or which shall become due by acceleration) and certain other conditions are met, including the deposit with the Trustee of a sum sufficient to pay all sums paid or advanced by the Trustee and the reasonable fees, expenses, disbursements and advances of the Trustee, its agents and counsel incurred in connection with such Event of Default, such declaration may be rescinded and annulled by the holders of not less than a majority in aggregate principal amount of the Notes Units and

Underlying Notes. In addition, past Defaults with respect to the Notes Units may be waived by the holders of not less than a majority in aggregate principal amount of the Notes Units and Underlying Notes except (i) a Default in the payment of principal of (or premium, if any) or interest or premium (and Additional Amounts), if any, on any Notes Unit or Underlying Note or (ii) in respect of a provision of the Indenture which cannot be amended without the consent of the holder of each outstanding Notes Unit and Underlying Note affected thereby.

Subject to the provisions of the Indenture relating to the duties of the Trustee, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture or the other Financing Documents at the request or direction of any of the holders of the Notes Units, unless such holders shall have offered to the Trustee security or indemnity satisfactory to the Trustee. Subject to such provision for indemnification, the holders of a majority in principal amount of the Notes Units will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee with respect to the Notes Units, provided that the Trustee is offered indemnity or security satisfactory to it; *provided, further*, that the Trustee shall have the right to decline to follow any such direction if the Trustee shall determine that the action so directed conflicts with any law or the provisions of the Indenture if the Trustee shall determine that such action would be prejudicial to holders of the Notes Units not taking part in such direction or if the Trustee determines in good faith that such action would involve the Trustee in personal liability.

One or more holders of a majority in aggregate principal amount of the Notes Units shall have the right to institute proceedings, judicial or otherwise, with respect to the Indenture or the other Financing Documents, or for the appointment of a receiver or trustee, or for any other remedy hereunder and thereunder, in each case for the equal and ratable benefit of all holders of the Notes Units.

Except as permitted pursuant to the immediately preceding paragraph, no holder of any Notes Unit shall have any right to institute any proceeding, judicial or otherwise, with respect to the Indenture or the other Financing Documents, or for the appointment of a receiver or trustee, or for any other remedy hereunder or thereunder, unless:

- such holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Notes Units;
- the holders of not less than 25% in principal amount of the outstanding Notes Units and Underlying Notes shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee thereunder;
- such holder or holders have offered to the Trustee security or indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request;
- the Trustee for 60 days after its receipt of such notice, request and offer of security or indemnity has failed to institute any such proceeding; and
- no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the holders of a majority in principal amount of the outstanding Notes Units and Underlying Notes,

it being understood and intended that no one or more of such holders shall have any right in any manner whatsoever by virtue of, or by availing of, any provision of the Indenture to affect, disturb or prejudice the rights of any other of such holders, or to obtain or to seek to obtain priority or preference over any other of such holders or to enforce any right under the Indenture, except in the manner therein provided and for the equal and ratable benefit of all such holders.

Notwithstanding any other provision of the Indenture, the holder of any Notes Unit and corresponding Underlying Notes shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and interest (and Additional Amounts), if any, on such Notes Unit and corresponding Underlying Notes and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such holder.

The Trustee shall not be deemed to have notice of any Default or Event of Default (other than a payment default) unless a written notice of any event which is in fact such a default is received by a Responsible Officer of the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Notes and the Indenture.

Additional Amounts

All payments of principal and interest by or on behalf of the issuer, the Company or any Subsidiary Guarantor in respect of the Notes Units and Underlying Notes shall be made without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Luxembourg, Brazil or any other jurisdiction from or through which such payments are made or by or within any political subdivision thereof or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In the event of any such withholding or deduction, the issuer, the Company or such Subsidiary Guarantor (in the case of payments made by the issuer, the Company or such Subsidiary Guarantor) shall pay to holders of the Notes Units in U.S. dollars such additional amounts (“Additional Amounts”) as will result in the payment to such holder of the U.S. dollar amount that would otherwise have been receivable by such holder in the absence of such withholding or deduction, except that no such Additional Amounts shall be payable:

- (a) in respect of any tax that would not have been so withheld or deducted but for the existence of any present or former connection, including a permanent establishment, between the holder or beneficial owner of the Notes Unit and any payment in respect of such Notes Unit (or, if the holder or beneficial owner is an estate, nominee, trust, partnership or corporation, between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over, the holder or beneficial owner) in Luxembourg, Brazil, or any other jurisdiction from or through which payments are made or within any political subdivision thereof, other than the mere receipt of such payment or the mere holding or ownership of such Notes Unit or beneficial interest or enforcement of rights thereunder;
- (b) in respect of any tax that would not have been so withheld or deducted if the Notes Unit had been presented for payment within 30 days after the Relevant Date (as defined below);
- (c) in respect of any tax that would not have been so withheld or deducted but for the failure by the holder or the beneficial owner of the Notes Unit to (i) make a declaration of non-residence, or any other claim or filing for exemption, to which it is entitled or (ii) comply with any reasonable certification, identification, information, documentation or other reporting requirement concerning its nationality, residence, identity or connection with Luxembourg, Brazil or any other jurisdiction from or through which payments are made by or within any political subdivision thereof;
- (d) in respect of any estate, inheritance, gift, value added, sales, use, excise, transfer, personal property or similar taxes, duties, assessments or other governmental charges;
- (e) in respect of any tax, assessment or other government charge payable other than by withholding or deduction;
- (f) in respect of any payment to a holder of a Notes Unit that is a fiduciary or partnership or any Person other than the sole beneficial owner of such payment or Notes Unit, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner of such payment or Notes Unit would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of such Notes Unit;
- (g) in respect of any withholding or deduction imposed on a payment to an individual that is required to be made pursuant to the European Union Directive on the taxation of savings income (the “Directive”) implementing the conclusions of the European Council of Economic and Finance Ministers (ECOFIN) meeting on June 3, 2003, or any law implementing or complying with, or introduced in order to conform to, such Directive;

- (h) in respect of any taxes imposed in connection with a Notes Unit presented for payment by or on behalf of a holder thereof who would have been able to avoid such tax by presenting the relevant Notes Unit to another paying agent in a member state of the European Union to whom presentation could have been made; or
- (i) in respect of any combination of (a) through (h) above.

Notwithstanding any other provision of this Description of the Notes Units, any amounts to be paid on the Notes Units by the issuer, the Company or any Subsidiary Guarantor will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (“FATCA Withholding”). None of the issuer, the Company, a Subsidiary Guarantor or any other Person will be required to pay Additional Amounts on account of any FATCA Withholding.

“Relevant Date” means, with respect to any payment due under the Notes Units, whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received in New York City, New York by the Trustee on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the holders of the Notes Units in accordance with the Indenture.

All references to principal and interest in respect of the Notes Units and the Underlying Notes shall be deemed also to refer to any Additional Amounts, unless the context requires otherwise, which may be payable as set forth in the Indenture or in the Notes Units.

At least ten Business Days prior to the first Interest Payment Date (and at least ten Business Days prior to each succeeding Interest Payment Date if there has been any change with respect to the matters set forth in the below-mentioned Officer’s Certificate), the issuer, the Company or the relevant Subsidiary Guarantor, as the case may be, will furnish to the Trustee and each paying agent an Officer’s Certificate instructing the Trustee and each such paying agent whether payments of principal of or interest on the Notes Units and Underlying Notes due on such Interest Payment Date shall be without deduction or withholding for or on account of any tax. If any such deduction or withholding shall be required, prior to such Interest Payment Date, the issuer, the Company or the relevant Subsidiary Guarantor, as the case may be, will furnish the Trustee and each such paying agent with an Officer’s Certificate which specifies the amount, if any, required to be withheld on such payment to holders of the Notes Units and certifies that the issuer, the Company or the relevant Subsidiary Guarantor, as the case may be, shall pay such withholding or deduction. Any Officer’s Certificate required by the Indenture to be provided to the Trustee and any paying agent for these purposes shall be deemed to be duly provided if telecopied to the Trustee and such paying agent.

The issuer, the Company or the relevant Subsidiary Guarantor, as the case may be, shall furnish to the Trustee the official receipts (or a certified copy of the official receipts, or, if such official receipts shall not be available, such other evidence as shall be reasonably acceptable to the Trustee) evidencing payment of any tax. Copies of such receipts shall be made available to holders of the Notes Units upon request.

The issuer, the Company and each Subsidiary Guarantor shall promptly pay when due any present or future stamp, court or documentary taxes or any other excise or property taxes, charges or similar levies that arise in any jurisdiction from the execution, delivery or registration of each Notes Unit and corresponding Underlying Notes or any other document or instrument referred to herein or therein, excluding any such taxes, charges or similar levies imposed by any jurisdiction outside of Luxembourg, Brazil or the jurisdiction of incorporation of such Subsidiary Guarantor and except, in certain cases, for taxes, charges or similar levies resulting from certain registration of transfer or exchange of the Notes Units.

Modification of the Indenture

The Indenture contains provisions permitting the issuer, the Company and the Trustee, with the consent of the holders of a majority in aggregate in principal amount of the outstanding Notes Units and Underlying Notes to

modify the Indenture or any supplemental indenture, the rights of the holders of the Notes Units or any other Financing Document; *provided* that no such modification shall without the consent of the holder of each outstanding Notes Unit affected thereby:

- change the stated maturity upon which the principal of or the interest on any Underlying Note is due and payable, or reduce the principal amount thereof or the rate of interest thereon (including Additional Amounts) or any premium payable upon the redemption thereof, or change any place of payment or the currency in which, any Underlying Note or any premium or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the stated maturity thereof (or, in the case of redemption, on or after redemption date);
- reduce the percentage of the principal amount of the outstanding Notes Units and Underlying Notes whose holders' consent is required for any waiver (of compliance with certain provisions of the Indenture or certain defaults thereunder and their consequences) provided for in the Indenture;
- amend or modify any provision of the guarantees of the Notes Units by the Company or any Subsidiary Guarantor that would adversely affect holders of the Notes Units; or
- modify certain other provisions of the Indenture.

In addition, without the consent of the holders of at least 66⅔% in principal amount of the Notes Units and the Underlying Notes then outstanding, no amendment, supplement or waiver may release all or substantially all of the Collateral other than in accordance with the Indenture and the Security Documents.

The Indenture provides that Notes Units owned by the issuer, the Company, the Subsidiary Guarantors or any of their Affiliates shall be deemed not to be outstanding for, among other purposes, consenting to any modification; *provided*, that, for the purpose of determining whether the Trustee shall be protected in relying on any request, demand, authorization, direction, notice, consent or waiver, only Notes Units which a Responsible Officer of the Trustee actually knows are so owned shall be deemed not to be outstanding.

The Indenture also contains provisions permitting the issuer, the Company and the Trustee to amend the Indenture and the other Financing Documents in certain circumstances without notice to or consent of the holders of any Notes Units to:

- cure any ambiguity, omission, defect or inconsistency;
- provide for the assumption by a successor Person of the obligations of the issuer, the Company and any Subsidiary Guarantor under the Indenture;
- add Guarantees with respect to the Notes Units;
- secure the Notes Units;
- confirm and evidence the release, termination or discharge of any Guarantee with respect to the Notes Units or Lien on Collateral securing the Obligations when such release, termination or discharge is permitted by the Indenture and the other Financing Documents;
- add to the covenants of the issuer, the Company or the Subsidiary Guarantors for the benefit of the holders or surrender any right or power conferred upon the issuer, the Company or the Subsidiary Guarantors;
- make any change that does not adversely affect the rights of the holders in any material respect;
- conform the text of the Indenture to any provision of this "Description of the Notes Units"; or

- provide for the appointment of a successor trustee; provided that the successor trustee is otherwise qualified and eligible to act as such under the terms of the Indenture.

After any amendment described herein becomes effective, the Company will mail to the holders of the Notes Units a notice in accordance with the procedure set forth in “—Notices” briefly describing such amendment. However, the failure to give notice to all holders of the Notes Units, or any defect therein, will not impair or affect the validity of the amendment.

No Personal Liability of Directors, Officers, Employees and Shareholders

No past, present or future director, officer, partner, employee, incorporator, shareholder or member of the issuer, the Company or any Subsidiary of the Company shall have any liability for any obligations of the issuer, the Company or any Subsidiary of the Company under the Notes Units or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes Units, by accepting a Notes Unit, waives and releases all such liability. Such waivers and releases are part of the consideration for issuance of the Notes Units. The waivers may not be effective to waive liabilities under the U.S. federal securities laws or under the Luxembourg or Brazilian Corporate Law.

Listing

Application has been made to list the Notes Units on the Official List of the Irish Stock Exchange and to trade on the Global Exchange Market of the Irish Stock Exchange, and the issuer will use commercially reasonable efforts to obtain and maintain listing of the Notes Units on the Official List of the Irish Stock Exchange; however, the Notes Units are not yet listed and the issuer cannot assure the holders of the Notes Units that they will be accepted for listing.

Irish Listing Agent

The Bank of New York Mellon SA/NV, Dublin Branch is the Irish Listing Agent. The address of the Irish Listing Agent is set forth on the inside back cover of this offering memorandum.

Notices

The Indenture contains certain notice provisions, including notice requirements to the Trustee, the holders of the Notes Units and, to the extent required, to the Irish Stock Exchange, or such other exchange on which the Notes Units may be listed. Neither the failure to give any notice to a particular holder of Notes Units, nor any defect in a notice given to a particular holder of Notes Units, will affect the sufficiency of any notice given to another holder of Notes Units.

Satisfaction and Discharge

The Indenture will be discharged and (together with all Guarantees) will cease to be of further effect as to all Notes Units issued thereunder, when:

(1) (a) all Notes Units that have been authenticated, except lost, stolen or destroyed Notes Units that have been replaced or paid and Notes Units for whose payment money has been deposited in trust and thereafter repaid to the issuer, have been delivered to the Trustee for cancellation; or

(b) all Notes Units that have not been delivered to the Trustee for cancellation (i) have become due and payable, (ii) will become due and payable at their Stated Maturity within one year or (iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of a redemption by the Trustee and, in each case, the issuer, the Company or any Restricted Subsidiary has irrevocably deposited or caused to be deposited with the Trustee as funds in trust solely for the benefit of the holders, cash in U.S. dollars, in amounts as will be sufficient without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes Units not delivered to the Trustee for cancellation for principal, premium and Additional Amounts, if any, and accrued interest to the date of maturity or redemption;

(2) no Default or Event of Default has occurred and is continuing on the date of the deposit or will occur as a result of the deposit and the deposit will not result in a breach or violation of, or constitute a default under, any other material instrument to which the issuer, the Company or any Restricted Subsidiary is a party or by which the issuer, the Company or any Restricted Subsidiary is bound;

(3) the issuer, the Company or any Restricted Subsidiary has paid or caused to be paid all other sums payable by it under the Indenture; and

(4) the issuer, the Company has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the Notes Units at maturity or the redemption date, as the case may be.

In addition the issuer must deliver an Officer's Certificate and an opinion of counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Defeasance

The issuer, the Company and the Subsidiary Guarantors, at the Company's option:

(1) will be discharged from any and all obligations in respect of the Notes Units and the Guarantees (except in each case for certain obligations, including to register the transfer or exchange of Notes Units, replace stolen, lost or mutilated Notes Units, maintain paying agencies and hold moneys for payment in trust), or

(2) need not comply with certain covenants of the Indenture and any omission to comply with such obligations will not constitute a Default or an Event of Default with respect to the Notes Units and the Guarantees, if the issuer irrevocably deposits with the Trustee, in trust:

- money, or
- in certain cases, U.S. Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms will provide money in an amount, or
- a combination thereof,

in each case, sufficient to pay and discharge the principal of each installment of principal and interest, if any, on the outstanding Notes Units and Underlying Notes on the dates such payments are due, in accordance with the terms of the Notes Units, to, but excluding, the redemption date irrevocably designated by the issuer pursuant to the final sentence of this section on the day on which payments are due and payable in accordance with the terms of the Indenture and of the Notes Units.

To exercise any such option, the issuer is required to deliver to the Trustee:

- (a) an opinion of recognized U.S. counsel independent of the issuer to the effect that the holders of the Notes Units will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit, defeasance and discharge of certain obligations, which in the case of clause (1) above must be based on a change in law or a ruling by the U.S. Internal Revenue Service; and
- (b) an opinion of counsel and an Officer's Certificate as to compliance with all conditions precedent provided for in the Indenture relating to the satisfaction and discharge of the Notes Units.

If the issuer has deposited or caused to be deposited money or U.S. Government Obligations to pay or discharge the principal of (and premium, if any) and interest, if any, on the outstanding Notes Units to and including a redemption date on which all of the outstanding Notes Units are to be redeemed, such redemption date shall be irrevocably designated by the issuer on or prior to the date of deposit of such money or U.S. Government Obligations, and such designation shall be accompanied by an irrevocable request from the issuer that the Trustee give notice of such redemption in the name and at the expense of the issuer not less than 30 nor more than 60 days prior to such redemption date in accordance with the Indenture.

Governing Law; Consent to Jurisdiction; Service of Process and Currency Indemnity

The Indenture and the Notes Units provide that they will be governed by, and construed in accordance with, the laws of the State of New York. The provisions of articles 86 to 94-8 (inclusive) of the Luxembourg law of August 10, 1915 on commercial companies, as amended, shall not apply in relation to the Indenture and the Notes Units. Each of the issuer and the Company has consented to the non-exclusive jurisdiction of the courts of the State of New York and the United States courts located in the Borough of Manhattan, New York City, New York with respect to any action that may be brought in connection with the Indenture or the Notes Units and have irrevocably appointed National Corporate Research, Ltd., 10 East 40th Street, 10th Floor, New York, New York 10016, as agent for service of process.

If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder to the holder of a Notes Unit from U.S. dollars into another currency, the issuer has agreed, and each holder by holding such Notes Unit will be deemed to have agreed, to the fullest extent that the issuer and they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures such holder could purchase U.S. dollars with such other currency in New York City, New York on the day two Business Days preceding the day on which final judgment is given.

The issuer's, the Company's and each Subsidiary Guarantor's obligation in respect of any sum payable by it to the holder of a Notes Unit shall, notwithstanding any judgment in a currency (the "judgment currency") other than U.S. dollars, be discharged only to the extent that on the Business Day following receipt by the holder of such Notes Unit of any sum adjudged to be so due in the judgment currency, the holder of such Notes Unit may, in accordance with normal banking procedures, purchase U.S. dollars with the judgment currency; if the amount of the U.S. dollars so purchased is less than the sum originally due to the holder of such Notes Unit in the judgment currency (determined in the manner set forth in the preceding paragraph), each of the issuer, the Company and each Subsidiary Guarantor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the holder of such Notes Unit against such loss, and if the amount of the U.S. dollars so purchased exceeds the sum originally due to the holder of such Notes Unit, such holder agrees to remit to the issuer, the Company or the relevant Subsidiary Guarantor such excess, provided that such holder shall have no obligation to remit any such excess as long as the issuer, the Company or such relevant Subsidiary Guarantor shall have failed to pay such holder any obligations due and payable under such Note, in which case such excess may be applied to the issuer's, the Company's and each Subsidiary Guarantor's obligations under such Notes Unit in accordance with the terms thereof.

The Assignment and Security Agreements and the Collection Account Pledge Agreements will be governed by, and will be construed in accordance with, the laws of the state of New York. The Tranche 1 Paraíso Mill Mortgage Deed, the Tranche 1 Paraíso Mill Equipment Fiduciary Assignment Agreement, the Rural Pledge Agreements and the Tranche 4 Paraíso Mill Equipment Fiduciary Assignment Agreement will be governed by the laws of Brazil.

Certain Definitions

Set out below is a summary of certain of the defined terms used in the Indenture. Reference is made to the Indenture for the full definition of all such terms as well as any other capitalized terms used herein for which no definition is provided. Unless the context otherwise requires, an accounting term not otherwise defined has the meaning assigned to it under and in accordance with Brazilian GAAP.

"Acceptable Letter of Credit" means an unconditional and irrevocable standby letter of credit denominated in U.S. Dollars and issued by an Eligible Financial Institution, meeting the following requirements and any other applicable requirements set forth in the Indenture:

- (i) amounts available under such letter of credit may be drawn on demand upon presentation of a drawing certificate executed by the U.S. Collateral Agent which may be delivered by facsimile or other method acceptable to the relevant Eligible Financial Institution from time to time, at any time from time to time in whole or in part from the issue date thereof until the expiration thereof;

- (ii) none of the issuer, the Company or any of their Affiliates may provide any collateral to, or for the benefit of, the issuer of such letter of credit if, as a result of such collateralization, the rights of the U.S. Collateral Agent could be materially adversely affected by the application of any bankruptcy or insolvency law applicable to any such Person,
- (iii) if such letter of credit is maintained in lieu of depositing or maintaining required amounts in cash in any of the Collection Accounts, such letter of credit shall expire not earlier than one year from the date of issuance and shall provide that, if such letter of credit is not renewed not less than thirty (30) days prior to its date of expiration on identical terms, the U.S. Collateral Agent shall be entitled to draw all amounts then available under such letter of credit prior to its expiration date for deposit into the applicable Collection Account;
- (iii) the Offshore Accounts Bank as agent for the U.S. Collateral Agent, shall be named sole beneficiary under such letter of credit and entitled to draw amounts thereunder pursuant to its terms; and
- (iv) the obligations of the Eligible Financial Institution under such letter of credit shall be absolute and unconditional, irrespective of any circumstance (other than the presentation of a drawing certificate).

“Additional Amounts” has the meaning given to it under “—Additional Amounts.”

“Additional Assets” means:

- (1) any Property or assets (other than Indebtedness and Capital Stock) to be used by the Company or a Restricted Subsidiary in a Related Business;
- (2) the Capital Stock of a Person that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Company or another Restricted Subsidiary; or
- (3) Capital Stock constituting a minority interest in any Person that at such time is a Restricted Subsidiary;

provided, however, that any such Restricted Subsidiary described in clause (2) or (3) above is primarily engaged in a Related Business.

“Additional Notes Units” has the meaning given to it under “—General.”

“Advance Transaction” means an advance from a financial institution involving either (a) a foreign exchange contract (ACC—*Adiantamento sobre Contrato de Câmbio*) or (b) an export contract (ACE—*Adiantamento sobre Cambiais Entregues*).

“Affiliates” of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control,” when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Asset Disposition” means any sale, lease, transfer or other disposition (or series of related sales, leases, transfers or dispositions) by the Company or any Restricted Subsidiary outside the ordinary course of business, including any disposition by means of a merger, consolidation, or similar transaction (each referred to for the purposes of this definition as a “disposition”), of:

- (1) any shares of Capital Stock of a Restricted Subsidiary (other than directors’ qualifying shares or shares required by applicable Law to be held by a Person other than the Company or a Restricted Subsidiary);

(2) all or substantially all the assets of any division or line of business of the Company or any Restricted Subsidiary; or

(3) any other assets of the Company or any Restricted Subsidiary outside of the ordinary course of business of the Company or such Restricted Subsidiary,

provided, however, that Asset Disposition will not include:

(a) a disposition by a Restricted Subsidiary to the Company or another Restricted Subsidiary or by the Company to a Restricted Subsidiary;

(b) a Permitted Investment or a Restricted Payment that does not violate the covenant described under “—Restrictive Covenants—Limitation on Restricted Payments”;

(c) the disposition of assets in any fiscal year of the Company with a Fair Market Value not to exceed U.S.\$10.0 million in the aggregate (or the equivalent thereof at the time of determination) (with unused amounts in any fiscal year being carried over to the next succeeding fiscal year, *provided* that such disposition shall not exceed U.S.\$20.0 million in any fiscal year);

(d) (i) a disposition of obsolete equipment or other obsolete assets or other Property which is uneconomical and no longer useful for the Company or any Restricted Subsidiary in the ordinary course of business; or (ii) a disposition of assets that are exchanged for or are otherwise replaced by comparable or superior assets within a reasonable period of time;

(e) the disposition of all or substantially all of the assets of the Company in a manner permitted under the covenant described under “—Restrictive Covenants—Consolidation, Merger, Conveyance, Sale or Lease”;

(f) the disposition of assets in a Sale-Leaseback Transaction, in a manner permitted under the covenant described under “—Restrictive Covenants—Limitation on Sale and Lease-Back Transactions”;

(g) the Incurrence of any Lien permitted by the covenant described under “—Restrictive Covenants—Limitation on Liens”;

(h) the issuance of Disqualified Stock permitted by the covenant described under “—Restrictive Covenants—Limitation on Indebtedness”;

(i) any surrender or waiver of contract rights pursuant to a settlement, release, recovery on or surrender of contract, tort or other claims of any kind;

(j) sales, transfers or other dispositions of assets for non-cash consideration at least equal to the Fair Market Value (as certificated in an Officer’s Certificate) of such assets, to the extent that such non-cash consideration would constitute Additional Assets; or

(k) the sale or other disposition of Temporary Cash Investments.

“Assignment and Security Agreements” means, collectively, the Tranche 1 Assignment and Security Agreement, the Tranche 2 Assignment and Security Agreement, the Tranche 3 Assignment and Security Agreement and the Tranche 4 Assignment and Security Agreement.

“Assigned Offtake Contract” means an Offtake Contract, which has been assigned to the U.S. Collateral Agent for the benefit of the Secured Parties under the applicable Assignment and Security Agreement and in relation to which the U.S. Collateral Agent has received: (i) a notice of assignment in the form of an irrevocable Letter of Instruction to the Eligible Offtaker party thereto to make payments thereunder directly into the applicable Collection Account; and (ii) an acknowledgment of assignment of such Letter of Instruction from such Eligible Offtaker undertaking to make all payments under such Offtake Contract directly into the applicable Collection Account.

“Assigned Offtake Contract Market Value” means, as of any calculation date, with respect to any Assigned Offtake Contract pledged under any Assignment and Security Agreement, an amount in U.S. Dollars equal to:

(A) with respect to Receivables from the sale of VHP sugar, the product of (1) the VHP Sugar Market Value *multiplied* by (2) the quantity of VHP sugar to be delivered under such Assigned Offtake Contract at that price; or

(B) with respect to Receivables from granulated refined sugar, the product of (1) the Granulated Refined Sugar Market Value *multiplied* by (2) the quantity of granulated refined sugar to be delivered under such Offtake Contract at that price.

“Assigned Receivables” means all Receivables arising under any Assigned Offtake Contract.

“Attributable Debt” in respect of a Sale and Lease-Back Transaction means, as at the time of determination, the present value (discounted at the interest rate implicit in the Sale and Lease-Back Transaction) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale and Lease-Back Transaction (including any period for which such lease has been extended).

“Bankruptcy Law” means the Bankruptcy Code and any other Law of any jurisdiction relating to bankruptcy, insolvency, liquidation, reorganization, moratorium, winding-up or composition or readjustment of debts or any similar Law.

“Bankruptcy Code” means the United States Federal Bankruptcy Code of 1978, as amended.

“Brazil” means The Federative Republic of Brazil and any branch of power, ministry, department, authority or statutory corporation or other entity (including a trust) owned or controlled directly or indirectly by it or any of the foregoing or created by law as a public entity.

“Brazilian GAAP” means (i) International Financial Reporting Standards or (ii) generally accepted accounting principles in Brazil, in each case, as in effect from time to time.

“Business Day” means each day that is not a Saturday, Sunday or other day on which banking institutions in New York City, New York, São Paulo, Brazil or Luxembourg, Luxembourg are authorized or required by law to close.

“Capital Stock” of any Person means any and all quotas, shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock and partnership interests, but excluding any debt securities convertible into such equity.

“Capitalized Lease Obligation” means an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes and the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

“Central Bank” means the Brazilian Central Bank (*Banco Central do Brasil*).

“Change of Control” means the occurrence of one or more of the following events:

- (1) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the consolidated assets of the Company and its Subsidiaries taken as a whole to any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) other than to one or more of the Permitted Holders; or
- (2) the Permitted Holders (determined on an aggregate basis) cease, directly or indirectly, to possess a majority of the Voting Stock of the Company.

“Change of Control Offer” has the meaning given to it under “—Repurchases at the Option of the Holders of the Notes Upon Change of Control.”

“Change of Control Payment” has the meaning given to it under “—Repurchases at the Option of the Holders of the Notes Upon Change of Control.”

“Change of Control Payment Date” has the meaning given to it under “—Repurchases at the Option of the Holders of the Notes Upon Change of Control.”

“Closing Date” means the date that initial Notes Units under the Indenture are issued.

“Collateral” means the Tranche 1 Collateral, the Tranche 2 Collateral, the Tranche 3 Collateral, the Tranche 4 Collateral, and all other Property that, in accordance with the terms of the Security Documents, is intended to be subject to any Lien in favor of the Secured Parties.

“Collateral Agents” means, collectively, the U.S. Collateral Agent and the Brazil Collateral Agent.

“Collateral Coverage Ratio” means, at any time, with respect to any Tranche, the ratio calculated as a percentage of (i) the aggregate Collateral Value securing the Obligations under such Tranche at such time to (ii) the total principal amount of the Underlying Notes comprising such Tranche outstanding at such time, calculated as of each Collateral Coverage Ratio Measurement Date by the U.S. Collateral Agent.

“Collateral Coverage Ratio Measurement Date” means the last Business Day of each fiscal quarter of the Company.

“Collateral Management Agreement” means the agreement among the Company, the Brazil Collateral Agent and the Collateral Manager, entered into on or before the Issue Date, with the Collateral Manager as *fiel depositário*, relating to various matters including, without limitation, (1) the safekeeping, monitoring and checking of the sugarcane and the Products that are subject to the Rural Pledge Agreements and the Products underlying the Receivables subject to the Security and Assignment Agreements, and (2) the issuance and delivery of a Collateral Management Report no later than thirty (30) Business Days before each Collateral Coverage Ratio Measurement Date, as amended, supplemented or otherwise modified from time to time.

“Collateral Manager” means Control Union Warrants Ltda., Alex Stewart Armazéns Gerais do Brasil Ltda. or any other independent appraisal firm with relevant experience in the valuation of the market value of sugarcane and Products from time to time appointed by the Company and certified by the Company to the Trustee by delivery of an Officer’s Certificate of the Company confirming the appraisal firm’s experience and qualification as an independent appraisal firm, together with its successors in such capacity.

“Collateral Management Report” means each report of the Collateral Manager delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture and the Collateral Management Agreement on or before each Collateral Coverage Ratio Measurement Date, which shall include (1) each of the items and the calculation thereof required to be provided by the Collateral Manager in connection with the calculation of the Collateral Coverage Ratio in respect of each Tranche pursuant to the terms of the Indenture and the Collateral Management Agreement and (2) any other items required pursuant to the Collateral Management Agreement.

“Collateral Value” means, as applicable, as of any calculation date, an amount in U.S. Dollars resulting from:

- (a) With respect to the Tranche 1 Notes, the sum of:
 - (i) the amount in U.S. Dollars resulting from dividing the Use Value of the Paraíso Mill set forth in then-most recent Tranche 1 Independent Appraisal Report delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture by the Foreign Exchange Rate as of such calculation date; *plus*
 - (ii) the amount in U.S. Dollars resulting from dividing the Use Value of the Tranche 1 Paraíso Mill Encumbered Equipment set forth in then-most recent Tranche 1 Independent

- Appraisal Report delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture by the Foreign Exchange Rate as of such calculation date; *plus*
- (iii) the aggregate Assigned Offtake Contract Market Value in respect of Assigned Offtake Contracts pledged under the Tranche 1 Assignment and Security Agreement as of such calculation date; *plus*
 - (iv) the balance of any amounts on deposit in the Tranche 1 Collection Account as of such calculation date.
- (b) With respect to the Tranche 2 Notes, the sum of:
- (i) the aggregate Sugarcane Market Value of the sugarcane pledged pursuant to the Tranche 2 Rural Pledge Agreement as of such calculation date; *plus*
 - (ii) the aggregate Assigned Offtake Contract Market Value in respect of Assigned Offtake Contracts pledged under the Tranche 2 Assignment and Security Agreement as of such calculation date; *plus*
 - (iii) the balance of any amounts on deposit in the Tranche 2 Collection Account as of such calculation date.
- (c) With respect to the Tranche 3 Notes:
- (i) the aggregate Sugarcane Market Value of the sugarcane pledged pursuant to the Tranche 3 Rural Pledge Agreement as of such calculation date; *plus*
 - (ii) the aggregate Assigned Offtake Contract Market Value in respect of Assigned Offtake Contracts pledged under the Tranche 3 Assignment and Security Agreement as of such calculation date; *plus*
 - (iii) the balance of any amounts on deposit in the Tranche 3 Collection Account as of such calculation date.
- (d) With respect to the Tranche 4 Notes:
- (i) the aggregate Sugarcane Market Value of the sugarcane pledged pursuant to the Tranche 4 Rural Pledge Agreement as of such calculation date; *plus*
 - (ii) the aggregate Assigned Offtake Contract Market Value in respect of Assigned Offtake Contracts pledged under the Tranche 4 Assignment and Security Agreement as of such calculation date; *plus*
 - (iii) the balance of any amounts on deposit in the Tranche 4 Collection Account as of such calculation date; *plus*
 - (iv) the amount in U.S. Dollars resulting from dividing the Use Value of the Tranche 4 Paraíso Mill Encumbered Equipment set forth in then-most recent Tranche 4 Independent Appraisal Report delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture by the Foreign Exchange Rate as of such calculation date.

“Collection Accounts” means, collectively, the Tranche 1 Collection Account, the Tranche 2 Collection Account, the Tranche 3 Collection Account and the Tranche 4 Collection Account.

“Collection Account Pledge Agreements” means, collectively, the Tranche 1 Collection Account Pledge Agreement, the Tranche 2 Collection Account Pledge Agreement, the Tranche 3 Collection Account Pledge Agreement and the Tranche 4 Collection Account Pledge Agreement.

“Company” means Tonon Bioenergia S.A. and its successors under the Indenture.

“CONSECANA” means the National Council of the Producers of Sugarcane, Sugar and Ethanol of the State of São Paulo (*Conselho dos Produtores de Cana-de-Açúcar, Açúcar e Alcool do Estado de São Paulo*).

“Consolidated EBITDA” means, for any period, the amount equal to the sum of Consolidated Net Income for such period plus, to the extent deducted in calculating such Consolidated Net Income:

- (1) consolidated net financial expenses for such period;
- (2) consolidated income and social contribution taxes for such period;
- (3) consolidated depreciation and amortization for such period;
- (4) consolidated minority interests for such period;
- (5) any restructuring charges or reserves, including any one-time costs incurred in connection with acquisitions after the Closing Date and costs related to the closure and/or consolidation of facilities; and
- (6) any non-cash charges of the Company and its consolidated Subsidiaries (excluding any such non-cash charge to the extent that it represents an accrual of or reserve for cash expenditures in any future period).

Notwithstanding the foregoing, any of the items described in clauses (1) through (6) above of any consolidated Subsidiary of the Company will be added to Consolidated Net Income to compute Consolidated EBITDA only to the extent (and in the same proportion) that the net income (loss) of such Subsidiary was included in calculating Consolidated Net Income in such period.

“Consolidated Net Income” means, for any period, the aggregate net income (or loss) of the Company and its Restricted Subsidiaries for such period determined on a consolidated basis in conformity with Brazilian GAAP; provided that the net income of any Person that is not a Restricted Subsidiary will be included only to the extent of the amount of dividends or distributions paid in cash by such Person to the Company or a Restricted Subsidiary (without duplication to the extent already included in the consolidated net income (or loss) of the Company for such period).

“Consolidated Net Indebtedness” means consolidated Indebtedness of the Company and its Restricted Subsidiaries, as set forth on the most recent consolidated quarterly balance sheet of the Company and its Restricted Subsidiaries, minus the sum of cash and cash equivalents and marketable securities recorded as current assets in the Company’s most recent consolidated quarterly balance sheet (except for any Capital Stock in any Person).

“Consolidated Net Revenues” means the total net sales or revenue of the Company and its Restricted Subsidiaries on a consolidated basis for the most recent twelve month period; all calculated (i) based on the consolidated income statements of the Company for the fiscal quarter most recently ended for which internal financial statements are available, (ii) in accordance with Brazilian GAAP and (iii) on a pro forma basis to give effect to any acquisition or disposition of companies, divisions, lines of businesses or operations by the Company and its Restricted Subsidiaries subsequent to such date and on or prior to the date of determination.

“Consolidated Total Assets” means the total amount of assets of the Company and its Restricted Subsidiaries based (i) on the balance sheet for the fiscal quarter most recently ended for which internal financial statements are available, (ii) in accordance with Brazilian GAAP and (iii) on a pro forma basis to give effect to any acquisition or disposition of companies, divisions, lines of businesses or operations by the Company and its Restricted Subsidiaries subsequent to such date and on or prior to the date of determination.

“Crop Year” means each 12-month period commencing on April 1 and ending on March 31 of the following year.

“Default” means any event which is an Event of Default or which, after notice or passage of time or both, would be an Event of Default.

“Disqualified Stock” means, with respect to any Person, any Capital Stock that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable or exercisable) or upon the happening of any event:

- (1) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise;
- (2) is convertible or exchangeable for Indebtedness or Disqualified Stock; or
- (3) is redeemable at the option of the holder thereof, in whole or in part,

in each case on or prior to the 91st day after the Stated Maturity of the Notes Units; *provided, however*, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of an “asset sale” or “change of control” occurring prior to the 91st day after the Stated Maturity of the Notes Units shall not constitute Disqualified Stock if the “asset sale” or “change of control” provisions applicable to such Capital Stock are not more favorable to the holders of such Capital Stock than the comparable provisions of the Indenture.

“Eligible Equity Offering” means the issuance and sale for cash of Capital Stock (other than Disqualified Stock) of the Company to any Person (other than a Restricted Subsidiary) pursuant to (i) a public offering in accordance with applicable Laws, rules and regulations, or (ii) a private offering in accordance with Rule 144A, Regulation S and/or another exemption under the Securities Act.

“Eligible Financial Institution” means (a) an OECD Country-based financial institution whose long-term unsecured foreign currency debt is rated at least two of the following credit ratings: “BBB” by Standard & Poor’s, “Baa2” by Moody’s and “BBB” by Fitch or (b) so long as Brazil’s country risk rating is at least two of the following credit ratings: “BBB-” by Standard & Poor’s, “Baa3” by Moody’s and “BBB-” by Fitch, a Brazilian financial institution whose long-term unsecured debt has a national scale rating of at least two of the following credit ratings “AA.br” (or the then-equivalent grade) by Standard & Poor’s, “Aa2.br” (or the then-equivalent grade) by Moody’s and “AA.br” (or the then-equivalent grade) by Fitch and whose long-term unsecured debt has a global scale rating of at least two of the following ratings “BBB-” by Standard & Poor’s, “Baa3” by Moody’s and “BBB-” by Fitch.

“Eligible Offtaker” means (a) Agrograin Ltd. Sucursal Uruguay, Bunge International Commerce, Bunge London Ltd., Bunge Alimentos S.A., Ceval International Ltd., Cargill Agrícola S.A. Turks and Caicos, ED&F Man Sugar Ltd. and Sucre Et Denrees and (b) each other Person (i) located in an OECD Country whose long term unsecured foreign currency debt is rated at least “BBB-” by Standard & Poor’s, “Baa3” by Moody’s or “BBB-” by Fitch; (c) each other Person designated in writing to the U.S. Collateral Agent by the Company from time to time whose obligations owed to the Company payable by such Person shall either be: (x) covered in full by an Acceptable Letter of Credit, or (y) guaranteed in full in a manner satisfactory to the U.S. Collateral Agent in its sole discretion by a Person described in clause (a) or (b) above; (d) each other Person designated in writing to the U.S. Collateral Agent by the Company from time to time that shall have entered into one or more Offtake Contracts and shall have made such payment on behalf of the Company in U.S. dollars on a cash-against-documents or on a pre-shipment basis; provided that, each Eligible Offtaker determined pursuant to clause (a), (b), (c) or (d) of this definition shall have its principal place of business in a country (other than Brazil) dealings with which are not generally prohibited by applicable Sanctions and shall not be named on any Sanctions Lists. Notwithstanding the above, in no event shall the Company or an Affiliate thereof be considered an Eligible Offtaker.

“Eligible Property” means (i) any Property of the same type as the Property pledged pursuant to the terms of the Security Documents, (ii) Products and (iii) any Acceptable Letter of Credit.

“Ethanol Market Value” means, for any quantity of ethanol, an amount in U.S. Dollars equal to the verified price on CEPEA Esalq’s website (<http://cepea.esalq.usp.br/etanol/>), *divided* by the Foreign Exchange Rate.

“Environmental Laws” means any and all applicable Laws, now or hereafter in effect, and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, relating to the environment, human health or safety, or to emissions, discharges, releases or threatened releases of pollutants, contaminants, chemicals, or toxic or hazardous substances or wastes into the environment including, without limitation, ambient air, surface water, groundwater, or land, or otherwise relating to the manufacture,

processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, chemicals, or toxic or hazardous substances or wastes.

“Event of Default” has the meaning given to it under “—Events of Default.”

“Excess Additional Amounts” has the meaning given to it under “—Optional Tax Redemption.”

“Exchange Act” means the United States Securities and Exchange Act of 1934, as amended.

“Existing ABC FINAME Financing Documents” means, collectively, Existing ABC FINAME No. 1468911, Existing ABC FINAME No. 1536011, Existing ABC FINAME No. 1541311, Existing ABC FINAME No. 1639211, Existing ABC FINAME No. 1639311, Existing ABC FINAME No. 1639411, Existing ABC FINAME No. 1645711 and Existing ABC FINAME No. 1685611.

“Existing ABC FINAME No. 1468911” means the *Contrato de Abertura de Crédito Fixo No. 1468911 – Produto BNDES FINAME – Financiamento à Compradora*, dated April 25, 2011, among Paraíso Bioenergia S.A. (merged with and into Tonon Bioenergia S.A.), as borrower, Wilson Helio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro and Renata de Albuquerque Pinheiro, as guarantors, and Banco ABC Brasil S.A., as lender, for an aggregate principal amount of R\$3.0 million.

“Existing ABC FINAME No. 1536011” means the *Contrato de Abertura de Crédito Fixo No. 1536011 – Produto BNDES FINAME – Financiamento à Compradora*, dated June 9, 2011, among Paraíso Bioenergia S.A. (merged with and into Tonon Bioenergia S.A.), as borrower, Wilson Helio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro and Renata de Albuquerque Pinheiro, as guarantors, and Banco ABC Brasil S.A., as lender, for an aggregate principal amount of R\$2.0 million.

“Existing ABC FINAME No. 1541311” means the *Contrato de Abertura de Crédito Fixo No. 1541311 – Produto BNDES FINAME – Financiamento à Compradora*, dated June 13, 2011, among Paraíso Bioenergia S.A. (merged with and into Tonon Bioenergia S.A.), as borrower, Wilson Helio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro and Renata de Albuquerque Pinheiro, as guarantors, and Banco ABC Brasil S.A., as lender, for an aggregate principal amount of R\$624,000.

“Existing ABC FINAME No. 1639211” means the *Contrato de Abertura de Crédito Fixo No. 1639211 – Produto BNDES FINAME – Financiamento à Compradora*, dated August 12, 2011, among Paraíso Bioenergia S.A. (merged with and into Tonon Bioenergia S.A.), as borrower, Wilson Helio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro and Renata de Albuquerque Pinheiro, as guarantors, and Banco ABC Brasil S.A., as lender, for an aggregate principal amount of R\$92,000.

“Existing ABC FINAME No. 1639311” means the *Contrato de Abertura de Crédito Fixo No. 1639311 – Produto BNDES FINAME – Financiamento à Compradora*, dated August 12, 2011, among Paraíso Bioenergia S.A. (merged with and into Tonon Bioenergia S.A.), as borrower, Wilson Helio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro and Renata de Albuquerque Pinheiro, as guarantors, and Banco ABC Brasil S.A., as lender, for an aggregate principal amount of R\$67,200.

“Existing ABC FINAME No. 1639411” means the *Contrato de Abertura de Crédito Fixo No. 1639411 – Produto BNDES FINAME – Financiamento à Compradora*, dated August 12, 2011, among Paraíso Bioenergia S.A. (merged with and into Tonon Bioenergia S.A.), as borrower, Wilson Helio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro and Renata de Albuquerque Pinheiro, as guarantors, and Banco ABC Brasil S.A., as lender, for an aggregate principal amount of R\$40,000.

“Existing ABC FINAME No. 1645711” means the *Contrato de Abertura de Crédito Fixo No. 1645711 – Produto BNDES FINAME – Financiamento à Compradora*, dated August 17, 2011, among Paraíso Bioenergia S.A. (merged with and into Tonon Bioenergia S.A.), as borrower, Wilson Helio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro and Renata de Albuquerque Pinheiro, as guarantors, and Banco ABC Brasil S.A., as lender, for an aggregate principal amount of R\$168,000.

“Existing ABC FINAME No. 1685611” means the *Contrato de Abertura de Crédito Fixo No. 1685611 – Produto BNDES FINAME – Financiamento à Compradora*, dated September 8, 2011, among Paraíso Bioenergia S.A. (merged with and into Tonon Bioenergia S.A.), as borrower, Wilson Helio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro and Renata de Albuquerque Pinheiro, as guarantors, and Banco ABC Brasil S.A., as lender, for an aggregate principal amount of R\$240,000.

“Existing Bradesco CCB Financing Documents” means, collectively, Existing Bradesco CCB No. 0806573-P and Existing Bradesco CCB No. 0806569-1.

“Existing Bradesco CCB No. 0806573-P” means the *Cédula de Crédito Bancário No. 0806573-P*, dated June 14, 2011, as amended on August 16, 2011, among Paraíso Bioenergia S.A. (merged with and into Tonon Bioenergia S.A.), as borrower, Paraíso Holding Ltda., as guarantor, and Banco Bradesco S.A., as lender, for an aggregate principal amount of R\$1.4 million.

“Existing Bradesco CCB No. 0806569-1” means the *Cédula de Crédito Bancário No. 0806569-1*, dated June 30, 2011, among Paraíso Bioenergia S.A. (merged with and into Tonon Bioenergia S.A.), as borrower, Paraíso Holding Ltda., as guarantor, and Banco Bradesco S.A., as lender, for an aggregate principal amount of R\$1.4 million.

“Existing BTG CCE Financing Documents” means, collectively, the four existing BTG CCEs (*Cédulas de Crédito à Exportação*), each dated January 28, 2013, among Paraíso Bioenergia S.A. (which merged with and into Tonon Bioenergia S.A.), as borrower, Renata de Albuquerque Pinheiro, Wilson Helio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro, Silvia de Barros Brisolla, Paraíso Holding Ltda. and Pinhal Administração de Bens Próprios Ltda., as guarantors, and Banco BTG Pactual S.A., as lender, for a total aggregate principal amount of US\$30.0 million.

“Existing BTG Fiduciary Assignment Agreements” means the two *Instrumentos Particulares de Cessão Fiduciária em Garantia* No. 018/13 and No. 019/13, dated January 28, 2013, among Paraíso Bioenergia S.A. (which merged with and into Tonon Bioenergia S.A.), as borrower, and Banco BTG Pactual S.A., as lender, pursuant to which the borrower assigns certain of its rights in receivables under certain sugar purchase and sale contracts to the lender to secure the borrower’s obligations under the Existing BTG CCE Financing Documents.

“Existing BTG Fiduciary Lien on Property” means the *Instrumento Particular de Alienação Fiduciária em Garantia de Bem Imóvel e Outras Avenças* No. 014/13, dated January 28, 2013, among Paraíso Bioenergia S.A. (which merged with and into Tonon Bioenergia S.A.), as borrower, Banco BTG Pactual S.A., as lender, and Pinhal Administração de Bens Próprios Ltda., as intervening party, pursuant to which the intervening party grants liens on certain of its Property to the lender to secure the borrower’s obligations under the Existing BTG CCE Financing Documents.

“Existing BTG Rural Agricultural Liens” means the two *Instrumentos Particulares de Contrato de Penhor Rural Agrícola e Outras Avenças* No. 001/13 and No. 002/13, dated January 28, 2013 and February 25, 2013, respectively, among Paraíso Bioenergia S.A. (which merged with and into Tonon Bioenergia S.A.), as borrower, Banco BTG Pactual S.A., as lender, and Control Union Warrants Ltda., as collateral manager and depository, as amended February 26, 2016 and November 26, 2013, pursuant to which the borrower assigns certain of its rights in sugarcane and sugarcane byproducts to the lender to secure the borrower’s obligations under the Existing BTG CCE Financing Documents.

“Existing BTG CCE Security Documents” means, collectively, the Existing BTG Fiduciary Assignment Agreements, the Existing BTG Fiduciary Lien on Property, and the Existing BTG Rural Agricultural Liens.

“Existing Financing Documents” means, collectively, the Existing BTG CCE Financing Documents, the Existing Rabobank Amended and Restated Export Prepayment Facility Agreement, the Existing Syndicated CCE Financing Documents, the Existing ABC FINAME Financing Documents and the Existing Bradesco CCB Financing Documents.

“Existing Pledged Collateral” means all Property that is intended to be subject to any Lien in accordance with the terms of the Existing Security Documents.

“Existing Rabobank Amended and Restated Export Prepayment Facility Agreement” means the Amended and Restated Export Prepayment Facility, dated December 15, 2011, among Paraíso Bioenergia S.A. (which merged with and into Tonon Bioenergia S.A.), as borrower, Paraíso Holding Ltda., as corporate guarantor, Wilson Helio de Albuquerque Pinheiro Junior, Flávio de Albuquerque Pinheiro, Renata de Albuquerque Pinheiro and Silvia de Barros Brisolla, as individual guarantors, Rabobank Curaçao N.V., Banco Bradesco S.A., Banco Santander (Brasil) S.A. and Banco Votorantim, S.A., as lenders, Rabobank Curaçao N.V., as lead arranger, collection account agent and paying agent, and Banco Rabobank International Brasil S.A., as administrative agent and collateral agent, for an aggregate principal amount of US\$73.5 million.

“Existing Rabobank Assignment and Security Agreement” means the Assignment and Security Agreement, dated December 15, 2011, among Paraíso Bioenergia S.A. (which merged with and into Tonon Bioenergia S.A.), as borrower, Rabobank Curaçao N.V., as collection account agent, and Banco Rabobank International Brasil S.A., as collateral agent, as amended January 31, 2013, pursuant to which the borrower grants a first priority security interest in all of its right, title and interest in certain export contracts and related rights to secure the borrower’s obligations under the Existing Rabobank Amended and Restated Export Prepayment Facility.

“Existing Rabobank Collection Account Pledge Agreement” means the Collection Account Pledge Agreement, dated December 15, 2011, among Paraíso Bioenergia S.A. (which merged with and into Tonon Bioenergia S.A.), as borrower, Rabobank Curaçao N.V., as collection account agent, and Banco Rabobank International Brasil S.A., as administrative agent, pursuant to which the borrower grants the collection account agent a first priority security interest in all of its right, title and interest to and in a collection account to secure the borrower’s obligations under the Existing Rabobank Amended and Restated Export Prepayment Facility.

“Existing Rabobank Equipment Fiduciary Assignment Agreement” means the *Instrumento Particular de Alienação Fiduciária de Bens Móveis em Garantia*, dated December 23, 2011, among Paraíso Bioenergia S.A. (which merged with and into Tonon Bioenergia S.A.), as borrower, Rabobank Curaçao N.V., Banco Bradesco S.A., Banco Santander (Brasil) S.A. and Banco Votorantim S.A., as lenders, and Wilson Helio de Albuquerque Pinheiro Junior and Flávio de Albuquerque Pinheiro, as depository, as amended December 18, 2012 and January 31, 2013, pursuant to which the borrower grants a first priority fiduciary assignment over certain of its equipment to secure the borrower’s obligations under the Existing Rabobank Amended and Restated Export Prepayment Facility.

“Existing Rabobank Mortgage Deed” means a first priority mortgage deed over certain real estate property to secure the borrower’s obligations under the Existing Rabobank Amended and Restated Export Prepayment Facility.

“Existing Rabobank Security Documents” means, collectively, the Existing Rabobank Assignment and Security Agreement, the Existing Rabobank Equipment Fiduciary Assignment Agreement, the Existing Rabobank Collection Account Pledge Agreement and the Existing Rabobank Mortgage Deed.

“Existing Security Documents” means, collectively, the Existing BTG CCE Security Documents, the Existing Rabobank Security Documents, the Existing Syndicated CCE Security Documents, the Existing ABC FINAME Financing Documents and the Existing Bradesco CCB Financing Documents.

“Existing Syndicated CCE Charge of Bank Account” means a charge of bank account (*gravamen de conta bancária*) to secure the borrower’s obligations under the Existing Syndicated CCE Financing Agreements.

“Existing Syndicated CCE Credit Rights Fiduciary Assignment Agreement” means the *Instrumento Particular de Contrato de Cessão Fiduciária de Direitos Creditórios em Garantia e Outras Avenças*, dated September 3, 2012, among Tonon Bioenergia S.A., as borrower, Banco BTG Pactual S.A., Banco Itaú BBA S.A., Banco do Brasil S.A., Banco de Investimentos Credit Suisse (Brasil) S.A., Banco Industrial e Comercial S.A., Banco Santander (Brasil) S.A., as lenders, Banco BTG Pactual S.A., as payment agent, and Planner Trustee DTVM Ltda., as collateral agent, pursuant to which the borrower assigns certain of its credit rights to the lenders to secure the borrower’s obligations under the Existing Syndicated CCE Financing Agreements.

“Existing Syndicated CCE Financing Documents” means, collectively, the Existing Syndicated CCEs (*Cédulas de Crédito à Exportação*), each dated September 3, 2012 and amended on September 27, 2013, among

Tonon Bioenergia S.A., as borrower, certain members of the Tonon family, as guarantors, and the following lenders in the indicated amounts:

- Banco do Brasil S.A. for an aggregate principal amount of R\$50.0 million;
- Banco Industrial e Comercial S.A. for an aggregate principal amount of R\$15.0 million;
- Banco BTG Pactual S.A. for an aggregate principal amount of US\$35.0 million (through seven agreements, part of which were acquired by Banco Panamericano S.A.);
- Banco de Investimento Credit Suisse (Brasil) S.A. for an aggregate principal amount of US\$25.0 million;
- Banco Itaú BBA S.A. for an aggregate principal amount of R\$45.0 million; and
- Banco Santander (Brasil) S.A. for an aggregate principal amount of R\$20.0 million.

“Existing Syndicated CCE Rural Agricultural Lien” means the *Instrumento Particular de Contrato de Penhor Rural Agrícola e Outras Avenças*, dated September 3, 2012, among Tonon Bioenergia S.A., as borrower, Banco BTG Pactual S.A., Banco Itaú BBA S.A., Banco do Brasil S.A., Banco de Investimentos Credit Suisse (Brasil) S.A., Banco Industrial e Comercial S.A. and Banco Santander (Brasil) S.A., as lenders, Banco BTG Pactual S.A., as payment agent, Planner Trustee DTVM Ltda., as collateral agent, and Control Union Warrants Ltda., as collateral manager and depository, pursuant to which the borrower assigns certain of its rights in sugarcane and sugarcane byproducts to the lenders to secure the borrower’s obligations under the Existing Syndicated CCE Financing Agreements.

“Existing Syndicated CCE Security Documents” means the Existing Syndicated CCE Charge of Bank Account, the Existing Syndicated CCE Credit Rights Fiduciary Assignment Agreement and the Existing Syndicated CCE Credit Rural Agricultural Lien.

“Fair Market Value” of any Property, asset, share of Capital Stock, other security, Investment or other item means, on any date, the fair market value of such Property, asset, share of Capital Stock, other security, Investment or other item on that date as determined in good faith by the management of the Company.

“Financing Documents” means, collectively, the following documents:

- (i) the Indenture;
- (ii) the Notes Units;
- (iii) the Underlying Notes;
- (iv) the Notes Units Guarantees;
- (v) the Security Documents;
- (vi) the Escrow Agreement; and
- (vii) each other agreement or instrument designated as a “Financing Document” by the issuer or the Company from time to time.

“Fitch” means Fitch Ratings Ltd. and its successors.

“Foreign Exchange Rate” means, as of any date of determination, the Real/U.S. Dollar sale rate (*cotação de venda*) for U.S. Dollars at the close of business on the Business Day immediately preceding such date of determination, expressed as the amount of Reais per one U.S. Dollar, as reported by the Central Bank on SISBACEN Data System under transaction code PTAX-800 (*Consulta de Câmbio*” or Exchange Rate Inquiry),

Option 5 (*Cotações para Contabilidade* or Rates for Accounting Purposes) and published by the Central Bank on the website <http://www.bcb.gov.br/?ENGLISH>.

“Funded Debt” means Indebtedness of the Company (including the Notes Units) or any Restricted Subsidiary maturing by the terms thereof more than one year after the original creation thereof.

“Global Notes Units” has the meaning given to it under “Form of the Notes Units.”

“Government Approval” means any authorization, consent, approval, license, ruling, permit, tariff, rate, certification, exemption, filing, variance, claim, order, judgment, decree, publication, notice to, declaration of or with, or registration by or with, any Governmental Authority.

“Governmental Authority” means any government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial or administrative body, domestic or foreign, federal, state or local, having jurisdiction over the matter or matters in question, including, without limitation, those in Brazil and the United States.

“Granulated Refined Sugar Market Value” means, for any quantity of granulated refined sugar, an amount in U.S. Dollars equal to (i) the bid price of the next delivery date available on the ICE Futures US No. 11 Sugar Futures Contract or Bloomberg (code: SBA Comdty) in U.S. Dollars and expressed in U.S. Dollars per Pound Weight (USD c/lb) calculated as of the close of business on the Business Day immediately preceding such calculation date, *multiplied* by (ii) 22.0462 (to convert from pounds to tons), *plus* (iii) U.S.\$39.50 per ton, *multiplied* by (iv) a polarization premium equal to 4.05% and reduced by elevation costs of (x) for each calculation date occurring in 2014, U.S.\$12.50 per ton of granulated refined sugar and (y) for each calculation date occurring during each subsequent calendar year, an amount in U.S. Dollars per ton of granulated refined sugar to be provided by the Company to the Trustee and the U.S. Collateral Agent no later than fifteen (15) Business Days before the first Collateral Coverage Ratio Measurement Date occurring in such calendar year and certified by the Company as representing the prevalent elevation costs amount set forth in Offtake Contracts to which the Company is a party on the date such information is delivered to the Trustee and the U.S. Collateral Agent, which contracts shall provide for the sale of an aggregate amount of at least 30,000,000 tons of granulated refined sugar.

“Guarantee” means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person and any obligation, direct or indirect, contingent or otherwise, of any Person:

- (1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise); or
- (2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part),

provided, however, that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business. The term “Guarantee” used as a verb has a correlative meaning. The term “Guarantor” shall mean any Person Guaranteeing any obligation.

“Hedging Obligations” of any Person means the obligations of such Person under any agreement relating to any swap, option, forward sale, forward purchase, index transaction, cap transaction, floor transaction, collar transaction or any other similar transaction, in each case, for purposes of hedging or capping against Brazilian inflation, interest rates, currency or commodities price fluctuations.

“HMT” means Her Majesty’s Treasury.

“Incur” means issue, assume, Guarantee, incur or otherwise become liable for Indebtedness or Capital Stock; *provided, however*, that any Indebtedness or Capital Stock of a Person existing at the time such Person is

merged or consolidated with the Company or becomes a Subsidiary of the Company (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Person at the time of such merger or consolidation or at the time it becomes a Subsidiary of the Company. The term “Incurrence” when used as a noun shall have a correlative meaning. Neither the accretion of principal of a non-interest bearing or other discount security nor the capitalization of interest on Indebtedness shall be deemed the Incurrence of Indebtedness.

“Indebtedness” means, with respect to any Person on any date of determination (without duplication):

- (1) the principal in respect of indebtedness of such Person for borrowed money;
- (2) the principal and premium, if any, in respect of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (3) all obligations of such Person to pay the deferred and unpaid purchase price of Property (except trade payables and contingent obligations to pay earn-outs), which purchase price is due more than six months after the date of placing such Property in service or taking delivery and title thereto;
- (4) all reimbursement obligations of such Person in respect of the face amount of letters of credit or other similar instruments (other than obligations with respect to letters of credit securing obligations (other than obligations described in clauses (1) through (3) above) entered into in the ordinary course of business of such Person, such as import tax credits and import transactions, to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the third business day following receipt by such Person of a demand for reimbursement following payment on the letter of credit);
- (5) the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase of any Disqualified Stock (but excluding, in each case, any accrued dividends);
- (6) all Capitalized Lease Obligations and all Attributable Debt of such Person;
- (7) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided, however*, that the amount of Indebtedness of such Person shall be the lesser of:
 - (a) the Fair Market Value of such asset at such date of determination; and
 - (b) the amount of such Indebtedness of such other Persons;
- (8) to the extent not otherwise included in this definition, all Hedging Obligations of such Person; and
- (9) all obligations of the type referred to in clauses (1) through (8) above of other Persons that is Guaranteed by such Person to the extent so Guaranteed;

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with Brazilian GAAP.

For the avoidance of doubt, “Indebtedness” shall not include (1) any obligations to any Person with respect to “*Programa de Recuperação Fiscal—REFIS*,” “*Programa Especial de Parcelamento de Impostos—REFIS Estadual*” and “*Programa de Parcelamento Especial—PAES*” or any other tax payment agreement entered into with any Brazilian governmental entity, (2) any advances made by or on behalf of customers for products already shipped but not yet invoiced by the Company or any Restricted Subsidiary in the ordinary course of business and (3) any amounts owed by the Company or any Restricted Subsidiary for the purchase of sugarcane or the lease of land in the ordinary course of business.

“Indenture” has the meaning given to it in the first paragraph of this Description of the Notes Units.

“Independent Appraisal Reports” means, collectively, the Tranche 1 Independent Appraisal Report and the Tranche 4 Independent Appraisal Report.

“Independent Appraiser” means Appraisal Avaliações e Engenharia or any other independent appraisal firm with relevant experience in the valuation of sugar mills from time to time appointed by the Company and certified by the Company to the Trustee by delivery of an Officer’s Certificate of the Company confirming the appraisal firm’s experience and qualification as an independent appraisal firm.

“Initial Lien” has the meaning given to it under “—Restrictive Covenants—Limitation on Liens.”

“Interest Payment Date” means each May 14 and November 14 of each year, commencing on November 14, 2014.

“Investment” in any Person means any direct or indirect advance, loan (other than advances to customers or suppliers in the ordinary course of business that are recorded as accounts receivable, prepaid expenses or deposits on the balance sheet of the applicable lender) or other extension of credit (including by way of Guarantee or similar arrangement) or capital contribution to (by means of any transfer of cash or other Property to others or any payment for Property or services for the account or use of others), or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by, such Person. For purposes of the definition of “Unrestricted Subsidiary” and the covenant described under “—Restrictive Covenants—Limitation on Restricted Payments”:

(1) Investment shall include the portion (proportionate to the Company’s equity interest in such Subsidiary) of the Fair Market Value of the net assets of any Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; *provided, however*, that, upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent “Investment” in an Unrestricted Subsidiary in an amount (if positive) equal to:

- (a) the Company’s Investment in such Subsidiary at the time of such redesignation, minus
- (b) the portion (proportionate to the Company’s equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation; and

(2) any Property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such transfer.

“Investment Grade Rating” means a rating equal to or higher than (a) BBB-, by S&P or Fitch and (b) Baa3, by Moody’s.

“IPCA” means the Extended National Consumer Price Index (*Índice Nacional de Preços ao Consumidor Amplo*), or IPCA, published by the Brazilian Institute of Geography and Statistics (*Instituto Brasileiro de Geografia e Estatística*).

“Law” means, with respect to any Person (i) any statute, law, regulation, ordinance, rule, judgment, order, decree, permit, concession, grant, franchise, license, agreement or other governmental restriction or any interpretation or administration of any of the foregoing by any Governmental Authority (including, without limitation, Governmental Approvals) and (ii) any directive, guideline, policy, requirement or any similar form of decision of or determination by any Governmental Authority which is binding on such Person, in each case, in effect on or after the Issue Date (including, without limitation, in each case, any Environmental Law).

“Letter of Instruction” with respect to each Assignment and Security Agreement, has the meaning set forth in such Assignment and Security Agreement.

“Lien” means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

“Luxembourg” means the Grand Duchy of Luxembourg.

“Mato Grosso do Sul Sugarcane Market Value” means the amount (MV) in U.S. Dollars calculated according to the following formula:

$$MV = \sum_{n=0}^5 ((MS_{SV} * MS_{SMP}) - (MS_{SLLC} + MS_{SCMC})) / FX$$

Where:

MS SLLC for n=0 is equal to zero

n=5 MS SCMC is equal to zero

“n” means each Crop Year.

“MS SV” or “MS Sugarcane Volume” means as of any calculation date, in the case of sugarcane pledged under the applicable Rural Pledge Agreement grown in the State of Mato Grosso do Sul, the amount in tons of sugarcane pledged under the applicable Rural Pledge Agreement as of such calculation date (as indicated by the then-most recent Collateral Management Report delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture).

“MS SMP” or “MS Sugarcane Market Price” means, as of any calculation date, with respect to any sugarcane pledged under the applicable Rural Pledge Agreement grown in the State of Mato Grosso do Sul, the amount in Reais equal to the difference between (1) the TRS Price in respect of such sugarcane then-most recently published by CONSECANA multiplied by the average TRS Content in respect of such sugarcane for the three Crop Years immediately preceding such calculation date (as indicated by the then-most recent Collateral Management Report delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture) and (2) a transportation differential for transportation of the relevant quantity of sugarcane to the applicable mill for further processing, which shall be equal to (x) R\$20 per ton for each calculation date occurring during the Crop Year ending on March 31, 2015 and (y) for each calculation date occurring during each subsequent Crop Year, the amount of the transportation differential for the last calculation date occurring in the immediately preceding Crop Year adjusted by the IPCA for the twelve-month period ending on the relevant calculation date.

“FX” means the Foreign Exchange Rate.

“MS SLLC” or “MS Sugarcane Land Leasing Costs” means, as of any calculation date, with respect to any sugarcane pledged under the applicable Rural Pledge Agreement grown in the State of Mato Grosso do Sul, the amount in Reais calculated by multiplying (1) the area corresponding to the MS SV with respect to such sugarcane (as indicated by the then-most recent Collateral Management Report delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture) by (2) the average amount in *Reais* payable annually by the Company per hectare of land on which such sugarcane is grown in the State of Mato Grosso do Sul pursuant to applicable land lease agreements and partnership agreements (*contratos de parceria*) to which the Company is a party (as indicated in an Officer’s Certificate to be delivered by the Company to the Trustee and the Collateral Agents no later than fifteen (15) Business Days before each Collateral Coverage Ratio Measurement Date pursuant to the terms of the Indenture).

“MS SCMC” or “MS Sugarcane Crop Maintenance Costs” means, as of any calculation date, with respect to any sugarcane pledged under the applicable Rural Pledge Agreement grown in the State of Mato Grosso do Sul, the amount in Reais calculated by multiplying (1) the area corresponding to the MS SV with respect to such sugarcane (as indicated by the then-most recent Collateral Management Report delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture) by (2) an amount in Reais per hectare corresponding to crop maintenance costs, which shall be equal to (x) R\$1,000 for each calculation date occurring during the Crop Year ending on March 31, 2015 and (y) for each calculation date occurring during each subsequent Crop Year, the amount of crop maintenance costs for the last calculation date occurring in the immediately preceding Crop Year adjusted by the IPCA for the twelve-month period ending on the relevant calculation date.

“Maturity Date” has the meaning given to it under “—General.”

“Minimum Legally Required Dividend” means, for any Person and any period, an amount equal to the sum of (a) the minimum dividend required to be distributed under applicable Brazilian law by such Person to holders of its Capital Stock during such period and (b) the minimum dividend required to be distributed to holders of Preferred Stock in such Person during such period so as to avoid such holders from acquiring or maintaining any voting rights under Brazilian law, and in each case (a) and (b), any such amounts may be paid in the form of interest on shareholders’ equity.

“Moody’s” means Moody’s Investors Service, Inc. and its successors.

“Net Available Cash” from an Asset Disposition means cash payments received (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise and proceeds from the sale or other disposition of any securities received as consideration, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Disposition or received in any other non-cash form) therefrom, in each case minus:

- (1) all legal fees and expenses, title and recording tax expenses, commissions and other fees and expenses Incurred, and all federal, state, provincial, foreign and local taxes required to be paid or accrued as a liability in accordance with Brazilian GAAP, as a consequence of such Asset Disposition;
- (2) all payments, including any prepayment premiums or penalties, made on any Indebtedness that is secured by any assets subject to such Asset Disposition, in accordance with the terms of any Lien upon or other security agreement of any kind with respect to such assets, or which must by its terms, or in order to obtain a necessary consent to such Asset Disposition, or by applicable Law be repaid out of the proceeds from such Asset Disposition;
- (3) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Disposition; and
- (4) appropriate amounts to be provided by the seller as a reserve, in accordance with Brazilian GAAP, against any liabilities associated with the Property or other assets disposed of in such Asset Disposition and retained by the Company or any Restricted Subsidiary after such Asset Disposition.

“Net Cash Proceeds” with respect to any issuance or sale of Capital Stock or sale or other disposition of any Investment, means the cash proceeds of such issuance or sale net of attorneys’ fees, accountants’ fees, underwriters’ or placement agents’ fees, discounts or commissions and brokerage, consultant and other fees and expenses actually Incurred in connection with such issuance or sale and net of taxes paid or payable in connection with such issuance, sale or disposition.

“Net Debt to EBITDA Ratio” means at any date (i) Consolidated Net Indebtedness divided by (ii) Consolidated EBITDA for the period of four consecutive fiscal quarters ending on or most recently prior to such date for which financial statements are available; *provided, however*, that:

- (a) if since the beginning of such period the Company or any Restricted Subsidiary shall have made any Asset Disposition, the Consolidated EBITDA for such period shall be reduced by an amount equal to the Consolidated EBITDA directly attributable to the assets that are the subject of such Asset Disposition for such period; provided that pro forma effect shall be given to the proceeds applied of the Asset Disposition as if the event had occurred on the first day of such period;
- (b) if since the beginning of such period the Company or any Restricted Subsidiary (by merger or otherwise) shall have made an Investment in any Person that is merged with or into the Company or any Restricted Subsidiary (or any Person that becomes a Restricted Subsidiary) or an acquisition of assets, including any acquisition of assets occurring in connection with a transaction causing a calculation to be made hereunder, Consolidated EBITDA for such period shall be calculated after giving pro forma effect thereto (including the Incurrence of any Indebtedness) as if such Investment or acquisition occurred on the first day of such period;
- (c) if since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Company or any Restricted Subsidiary since the beginning of such period) shall have made any Asset Disposition or any Investment or acquisition of assets that would have required an adjustment pursuant to clause (a) or (b) above if made by the Company or a Restricted Subsidiary during such period, Consolidated EBITDA for such period shall be calculated after giving pro forma effect thereto as if such Asset Disposition, Investment or acquisition of assets occurred on the first day of such period; and

(d) pro forma effect shall be given to any Indebtedness Incurred (or repaid) since the most recently consolidated quarterly balance sheet of the Company.

To the extent that pro forma effect is to be given to an acquisition or disposition of a company, division or line of business, the pro forma calculation will be (i) based upon the most recent four full fiscal quarters for which the relevant financial information is available and (ii) determined in good faith by a financial or accounting officer of the Company.

“Notes Units” has the meaning given to it in the first paragraph of this Description of the Notes Units.

“Notes Units Guarantee” means the Guarantee by each Guarantor of the issuer’s obligations on the Notes Units and the Underlying Notes and under the Indenture and each other Financing Document, executed pursuant to the provisions of the Indenture.

“Obligations” means any principal (including reimbursement obligations with respect to letters of credit whether or not drawn), interest (including in the case of the Notes Units and the Underlying Notes, all interest accrued thereon after the commencement of any action or proceeding described under subparagraphs (7) and (8) under the first paragraph of the caption “—Events of Default,” even if such interest is not enforceable, allowable or allowed as a claim in such proceeding), premium (if any), fees, indemnifications, reimbursements, expenses, damages and other liabilities payable under the Financing Documents.

“OECD Country” means, at any time, any nation that is a member of the Organization of Economic Cooperation and Development at such time.

“OFAC” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“Offer” has the meaning given to it under “—Restrictive Covenants—Limitation on Sales of Assets.”

“Officer’s Certificate” means a certificate signed by any of the chief executive officer, the chief operating officer, the chief financial officer, the chief accounting officer, the treasurer, a director, the general counsel or any vice president (or any equivalent of the foregoing) of such Person.

“Offshore Accounts Bank” means The Bank of New York Mellon, acting in its capacities as Offshore Accounts Bank and Intermediary pursuant to the applicable Collection Account Pledge Agreement, and shall include any successor Offshore Accounts Bank and Intermediary appointed pursuant to the applicable Collection Account Pledge Agreement.

“Offtake Contract” means any contract entered into between the Company and an Eligible Offtaker pursuant to which the Company shall sell and deliver Products to such Eligible Offtaker and such Eligible Offtaker shall purchase such Products.

“Paraíso Mill” means the areas defined as Entries no. 17.566 and 17.564 of the Real Estate Registry Office of Brotas, State of São Paulo, including all personal property and fixtures thereon as described set forth, and as may be modified by, the Tranche 1 Paraíso Mill Mortgage Deed.

“Permitted Financial Institution” means Morgan Stanley & Co. LLC, HSBC Securities (USA) Inc. or any of their respective affiliates.

“Permitted Holders” means each of Alfredo Tonon, Claudia Maria Tonon, José Antonio Tonon, Francisco Tonon Neto, Monica Tonon Danieleto, Andrea Tonon, Renato José Tonon, Renato José Tonon Filho, Celso Roberto Tonon, André Roberto Tonon, Juliano Tonon, Rafael Tonon, Abelmir Bortolo Tonon, Fernando José Bartelotti Tonon, Carlos Eduardo Bartelotti Tonon, Antonio Tonon, Marina Tonon Rossi, the respective sons and daughters of any of the foregoing Persons, or any of the respective heirs or any entity in which a majority of the Voting Stock is owned by any of the foregoing Persons, and FIP Terra Viva — Fundo de Investimento em Participações.

“Permitted Investment” means:

- (1) an Investment by the Company or any Restricted Subsidiary in the Company or any Restricted Subsidiary;
- (2) an Investment by the Company or any Restricted Subsidiary in another Person if as a result of such Investment such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all its assets to, the Company or a Restricted Subsidiary or becomes a Restricted Subsidiary;
- (3) Temporary Cash Investments;
- (4) any Investment acquired from a Person which is merged with or into the Company or any Restricted Subsidiary, or any Investment of any Person existing at the time such Person becomes a Restricted Subsidiary and, in either such case, is not created as a result of or in connection with or in anticipation of any such transaction;
- (5) stocks, obligations or securities received in settlement of (or foreclosure with respect to) debts created in the ordinary course of business and owing to the Company or any Restricted Subsidiary or in satisfaction of judgments or in satisfaction of judgments or pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of a debtor;
- (6) any Investment existing on, or made pursuant to written agreements existing on, the Closing Date or an Investment consisting of an extension, modification or renewal of any Investment in existence on the Closing Date; *provided* that such Investment does not increase the aggregate amount of the Investment so extended, modified or renewed except by an amount equal to any premium or other reasonable amount paid in respect of the underlying obligations and fees and expenses incurred in connection with such replacement, refinancing or refunding;
- (7) Hedging Obligations permitted under clause (2)(e) of the covenant described under “—Restrictive Covenants—Limitation on Indebtedness”;
- (8) Guarantees of Indebtedness permitted under the covenant described under “—Restrictive Covenants—Limitation on Indebtedness”;
- (9) Investments which are made exclusively with Capital Stock of the Company (other than Disqualified Stock);
- (10) any acquisition and holding of (a) Brazilian federal and state tax credits acquired solely to pay amounts owed by the Company to Brazilian tax authorities and (b) discounted obligations of any Brazilian governmental authority acquired solely to pay tax amounts owed by the Company to such Brazilian governmental authority;
- (11) Investments made as a result of the receipt of non-cash consideration from an Asset Disposition that was made in compliance with the covenant described in “—Restrictive Covenants—Limitation on Sales of Assets”;
- (12) receivables owing to the Company or any of its Restricted Subsidiaries, if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided* that such trade terms may include such trade terms as the Company or such Restricted Subsidiary deems reasonable under the circumstances;
- (13) any advance, loan or extension of credit arising in connection with the purchase of inventory, equipment or supplies in the ordinary course of business;
- (14) loans and advances pursuant to any employee, officer or director compensation or benefit plans, customary indemnifications or arrangements entered into in the ordinary course of business, *provided, however*, that such loans and advances do not exceed U.S.\$3.0 million in one or a series of related transactions;

(15) Investments in connection with pledges, deposits, payments or performance bonds made or given in the ordinary course of business in connection with or to secure statutory, regulatory or similar obligations, including obligations under health, safety or environmental obligations;

(16) repurchases of the Notes Units, the Underlying Notes and the related Guarantees; and

(17) additional Investments by the Company or any of its Restricted Subsidiaries having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (17) that are at the time outstanding, not to exceed U.S.\$20.0 million at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value).

“Permitted Liens” means:

(1) Liens securing the Obligations of the Company under the Notes Units, the Underlying Notes, the Indenture and the other Financing Documents pursuant to the terms of the Security Documents;

(2) Liens on the Existing Pledged Collateral pursuant to the Existing Security Documents, which shall be released pursuant to the terms of the Indenture;

(3) Liens for taxes, assessments, governmental charges, levies or claims which are not yet due or thereafter can be paid without penalty or are being contested in good faith by appropriate proceedings or the period within which such proceedings may be initiated has not expired;

(4) Liens imposed by law, such as carriers’, warehousemen’s and mechanics’ Liens and other similar Liens, on the Property or assets of the Company or any applicable Subsidiary arising in the ordinary course of business and securing payment of obligations that are not yet due or are being contested in good faith by appropriate proceedings; and

(5) easements, rights of way, restrictions, defects or irregularities in title and other similar charges or encumbrances not interfering in any material respect with the business of the Company or any applicable Subsidiary, and any leases and subleases of real property that do not interfere with the ordinary conduct of the business of the Company or any applicable Subsidiary, and which are made on customary and usual terms applicable to similar properties.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

“Preferred Stock,” as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) that is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

“Products” means VHP sugar, granulated refined sugar and hydrous and anhydrous ethanol.

“Products Market Value” means, as of any calculation date, for any quantity of VHP sugar, granulated refined sugar or ethanol, the VHP Sugar Market Value, Granulated Refined Sugar Market Value or Ethanol Market Value, respectively.

“Property” means any property of any kind whatsoever, whether movable, immovable, real, personal or mixed and whether tangible or intangible, any right or interest therein or any receivables or credit rights (*direitos creditórios*).

“Purchase Money Indebtedness” means Indebtedness:

(1) consisting of the deferred purchase price of an asset, conditional sale obligations, obligations under any title retention agreement and other purchase money obligations; or

(2) Incurred to finance all or any part of the purchase price, or other cost of construction or improvement, of any Property;

provided, however, that the aggregate principal amount of such Indebtedness does not exceed the lesser of the Fair Market Value of such asset or Property or such purchase price or cost, including any Refinancing of such Indebtedness that does not increase the aggregate principal amount (or accreted amount, if less) thereof as of the date of Refinancing.

“Rating Agency” means any of Fitch, Moody’s and S&P.

“Rating Decline” means that at any time within 90 days (which period shall be extended so long as the rating of the Notes Units is under publicly announced consideration for possible down grade by either Rating Agency) after the earlier of the date of public notice of a Change of Control and of the Company’s intention or that of any Person to effect a Change of Control, (i) in the event the Notes Units are assigned an Investment Grade Rating by at least two of the Rating Agencies prior to such public notice, the rating of the Notes Units by at least two of the Rating Agencies shall be below an Investment Grade Rating; or (ii) in the event the Notes Units are rated below an Investment Grade Rating by at least two of the Rating Agencies prior to such public notice, the rating of the Notes Units by at least two of the Rating Agencies shall be decreased by one or more categories; *provided that*, in each case, any such Rating Decline is in whole or in part in connection with a Change of Control.

“Receivables” means all valid and enforceable accounts receivable payable outside of Brazil by an Eligible Offtaker in immediately available Dollars not subject to any Lien or constraint by any Governmental Authority and arising from the sale of Products by the Company to the relevant Eligible Offtaker pursuant to an Offtake Contract, net of any credit, rebates, offsets, holdbacks, disputes, counterclaims or other adjustments.

“Real,” “Reais” or “R\$” means the lawful currency of Brazil.

“Refinance” means, in respect of any Indebtedness, to refinance, extend (including pursuant to any defeasance or discharge mechanism), renew, refund, repay, replace, prepay, redeem, defease or retire, or to issue other Indebtedness in exchange or replacement for, such Indebtedness. “Refinanced” and “Refinancing” shall have correlative meanings.

“Refinancing Indebtedness” means Indebtedness that is Incurred to Refinance any Indebtedness of the Company or any Restricted Subsidiary existing on the Closing Date or Incurred in compliance with the Indenture (including Indebtedness that Refinances Refinancing Indebtedness); *provided, however*, that:

- (1) the Refinancing Indebtedness has a Stated Maturity no earlier than (i) the Stated Maturity of the Indebtedness being Refinanced or (ii) the 91st day after the Maturity Date of the Notes Units;
- (2) such Refinancing Indebtedness is Incurred in an aggregate principal amount (or if issued with original issue discount, an aggregate issue price) that is equal to or less than the aggregate principal amount (or if issued with original issue discount, the aggregate accreted value) then outstanding of the Indebtedness being Refinanced (plus premiums, interest and reasonable expenses incurred in connection therewith); and
- (3) if the Indebtedness being Refinanced is Subordinated Obligations, such Refinancing Indebtedness is subordinated in right of payment to the Notes Units at least to the same extent as the Indebtedness being Refinanced;

provided, further, that Refinancing Indebtedness shall not include Indebtedness of the Company or a Restricted Subsidiary that Refinances Indebtedness of an Unrestricted Subsidiary.

“Related Business” means any business conducted by the Company and the Restricted Subsidiaries on the Closing Date and any business related, ancillary or complementary thereto.

“Relevant Date” has the meaning given to it under “—Additional Amounts.”

“Required Collateral Coverage Ratio Level” means 1.3 to 1.0.

“Restricted Payment” has the meaning given to it under “—Restrictive Covenants—Limitation on Restricted Payments.”

“Restricted Subsidiary” means the issuer and any Subsidiary of the Company other than an Unrestricted Subsidiary.

“Rural Pledge Agreement” means each of the Tranche 2 Rural Pledge Agreement, the Tranche 3 Rural Pledge Agreement and the Tranche 4 Rural Pledge Agreement.

“S&P” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies Inc., and its successors.

“Sale and Lease-Back Transaction” means any arrangement with any Person (other than the Company or a Restricted Subsidiary), or to which any such Person is a party, providing for the leasing to the Company or a Restricted Subsidiary for a period of more than three years of any Property or assets which Property or assets have been or are to be sold or transferred by the Company or such Restricted Subsidiary to such Person or to any other Person (other than the Company or a Restricted Subsidiary) to which funds have been or are to be advanced by such Person on the security of the leased Property or assets.

“Sanctions Lists” means, collectively, the List of Specially Designated Nationals and Blocked Persons maintained by OFAC, the Consolidated List of Financial Sanctions Targets and the Investment Ban List maintained by HMT, or any similar lists issued or maintained by, or public announcement of Sanctions designation made by, any of the Sanctions Authorities, in each case, as amended from time to time.

“Sanctions Authorities” means (a) the United States, (b) the United Nations, (c) the European Union, (d) the United Kingdom, (e) Brazil or (f) the respective governmental institutions, agencies and subdivisions of any of the foregoing, including, without limitation, HMT, OFAC, and the United States Department of State.

“São Paulo Sugarcane Market Value” means the amount (MV) in U.S. Dollars calculated according to the following formula:

$$MV = \sum_{n=0}^5 ((SP\ SV * SP\ SMP) - (SP\ SLLC + SP\ SCMC)) / FX$$

Where:

SP SLLC for n=0 is equal to zero

n=5 SP SCMC is equal to zero

“n” means each Crop Year.

“SP SV” or “SP Sugarcane Volume” means as of any calculation date, in the case of sugarcane pledged under the applicable Rural Pledge Agreement grown in the State of São Paulo, the amount in tons of sugarcane pledged under the applicable Rural Pledge Agreement as of such calculation date (as indicated by the then-most recent Collateral Management Report delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture).

“SP SMP” or “SP Sugarcane Market Price” means, as of any calculation date, with respect to any sugarcane pledged under the applicable Rural Pledge Agreement grown in the State of São Paulo, the amount in Reais equal to the difference between (1) the TRS Price in respect of such sugarcane then-most recently published by CONSECANA multiplied by the average TRS Content in respect of such sugarcane for the three Crop Years immediately preceding such calculation date (as indicated by the then-most recent Collateral Management Report delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture) and (2) a transportation differential for transportation of the relevant quantity of sugarcane to the applicable mill for further processing, which shall be equal to zero in respect of sugarcane produced in the State of São Paulo.

“FX” means the Foreign Exchange Rate.

“SP SLLC” or “SP Sugarcane Land Leasing Costs” means, as of any calculation date, with respect to any sugarcane pledged under the applicable Rural Pledge Agreement grown in the State of São Paulo, the amount in Reais calculated by multiplying (1) the area corresponding to the SP SV with respect to such sugarcane (as indicated by the then-most recent Collateral Management Report delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture) by (2) the average amount in Reais payable annually by the Company per hectare of land on which such sugarcane is grown in the State of São Paulo as of such calculation date pursuant to the applicable land lease agreements and partnership agreements (*contratos de parceria*) to which the Company is a party (as indicated in an Officer’s Certificate to be delivered by the Company to the Trustee and the Collateral Agents no later than fifteen (15) Business Days before each Collateral Coverage Ratio Measurement Date pursuant to the terms of the Indenture).

“SP SCMC” or “SP Sugarcane Crop Maintenance Costs” means, as of any calculation date, with respect to any sugarcane pledged under the applicable Rural Pledge Agreement grown in the State of São Paulo, the amount in Reais calculated by multiplying (1) the area corresponding to the SP SV with respect to such sugarcane (as indicated by the then-most recent Collateral Management Report delivered to the Trustee and the Collateral Agents pursuant to the terms of the Indenture) by (2) an amount in Reais per hectare corresponding to crop maintenance costs, which shall be equal to (x) R\$1,000 for each calculation date occurring during the Crop Year ending on March 31, 2015 and (y) for each calculation date occurring during the subsequent Crop Year, the amount of crop maintenance costs for the last calculation date occurring in the immediately preceding Crop Year adjusted by the IPCA for the twelve-month period ending on the relevant calculation date.

“SEC” means the United States Securities and Exchange Commission.

“Secured Parties” means, collectively, the U.S. Collateral Agent, the Brazil Collateral Agent, the Trustee, the holders of Notes Units and the relevant Underlying Notes, the Collateral Manager and any other Person (other than the issuer, the Company or any Affiliate of any thereof) that has a right to receive any payment from any of the issuer, the Company or any Subsidiary Guarantor under the Financing Documents.

“Securities Act” means the United States Securities Act of 1933, as amended.

“Security Documents” means, collectively, the following documents:

- (i) the Tranche 1 Paraíso Mill Mortgage Deed;
- (ii) the Tranche 1 Paraíso Mill Equipment Fiduciary Assignment Agreement;
- (iii) the Assignment and Security Agreements;
- (iv) the Collection Account Pledge Agreements;
- (v) the Rural Pledge Agreements;
- (vi) the Tranche 4 Paraíso Mill Equipment Fiduciary Assignment Agreement; and
- (vii) any additional document providing for granting of a Lien to either Collateral Agent for the benefit of the Secured Parties on any Property of the Company or any of its Subsidiaries entered into after the Issue Date pursuant to the terms of the Financing Documents, including, without limitation, in respect of the granting of a Lien on (A) any Additional Assets received by the Company or any of its Subsidiaries in consideration for any Asset Disposition in accordance with the provisions under “—Restrictive Covenants—Limitation on Sales of Assets,” (B) any Property or assets acquired with the Net Available Cash from an Asset Disposition in accordance with “—Restrictive Covenants—Limitation on Sales of Assets” and (C) any other Property of the Company or any of its Subsidiaries to the extent necessary to cause the Company to comply with the Collateral Coverage Ratio in respect of any Tranche.

“Senior Indebtedness” means all unsubordinated Indebtedness of the Company or of any Restricted Subsidiary, whether outstanding on the Closing Date or Incurred thereafter.

“Significant Subsidiary” means any Restricted Subsidiary of the Company which at the time of determination either (i) had assets which, based on the consolidated balance sheet of the Company for the fiscal quarter most recently ended for which internal financial statements are available, constituted at least 10% of the Company’s total assets on a consolidated basis as of such date or (ii) had revenues for the twelve-month period which, based on the consolidated income statements of the Company for the fiscal quarter most recently ended for which internal financial statements are available, constituted at least 10% of the Company’s total revenues on a consolidated basis for such period, in each case, (i) measure in accordance with Brazilian GAAP and (ii) on a pro forma basis to give effect to any acquisition or disposition of companies, divisions, lines of businesses or operations by the Company and its Restricted Subsidiaries subsequent to such date and on or prior to the date of determination.

“Stated Maturity” means, with respect to any Indebtedness, the date specified in such Indebtedness as the fixed date on which the final payment of principal of such Indebtedness is due and payable, including, with respect to any principal amount which is then due and payable pursuant to any mandatory redemption provision, the date specified for the payment thereof (but excluding any provision providing for the repurchase of any such Indebtedness upon the happening of any contingency unless such contingency has occurred).

“Subordinated Obligation” means any Indebtedness that is subordinate or junior in right of payment to the Notes Units and Notes Units Guarantees pursuant to a written agreement.

“Subsidiary” means, with respect to any Person (the “parent”) at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which more than 50% of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more Subsidiaries of such Person (or a combination thereof).

“Subsidiary Guarantee” means any Guarantee by a Subsidiary Guarantor of the issuer’s obligations with respect to the Notes Units and the Underlying Notes, executed pursuant to the provisions of the Indenture.

“Subsidiary Guarantor” means any Restricted Subsidiary that has provided a Subsidiary Guarantee.

“Successor Company” has the meaning given to it under “—Restrictive Covenants—Consolidation, Merger, Conveyance, Sale or Lease.”

“Temporary Cash Investments” means any of the following:

- (1) any investment in direct obligations of Brazil, the United States or any agency thereof or obligations Guaranteed by Brazil, the United States or any agency thereof;
- (2) investments in time deposit accounts, certificates of deposit and money market deposits maturing within twelve months from the date of acquisition issued by a bank or trust company that is organized under the laws of the United States, any state thereof, Brazil or any foreign country recognized by the United States having capital, surplus and undivided profits aggregating in excess of U.S.\$500.0 million (or the foreign currency equivalent thereof) and whose long-term debt is rated “A” (or such similar equivalent rating, including similar equivalent ratings in foreign countries) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act);
- (3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above entered into with a bank meeting the qualifications described in clause (2) above;
- (4) investments in commercial paper maturing not more than 90 days after the date of acquisition issued by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of the United States, Brazil or any other foreign country recognized by the United States with a rating at the time as of which any investment therein is made of “P-1” (or higher) according to Moody’s or “A-1” (or higher) according to S&P (or such similar equivalent rating, including similar equivalent ratings in foreign countries);

- (5) investments in securities with maturities of twelve months or less from the date of acquisition issued or fully Guaranteed by any state, commonwealth or territory of the United States, or by any political subdivision or taxing authority thereof, and rated at least “A” by S&P or “A” by Moody’s (or such similar equivalent rating);
- (6) investments in securities with maturities of twelve months or less from the date of acquisition issued or fully Guaranteed by Brazil;
- (7) certificates of deposit, bankers’ acceptances and time deposits issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any Brazilian or United States office of any Permitted Financial Institution; and
- (8) investments in money market funds substantially all the assets of which are comprised of investments of the types described in clauses (1) through (7) above.

“Sugarcane Market Value” means, as of any calculation date, with respect to sugarcane pledged under any Rural Pledge Agreement, an amount in U.S. Dollars resulting from the sum of (1) the São Paulo Sugarcane Market Value in respect of the sugarcane grown in the State of São Paulo and pledged under the such Rural Pledge Agreement as of such calculation date and (2) the Mato Grosso do Sul Sugarcane Market Value of the sugarcane grown in the State of Mato Grosso do Sul and pledged under such Rural Pledge Agreement as of such calculation date.

“Tranche 1 Assignment and Security Agreement” means the Assignment and Security Agreement entered into or to be entered into by and between the Company and the U.S. Collateral Agent, with respect to the Tranche 1 Assigned Receivables.

“Tranche 1 Assigned Receivables” means (1) as of the Issue Date, Receivables with respect to the sale of 74,000 tons of granulated refined sugar to be pledged under the Tranche 1 Assignment and Security Agreement and (2) any other Receivables under Assigned Offtake Contracts pledged pursuant to the Tranche 1 Assignment and Security Agreement from time to time, in each case, securing the Obligations under the Tranche 1 Notes.

“Tranche 1 Collateral” means all Property that, in accordance with the terms of (i) the Tranche 1 Paraíso Mill Mortgage Deed, (ii) the Tranche 1 Paraíso Mill Equipment Fiduciary Assignment Agreement, (iii) the Tranche 1 Assignment and Security Agreement, (iv) the Tranche 1 Collection Account Pledge Agreement and (v) any other Security Document securing the Obligations under the Tranche 1 Notes, is intended to be subject to any Lien in favor of the Secured Parties.

“Tranche 1 Collection Account” has the meaning set forth in the Tranche 1 Collection Account Pledge Agreement.

“Tranche 1 Collection Account Pledge Agreement” means the Collection Account Pledge Agreement entered into or to be entered into by and among the Company, the U.S. Collateral Agent, the Trustee and the Offshore Accounts Bank in respect of the Tranche 1 Collection Account.

“Tranche 1 Independent Appraisal Report” means each report of an Independent Appraiser regarding the Use Value of (1) the Paraíso Mill and (2) the Tranche 1 Paraíso Mill Encumbered Equipment.

“Tranche 1 Paraíso Mill Encumbered Equipment” means the equipment described in Appraisal Report # M-3543/9 included in the Tranche 1 Independent Appraisal Report, attached to this offering memorandum as Annex A, and any other equipment pledged from time to time under the Tranche 1 Paraíso Mill Equipment Fiduciary Assignment Agreement.

“Tranche 1 Paraíso Mill Equipment Fiduciary Assignment Agreement” means the equipment fiduciary assignment agreement (*instrumento particular de contrato de alienação fiduciária de bens móveis em garantia*) among the Company and the Brazil Collateral Agent with respect to the Tranche 1 Paraíso Mill Encumbered Equipment securing Obligations under Tranche 1.

“Tranche 1 Paraíso Mill Mortgage Deed” means the mortgage deed (*escritura pública de constituição de hipoteca*) entered into or to be entered into among the Company and the Brazil Collateral Agent with respect to the Paraíso Mill as security for Obligations under Tranche 1.

“Tranche 2 Assignment and Security Agreement” means the Assignment and Security Agreement entered into or to be entered into by and between the Company and the U.S. Collateral Agent, with respect to the Tranche 2 Assigned Receivables.

“Tranche 2 Assigned Receivables” means (1) as of the Issue Date, Receivables with respect to the sale of 77,500 tons of VHP sugar and 33,000 tons of granulated refined sugar to be pledged under the Tranche 2 Assignment and Security Agreement and (2) any other Receivables under Assigned Offtake Contracts pledged pursuant to the Tranche 2 Assignment and Security Agreement from time to time, in each case, securing the Obligations under the Tranche 2 Notes.

“Tranche 2 Collateral” means all Property that, in accordance with the terms of (i) the Tranche 2 Rural Pledge Agreement, (ii) the Tranche 2 Assignment and Security Agreement, (iii) the Tranche 2 Collection Account Pledge Agreement and (iv) any other Security Document securing the Obligations under the Tranche 2 Notes, is intended to be subject to any Lien in favor of the Secured Parties.

“Tranche 2 Collection Account” has the meaning set forth in the Tranche 2 Collection Account Pledge Agreement.

“Tranche 2 Collection Account Pledge Agreement” means the Collection Account Pledge Agreement entered into or to be entered into by and among the Company, the U.S. Collateral Agent, the Trustee and the Offshore Accounts Bank in respect of the Tranche 2 Collection Account.

“Tranche 2 Pledged Sugarcane” means, for the Crop Year ending on March 31, 2015, 1,614,420.59 tons of sugarcane in respect of the harvests relating to such Crop Year and the nine consecutive Crop Years occurring thereafter, and any additional amount of sugarcane pledged under the Tranche 2 Rural Pledge Agreement from time to time, in each case, securing Obligations under Tranche 2 Notes.

“Tranche 2 Rural Pledge Agreement” means the rural pledge agreement (*instrumento particular de penhor agrícola e mercantil e outras avenças*) entered into or to be entered into by and among the Company, the Brazil Collateral Agent and the Collateral Manager, with respect to the Tranche 2 Pledged Sugarcane.

“Tranche 3 Assignment and Security Agreement” means the Assignment and Security Agreement entered into or to be entered into by and between the Company and the U.S. Collateral Agent, with respect to the Tranche 3 Assigned Receivables.

“Tranche 3 Assigned Receivables” means (1) as of the Issue Date, Receivables with respect to the sale of 46,000 tons of VHP sugar to be pledged under the Tranche 3 Assignment and Security Agreement and (2) any other Receivables under Assigned Offtake Contracts pledged pursuant to the Tranche 3 Assignment and Security Agreement from time to time, in each case, securing the Obligations under the Tranche 3 Notes.

“Tranche 3 Collateral” means all Property that, in accordance with the terms of (i) the Tranche 3 Rural Pledge Agreement, (ii) the Tranche 3 Assignment and Security Agreement, (iii) the Tranche 3 Collection Account Pledge Agreement and (iv) any other Security Document securing the Obligations under the Tranche 3 Notes, is intended to be subject to any Lien in favor of the Secured Parties.”

“Tranche 3 Collection Account” has the meaning set forth in the Tranche 3 Collection Account Pledge Agreement.

“Tranche 3 Collection Account Pledge Agreement” means the Collection Account Pledge Agreement entered into or to be entered into by and among the Company, the U.S. Collateral Agent, the Trustee and the Offshore Accounts Bank in respect of the Tranche 3 Collection Account.

“Tranche 3 Pledged Sugarcane” means, for the Crop Year ending on March 31, 2015, 267,372.27 tons of sugarcane in respect of the harvests relating to such Crop Year and the nine consecutive Crop Years occurring

thereafter, and any additional amount of sugarcane pledged under the Tranche 3 Rural Pledge Agreement from time to time, in each case, securing Obligations under the Tranche 3 Notes.

“Tranche 3 Rural Pledge Agreement” means the rural pledge agreement (*instrumento particular de penhor agrícola e mercantil e outras avenças*) entered into or to be entered into among the Company, the Brazil Collateral Agent and the Collateral Manager with respect to the Tranche 3 Pledged Sugarcane.

“Tranche 4 Assignment and Security Agreement” means the Assignment and Security Agreement entered into or to be entered into by and between the Company and the U.S. Collateral Agent, in respect of Assigned Offtake Contracts securing the Obligations under Tranche 4.

“Tranche 4 Assigned Receivables” means any Receivables under Assigned Offtake Contracts pledged pursuant to the Tranche 4 Assignment and Security Agreement from time to time securing the Obligations under the Tranche 4 Notes.

“Tranche 4 Collateral” means all Property that, in accordance with the terms of the (i) Tranche 4 Paraíso Mill Equipment Fiduciary Assignment Agreement, (ii) the Tranche 4 Assignment and Security Agreement, (iii) the Tranche 4 Collection Account Pledge Agreement and (iv) any other Security Document securing the Obligations under the Tranche 4 Notes, is intended to be subject to any Lien in favor of the Secured Parties.

“Tranche 4 Collection Account” has the meaning set forth in the Tranche 4 Collection Account Pledge Agreement.

“Tranche 4 Collection Account Pledge Agreement” means the Collection Account Pledge Agreement entered into or to be entered into by and among the Company, the U.S. Collateral Agent, the Trustee and the Offshore Accounts Bank in respect of the Tranche 4 Collection Account.

“Tranche 4 Independent Appraisal Report” means each report of an Independent Appraiser regarding the Use Value of the Tranche 4 Paraíso Mill Encumbered Equipment.

“Tranche 4 Paraíso Mill Encumbered Equipment” means the equipment described in Appraisal Report # M-3543/10 included in the Tranche 4 Independent Appraisal, attached to this offering memorandum as Annex A, and any other equipment pledged from time to time under the Tranche 4 Paraíso Mill Equipment Fiduciary Assignment Agreement.

“Tranche 4 Paraíso Mill Equipment Fiduciary Assignment Agreement” means the equipment fiduciary assignment agreement (*instrumento particular de contrato de alienação fiduciária de bens móveis infungíveis em garantia*) among the Company and the Brazil Collateral Agent with respect to the Tranche 4 Paraíso Mill Encumbered Equipment securing Obligations under the Tranche 4 Notes.

“Tranche 4 Pledged Sugarcane” means, for the Crop Year ending on March 31, 2015, 267,372.27 tons of sugarcane in respect of the harvests relating to such Crop Year and the nine consecutive Crop Years occurring thereafter, and any additional amount of sugarcane pledged under the Tranche 4 Rural Pledge Agreement from time to time, in each case, securing Obligations under Tranche 4 Notes.

“Tranche 4 Rural Pledge Agreement” means the rural pledge agreement (*instrumento particular de penhor agrícola e mercantil e outras avenças*) entered into or to be entered into by and among the Company, the Brazil Collateral Agent and the Collateral Manager, with respect to the Tranche 4 Pledged Sugarcane.

“Trustee” has the meaning given to it in the first paragraph of this “Description of the Notes Units”.

“TRS Content” means, Total Recoverable Sugar (*Açúcar Total Recuperável - ATR*), which is, with respect to any amount of sugarcane, the amount of total recoverable sugar measured in kilograms available from such amount of sugarcane as set forth in each Collateral Management Report delivered from time to time to the Trustee and the Collateral Agents pursuant to the terms of the Indenture.

“TRS Price” means the monthly fixed amount in Reais per kilogram in respect of the TRS Content reported by CONSECANA on the website www.udop.com.br, http://www.udop.com.br/index.php?item=consecana_sp&op=2013&pasta=safra_13_14 or any successor website.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York.

“United States” means United States of America.

“Unrestricted Subsidiary” means:

(1) any Subsidiary of the Company (other than the issuer) that at the time of determination shall be designated an Unrestricted Subsidiary by the management of the Company in the manner provided below; and

(2) any Subsidiary of an Unrestricted Subsidiary.

The management of the Company may designate any Restricted Subsidiary of the Company (including any newly acquired or newly formed Subsidiary of the Company) to be an Unrestricted Subsidiary pursuant to clause (1) above unless such Subsidiary or any of its Subsidiaries owns any Capital Stock or Indebtedness of, or owns or holds any Lien on any Property of, the Company or any Restricted Subsidiary of the Company that is not a Subsidiary of the Subsidiary to be so designated; *provided, however*, that either:

- (a) the Subsidiary to be so designated has total consolidated assets of U.S.\$1,000 or less; or
- (b) if such Subsidiary has consolidated assets greater than U.S.\$1,000, then such Investment and designation would be permitted under “—Restrictive Covenants—Limitation on Restricted Payments.”

The management of the Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided, however*, that immediately after giving effect to such designation:

- (i) such designation shall be deemed an Incurrence of Indebtedness by a Restricted Subsidiary and such designation shall only be permitted if such Indebtedness is permitted under “—Restrictive Covenants—Limitation on Indebtedness”; and
- (ii) no Event of Default shall have occurred and be continuing.

Any such designation of a Subsidiary as a Restricted Subsidiary, and any such designation of a Subsidiary as an Unrestricted Subsidiary pursuant to clause (1) above, by the management of the Company shall be evidenced to the Trustee by promptly filing with the Trustee an Officer’s Certificate certifying that such designation complied with the foregoing provisions.

“U.S. Dollars” and “\$” mean lawful money for the time being of the United States.

“U.S. Government Obligations” means direct obligations (or certificates representing an ownership interest in such obligations) of the United States (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States is pledged and that are not callable or redeemable at the issuer’s option.

“Use Value” means, with respect to any Property, the price of such Property taking into consideration the remaining useful life, market value and replacement costs in the present conditions of such Property, as further described in the Independent Appraisal Reports.

“Value” means, with respect to a Sale and Lease-Back Transaction, as of any particular time, the amount equal to the greater of: (1) the net proceeds of the sale or transfer of the Property leased pursuant to such Sale and Lease-Back Transaction or (2) the Fair Market Value of such Property at the time of entering into such Sale and Lease-Back Transaction, in either case divided first by the number of full years of the term of the lease and then multiplied by the number of full years of such term remaining at the time of determination, without regard to any renewal or extension options contained in the lease.

“VHP Sugar Market Value” means, for any quantity of VHP sugar, an amount in U.S. Dollars equal to (i) the bid price of the next delivery date available on the ICE Futures US No. 11 Sugar Futures Contract or Bloomberg (code: SBA Comdty) in U.S. Dollars and expressed in U.S. Dollars per Pound Weight (USD c/lb) calculated as of the close of business on the Business Day immediately preceding such calculation date, *multiplied* by (ii) 22.0462 (to convert from pounds to tons), *multiplied* by (iii) a polarization premium equal to 4.05% and reduced by elevation costs of (x) for each calculation date occurring in 2014, U.S.\$12.50 per ton of VHP sugar and (y) for each calculation date occurring during each subsequent calendar year, an amount in U.S. Dollars per ton of VHP sugar to be provided by the Company to the Trustee and the Collateral Agents no later than fifteen (15) Business Days before the first Collateral Coverage Ratio Measurement Date occurring in such calendar year and certified by the Company as representing the prevalent elevation costs amount set forth in Offtake Contracts to which the Company is a party on the date such information is delivered to the Trustee and the Collateral Agents, which contracts shall provide for the sale of an aggregate amount of at least 30,000 tons of VHP sugar.

“Voting Stock” of a Person means all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding that are entitled (without regard to the occurrence of any contingency) to vote in the election of the directors of such Person, but excluding such classes of Capital Stock or other interests that are entitled, as a group in a separate cast, to appoint one director of such Person as representative of the minority shareholders.

“Wholly-Owned Subsidiary” means any Subsidiary of a Person of which at least 95% of the outstanding Capital Stock or other ownership interests (other than directors’ qualifying shares) of such entity shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

FORM OF THE NOTES UNITS

Notes Units sold in offshore transactions in reliance on Regulation S will be represented by one or more global Notes Unit in definitive, fully registered form without interest coupons (the “Regulation S Global Notes Unit”) and will be deposited with the Trustee as custodian for DTC, and registered in the name of DTC or its nominee for the accounts of DTC participants including Euroclear and Clearstream (as indirect participants to DTC). Notes Units sold in reliance on Rule 144A initially will be represented by one or more global Notes Units in definitive, fully registered form without interest coupons (the “Restricted Global Notes Unit” and, together with the Regulation S Global Notes Unit, the “Global Notes Units”) and will be deposited with the Trustee as custodian for DTC and registered in the name of DTC or its nominee. The Notes Units will also be registered in the register of holder of the Notes Units held at the registered office of the issuer (the “Notes Unit Register”). The trustee, in its capacity as registrar, will deliver a copy of the registrar to the issuer on the issue date, and it will also deliver a further copy upon making any further change to the registrar, with such copy to be held by the issuer at its registered office. In case of discrepancies between the Notes Unit Register and any other register, the Notes Unit Register shall prevail for evidence of ownership.

The Notes Units will be subject to certain restrictions on transfer as described in “Transfer Restrictions.” On or prior to the 40th day after the later of the commencement of the offering and the closing date of this offering, a beneficial interest in the Regulation S Global Notes Unit may be transferred to a person who takes delivery in the form of an interest in the Restricted Global Notes Unit only upon receipt by the registrar of a written certification from the transferor (in the form provided in the indenture) to the effect that such transfer is being made to a person whom the transferor reasonably believes to be a “qualified institutional buyer,” within the meaning of Rule 144A, in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction (a “Restricted Global Notes Unit Certificate”). After such 40th day, this certification requirement will no longer apply to such transfers. Beneficial interests in the Restricted Global Notes Unit may be transferred to a person who takes delivery in the form of an interest in the Regulation S Global Notes Unit, whether before, on or after such 40th day, only upon receipt by the registrar of a written certification from the transferor (in the form provided in the indenture) to the effect that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S or Rule 144 under the Securities Act (a “Regulation S Global Notes Unit Certificate”). Any beneficial interest in one of the Global Notes Units that is transferred to a person who takes delivery in the form of an interest in the other Global Notes Unit will, upon transfer, cease to be an interest in such Global Notes Unit and become an interest in the other Global Notes Unit and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Notes Unit for as long as it remains an interest.

Except in the limited circumstances described under “—Global Notes Units,” owners of the beneficial interests in Global Notes Units will not be entitled to receive physical delivery of individual definitive Notes Units. The Notes Units are not issuable in bearer form.

Global Notes Units

Upon the issuance of the Regulation S Global Notes Unit and the Restricted Global Notes Unit, DTC will credit, on its internal system, the respective principal amount of the individual beneficial interests represented by such Global Notes Units to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the initial purchasers. Ownership of beneficial interests in a Global Notes Unit will be limited to persons who have accounts with DTC (“DTC Participants”) or persons who hold interests through DTC Participants. Ownership of beneficial interests in the Global Notes Units will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of DTC Participants) and the records of DTC Participants (with respect to interests of persons other than DTC Participants).

So long as DTC, or its nominee, is the registered owner or holder of a Global Notes Unit, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes Units represented by such Global Notes Unit for all purposes under the indenture and the Notes Units. Unless DTC notifies the issuer that it is unwilling or unable to continue as depository for a Global Notes Unit, or ceases to be a “clearing agency” registered under the Exchange Act, or any of the Notes Units becomes immediately due and payable in accordance with “Description of the Notes Units—Events of Default,” owners of beneficial interests in a Global Notes Unit will not

be entitled to have any portions of such Global Notes Unit registered in their names, will not receive or be entitled to receive physical delivery of Notes Units in individual definitive form and will not be considered the owners or holders of the Global Notes Unit (or any Notes Units or Underlying Notes represented thereby) under the indenture or the Notes Units. In addition, no beneficial owner of an interest in a Global Notes Unit will be able to transfer that interest except in accordance with DTC's applicable procedures (in addition to the procedures under the indenture referred to herein and, if applicable, those of Euroclear and Clearstream).

Investors may hold interests in the Regulation S Global Notes Unit directly through DTC Participants including Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations that are participants in such systems. Euroclear and Clearstream will hold interests in the Regulation S Global Notes Unit on behalf of their account holders through customers' securities accounts in their respective names on the books of their respective depositaries, which, in turn, will hold such interests in the Regulation S Global Notes Unit in customers' securities accounts in the depositaries' names on the books of DTC. Investors may hold their interests in the Restricted Global Notes Unit directly through DTC, if they are DTC Participants, or indirectly through organizations which are DTC Participants.

Payments of the principal of and interest on Global Notes Units will be made to the paying agent who will forward such payments to the trustee who will forward such payments to DTC or its nominee as the registered owner thereof. Neither the issuer, the initial purchasers nor any paying agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Global Notes Units or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The issuer anticipates that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a Global Notes Unit will credit DTC Participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Notes Unit as shown on the records of DTC or its nominee. The issuer also expects that payments by DTC Participants to owners of beneficial interests in such Global Notes Unit held through such DTC Participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC Participants.

Transfers between DTC Participants will be effected in accordance with DTC's procedures, and will be settled in same-day funds. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in a Global Notes Unit to such persons may be limited. Because DTC can only act on behalf of DTC Participants, who in turn act on behalf of indirect participants and certain banks, the ability of a person having a beneficial interest in a Global Notes Unit to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interest, may be affected by the lack of a physical individual definitive certificate in respect of such interest. Transfers between accountholders in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions available to the Notes Units described above, cross-market transfers between DTC participants, on the one hand, and directly or indirectly through Euroclear or Clearstream account holders, on the other hand, will be effected in DTC in accordance with DTC rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary; however, such crossmarket transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with its rules and procedures and within its established deadlines. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the Regulation S Global Notes Unit in DTC, and making or receiving payment in accordance with normal procedures for same day funds settlement applicable to DTC. Euroclear and Clearstream account holders may not deliver instructions directly to the depositaries for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream account holder purchasing an interest in a Global Notes Unit from a DTC Participant will be credited during the securities settlement processing day (which must be a business day for Euroclear or Clearstream, as the case may be) immediately following the DTC settlement date and such credit of any transactions in interests in a Global Notes Unit settled during such processing day will be reported to the relevant Euroclear or Clearstream accountholder on

such day. Cash received in Euroclear or Clearstream as a result of sales of interests in a Global Notes Unit by or through a Euroclear or Clearstream account holder to a DTC Participant will be received for value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account only as of the business day following settlement in DTC.

DTC has advised that it will take any action permitted to be taken by holder of Notes Units (including the presentation of Notes Units or Underlying Notes for exchange as described below) only at the direction of one or more DTC Participants to whose account or accounts with DTC interests in the Global Notes Units are credited and only in respect of such portion of the aggregate principal amount of the Notes Units as to which such DTC Participant or DTC Participants has or have given such direction. However, in the limited circumstances described above, DTC will exchange the Global Notes Units for individual definitive Notes Units (in the case of Notes Units represented by the Restricted Global Notes Unit, bearing a restrictive legend), which will be distributed to its participants. Holders of indirect interests in the Global Notes Units through DTC Participants have no direct rights to enforce such interests while the Notes Units are in global form.

The giving of notices and other communications by DTC to DTC Participants, by DTC Participants to persons who hold accounts with them and by such persons to holders of beneficial interests in a Global Notes Unit will be governed by arrangements between them, subject to any statutory or regulatory requirements as may exist from time to time.

DTC has advised as follows: DTC is a limited purpose trust company organized under the laws of the state of New York, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the Uniform Commercial Code and a “Clearing Agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for DTC Participants and to facilitate the clearance and settlement of securities transactions between DTC Participants through electronic book-entry changes in accounts of DTC Participants, thereby eliminating the need for physical movement of certificates. DTC Participants include security brokers and dealers, banks, trust companies and clearing corporations and may include certain other organizations. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly (“indirect participants”).

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures in order to facilitate transfers of interests in the Regulation S Global Notes Unit and in the Restricted Global Notes Unit among participants and accountholders of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the issuer, the trustee nor any paying agent will have any responsibility for the performance of DTC, Euroclear or Clearstream or their respective participants, indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

Individual Definitive Notes Units

If (1) DTC or any successor to DTC is at any time unwilling or unable to continue as a depository for the reasons described in “—Global Notes Units” and a successor depository is not appointed by the issuer within 90 days or (2) any of the Notes Units has become immediately due and payable in accordance with “Description of the Notes Units—Events of Default,” the issuer will issue individual definitive Notes Units in registered form in exchange for the Regulation S Global Note and the Restricted Global Note, as the case may be. Upon receipt of such notice from DTC or any paying agent, as the case may be, the issuer will use its best efforts to make arrangements with DTC for the exchange of interests in the Global Notes Units for individual definitive Notes Units and cause the requested individual definitive Notes Units to be executed and delivered to the registrar in sufficient quantities and authenticated by the registrar for delivery to holders. Persons exchanging interests in a Global Notes Units for individual definitive Notes Units will be required to provide the registrar with (i) written instruction and other information required by the issuer and the registrar to complete, execute and deliver such individual definitive Notes Units and (ii) in the case of an exchange of an interest in a Restricted Global Notes Unit, certification that such interest is not being transferred or is being transferred only in compliance with Rule 144A. In all cases, individual definitive Notes Units delivered in exchange for any Global Notes Unit or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by DTC.

In the case of individual definitive Notes Units issued in exchange for the Restricted Global Notes Unit, such individual definitive Notes Units will bear, and be subject to, the legend described in “Transfer Restrictions” (unless the issuer determines otherwise in accordance with applicable law). The holder of a restricted individual definitive Notes Unit may transfer such Notes Unit, subject to compliance with the provisions of such legend, as provided in “Description of the Notes Units.” Upon the transfer, exchange or replacement of Notes Units bearing the legend, or upon specific request for removal of the legend on a Notes Unit, the issuer will deliver only Notes Units that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the issuer such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act. Before any individual definitive Notes Unit may be transferred to a person who takes delivery in the form of an interest in any Global Notes Unit, the transferor will be required to provide the registrar with a Restricted Global Notes Unit Certificate or a Regulation S Global Notes Unit Certificate, as the case may be.

Individual definitive Notes Units will not be eligible for clearing and settlement through Euroclear, Clearstream or DTC.

PLAN OF DISTRIBUTION

Under the terms and subject to the conditions contained in a purchase agreement dated May 9, 2014 the issuer has agreed to sell to the initial purchasers and the initial purchasers have generally agreed, severally and jointly, to buy from the issuer the principal amount of the Notes Units set forth opposite their names in the table below:

Initial Purchasers	Principal Amount of Notes Units
Morgan Stanley & Co. LLC	U.S.\$230,000,000
HSBC Securities (USA) Inc.	U.S.\$ —
Total	U.S.\$230,000,000

The purchase agreement provides that the obligations of the initial purchasers to purchase the Notes Units are subject to approval of legal matters by counsel and to other conditions. The initial purchasers are obligated to purchase all of the Notes Units if any are purchased. The purchase agreement also provides that if any of the initial purchasers default, the purchase commitments of non-defaulting initial purchasers may be increased or the offering may be terminated.

The initial purchasers propose to offer the Notes Units initially at the offering price on the cover page of this offering memorandum, and may also offer the Notes Units to selling group members at the offering price less a concession. After the initial offering, the offering price may be changed.

The initial purchasers and/or their affiliates may enter into derivative and/or structured transactions with clients, at their request, in connection with the Notes Units, and the initial purchasers and/or their affiliates may also purchase some of the Notes Units to hedge their risk exposure in connection with such transactions. Also, the initial purchasers and/or their affiliates may acquire the Notes Units for their own propriety accounts. Such acquisitions may have an effect on demand for and the price of the Notes Units.

We expect that delivery of the Notes Units will be made against payment therefor on or about , 2014, as specified on the cover page of this offering memorandum, which will be the third business day following the date of pricing of the Notes Units (this settlement cycle being referred to as “T+3”).

The Notes Units and the Notes Units Guarantees have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except to qualified institutional buyers in reliance on Rule 144A. Except as permitted by the purchase agreement, the Notes Units will not be offered, sold or delivered (1) as part of the distribution at any time or (2) otherwise until 40 days after the later of the commencement of this offering and the closing date, within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S. Resales of the Notes Units are restricted as described under “Transfer Restrictions.”

In addition, until 40 days after the commencement of this offering, an offer or sale of the Notes Units within the United States by a broker/dealer (whether or not it is participating in the offering), may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to Rule 144A.

Selling Restrictions

Neither we nor the initial purchasers are making an offer to sell, or seeking offers to buy, the Notes Units in any jurisdiction where the offer and sale is not permitted. You must comply with all applicable laws and regulations in force in any jurisdiction in which you purchase, offer or sell the Notes Units or possess or distribute this offering memorandum, and you must obtain any consent, approval or permission required for your purchase, offer or sale of the Notes Units under the laws and regulations in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales. Neither we nor the initial purchasers will have any responsibility therefor.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each initial purchaser has requested and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, or the Relevant Implementation Date, it has not made and will not make an offer of Notes Units which are the subject of the offering contemplated in this offering memorandum to the public in that Relevant Member State other than:

- (1) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (2) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive; or
- (3) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Notes Units shall require the issuer or any initial purchaser to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Notes Units in association with, the offers to the public contemplated in this offering memorandum, will be deemed to have represented, warranted and agreed to and with each initial purchaser and the issuer that:

- (1) it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and
- (2) in the case of any Notes Units acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (1) the Notes Units acquired by it in the offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive; or (2) where Notes Units have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Notes Units to it is not treated under the Prospectus Directive as having been made to such persons.

For the purpose of the above provisions, the expression “an offer to the public” in relation to any Notes Units in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes Units to be offered so as to enable an investor to decide to purchase or subscribe the Notes Units, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member States), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

United Kingdom

Each of the initial purchasers:

- has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, or the FSMA) to persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or in circumstances in which section 21 of FSMA does not apply to the company; and
- has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes Units in, from or otherwise involving the United Kingdom.

Republic of Ireland

The Notes Units are not being offered, directly or indirectly, to the general public in Ireland and no offers or sales of any securities under or in connection with this offering memorandum may be effected except in conformity with the provisions of Irish law including the Irish Companies Acts 1963 to 2009, the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland, the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) of Ireland and the Market Abuse (Directive 2003/6/EC) Regulations 2005 of Ireland.

Italy

This offering of the Notes Units has not been cleared by the Italian Securities Exchange Commission (*Commissione Nazionale per le Società e la Borsa*), or the CONSOB, pursuant to Italian securities legislation and, accordingly, the Notes Units may not and will not be offered, sold or delivered, nor may or will copies of this offering memorandum or any other documents relating to the Notes Units or the offer be distributed in Italy except:

- a. to qualified investors (*investitori qualificati*), pursuant to Article 100 of Legislative Decree No. 58 of February 24, 1998 (the “Consolidated Financial Services Act”) and Article 34-ter, paragraph 1, letter b), of CONSOB Regulation No. 11971 of May 14, 1999 (the “CONSOB Regulation”), all as amended; or
- b. in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under Article 100 of the Consolidated Financial Services Act and Article 34-ter of the CONSOB Regulation.

Subject to the foregoing, any offer, sale or delivery of the Notes Units or distribution of copies of this offering memorandum or any other document relating to the Notes Units or the offer in Italy under (a) and (b) above must be:

- i. made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Consolidated Financial Services Act, Legislative Decree No. 385 of September 1, 1993 (the “Banking Act”), and CONSOB Regulation No. 16190 of October 29, 2007, all as amended from time to time;
- ii. in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and
- iii. in compliance with any securities, tax, exchange control and any other applicable laws and regulations including any limitation or requirement which may be imposed from time to time, *inter alia*, by the CONSOB or the Bank of Italy.

Any investor purchasing the Notes Units in the offering is solely responsible for ensuring that any offer or resale of Notes Units it purchased in the offer occurs in compliance with applicable laws and regulations.

This offering memorandum, any other document relating to the Notes Units, and the information contained herein are intended only for the use of its recipient and are not to be distributed to any third-party resident or located in Italy for any reason. No person resident or located in Italy other than the original recipients of this document may rely on it or its content.

Luxembourg

No offer of Notes Units which are the subject of the offering contemplated by this offering memorandum to the public in Luxembourg was made or will be made, except that an offer may be made of such Notes Units in Luxembourg:

- a. in the cases described under the EEA selling restrictions in which an initial purchaser can make an offer of Notes Units to the public in an EEA Member state (including Luxembourg);

- b. to national and regional governments, central banks, international and supranational institutions (such as the International Monetary Fund, the European Central Bank, the European Investment Bank) and other similar international organizations;
- c. to legal entities which are authorized or regulated to operate in the financial markets including credit institutions, investment companies, other authorized or regulated financial institutions, insurance companies, undertakings for collective investment and their management companies, pension and investment funds and their management companies and commodity dealers;
- d. to certain natural persons or small and medium-sized companies (as defined in Directive 2003/71/EC) recorded in the register of natural persons or small and medium sized companies considered as qualified investors and held by the Surveillance Commission of the Financial Sector (*Commission de Surveillance du Secteur Financier*, or CSSF) as competent authority in Luxembourg in accordance with Directive 2003/71/EC; and/or
- e. in any other circumstances for which the Luxembourg Act of 10th July, 2005 on prospectuses for securities does not require a public offering prospectus to be established.

Spain

Neither the Notes Units nor this offering memorandum have been approved or registered in the administrative registries of the Spanish National Securities Exchange Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Notes Units may not be offered in Spain except in circumstances which do not constitute a public offer of securities in Spain within the meaning of articles 30bis of the Spanish Securities Market Law of 28 July 1988 (*Ley 24/1988, de 28 de Julio, del Mercado de Valores*), as amended and restated, and supplemental rules enacted thereunder.

France

No offering memorandum (including any amendment, supplement or replacement thereto) has been prepared in connection with this offering of the Notes Units that has been approved by the *Autorité des Marchés Financiers* or by the competent authority of another state that is a contracting party to the Agreement on the EEA and notified to the *Autorité des Marchés Financiers*; no Notes Units have been offered or sold and will be offered or sold, directly or indirectly, to the public in France except to permitted investors (“Permitted Investors”) consisting of persons licensed to provide the investment service of portfolio management for the account of third-parties, qualified investors (*investisseurs qualifiés*) acting for their own account and/or corporate investors meeting one of the four criteria provided in article D. 341-1 of the French Code *Monétaire et Financier* and belonging to a limited circle of investors (*cercle restreint d’investisseurs*) acting for their own account, with “qualified investors” and “limited circle of investors” having the meaning ascribed to them in Article L. 411-2, D. 411-1, D. 411-2, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French Code *Monétaire et Financier*; none of this offering memorandum or any other materials related to the offer or information contained therein relating to the Notes Units has been released, issued or distributed to the public in France except to Permitted Investors; and the direct or indirect resale to the public in France of any Notes Units acquired by any Permitted Investors may be made only as provided by articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French Code *Monétaire et Financier* and applicable regulations thereunder.

Germany

This document has not been prepared in accordance with the requirements for a securities or sales prospectus under the German Securities Prospectus Acts (*Wertpapierprospektgesetz*), the German Sales Prospectus Act (*Verkaufsprospektgesetz*), or the German Investment Act (*Investmentgesetz*). Neither the German Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht—BaFin*) nor any other German authority has been notified of the intention to distribute the Notes Units in Germany. Consequently, the Notes Units may not be distributed in Germany by way of public offering, public advertisement or in any similar manner and this document and any other document relating to the offering, as well as information or statements contained therein, may not be supplied to the public in Germany or used in connection with any offer for subscription of the Notes Units to the public in Germany or any other means of public marketing. The Notes Units

are being offered and sold in Germany only to qualified investors which are referred to in Section 3, paragraph 2 no. 1, in connection with Section 2, no. 6, of the German Securities Prospectus Act, Section 8f paragraph 2 no. 4 of the German Sales Prospectus Act, and in Section 2 paragraph 11 sentence 2 no. 1 of the German Investment Act. This document is strictly for use of the person who has received it. It may not be forwarded to other persons or published in Germany.

The Netherlands

None of the Notes Units was offered nor sold and will not be offered nor sold to persons, in or from the Netherlands, as part of the initial distribution or as part of any reoffering, and neither this offering memorandum nor any other document in respect of the offering may be distributed in or from the Netherlands, other than to individuals or legal entities who or which trade or invest in securities in the conduct of their profession or trade (which includes banks, investment banks, securities firms, insurance companies, pension funds, other institutional investors and treasury departments and finance companies of large enterprises), in which case, it must be made clear upon making the offer and from any documents or advertisements in which a forthcoming offering of Notes Units is publicly announced that the offer is exclusively made to such individuals or legal entities, or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in or from the Netherlands within the meaning of the Dutch Financial Supervision Act (*Wet op het Financieel Toezicht*) and the rules promulgated thereunder.

Switzerland

This offering memorandum does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations (“CO”) and the Notes Units will not be listed on the SIX Swiss Exchange. Therefore, this offering memorandum may not comply with the disclosure standards of the CO and/or the listing rules (including any prospectus schemes) of the SIX Swiss Exchange. Accordingly, the Notes Units may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors, which do not subscribe to the Notes Units with a view to distribution.

Brazil

The Notes Units (and related Notes Units Guarantees) have not been, and will not be, registered with the CVM. The Notes Units may not be offered or sold in Brazil, except in circumstances that do not constitute a public offering or distribution under Brazilian laws and regulations. The Notes Units (and related Notes Units Guarantees) are not being offered in Brazil. Documents relating to the offering of the Notes Units, as well as information contained therein, may not be supplied to the public in Brazil, nor be used in connection with any offer for subscription or sale of the Notes Units to the public in Brazil.

Chile

The offer of the Notes Units will begin on May 14, 2014 and is subject to General Rule No. 336 of the Chilean Securities Commission (*Superintendencia de Valores y Seguros de Chile, SVS*). The Notes Units being offered are not registered in the Securities Registry (*Registro de Valores*) or the Foreign Securities Registry (*Registro de Valores Extranjeros*) of the SVS and therefore, the Notes Units are not subject to the supervision of the SVS. As unregistered securities, we are not required to disclose public information about the Notes Units in Chile. The Notes Units may not be publicly offered in Chile unless they are registered in the corresponding securities registry.

La oferta de los valores comienza el 14 de mayo, 2014 y está acogida a la NCG 336 de fecha 27 de junio de 2012 de la Superintendencia de Valores y Seguros de Chile (la SVS). La oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la SVS, por lo que los valores no están sujetos a la fiscalización de dicho organismo. Por tratarse de valores no inscritos, no existe obligación por parte del emisor de entregar en Chile información pública al respecto de los valores. Estos valores no pueden ser objeto de oferta pública menos que sean inscritos en el registro de valores correspondiente.

Japan

The Notes Units will not be offered or sold directly or indirectly in Japan or to, or for the benefit of any Japanese person or to others, for re-offering or re-sale directly or indirectly in Japan or to any Japanese person, except in each case pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law of Japan and any other applicable laws and regulations of Japan. For purposes of this paragraph, “Japanese person” means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Hong Kong

This offering memorandum has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. No person may offer or sell in Hong Kong, by means of any document, any Notes Units other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No person may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes Units which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes Units which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes Units may not be circulated or distributed, nor may the Notes Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (Chapter 289) (the “SFA”), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Where the Notes Units are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, then shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes Units under Section 275 except: (i) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (ii) where no consideration is given for the transfer; or (iii) by operation of law.

General

In connection with the issue of the Notes Units, the initial purchasers (the “Stabilizing Managers”) (or persons acting on behalf of the Stabilizing Manager) may over-allot Notes Units or effect transactions with a view to supporting the market price of the Notes Units at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager (or persons acting on behalf of a Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Notes Units is made and, if begun, may be ended at any time but must end no later than the earlier of 30 days after the issue date of the Notes Units and 60 days after the date of the allotment of the Notes Units. Any stabilization action or over-allotment must be conducted by the relevant Stabilizing Manager (or persons acting on behalf of any Stabilizing Managers) in accordance with all applicable laws and rules.

None of the Notes Units has been offered, sold or delivered and will not be offered, sold or delivered any Notes Units directly or indirectly, and neither this offering memorandum nor any other offering material relating to the Notes Units in or from any jurisdiction will be distributed, except under circumstances that will result in compliance with the applicable laws and regulations thereof and that will not impose any obligations on us except as set forth in the purchase agreement.

Purchasers of Notes Units sold outside the United States may be required to pay stamp taxes and other charges in compliance with the laws and practices of the country of purchase in addition to the price to investors on the cover page of this offering memorandum.

The initial purchasers and their affiliates have provided, and may provide in the future, investment banking, commercial banking, financial advisory and lending services for the issuer, the guarantors and their affiliates from time to time, for which they have received, or will receive, customary compensation.

We have agreed to indemnify the initial purchasers against certain liabilities or to contribute to payments which it may be required to make in that respect.

The Notes Units are a new issue of securities for which there is currently no market. The initial purchasers may make a market in the Notes Units as permitted by applicable law. They are not obligated, however, to make a market in the Notes Units and any market-making may be discontinued at any time at their sole discretion. Accordingly, no assurance can be given as to the development or liquidity of any market for the Notes Units.

The initial purchasers may engage in over-allotment, stabilizing transactions, covering transactions and penalty bids in accordance with Regulation M under the Exchange Act.

- Over-allotment involves sales in excess of the offering size, which creates a short position for the initial purchasers.
- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- Covering transactions involve purchases of the Notes Units in the open market after the distribution has been completed in order to cover short positions.
- Penalty bids permit the initial purchasers to reclaim a selling concession from a broker/dealer when the Notes Units originally sold by such broker/dealer are purchased in a stabilizing or covering transaction to cover short positions.

These stabilizing transactions, covering transactions and penalty bids may cause the price of the Notes Units to be higher than they would otherwise be in the absence of these transactions. These transactions, if commenced, may be discontinued at any time.

TRANSFER RESTRICTIONS

The Notes Units (including the Notes Units Guarantees) have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes Units are being offered hereby only (1) to QIBs in compliance with Rule 144A and (2) in offers and sales that occur outside the United States to persons other than U.S. persons (“non-U.S. purchasers”), which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for foreign beneficial owners (other than an estate or trust), in offshore transactions meeting the requirements of Rule 903 or Rule 904 of Regulation S under the Securities Act. As used herein, the terms “offshore transactions,” “United States” and “U.S. person” have the respective meanings given to them in Regulation S.

Each purchaser of the Notes Units will be deemed to have represented and agreed with the issuer, the guarantor and the initial purchasers as follows:

(1) It is purchasing the Notes Units for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is (a) a QIB, and is aware that the sale to it is being made in reliance on Rule 144A or (b) a non-U.S. purchaser that is outside the United States (or a non-U.S. purchaser that is a dealer or other fiduciary as referred to above);

(2) It acknowledges that the Notes Units are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Notes Units (including the Notes Units Guarantees) have not been and will not be registered under the Securities Act and that the Notes Units may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(3) It shall not resell or otherwise transfer any such Notes Units prior to (a) the date which is one year (or such other period of time as permitted by Rule 144(d) under the Securities Act or any successor provision thereunder) after the later of the date of original issuance of the Notes Units and (b) such later date, if any, as may be required by applicable laws except:

- to the issuer or the guarantor;
- pursuant to a registration statement that has been declared effective under the Securities Act;
- to a QIB in compliance with Rule 144A;
- outside the United States to non-U.S. purchasers in offshore transactions meeting the requirements of Rule 903 or Rule 904 of Regulation S under the Securities Act; or
- pursuant to another exemption from the registration requirements of the Securities Act (if available);

(4) It agrees that it will give notice of any restrictions on transfer of such Notes Units to each person to whom it transfers the Notes Units;

(5) It understands that the certificates evidencing the Notes Units (other than the Regulation S Global Notes Unit) will bear a legend substantially to the following effect unless otherwise agreed by us and the trustee:

THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE OR OTHER SECURITIES LAWS, AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE:

BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT, AND ANY ACCOUNT FOR

WHICH IT IS ACTING, (A) IS A “QUALIFIED INSTITUTIONAL BUYER” (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) OR (B) IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN “OFFSHORE TRANSACTION” PURSUANT TO RULE 903 OR 904 OF REGULATION S AND, WITH RESPECT TO (A) AND (B), EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO SUCH ACCOUNT, (2) AGREES FOR THE BENEFIT OF THE ISSUER AND THE GUARANTOR THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY OR ANY BENEFICIAL INTEREST HEREIN PRIOR TO THE RESALE RESTRICTION TERMINATION DATE (AS DEFINED IN THE NEXT PARAGRAPH), EXCEPT (A) (I) TO THE ISSUER OR ANY OF THE GUARANTOR OR ANY SUBSIDIARY THEREOF, (II) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT, (III) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, (IV) IN AN OFFSHORE TRANSACTION COMPLYING WITH THE REQUIREMENTS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR (V) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERMS “OFFSHORE TRANSACTION,” “UNITED STATES” AND “U.S. PERSON” HAVE THE RESPECTIVE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

THE RESALE RESTRICTION TERMINATION DATE WILL BE THE DATE:

(1) THAT IS AT LEAST ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE HEREOF; AND
(2) ON WHICH THE ISSUER INSTRUCTS THE TRUSTEE THAT THIS LEGEND (OTHER THAN THE FIRST PARAGRAPH HEREOF) SHALL BE DEEMED REMOVED FROM THIS SECURITY, IN ACCORDANCE WITH THE PROCEDURES DESCRIBED IN THE INDENTURE RELATING TO THIS SECURITY.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH PARAGRAPH 2(A)(V) ABOVE, THE ISSUER AND THE TRUSTEE RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS, OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.*

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT EITHER (I) IT IS NOT (AND FOR SO LONG AS IT HOLDS THIS SECURITY OR INTEREST HEREIN WILL NOT BE), AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS SECURITY OR INTEREST HEREIN WILL NOT BE ACTING ON BEHALF OF), (A) AN “EMPLOYEE BENEFIT PLAN” AS DEFINED IN AND SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), (B) A “PLAN” AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1984, AS AMENDED (THE “CODE”), (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, “PLAN ASSETS” BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY, OR (D) ANY EMPLOYEE BENEFIT PLAN SUBJECT TO ANY U.S. FEDERAL, STATE OR LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (“SIMILAR LAW”) OR (II) ITS PURCHASE AND HOLDING OF THIS SECURITY (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF ANOTHER EMPLOYEE BENEFIT PLAN SUBJECT TO SIMILAR LAW, IS NOT IN VIOLATION OF ANY SIMILAR LAW).

* This legend (other than the first paragraph hereof) shall be deemed removed from the face of this Security without further action of the issuer, the guarantor, the Trustee, or the holders of the Notes Units at such time as the issuer instructs the Trustee to remove such legend pursuant to the Indenture.

(6) If it is a non-U.S. purchaser acquiring a beneficial interest in a Regulation S Global Notes Unit offered pursuant to this offering memorandum, it acknowledges and agrees that, until the expiration of the 40 day “distribution compliance period” within the meaning of Regulation S, any offer, sale, pledge or other transfer shall not be made by it in the United States or to, or for the account or benefit of, a U.S. person, except pursuant to Rule 144A to a QIB taking delivery thereof in the form of a beneficial interest in a Restricted Global Notes Unit, and that each Regulation S Global Notes Unit will contain a legend to substantially the following effect:

PRIOR TO EXPIRATION OF THE 40-DAY DISTRIBUTION COMPLIANCE PERIOD (AS DEFINED IN REGULATION S (“REGULATION S”) UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”)), THIS SECURITY MAY NOT BE REOFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES (AS DEFINED IN REGULATION S) OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S), EXCEPT TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF THE INDENTURE REFERRED TO HEREIN.

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT EITHER (I) IT IS NOT (AND FOR SO LONG AS IT HOLDS THIS SECURITY OR INTEREST HEREIN WILL NOT BE), AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS SECURITY OR INTEREST HEREIN WILL NOT BE ACTING ON BEHALF OF), (A) AN “EMPLOYEE BENEFIT PLAN” AS DEFINED IN AND SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), (B) A “PLAN” AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1984, AS AMENDED (THE “CODE”), (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA OR THE CODE TO INCLUDE, “PLAN ASSETS” BY REASON OF SUCH PLAN INVESTMENT IN THE ENTITY, OR (D) ANY EMPLOYEE BENEFIT PLAN SUBJECT TO ANY U.S. FEDERAL, STATE OR LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (“SIMILAR LAW”) OR (II) ITS PURCHASE AND HOLDING OF THIS SECURITY (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF ANOTHER EMPLOYEE BENEFIT PLAN SUBJECT TO SIMILAR LAW, IS NOT IN VIOLATION OF ANY SIMILAR LAW).

(7) (a) Either: (i) it is not, and is not purchasing the Notes Units on behalf of, and for so long as it holds the Notes Units or interests in the Notes Units will not be, an employee benefit plan (as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”)) subject to the provisions of part 4 of subtitle B of Title I of ERISA, a plan as defined in and subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), or any entity whose underlying assets include “plan assets” by reason of such an employee benefit plan’s and/or plan’s investment in such entity, or a governmental plan, church plan, non-U.S. or other plan that is subject to any laws, regulations or rules that are substantially similar to Section 406 of ERISA or Section 4975 of the Code (collectively, “Similar Law”), or (ii) its acquisition, holding or disposition of the Notes Units or interests in the Notes Units will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental plan, church plan, non-U.S. or other plan subject to Similar Law, a violation of any Similar Law); and (b) it will not transfer any such Notes Units to any person unless such person could itself truthfully make the foregoing representations and agreements.

(8) It acknowledges that the foregoing restrictions apply to holders of beneficial interests in the Notes Units, as well as holders of the Notes Units;

(9) It acknowledges that the Trustee will not be required to accept for registration of transfer any Notes Units acquired by it, except upon presentation of evidence satisfactory to the issuer, the guarantor and the trustee that the restrictions set forth herein have been complied with; and

(10) it acknowledges that the issuer, the guarantor, the trustee, the initial purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements, and agrees that if any of the acknowledgements, representations or agreements deemed to have been made by it by its purchase of the

Notes Units are no longer accurate, it shall promptly notify the issuer, the guarantor, the trustee and the initial purchasers; if it is acquiring the Notes Units as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

UNITED STATES ERISA AND CERTAIN OTHER CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended, or ERISA, imposes certain requirements on “employee benefit plans” (as defined in ERISA) subject to Title I of ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, “ERISA Plans”) and on those persons who are fiduciaries with respect to ERISA Plans. Accordingly, among other factors, fiduciaries should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the ERISA Plan.

Section 406 of ERISA and Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), prohibit certain transactions involving the assets of an ERISA Plan (Section 4975 of the Code also imposes prohibitions for certain plans that are not subject to Title I of ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, “Plans”)) and prohibits certain persons (referred to as “parties in interest” or “disqualified persons”) from having certain relationships to Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code. Accordingly, each original or subsequent purchaser or transferee of any note that is or may become a Plan is responsible for determining that its purchase and holding of such note will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable. Included among the exemptions are PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers), PTCE 90-1 (for certain transactions involving insurance company pooled separate accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 95-60 (for transactions involving certain insurance company general accounts), PTCE 96-23 (for transactions managed by in-house asset managers) and ERISA Section 408(b)(17) and Section 4975(d)(20) of the Code (relating to transactions with certain service providers). There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving notes.

Employee benefit plans that are governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) are not subject to the requirements of Section 406 of ERISA or Section 4975 of the Code but may be subject to similar provisions under applicable federal, state, local, non-U.S. or other laws (“Similar Laws”). Fiduciaries of such plans should consult with their counsel before purchasing any Notes Units.

Each person acquiring the Notes Units will be deemed to have represented and agreed that (1)(i) it is not, and is not purchasing the Notes Units on behalf of, and for so long as it holds the Notes Units or interests in Notes Units will not be Plan subject to ERISA or a governmental, church, non-U.S. or other employee benefit plan that is subject to Similar Laws, or (ii) its acquisition, holding or disposition of the Notes Units or interests in Notes Units will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of another employee benefit plan subject to Similar Law, is not in violation of any Similar Law); and (2) it will not transfer any such note to any person unless such person could itself truthfully make the foregoing representations and agreements.

THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN ERISA IMPLICATIONS OF AN INVESTMENT IN THE NOTES UNITS AND DOES NOT PURPORT TO BE COMPLETE. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN LEGAL, TAX, FINANCIAL AND OTHER ADVISORS PRIOR TO INVESTING IN THE NOTES UNITS TO REVIEW THESE IMPLICATIONS IN LIGHT OF SUCH INVESTOR’S PARTICULAR CIRCUMSTANCES.

TAXATION

The following discussion summarizes certain Luxembourg, Brazilian and United States federal income tax considerations that may be relevant to the acquisition, ownership and disposition of Notes Units by a holder. This summary does not describe all of the tax considerations that may be relevant to you or your situation, particularly if you are subject to special tax rules. You should consult your own tax advisors about the tax consequences of investing in and holding the Notes Units, including the relevance to your particular situation of the considerations discussed below, as well as of state, local and other tax laws.

This summary is based upon tax laws and regulations of Luxembourg, Brazil and the United States as in effect on the date of this offering memorandum, which are subject to change, possibly with retroactive effect, and to differing interpretations. You should consult your own tax advisors as to the Luxembourg, Brazilian, the United States or other tax consequences of the purchase, ownership and disposition of the Notes Units.

Luxembourg Taxation

Taxation of Tonon Luxembourg

Tonon Luxembourg is a company resident in Luxembourg for tax purposes and fully taxed in Luxembourg on its world-wide income and wealth. The effective corporate tax rate is 29.22 per cent. as from 1 January 2014 (corporate income tax, municipal business tax in Luxembourg City and contribution to the unemployment funds). Net wealth tax is levied at a rate of 0.5 per cent. As Tonon Luxembourg is fully taxable in Luxembourg, it may benefit from double tax treaties concluded by Luxembourg.

Withholding Tax

Interest payments (including accrued but unpaid interest) and principal made by Tonon Luxembourg to non-residents of Luxembourg in the context of the holding, disposal, redemption or repurchase of the Notes Units which are not profit-sharing will not be subject to any Luxembourg tax or withholding tax (regardless of the residence of the debtor), unless they fall within the scope of the Luxembourg laws of 21 June 2005, as amended, implementing the EU Savings Directive 2003/48/EC on taxation of savings income in the form of interest payments, which entered into effect on 1 July 2005 (see below “—EU Savings Directive”).

In addition, as regards Luxembourg resident individuals, the Luxembourg law of 23 December 2005, as amended, provides for a 10 per cent. withholding tax (which is final when Luxembourg resident individuals are acting in the context of the management of their private wealth) on savings income (i.e. with certain exemptions, savings income within the meaning of the Luxembourg laws of 21 June 2005 implementing the EU Savings Directive), to the extent such income is paid or allocated by a Luxembourg paying agent within the meaning of this law.

In addition, pursuant to the law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals who are the beneficial owners of savings income paid by a paying agent established outside Luxembourg, in a Member State of either the European Union or the European Economic Area, or in a jurisdiction having concluded an agreement with Luxembourg in connection with the European Union Savings Directive (Council directive 2003/48/EC) can opt to self declare and pay a 10 per cent. tax on these savings income. This 10 per cent. tax is final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Responsibility for the withholding of tax in application of the above-mentioned Luxembourg laws of 21 June 2005 and 23 December 2005 is assumed by the Luxembourg paying agent (if any) within the meaning of these laws and not by the Issuer.

Other Taxes and Duties

Under current Luxembourg tax law and current administrative practice, it is not necessary that the Notes Units be notarized, filed, recorded or enrolled with any court or other authority in Luxembourg, or that any stamp, transfer, capital, registration or similar tax be paid on or in relation to the execution, delivery and/or enforcement by

legal proceedings (including any foreign judgment in the courts of Luxembourg) of the Notes Units in accordance therewith or the performance of the Issuer's obligations under the Notes Units, except that in case of court proceedings in a Luxembourg court (including but not limited to a Luxembourg insolvency proceeding), registration of the Notes Units or of the financial documents may be ordered by the court, in which case the Notes Units or the financial documents will be respectively subject to a fixed duty of EUR 12 or an *ad valorem* duty. Registration would in principle further be ordered, and the same registration duties could be due, when the Notes Units are produced, either directly or by way of reference, before an official authority ("*autorité constituée*") in Luxembourg.

VAT

There is no Luxembourg value-added tax payable in respect of payments in consideration for the issue of the Notes Units or in respect of the payment of a redemption amount or principal under the Notes Units or the transfer of a Notes Unit; provided that Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the issuer, if for Luxembourg value added tax purposes such services are rendered, or are deemed to be rendered, in Luxembourg and an exemption from value added tax does not apply with respect to such services.

Net Wealth Tax

Luxembourg net wealth tax will not be levied on a holder of Notes Units unless:

- (i) Such holder of Notes Units is, or is deemed to be, resident in Luxembourg for the purpose of the relevant provisions to the exception of the following entities that are net wealth tax exempt, being (i) undertakings for collective investment (UCITS) within the meaning of the law of 17 December 2010 as amended, (ii) investment company in risk capital (SICAR) within the meaning of the law dated 15 June 2004, as amended by the law of 24 October 2008, (iii) securitization entities within the meaning of the law dated 22 March 2004 as amended, (iv) special investment funds (SIF) within the meaning of the law of 13 February 2007, as amended by the law of 17 December 2010 and (vi) private wealth management companies (SPF) within the meaning of the law dated 11 May 2007 as amended; or
- (ii) Such Notes Unit is attributable to an enterprise or part thereof, which is carried on through a permanent establishment, a permanent representative or a fixed base of business in Luxembourg;

As regards Luxembourg resident individuals, the Luxembourg law of 23 December 2005 has abrogated the net wealth tax starting with the year 2006.

Capital Gains Tax

A holder of Notes Units who derives income from such Notes Units or who realizes a gain on the disposal or redemption thereof will not be subject to Luxembourg taxation on such income or capital gains (subject to the application of the laws of 21 June 2005 and 23 December 2005, as amended) unless:

- (iii) Such holder of Notes Units is, or is deemed to be, resident in Luxembourg for Luxembourg tax purposes (or for the purposes of the relevant provisions); or
- (iv) Such income or gain is attributable to an enterprise or part thereof, which is carried on through a permanent establishment, a permanent representative or a fixed base of business in Luxembourg.

EU Savings Directive

Under the EU Savings Directive, each EU Member State is required to provide to the tax authorities of another EU Member State details of payments of interest or other similar income (in the meaning of the EU Savings Directive) paid by a paying agent (in the meaning of the EU Savings Directive) within its jurisdiction to, or collected by such a paying agent for, an individual resident or a "residual entity" (as defined in Article 4.2 of the EU Savings Directive) established in that other EU Member State. For a transitional period, however, Austria and Luxembourg may instead (unless during that period they elect otherwise) operate a withholding tax system in relation to such payments, deducting tax at a rate of 35 per cent. The transitional period is to terminate at the end of the first full

fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

On 18 March 2014, the Luxembourg government has submitted to the Luxembourg Parliament the draft Bill N° 6668 on taxation of savings income putting an end to the current withholding tax regime as from 1 January 2015 and implementing the automatic exchange of information as from that date. This draft Bill is in line with the announcement of the Luxembourg government of April 2013.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a paying agent within its jurisdiction to, or collected by such a paying agent for, an individual resident or certain limited types of entity established in an EU Member State. In addition, the EU Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a paying agent in an EU Member State to, or collected by such a paying agent for, an individual resident or certain limited types of entity established in one of those territories.

On 24 March, 2014, the Council of the European Union adopted a directive amending the Savings Directive (the “Amending Savings Directive”) strengthening European Union rules on the exchange of information on savings income in order to enable the Member States to better clamp down on tax fraud and tax evasion. The Amending Savings Directive would amend or broaden the scope of the requirements described above. It would in particular enlarge the scope of the Savings Directive to cover new types of savings income and products that generate interest or equivalent income and the scope of the tax authorities’ requirements to be complied with. The Member States would have until 1st January, 2016 to adopt the national legislation necessary to comply with the Amending Savings Directive

Brazilian Taxation

The following discussion is a general description of certain Brazilian tax aspects of the Notes Units applicable to a holder of the Notes Units that is an individual, entity, trust or organization that is not resident or domiciled in Brazil for purposes of Brazilian taxation (“Non-Resident Holder”) and does not purport to be a comprehensive description of all the tax aspects of the Notes Units. Therefore, each Non-Resident Holder should consult his/her/its own tax advisor concerning the Brazilian tax consequences in respect of the Notes Units.

Investors should note that, as to the discussions below, other income tax rate or treatment may be provided for in any applicable tax treaty between Brazil and the country where the Non-Resident Holder is domiciled. Investors should also note that there is no tax treaty between Brazil and the United States. This summary does not address any tax issues that affect solely our company, such as deductibility of expenses.

Payments on the Notes Units Made by the Issuer

Generally, a Non-Resident Holder is taxed in Brazil only when income is derived from Brazilian sources or gains are realized on the disposition of assets located in Brazil. In this circumstance, other income tax rates may be provided for in an applicable tax treaty between Brazil and the country of residence of the beneficiary. There is some uncertainty regarding the applicable tax treatment to payments of the principal amount by Tonon as a guarantor to Non-Resident Holders. Therefore, based on the fact that the issuer is not considered for tax purposes to be domiciled in Brazil, any income (including interest and original interest discount, or OID, if any) paid by it in respect of the Notes Units to Non-Resident Holders will not be subject to withholding or deduction in respect of Brazilian income tax or any other taxes, duties, assessments or governmental charges in Brazil, provided that such payments are made with funds held by the issuer outside of Brazil.

Payments on the Units Made by Tonon as Guarantor

If Tonon is ever required, in its capacity as guarantor, to make any payment under the units (including principal or interest) to a Non-Resident Holder, the Brazilian tax authorities could attempt to impose withholding income tax at the rate of 15% or 25% (depending on the nature of the payment and the location of the Non-Resident Holder).

In the event that Tonon is required to withhold or deduct amounts for any taxes or other governmental charges imposed by Brazil, Tonon will be allowed under Brazilian laws to pay such additional amounts as may be necessary to ensure that the net amount to be received by the Non-Resident Holder after the assessment of withholding income tax will equal the amounts that would have been paid in the absence of such withholding.

Capital Gains

Capital gains generated outside Brazil as a result of a transaction between two non-residents of Brazil with respect to assets located in Brazil are subject to income tax in Brazil, according to Article 26 of Law No. 10,833, enacted on December 29, 2003 ("Law 10,833/03").

Although the issuer believes that the Notes Units do not fall within the definition of assets located in Brazil for purposes of Law No. 10,833/03, considering the general and unclear scope of this legislation and the absence of judicial guidance in respect thereof, the issuer is unable to predict how Law No. 10,833/03 would be interpreted in the Brazilian courts. If such courts were to determine that the Notes Units constitute assets located in Brazil, gains realized by a Non-Resident Holder from the sale or other disposition of the Notes Units to a Brazilian resident or even to a non-resident of Brazil will be subject to income tax in Brazil at a rate of 15% (or 25% if such Non-Resident Holder is located in a Low or Nil Tax Jurisdiction).

Discussion on Low or Nil Tax Jurisdiction

On June 23, 2008, Law No. 11,727 enlarged the scope of Low or Nil Tax Jurisdiction and introduced the concept of "privileged tax regime," which is considered to be a regime that (1) does not tax income or taxes income at a maximum rate of 20%; (2) grants tax advantages to a non-resident entity or individual (a) without the need to carry out a substantial economic activity in the country or dependency, or (b) conditioned on the non-exercise of a substantial economic activity in the country or dependency; (3) does not tax income generated outside the jurisdiction, or tax such income at a maximum rate lower than 20%; or (iv) does not provide access to information related to shareholding composition, ownership of goods and rights or the economic transactions carried out.

In addition, on June 4, 2010, the Brazilian Tax Authorities enacted Ordinance No. 1,037, as amended, listing (1) the countries and jurisdictions considered Low or Nil Tax Jurisdictions, and (2) the privileged tax regimes. Although the interpretation of the current Brazilian tax legislation could lead to the conclusion that such concept of "privileged tax regime" should apply only for purposes of Brazilian transfer pricing and thin capitalization/cross border interest deductibility rules, it is still not clear whether this "privileged tax regime" concept will also be applied to interest and payments made to Non-Resident Holders in respect of the Notes Units.

Therefore, if the Brazilian tax authorities determine that interest payments on the Notes Units will be made to a recipient and/or capital gain that will benefit from a "privileged tax regime," such payments could be subject to Brazilian withholding tax at a rate of 25%. Potential investors should consult with their own tax advisors regarding the consequences of the implementation of Law No. 11,727, Ordinance No. 1,037 and of any related Brazilian tax law or regulation concerning Low or Nil Tax Jurisdiction and "privileged tax regimes."

Other Tax Considerations

Pursuant to Decree No. 6,306, of December 14, 2007 (as amended from time to time), the conversion of *reais* into foreign currency and on the conversion of foreign currency into *reais* are subject to the tax on foreign exchange transactions ("IOF/Exchange").

Currently, the IOF/Exchange tax rate varies according to the nature and conditions of the relevant transaction, being generally due at 0.38%.

As a general rule, foreign exchange transactions in connection with cross border loans and financings, for both the inflow and outflow of proceeds into and from Brazil, are currently subject to IOF/Exchange tax at a rate of 0%. However, foreign exchange transactions entered into as of December 5, 2012 in connection with the inflow of proceeds to Brazil deriving from cross-border loans or financings or international securities issuances, subject to registration with the Central Bank and with the minimum average term of 360 days or less, will be subject to IOF/Exchange tax at a rate of 6% (which will be levied with penalties and interest in case of cross-border loans or

financings or international securities with minimum average term longer than 360 days with respect to which an early redemption occurs affecting such minimum average term). The outflow of proceeds on such cross-border loans or financings or international bond issuances currently remains subject to the IOF/Exchange tax at a rate of 0%.

The Brazilian government can increase such rate at any time up to a rate of 25%, but only with respect to future foreign exchange transactions. In any event, any IOF/Exchange relating to cross-border loans and financings or international notes issuances would be borne by the Brazilian borrower/issuer.

Stamp, Transfer or Similar Taxes

Generally, there are no stamp, transfer or other similar taxes in Brazil applicable to the transfer, assignment or sale of the Notes Units outside Brazil, nor any inheritance, gift or succession tax applicable to the ownership, transfer or disposition of the Notes Units, except for gift and inheritance taxes imposed in some states of Brazil on gifts and bequests by a Non-Resident Holder to individuals or entities domiciled or residing within such Brazilian states.

THE ABOVE DESCRIPTION IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSEQUENCES RELATING TO THE OWNERSHIP OF THE NOTES UNITS. PROSPECTIVE PURCHASERS OF THE NOTES UNITS SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THE TAX CONSEQUENCES OF THEIR PARTICULAR SITUATIONS.

Certain U.S. Federal Income Tax Considerations

The discussion of U.S. tax matters set forth in this offering memorandum was written in connection with the promotion or marketing of the transactions described herein and was not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties under U.S. federal, state or local tax law. Each taxpayer should seek advice based on its particular circumstances from an independent tax advisor.

The following summary discusses certain U.S. federal income tax consequences of the acquisition, ownership and disposition of the Notes Units. Except as specifically noted below, this discussion applies only to:

- Notes Units purchased on original issuance at their “issue price” (generally the first price at which a substantial amount of the Notes Units are sold to investors for money) as part of an initial offering
- Notes Units held as capital assets for U.S. federal income tax purposes (generally, property held for investment); and
- U.S. Holders (as defined below).

This discussion does not describe all of the tax consequences that may be relevant in light of a U.S. Holder’s particular circumstances or to U.S. Holders subject to special rules, such as:

- financial institutions;
- tax exempt entities;
- insurance companies;
- regulated investment companies;
- real estate investment trusts;
- dealers or traders in securities or foreign currencies;
- traders in securities that elect mark-to-market treatment;

- persons holding Notes Units as part of a hedging transaction, “straddle,” conversion transaction or other integrated transaction
- certain former citizens and residents of the United States;
- U.S. Holders whose functional currency is not the U.S. dollar; or
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes.

This summary is based on the Internal Revenue Code of 1986, as amended to the date hereof (the “Code”), administrative pronouncements, judicial decisions and final, temporary and proposed U.S. Treasury Regulations, all as currently available, changes to any of which subsequent to the date of this offering circular may affect the tax consequences described below, possibly on a retroactive basis. No ruling has been sought from the Internal Revenue Service (the “IRS”) with respect to any U.S. federal income tax consequences described below, and there can be no assurance that the IRS or a court will not take a contrary position. Persons considering the purchase of the Notes Units should consult their own tax advisors with regard to the application of the U.S. federal income tax laws to their particular situations as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction or the Medicare Tax on net investment income.

As used herein, the term “U.S. Holder” means a beneficial owner of a Notes Unit that is for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation created or organized in or under the laws of the United States any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust.

If an entity that is classified as a partnership for U.S. federal income tax purposes invests in the Notes Units, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and upon the activities of the partnership. Partnerships investing in the Notes Units should consult their own tax advisors regarding the tax consequences of their investment.

Classification of the Notes Units

We believe, and the remainder of this discussion assumes, that the Notes Units should be treated as a single debt instrument for U.S. federal income tax purposes. By making an investment in the Notes Units, each U.S. Holder agrees to follow this treatment. However, due to the absence of authorities that directly address the proper characterization and treatment of instruments such as the Notes Units, no assurance can be given that the IRS will accept, or that a court will uphold, such characterization and treatment. For example, the IRS could seek to characterize each Notes Unit as four separate debt instruments. Generally, the U.S. federal income tax consequences would be substantially similar, but U.S. Holders should consult their own tax advisors regarding the tax treatment of an investment in the Notes Units in light of their particular circumstances.

Payments of Interest

Interest on a Notes Unit, including additional amounts, will be taxable to a U.S. Holder as foreign source ordinary income at the time it is received or accrued, depending on the holder’s method of accounting for U.S. federal income tax purposes. U.S. Holders will be treated as having received the U.S. dollar amount of any taxes withheld by the issuer with respect to a Notes Unit, and as then having paid over the withheld taxes to the relevant taxing authorities. As a result, the amount of interest income included in gross income for U.S. federal income tax

purposes by a U.S. Holder with respect to a payment of interest would be greater than the amount of cash actually received by the U.S. Holder from the issuer with respect to the payment.

Subject to certain limitations, a U.S. Holder will generally be entitled to a credit against its U.S. federal income tax liability, or, at a U.S. Holder's election, a deduction in computing its U.S. federal taxable income, for taxes withheld by the issuer. If a U.S. Holder makes this election, it would then apply to all foreign income taxes such U.S. Holder paid or accrued in the taxable year. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. As the relevant rules are very complex, U.S. Holders should consult their own tax advisor concerning the availability and utilization of the foreign tax credit to their particular circumstances.

Sale, Exchange or Retirement of the Notes Units

A U.S. Holder will generally recognize gain or loss on the sale, exchange or retirement of a Notes Unit equal to the difference between the amount realized on the sale, exchange or retirement and the U.S. Holder's basis in the Notes Unit. The amount realized does not include the amount attributable to accrued but unpaid interest not previously included in income, which will be treated like a payment of interest as described under "— Payments of Interest." A U.S. Holder's basis in a Notes Unit will generally be the acquisition cost of the Notes Unit, increased by any unpaid interest previously included in income. Any gain or loss that a U.S. Holder recognizes upon the sale, exchange or other disposition of a Notes Unit generally will be U.S. source capital gain or loss and will be long term capital gain or loss if, at the time of disposition, the U.S. Holder's holding period for a Notes Unit is more than one year. Long term capital gain realized by non-corporate U.S. Holders may be subject to reduced rates of U.S. federal income tax.

A U.S. Holder generally will not be able to claim a foreign tax credit with respect to any taxes withheld on the proceeds from the sale, exchange or retirement of a Notes Unit. The deductibility of capital losses is subject to limitations. The U.S. foreign tax credit rules are very complex. U.S. Holders should consult their own advisors with respect to the application of the foreign tax credit rules to their particular circumstances.

Substitution of Issuer

The terms of the Notes Units provide that, in certain circumstances, the obligations of the issuer under the Notes Units may be assumed by Tonon or another entity. Any such assumption might be treated for U.S. federal income tax purposes as a deemed disposition of Notes Units by a U.S. Holder in exchange for Notes Units issued by the new obligor. As a result of this deemed disposition, a U.S. Holder could be required to recognize capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the issue price of the Notes Units (as determined for U.S. federal income tax purposes) and the U.S. Holder's tax basis in the Notes Units. U.S. Holders should consult their tax advisors concerning the U.S. federal income tax consequences to them of a change in obligor with respect to the Notes Units.

Information Reporting and Backup Withholding

Information returns may be filed with the IRS in connection with payments of principal and interest in respect of, and the proceeds from sales of, the Notes Units held by a U.S. Holder unless the U.S. Holder establishes, if required, that it is exempt from the information reporting rules, for example by properly establishing that it is a corporation. If the U.S. Holder does not establish that it is exempt from these rules, the U.S. Holder may be subject to backup withholding on these payments if it fails to provide a taxpayer identification number or otherwise comply with the backup withholding rules. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

U.S. Holders should consult their advisors regarding any tax reporting or filing requirements they may have as a result of the acquisition, ownership or disposition of the Notes Units. Failure to comply with certain reporting obligations could result in the imposition of substantial penalties.

The preceding discussion of certain U.S. federal income tax considerations is for general information only and is not tax advice. Each prospective investor is urged to consult its own tax advisor regarding the particular U.S. federal, state, local and non-U.S. tax consequences of acquiring, owning and disposing of the Notes Units, including the consequences of any proposed change in applicable laws.

INDEPENDENT AUDITORS

Our financial statements as of and for the years ended March 31, 2013, 2012 and 2011, included elsewhere in this offering memorandum have been audited by KPMG Auditores Independentes (KPMG), independent auditors, as stated in their report appearing herein.

With respect to our unaudited interim consolidated financial statements as of and for the nine-month periods ended December 31, 2013 and 2012 included in this offering memorandum, KPMG has reported that it has applied limited procedures in accordance with professional standards for a review of such information. However, its separate report included in this offering memorandum, states that they did not audit and they do not express an opinion on such interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. KPMG's report also contains an emphasis of a matter paragraph stating that as a result of the corporate restructuring described in note 2 to the financial statements, which resulted in the merger of Paraíso into Tonon on September 30, 2013, we are not presenting consolidated balance sheet as of December 31, 2013 since Paraíso had already been merged into Tonon prior to December 31, 2013.

The financial statements for Paraíso as of for the years ended March 31, 2013, 2012 and 2011, included elsewhere in this offering memorandum have been audited by KPMG Auditores Independentes (KPMG), independent auditors, as stated in their report appearing herein, which contains an emphasis of a matter paragraph stating that due to correction of errors and certain reclassifications, Paraíso restated, as required by CPC 23 – Accounting Policies, Changes in Accounting Estimates and Correction of Errors and CPC 26 (R1) – Presentation of Financial Statements, the corresponding amounts in the statement of financial position, statement of income, statements of comprehensive income, statements of changes in shareholders' equity and statements of cash flows as of and for the years ended March 31, 2012 and 2011 to: (1) classify redeemable preferred shares within non-current liabilities, as they were incorrectly classified within equity; (2) offset non-current deferred tax assets with non-current deferred tax liabilities; (3) present assets/liabilities and revenues/costs relating to performance transactions on a net basis; and (4) expand certain disclosures in the notes to the financial statements.

KPMG Auditores Independentes is an independent auditor registered under number CRC 2SP014428/O-6 with the Regional Accounting Council of the state of São Paulo (*Conselho Regional de Contabilidade do Estado de São Paulo*), or CRC-SP.

LEGAL MATTERS

The validity of the Notes Units and Underlying Notes offered and sold in this offering, together with the Notes Units Guarantees, will be passed upon for us and the issuer by Clifford Chance LLP, and for the initial purchasers by White & Case LLP. Certain matters of Brazilian law relating to the Notes Units, the Underlying Notes and the Notes Units Guarantees will be passed upon for us and the issuer by Lobo & de Rizzo Advogados, and for the initial purchasers by Pinheiro Guimarães – Advogados and Santos Neto Advogados. Certain Luxembourg legal matters relating to the Notes Units, the Underlying Notes and the Notes Units Guarantees will be passed upon for us and the issuer by Clifford Chance.

LISTING AND GENERAL INFORMATION

1. The Notes Units have been accepted for clearance and settlement through DTC, Euroclear and Clearstream. The CUSIP and ISIN numbers for the Notes Units are as follows:

	Restricted Global Note	Regulation S Global Note
CUSIP	89031RAE6	L9116PAE3
ISIN	US89031RAE62	USL9116PAE36

2. Application has been made to admit the Notes Units on the Global Exchange Market of the Irish Stock Exchange. We estimate that total expenses related to application for trading will be €4,940.

3. Copies of our audited annual financial statements for the last two financial years and unaudited interim consolidated financial statements, and copies of the *estatuto social* (by-laws) of the guarantor and of the articles of incorporation of the issuer, as well as the indenture (including forms of Notes Units and the Notes Units Guarantees), will be available (free of charge) at the offices of any paying agent. For the life of the listing particulars, the documents referred to in this paragraph may be inspected, by physical or electronic means.

4. Except as disclosed in this offering memorandum, there has been no material adverse change in our financial position, or any material change with respect to the prospects affecting our business, since March 31, 2013, the date of the latest audited financial statements included in this offering memorandum, and there has been no significant change in our financial or trading position since December 31, 2013, the date of our last interim consolidated financial statements included in this offering memorandum.

5. Except as disclosed in this offering memorandum, neither the issuer nor the guarantor are involved in any governmental litigation or arbitration proceedings relating to claims or amounts that have had a significant effect on the financial position of the issuer or the guarantor, respectively, in the last 12 months, nor so far as we are aware is any such governmental litigation or arbitration pending or threatened.

6. We have applied to list and admit the Notes Units for trading on the Global Exchange Market of the Irish Stock Exchange. We will comply with any undertakings assumed or undertaken by us from time to time to the Global Exchange Market of the Irish Stock Exchange in connection with the Notes Units, and we will furnish to them all such information as the rules of the Global Exchange Market of the Irish Stock Exchange may require in connection with the listing of the Notes Units.

7. The issuance of the Notes Units and each of the Underlying Notes by the issuer was authorized by the board of directors of the issuer on May 9, 2014. The issuance of the Notes Units Guarantees by Tonon was authorized by its board of directors on April 30, 2014.

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Tonon Bioenergia S.A.

Interim financial statements
December 31, 2013 and 2012

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Independent auditors' report on interim financial statements

To
Executive board and Shareholders of
Tonon Bioenergia S.A.
Bocaina - SP

Introduction

We have reviewed the accompanying December 31, 2013 individual and consolidated interim financial statements of Tonon Bioenergia S.A. ("the Company"), which comprises:

- the individual balance sheets as at December 31, 2013;
- the individual statements of income for the three-month and nine-month periods ended December 31, 2013 and the consolidated statements of income for the nine-month period ended December 31, 2013;
- the individual statements of comprehensive income for the three-month and nine-month periods ended December 31, 2013 and the consolidated statements of comprehensive income for the nine-month period ended December 31, 2013;
- the individual statements of changes in equity for the nine-month period ended December 31, 2013;
- the individual and consolidated statements of cash flows for the nine-month period ended December 31, 2013; and
- notes to the interim financial statements.

Management is responsible for the preparation and fair presentation of the individual interim financial information in accordance with Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting and of the consolidated interim financial information in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting as issued by the International Accounting Standards Board - IASB. Our responsibility is to express a conclusion on these interim financial information based on our review.

Scope of the review

Our review was carried out in accordance with the Brazilian and International Standards on Review Engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and in applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing, and consequently does not enable us to obtain assurance that we would become aware of all the significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion on individual financial statements**

Based on our review, nothing has come to our attention that causes us to believe that the interim individual financial statements were not prepared, in all material respects, in accordance with CPC 21 (R1) applicable to the preparation of interim financial information.

Conclusion on consolidated financial statements

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim statements of income, consolidated statements of comprehensive income and consolidated statements of cash flows were not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of interim financial information.

Emphasis of matter paragraph

As a result of the corporate restructuring described in note 2 to the financial statements, which resulted in the Merger of Paraiso Bionergia S.A. into the Company on September 30, 2013, the Company is not presenting a consolidated balance sheet as of December 31, 2013. Our review report is not qualified on this matter.

Ribeirão Preto, February 7, 2014

KPMG Auditores Independentes
CRC 2SP014428/O-6

André Luiz Monaretti
Accountant CRC 1SP160909/O-3

Tonon Bioenergia S.A.

Balance sheets

December 31, 2013 and March 31, 2013

(In thousands of reais)

Assets	Note	12/31/2013	03/31/2013	Liabilities	Note	12/31/2013	03/31/2013
Cash and cash equivalents	7	136 444	304 586	Suppliers	19	102 427	41 726
Other investments	8	15 179	19 324	Derivatives	25	6 272	1 749
Derivatives	25	220	1 373	Loans and financing	20	218 570	107 451
Accounts receivable, net	9	47 742	1 466	Salaries and social charges		25 317	14 522
Inventories	10	78 428	31 821	Taxes payable	21	7 974	2 675
Advances to suppliers	11	50 052	38 111	Taxes payable in installments	22	7 732	5 265
Prepaid expenses		645	226	Advances from customers	23	37 712	7 114
Recoverable taxes	12	43 182	29 306	Other accounts payable		4 358	3 205
Assets held for sale	13	3 028	3 028	Total current liabilities		410.362	183.707
Income and social contribution taxes		151	151				
Other receivables		828	1 653				
Total current assets		375.899	431.045				
				Suppliers	19	4 622	12
Prepaid expenses		42	-	Derivatives	25	-	2 879
Other investments	8	32 659	29 273	Loans and financing	20	1 159 315	822 558
Advances to suppliers	11	49 469	33 430	Deferred tax liabilities	14	-	6 546
Deferred tax assets	14	29 912	-	Provision for contingencies	24	7 319	6 588
Recoverable taxes	12	2 454	475	Taxes payable in installments	22	7 165	5 839
Judicial deposits		4 762	3 063	Total non-current liabilities		1.178.421	844.424
Investments	15	4 289	4 895				
Property, plant and equipment	16	512 803	354 854	Shareholders' equity	27		
Biological assets	17	670 878	471 376	Capital stock		88 265	79 310
Intangibles, net	18	133 989	2 259	Advances for future capital increase		50 000	-
Total non-current assets		1.441.257	899.625	Legal reserve		993	993
				Capital reserve		167 216	106 170
				Special premium reserve		34 806	34 806
				Profit reserve		-	35 940
				Revaluation reserve		5 351	-
				Equity valuation adjustment		84 606	45 319
				Accumulated losses		(202 865)	-
				Total shareholders' equity		228.373	302 539
Total assets		1.817.156	1 330.670	Total liabilities and shareholders' equity		1.817.156	1.330.670

See the accompanying notes to the financial statements

Tonon Bioenergia S.A.

Statements of incomes

Three and nine-month period ended December 31, 2013 and 2012

(In thousands of reais)

		Consolidated IFRS/CPC	Parent - CPC		
	Note	12/31/2013 (9 months)	12/31/2013 (9 months)	12/31/2012 (9 months)	12/31/2012 (3 months)
Net revenue	28	729.092	569.502	523.920	168.694
Cost of goods sold and services rendered		(641.480)	(512.223)	(432.083)	(140.843)
Changes in the fair value of biological assets	15	57.664	54.421	9.351	8.542
Gross profit		145.276	111.700	101.188	36.393
Administrative expenses	29	(19.848)	(15.064)	(4.043)	(1.091)
Selling expenses	29	(49.236)	(44.189)	(38.296)	(15.874)
General expenses	29	(14.054)	(13.455)	(10.831)	(3.931)
Equity in net income of subsidiaries	15	(752)	(13.768)	-	-
Other operating income (expenses), net	29	12.541	8.078	(1.779)	1.642
		(71.349)	(78.398)	(54.949)	(19.255)
Income loss before financial income and expenses and taxes		73.927	33.302	46.240	17.139
Financial income		187.822	163.175	18.039	3.103
Financial expenses		(502.240)	(426.297)	(152.435)	(26.855)
Financial expenses, net	30	(314.418)	(263.121)	(134.396)	(23.752)
Loss before taxes		(240.491)	(229.819)	(88.156)	(6.613)
Current income and social contribution taxes	14	-	-	-	-
Deferred income and social contribution taxes	14	44.219	33.547	50.990	8.517
(Loss) net income from continued operations		(196.272)	(196.272)	(37.166)	1.904
Discontinued operations		-	-	729	-
(Loss) profit for the period		(196.272)	(196.272)	(36.437)	1.904

See the accompanying notes to the financial statements.

Tonon Bioenergia S.A.

Statement of comprehensive income

Three and nine-month period ended December 31, 2013 and 2012

(In thousands of reais)

	Consolidated IFRS/CPC	Parent - CPC			
Note	12/31/2013 (9 months)	12/31/2013 (9 months)	12/31/2012 (9 months)	12/31/2013 (3 months)	12/31/2012 (3 months)
(Loss) net income for the period	(196.272)	(196.272)	(36.437)	(16.926)	1.904
Net variation in the fair value of financial assets available for sale	3.188	3.188	11.476	891	11.011
Income and social contribution taxes on other comprehensive income	14 (1.084)	(1.084)	(3.902)	(303)	(3.744)
Other comprehensive income, net of income and social contribution taxes	<u>2.104</u>	<u>2.104</u>	<u>7.574</u>	<u>588</u>	<u>7.267</u>
Comprehensive income total	<u>(194.168)</u>	<u>(194.169)</u>	<u>(28.863)</u>	<u>(16.338)</u>	<u>9.171</u>

See the accompanying notes to the financial statements.

Tonon Bioenergia S.A.

Statements of changes in shareholders' equity

Three and nine-month period ended December 31, 2013 and 2012

(In thousands of reais)

Note	Capital stock	Advances for future capital increase – AFAC	Capital reserves	Special premium reserve	Profit reserve			Equity evaluation adjustment	Accumulated loss	Total
					Legal reserve	Unrealized profit reserve	Revaluation reserve			
Balance at March 31, 2012	67,424	-	74,057	34,806	993	32,084	-	55,669	-	265,033
Capital increase	11,886	-	32,113	-	-	-	-	-	0	44,000
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Realization of deemed cost	-	-	-	-	-	7,711	-	(7,711)	-	-
Advances for future capital increase	-	-	-	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	-	-	-	(36,438)	(36,438)
Balance at December 31, 2012	79,310	-	106,170	34,806	993	39,795	-	47,958	(36,438)	272,595
Balance at March 31, 2013	79,310	-	106,170	34,806	993	35,940	-	45,319	-	302,539
Capital increase	8,955	-	61,045	-	-	-	-	-	-	70,000
Other comprehensive income	-	-	-	-	-	2,104	-	-	-	2,104
Realization of deemed cost	-	-	-	-	-	6,182	-	(6,182)	-	(0)
Advances for future capital increase	-	50,000	-	-	-	-	-	-	-	50,000
Revaluation reserve – Merger	-	-	-	-	-	-	5,351	-	(5,351)	-
Carrying value adjustment – deemed cost - Merger	-	-	-	-	-	-	-	45,469	(45,469)	-
Loss for the period	-	-	-	-	-	-	-	-	(196,272)	(196,272)
Offsetting of retained earnings (loss)	-	-	-	-	-	(44,227)	-	-	44,227	-
Balance at December 31, 2013	88,265	50,000	167,216	34,806	993	-	5,351	84,606	(202,865)	228,372

See the accompanying notes to the financial statements.

Tonon Bioenergia S.A.

Statements of cash flows – Indirect method

Three and nine-month period ended December 31, 2013 and 2012

(In thousands of reais)

	Consolidated IFRS/CPC	Parent - CPC	
	12/31/2013	12/31/2013	12/31/2012
Cash flows from operating activities			
Loss for the period	(196.272)	(196.272)	(36.437)
Adjusted by:			
Depreciation of property, plant and equipment	30 864	23 099	28 617
Amortization of intangible assets	400	368	317
Amortization of inter-harvest maintenance carried out	79 857	72 216	55 549
Amortization of crops and handling costs	195 874	163 515	95 161
Change in fair value of biological assets	(57 664)	(54 421)	(9 351)
Provision for contingencies	(89)	(25)	17
Deferred tax assets and liabilities	(33 719)	(33 547)	(50 615)
Income and social contribution taxes	(10 673)	-	347
Interest and exchange variation on loans and financings	273 335	230 997	86 250
Change in financial instruments' fair value	(931)	(3 520)	3 789
Residual value of fixed assets sold	3 059	780	725
Equity income (loss)	752	13 768	(1 752)
Interest capitalization	(2 122)	(2 122)	-
	282.671	214 835	172.617
Changes in assets and liabilities			
(Increase) decrease in other investments	(7 370)	867	(6 621)
(Increase)/decrease in trade accounts receivable	(42 104)	(22 636)	(14 921)
(Increase) decrease in inventories	(27 208)	(26 869)	(48 073)
(Increase) decrease in advances to suppliers	(1 722)	(8 094)	(16 679)
(Increase) decrease in prepaid expenses	57	(51)	71
(Increase) decrease in recoverable taxes	(11 071)	(10 910)	(2 496)
(Increase) decrease in other accounts receivable	825	845	146 344
(Increase) decrease in judicial deposits	(1 359)	(1 380)	776
Increase (decrease) in suppliers	20 313	22 322	(42 004)
Increase (decrease) in salaries and social security charges	749	(478)	(538)
Increase (decrease) in taxes payable	(504)	(944)	(4 105)
Increase (decrease) in advances from clients	27 560	11 250	(36 685)
Increase (decrease) in other accounts payable	(590)	963	3 945
Increase (decrease) in taxes payable in installments	(9 733)	(5 678)	1 773
Interest paid on loans and financing	(84 687)	(65 096)	(65 579)
Net cash provided by operating activities	145.827	108.944	87.825
Cash flow of investment activities			
Acquisition of Paraíso Bioenergia S A	(50 000)	(50 000)	-
Capital increase in investees	-	(70 000)	-
Investment in Property, plant and equipment	(39 645)	(37 058)	(17 102)
Investments	-	-	(4 600)
Acquisition of intangible assets	(2 200)	(2 181)	-
Investment in biological assets	(185 719)	(161 055)	(99 396)
Cash and cash equivalents from merger	-	38 616	-
Cash flow used in investment activities	(277 564)	(281.678)	(121.098)
Cash flow of financing activities			
Loans and financing obtained	147 370	142 695	468 133
Amortization of principal on loans and financing	(184 226)	(138 104)	(475 621)
Capital transfers from shareholders	283	-	44 000
Net cash generated in financing activities			
Net increase (decrease) in cash and cash equivalents	(36 573)	4 591	36.512
Statement of changes in cash and cash equivalents	(168 310)	(168 142)	3.238
At the end of the period	136 444	136 444	31 465
At the beginning of the period	304 754	304 586	28 227
	(168 310)	(168 142)	3.238

See the accompanying notes to the financial statements

Notes to the financial statements

(In thousands of reais)

1 Operations

Tonon Bioenergia S.A. ("The Company") is a non-public corporation, with headquarters located in the Rod. Jaú Araraquara, km 129, Fazenda Santa Cândida, municipal district of Bocaina, state of São Paulo, Brazil. Its operating structure is made up of three (3) units: one is located in the State of Mato Grosso do Sul, in the town of Maracajú, and is called "Vista Alegre Unit", and the other two are located in the State of São Paulo, one in the city of Brotas, "Paraíso Unit", and the other in the town of Bocaina, "Santa Cândida Unit". The Company's corporate purpose and main activity is the planting of sugarcane, the manufacture and sale of sugar, ethanol and other products derived from sugarcane; co-generation of electricity; agricultural exploitation of products and raw materials.

Nearly 75% of the sugarcane used in the manufacture of products comes from its own plantations and agricultural partnerships and 25% from third-party suppliers.

2 Acquisition and merger of subsidiary

a. Acquisition of subsidiary

On March 20, 2013, the Company entered into a share purchase agreement for the acquisition of shares of Paraíso Bioenergia S.A. for an amount of R\$ 170 million with individual sellers and FIP DGF Terra Viva. On April 10, 2013, the Company received final approval for the acquisition from the regulatory agency CADE (Administrative Council for Economic Defense) and on May 3, 2013 the Company made payment of R\$ 120 million, comprising R\$ 50 million in cash and R\$ 70 million represents 8.954.395 new shares of the company issued to FIP DGF Terra Viva. The remaining R\$ 50 million will be paid at the Company's option, in cash or by issuing new shares, as agreed in the share purchase agreement.

The Company determined the acquisition date to be May 3, 2013 for purposes of the acquisition accounting under CPC 15 - Business Combination and IFRS 3.

The acquisition accounting related to measurement at fair value of the assets acquired, liabilities assumed and consideration transferred and their related disclosures are presented in the tables below:

Fair value adjustments of assets acquired and liabilities assumed

Balances at April 30, 2013	R\$
Inventories	(547)
Property, plant and equipment	9,727
Intangible assets	16,856
Deferred tax liabilities	(9,040)
Contingencies	(541)
Total identifiable assets, net	16,455

Goodwill on acquisition:

Goodwill recognized as the result of the acquisition was identified as follows:

Total amount of consideration transferred	R\$
Amount of the share purchase agreement	170,000
Shareholders' equity value of the acquired company prior to the acquisition	(39,621)
(-) Fair value of identifiable net assets	<u>(16,455)</u>
Goodwill on acquisition	<u>113,924</u>

The fair value of the acquired subsidiary was obtained through an appraisal report of the Company at market value, according to the usual evaluation techniques for this type of transaction.

Goodwill is mainly attributable to the increase in cash flow forecast for the coming years. In the Company's individual balance sheets and financial statements, the goodwill presented above is recorded in the investment's carrying amount and in intangible assets, respectively.

b. Corporate restructuring - merger

On September 30, 2013, the Company's Extraordinary Shareholders' Meeting decided and approved the merger of Paraíso Bioenergia S.A. ("Paraíso") by the Company, pursuant to the terms of the Merger Agreement.

This merger, whose base date is September 30, 2013, is included in the Project for simplifying the corporate structure of Tonon Bioenergia S.A. and should yield the reduction of operating, administrative and financial costs. As a result of this merger, Paraíso was dissolved, for all due purposes, and the Company became its successor.

Paraíso's shareholders' equity as of July 31, 2013, based on its book value, was R\$ 80,050. Net book value of asset merged is as follows:

Assets	
Cash and cash equivalents	5,646
Other investments	3,650
Accounts receivable, net	22,859
Inventories	16,619
Advances to suppliers	23,749
Prepaid expenses	267
Recoverable taxes	4,836
Financial loan	15,989
Total current assets	<u>93,615</u>
Other investments	108
Deferred tax assets	20,785
Recoverable taxes	301
Financial loan	242

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Assets	
Judicial deposits	325
Prepaid expenses	48
Property, plant and equipment	211,693
Biological assets	145,185
Intangible, net	613
Total non-current assets	379,300
Total assets	472,915
Liabilities	07/31/2013
Suppliers	38,194
Derivatives	10,404
Loans and financing	67,554
Salaries and social charges	9,278
Taxes payable	4,394
Taxes payable installments	5,465
Advances from customers	5,212
Other accounts payable	598
Total current liabilities	141,099
Suppliers	5,534
Loans and financing	240,244
Financial loan	83
Provision for contingencies	584
Taxes payable installments	5,321
Total non-current liabilities	251,766
Total liabilities	392,865
Net assets	80,050

In the individual financial statements the balance of the investment and amounts payable to and receivable from Paraíso were eliminated in the merger process. Accordingly, the balance of R\$70 million for advance for future capital increase, recorded in the Company's shareholders' equity, was reversed during merger process.

As a result of the corporate restructuring above, which resulted in Paraíso being merged into the Company, the Company is not presenting consolidated balance sheet as of December 31, 2013. Nevertheless, the Company is presenting the consolidated statements of income for the period that is comprised by:

- 9 months of the Company's operations; plus
- the period from May 1, 2013 to September 30, 2013 of Paraíso operations.

The merger of Paraíso into the Company occurred on September 30, 2013. As a result the Company is not presenting consolidated statements of income and comprehensive income for the 3-month period ended December 31, 2013.

3 Group entities

The Company has an ownership interest, as follows:

Entity	City / State-Country		Equity interest	
			2013	
			Direct	Indirect
Auto Posto Santa Cândida Ltda (a)	Bocaina/SP-Brasil	Subsidiary	100%	-
Energisa Bioeletricidade Santa Cândida I S.A. (b)	Bocaina/SP-Brasil	Associate	15%	-
Energisa Bioeletricidade Vista Alegre I S.A. (b)	Maracaju/MS-Brasil	Associate	15%	-

- (a) Financial statements have not been consolidated due to immateriality of subsidiary's balances;
- (b) Investment recorded at fair value.

4 Basis of preparation

a. Statements of compliance

The interim financial statements of the Parent were prepared in accordance with accounting practices generally accepted in Brazil (BR GAAP), which comprise Brazilian Corporation Law, the pronouncements, orientations and interpretations issued by the Accounting Pronouncements Committee (CPC) and rules issued by the Federal Accounting Council (CFC), collectively referred as BR GAAP.

The consolidated statements of income and statements of comprehensive income were prepared in accordance with BR GAAP and the International Financial Reporting Standards (IFRS).

The individual financial statements of the parent company were prepared in accordance with accounting practices adopted in Brazil, and, in the case of the Company, these practices differ from the IFRS applicable to separate financial statements due to the fact that investments in subsidiaries under accounting practices adopted in Brazil were recorded using the equity method, until it was merged into the Company, whereas, for IFRS, these investments would be carried at cost or fair value.

However, there is no difference between the shareholders' equity and consolidated results presented by the Company and the shareholders' equity and results of the Parent company in the individual financial statements. Accordingly, the consolidated income and comprehensive income statements of the Company and its subsidiaries and the Parent Company's individual income and comprehensive income statements are being presented side by side in a single set of financial statements.

The financial statements were approved by the Company's Board of Directors on February 7, 2014.

b. Measurement basis

The interim financial statements were prepared based on the historical cost, except for the following material items recognized in the balance sheets:

- Financial assets available for sale measured at fair value through profit or loss;
- Derivative financial instruments measured at fair value through profit or loss; and
- Biological assets are measured at fair value less cost to sell.

c. Functional currency and presentation currency

These interim financial statements are being presented in Brazilian Real, functional currency of the Company. All financial information presented in Brazilian reais has been rounded to the nearest value, except otherwise indicated.

d. Use of estimates and judgments

The preparation of interim financial statements according to CPC and IFRS requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported values of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods.

Information about critical judgment referring to the accounting policies adopted which impact the amounts recognized in the interim financial statements are described in the following notes:

- Note 9 – Allowance for doubtful accounts;
- Note 14 – Deferred tax assets and liabilities;
- Note 25 – Financial instruments.
- Information on uncertainties as to assumptions and estimates that pose a high risk of resulting in a material adjustment within the next financial quarter are included in the following notes:
- Note 16 – Useful life of the property, plant and equipment;
- Note 17 – Biological assets;
- Note 24 – Provision for contingencies.

5 Description of significant accounting policies

The accounting policies described below have been applied consistently to all periods presented in these financial statements.

a. Foreign currency

Foreign currency transactions

Transactions in foreign currency were converted to the respective functional currency of the Company by the exchange rates on the dates of the transactions. Monetary assets and liabilities denominated and established in foreign currencies on the presentation date are reconverted to the functional currency at the exchange rate in force on that date. The exchange rate gain or loss in monetary items is the difference between the amortized cost of the functional currency at the beginning of the financial year, adjusted by interest and payments made during the financial year, and the amortized cost in foreign currency at the exchange rate at the end of the financial year of presentation.

b. Financial instruments

(i) *Non-derivative financial assets*

The Company initially recognizes loans, receivables and deposits on the date they are originated. All other financial assets (including assets designated at fair value through profit and loss) are initially recognized on the transaction date on which the Company became party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the asset's cash flows expire or when the Company transfers the rights to receive the contractual cash flows of a financial asset in a transaction where essentially all the risks and rewards of ownership of financial assets are transferred to the buyer. Any interest that is created or retained by the Company in financial assets is recognized as an individual asset or liability.

Financial assets or liabilities are offset and their net amount presented in the statement of financial position when, and only when, the Company is legally entitled to offset the amounts and intends to settle on a net basis or realize the asset and settle the liability simultaneously.

The Company classifies its financial assets under the following categories:

Financial assets measured by fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is held for trading and designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages these investments and makes purchase and sales decisions based on their fair value in accordance with the investment strategy and risk management documented by the Company. The costs of the transaction are recognized in the result as incurred. Financial assets recorded at fair value through the profit or loss are measured at fair value and changes in the fair value of such assets are recognized in the income (loss) for the year.

Financial assets designated as fair value through profit or loss comprise equity instruments that otherwise would be classified as available for sale.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

The loans and receivables cover cash and cash equivalents, accounts receivable, advances to suppliers, prepaid expenses and other receivables.

Financial assets available for sale

Financial assets available for sale are non-derivative financial assets classified as available for sale or not classified in any of the prior categories. Equity instruments that are not quoted in an active market and whose fair value cannot be measured reliably are carried at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and financial investments with original maturity of three months or less from the original maturity date, which are subject to insignificant risk of change in value, and are used in the management of short term commitments.

(ii) ***Non-derivative financial liabilities***

The Company initially recognizes debt securities issued and subordinated liabilities on the date they originated. All other financial liabilities are initially recognized on the transaction date on which the Company became party to the contractual provisions of the instrument. The Company writes off a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company classifies the non-derivative financial liabilities in the category of other financial liabilities. Such financial liabilities are recognized initially by fair value added any costs of assignable transactions. After the initial recognition, these liabilities are measured by the amortized cost using the effective interest rate method.

The Company has the following non-derivative financial liabilities: suppliers, loans and financing and other accounts payable.

Limits of bank overdrafts that have been paid in cash and are an integrated part of the cash management of the Company are included with a component of the cash equivalents for purposes of the statement of cash flows.

(iii) ***Capital***

As of December 31, 2013, common and preferred stock are classified as equity.

(iv) ***Derivative financial instruments***

The Company has derivative instruments of financial hedge to protect its exposures to the risk of variation of foreign currency and price. Embedded financial derivatives are separated from their principal contracts and are recorded individually, if the economic characteristics and risks of the principal contract and the embedded financial derivative are not intrinsically related, or if an individual instrument with the same conditions of the embedded financial derivative satisfies the definition of derivative, and the combined instrument is not measured by fair value through profit or loss.

Derivatives are recognized initially by fair value. The costs of attributed transactions are recognized in the profit or loss when incurred. After the initial recognition, the derivatives are measured by the fair value, and variations in the fair value are recorded in profit or loss.

c. Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment items are stated at historical acquisition or construction cost, net of accumulated depreciation and any impairment losses.

The cost includes expenses that are directly attributed to the acquisition of an asset.

Software purchased as an integral part of a piece of equipment is capitalized as a part of this equipment.

When parts of an item of equipment have different useful lives, these useful lives are recorded as separate items (principal components) of fixed assets.

Gains and losses in the disposal of an item of fixed assets (calculated as the difference between the resources originating from the disposal and the book value of the fixed assets) are recognized in other operating income/expenses, net in the statement of income.

(ii) Costs of maintenance

The Company carries out maintenance services annually in its industrial units, approximately in the period between December and March. The main costs of maintenance include costs of labor, materials, external services and indirect general expenses allocated during the inter-harvest period. These costs are registered as a component of cost of the equipment and depreciated during the following harvest.

(iii) Depreciation

Items of the property, plant and equipment are depreciated using the straight-line method in profit or loss over the estimated useful lives of each component. Land is not depreciated.

Items of the property, plant and equipment are depreciated from the date on which they are installed and are ready for use or in respect of internally constructed assets, from the date that the asset is completed and are ready for use.

The annual weighted average rates for depreciation of the assets, for the current and comparative period, are:

	12/31/2013	12/31/2012
Buildings and improvements	2.34%	3.38%
Facilities	6.00%	9.17%
Machinery and equipment	5.78%	10.49%
Furniture and fixtures	10.56%	10.27%
IT equipment	20.31%	20.87%
Vehicles	14.29%	15.39%
Tools and accessories	5.51%	32.00%
Agricultural machinery and implements	9.41%	9.01%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

d. Intangible assets

- (i) **Recognition and measurement**
Intangible assets acquired by the Company with finite useful lives, are measured at cost, presented net of accrued amortization and, whenever necessary, by impairment losses.
- (ii) **Subsequent expenditures**
Subsequent expenditures are capitalized only when they increase the future economic benefits incorporated into the specific asset they relate to. All other expenditures are recognized in profit or loss as incurred.
- (iii) **Amortization**
Amortization is recognized in profit or loss based on the straight-line method according to the estimated useful life, as per the date on which they are ready for use. The estimated useful life for the current and comparative periods is 5 years.

Amortization methods, useful life and residual values are reviewed at the end of every year and adjusted if appropriate.

e. Biological assets

Biological assets are measured at fair value less costs to sell. Adjustments to the fair value less costs to sell are recognized in profit or loss. Costs to sell include all costs that are necessary to sell the assets. Sugarcane is transferred to inventories at its fair value, deducting the estimated costs of the sales established on the cutting date.

f. Leased assets

Leases in which the Company assumes the risks and rewards of ownership are classified as financial leases. At initial recognition, the leased asset is measured at the lower amount of its fair value and the present value of the minimum payments. After initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Operating leases are not recognized in the statement of financial position of the Company.

g. Inventories

Inventories are measured at the lower of cost and net realizable value. Inventory costs are valued at the average cost of purchase or production and include expenses incurred in the acquisition of inventories, production and conversion costs and other costs incurred in bringing them to their current locations and conditions.

The net realizable value is the estimated sale price in the normal course of business, less estimated completion costs and selling expenses.

The cost transferred from biological assets to inventory is the fair value less cost to sell at the date of harvest.

h. Impairment

- (i) **Financial assets (including receivables)**
A financial asset not measured at fair value through profit or loss is assessed at each reporting

Financial assets not measured at fair value through profit and loss are assessed at each reporting date for impairment. An asset is impaired if there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes nonpayment or late payment by the debtor, restructuring of the amount owed to the Company on terms that it would not normally accept in other transactions, evidence that the debtor or issuer is going to enter bankruptcy proceedings or the disappearance of an active market for a security. Furthermore, a significant or prolonged decline in the fair value of the security below its cost is objective evidence of impairment.

Financial assets measured by the amortized cost

The Company takes into account evidence of impairment for receivables, both individually and collectively. All individually significant receivables are tested for impairment. All individually significant receivables found not to have incurred individual impairment are then tested collectively for any impairment that may have occurred, but not yet been identified. Individually important assets are evaluated collectively as to the loss of value per combined grouping of these securities with characteristics of similar risks.

When testing for impairment, collectively, the Company uses historical trends of default probability, recovery terms and the size of losses incurred, adjusted to reflect management's judgment as to whether the current economic credit conditions mean that the actual losses will probably be higher or lower than those suggested by historic trends.

Impairment of a financial asset measured at amortized cost is calculated as the difference between the book value and the present value of future estimated cash flows, discounted at the asset's effective original interest rate. Losses are recognized in the statement of income for the year and recorded in a provision against receivables. Interest on the impaired asset is still recognized by reversing the discount. When a subsequent event indicates a reversal of the impairment, the decrease in the impairment is reversed and credited to the statement of income.

Non-financial assets

The carrying amount of the company's non-financial assets, which are not biological assets, deferred tax and inventory, are reviewed on every presentation date to determine if there is indication of loss in the recoverable value. If this indication exists, then the recoverable value of the asset is estimated.

A loss through a reduction in recoverable value is recognized if the carrying amount of the asset or "cash-generating unit" (CGU) exceeds its recoverable value.

The recoverable value of an asset or reporting unit is the higher of the value in-use and fair value less costs to sell. When determining value in-use, the estimated future cash flows are discounted to their present values at a pre-tax discount rate that reflects the current market terms regarding the capital recoverability period and the asset's specific risks or CGU. For impairment testing purposes, assets that cannot be tested individually are grouped in the smallest group of assets that generate cash for continuous use and which are largely independent from the cash flows from other assets or groups of assets ("reporting unit" or "CGU").

Losses as a result of a reduction in the recoverable value are recognized in the profit or loss. Impairment is reversed only to the extent that the carrying amount of the asset does not exceed

the book value of the assets, net of depreciation or amortization, had the loss in value not been recognized.

i. Assets classified as held for sale

The non-current assets or groups classified as held for sale, on which the values are expected to be recovered, primarily through a sales transaction instead of continuous use, are classified as assets held for sale. Immediately prior to being classified as assets held for sale, the assets, or components of a group of assets classified as held for sale, are measured according to the accounting policies of the Company. Thereafter, the assets, or group of assets classified as held for sale, are measured by the lowest amount of the book value and the fair value less costs to sell. No impairment should be allocated to the inventories, financial assets, deferred tax assets and biological assets, which continue to be measured according to the accounting policies of the Company. The impairment established in the initial classification as held for sale and the gains and losses subsequently established are recognized in the profit or loss.

Once classified as held for sale, intangible and property, plant and equipment are not amortized or depreciated. Investments subject to equity pick up are no longer accounted for under the equity method.

j. Employee benefits

Short-term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized in the expected amount to be paid under the bonus plans in cash for short-term profit shares if the Company has a legal or constructive obligation to pay this amount because of the services provided by the employee and the obligation can be reliably estimated.

k. Provision for contingencies

A provision is recognized if, as a result of a past event, the Company has a legal or constructive obligation that can be reliably estimated, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provisions are established based on the best estimates of the risk involved.

l. Revenue

Revenue from the sale of products in the normal course of business is recognized at fair value of the consideration received or receivable. Revenue is recognized when there is persuasive evidence that significant risks and rewards of ownership have been transferred to the buyer, that it is probable that the financial economic benefits will flow to the Company, that the associated costs and possible return of goods can be estimated reliably, that there is no continuous involvement with the products sold, and that the revenue can be measured reliably.

The moment of transfer of risks and rewards varies depending on the individual terms of each sales contract. For sugar and ethanol sales in the domestic market, the transfer normally occurs when the product is delivered to the establishment of the client or when it is picked up by the client directly from the Company. In the case of export sales to the international market the transfer occurs by loading the goods onto the relevant shipping company at the seller's port. For sales of electric energy, the Company uses power meters installed for clients, whereby at the end

of each month this quantity is calculated and the consequent recognition of the revenue is computed.

m. Government grants

Government grants that compensate the Company for expenses incurred are recognized in profit or loss on a systematic basis over the same period in which the expenses are recognized.

n. Leases

(i) Lease payments

Minimum lease payments made under financial leases are allocated between the financial expenses and reduction of the outstanding liabilities. Financial expenses are allocated to each period during the lease term in order to produce a periodic rate of interest on the remaining balance of liabilities.

(ii) Determining whether an agreement contains a lease

At the inception of an arrangement, the Company determines whether such an arrangement is or contains lease. This is the case if both of the following conditions below are met:

- a.** The fulfilment of the arrangement depends on the use of that specified asset; and
- b.** The arrangement includes the right to use the asset.

At inception of the arrangement or on a reassessment of the arrangement, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes that it is impracticable to separate the payments of a financial lease reliably, an asset and a liability are recognized at an amount equal to the fair value of the underlying asset. Subsequently the payments under the financial lease are allocated into financial expense (using the Company's incremental borrowing rate) and reduction of the outstanding liability.

o. Financial income and financial expenses

Financial income is comprised of interest on financial instruments, exchange rate variation, gains with derivative instruments. Interest income is recognized in profit or loss using the effective interest rate method.

Financial expenses are comprised of interest on loans, bank fees, exchange rate variation and losses with derivative instruments. Interest on loans that are not directly attributed to acquisition, building or production of a qualified asset are charged to profit or loss using the effective interest rate method.

p. Income and social contribution taxes

Income and social contribution taxes, both current and deferred, are calculated at the rate of 15% plus a surcharge of 10% on taxable income in excess of R\$240 for income tax and 9% on taxable income for social contribution on net income, and consider the offsetting of tax loss carry forwards and negative basis of social contribution, limited to 30% of annual taxable profit.

Income and social contribution expenses consist of current and deferred taxes. Current and deferred taxes are recognized in the income statement, except for those related to other comprehensive income.

Current income is the tax payable or receivable on the expected taxable income or loss for the year, at rates effective or substantially effective at the reporting date of the financial statements and any adjustment to the taxes payable in relation to prior years.

Deferred taxes are recognized in relation to temporary differences between the book values of assets and liabilities for accounting purposes and the corresponding amounts used for tax purposes.

Deferred taxes are measured at the expected rates to apply to the temporary differences when they are reversed, based on the laws in effect or substantially in effect as at the reporting date of the financial statements.

In the determination of the current and deferred taxes, the Company takes into consideration the impact of uncertainties related to tax positions taken and if any additional payments of taxes and interest have been made. The Company believes that the provision for income taxes within liabilities is appropriate based on its evaluation of several factors, including interpretations of tax laws, historical experience and periods still subject to review. This evaluation is based on estimates and assumptions that could involve a series of judgments on future events. New information can be made available enabling the Company to change its judgment as to the adequacy of the existing provision; such alterations will impact the expense with income taxes in the year in which they are made.

Deferred tax assets and liabilities are offset if there is a legal right to offset current tax assets and liabilities, and they are related to income taxes levied by the same tax authority on the same entities subject to taxation.

Deferred income and social contribution tax assets are recognized on deductible tax losses, tax credits and temporary differences not used when it is probable that future taxable earnings will be generated against which they can be offset.

Deferred income and social contribution tax assets are reviewed at each reporting date and are reduced to the extent that realization is no longer probable.

q. Discontinued operations

Classification as discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale, if this occurs first. When an operation is classified as a discontinued operation, the comparative income statement is re-presented as if the operation had been discontinued since the start of the comparative period.

6 Determination of the fair value

A number of accounting policies and disclosures of the Company requires that fair value be determined for both financial assets and liabilities and non-financial assets and liabilities. Fair values have been determined for the purpose of measurement and/or disclosure, based on the methods below. When applicable, additional information about the assumptions made to determine fair values is disclosed in specific notes relating to that asset or liability.

(i) Biological assets

The methodology adopted by the Company, to satisfy the calculation requirement of biological assets corresponding to the plantation, that generate several harvests, and the standing sugarcane, was the future discounted cash flow method. The future discounted cash flow method, considers assumptions like the price per ton of sugarcane, productivity, cutting, loading and transport costs, cost of crop handling, and costs of partnership and taxes, among others. The discount rate used to determine the present value of the cash flow is calculated based on the Weighted Average Cost of Capital - WACC.

(ii) Accounts receivable and other credits

The fair value of accounts receivable and other credits is estimated as the present value of future cash flows, discounted by the market interest rates established on the presentation date of the financial statements. This fair value is determined for disclosures purposes.

(iii) Exchange rate and swap contracts of cash flows

The fair value of fixed-term exchange rate contracts is based on the listed market price, whenever available. If the listed market price is not available, fair value is estimated by discounting the difference between the forward contract price and the current forward price for the residual maturity period of the contract, using a risk-free interest-rate (benchmarked on government bonds).

The fair value of cash flow swaps is based on quotes from brokers. These quotes are tested as to reasonability through the discount of future cash flows estimated based on the terms and maturity of each contract, and using market interest rates for a similar instrument used on the date of measurement. The fair values reflect the credit risk of the instrument and include adjustments to consider the credit risk of the Company and counterpart, whenever appropriate.

(iv) Other non-derivative financial liabilities

Fair value, determined for disclosures purposes, is calculated based on the present value of the principal and future cash flows, discounted by the market interest rate at the reporting date. For financial leases, the interest rate is established through comparison with similar lease contracts.

7 Cash and cash equivalents

		12/31/2013	03/31/2013
Cash and banks		99,112	2,809
Interest earnings bank deposits			
Floating type			
LCA	20% of CDI- Interbank deposit certificate	2,200	-
CDB – Bank deposit certificate	97–100% of CDI- Interbank deposit certificate	-	-
CDB – Bank deposit certificate	97–100% of CDI- Interbank deposit certificate	18,262	156,200
CDB– Bank deposit certificate	101–102.3% of the CDI- Interbank deposit certificate (*)	-	145,387
CDB– Bank deposit certificate	109% of the CDI variation	9,058	-
Automatic financial investment		7,812	190
		136,444	304,586

(*) Weighted average rate

The balance of cash and banks comprises deposits in current accounts available for immediate use. These balances arise from normal flow of the Company's operations.

Financial investments are recorded at cost, plus income earned until the statement of financial position date upon which the value does not exceed the market value. These investments can be readily redeemed without penalty or loss.

The Company's exposure to interest rate risks and a sensitivity analysis for the financial assets and liabilities are disclosed in Note 25 - Financial instruments.

8 Other investments

		12/31/2013	03/31/2013
Current			
Interest earnings bank deposits			
Floating type			
CDB - Bank deposit certificate	98% of CDI Interbank deposit certificate (*)	7,512	-
CDB - Bank deposit certificate	100% of the CDI Interbank deposit certificate (*)	7,645	7,137
CDB - Bank deposit certificate	101% of the CDI Interbank deposit certificate (*)	22	29
CDB - Bank deposit certificate	101.6% of CDI Interbank deposit certificate (*)	-	8,620
Shares		-	3,538
		15,179	19,324
Equity investments			
Centro de Tecnologia Canavieira (a)		357	357
Energisa Bioeletricidade Santa Cândida I S.A. (b)		14,406	13,261
Energisa Bioeletricidade Vista Alegre I S.A. (b)		17,788	15,655
Others (a)		108	-
		32,659	29,273

(*) Weighted average rate

The Company's exposure to credit and interest rate risks and a sensitivity analysis for the financial assets and liabilities are disclosed in Note 25 - Financial instruments.

(a) Investments recognized at cost.

(b) We recently entered into a strategic partnership with Grupo Energisa S.A., or Energisa, an energy company in Brazil. In connection with this partnership, we sold co-generation assets to Energisa and agreed to exchange bagasse for energy and steam produced at the power plants which we continue to operate. The sale was agreed in December 2011, when we executed four share purchase and sale agreements with Energisa pursuant to which we agreed to sell shares of four Special Purpose Entities, or SPEs: (i) Energisa Bioeletricidade Santa Cândida I S.A., or USC I, into which we transferred all of our co-generation assets at our Santa Cândida mill; (ii) Energisa Bioeletricidade Santa Cândida II S.A., or USC II, into which we transferred all of our construction and operation rights in case of expansion of our Santa Cândida co-generation plant; (iii) Energisa Bioeletricidade Vista Alegre I S.A., or UVA I, into which we transferred all of our

co-generation assets at our Vista Alegre mill; and (iv) Energisa Bioeletricidade Vista Alegre II S.A., or UVA II, into which we transferred all of our construction and operation rights in case of expansion of our Vista Alegre co-generation plant. In August 2012, pursuant to such share purchase and sale agreements, Energisa acquired: (i) 85% of the capital stock of USC I; (ii) 85% of the capital stock of UVA I; (iii) 100% of the capital stock of USC II; and (iv) 100% of the capital stock of UVA II from us for an aggregate amount of approximately R\$150.0 million. Pursuant to the terms of the agreements, in approximately 20 years Energisa will sell back the assets owned by each of USC I, USC II, UVA I and UVA II to us. In this transaction, Tonon satisfied several preceding conditions and thus received the agreed sum of approximately R\$150 million in August 2012.

The investment was recorded in the accounting at fair value at the time control was lost and the difference (between the cost and the new deemed fair value) in the amount of R\$ 17,581 was recognized as "Other income (expenses), net" in the income statement for the quarter ended March 31, 2012. These investments are classified as available for sale and the change in fair value related to subsequent measurement is accounted for as other comprehensive income. In the period ended December 31, 2013, the change in fair value was R\$ 2,104, net of taxes.

The Company's exposure to credit and interest rate risks and a sensitivity analysis for the financial assets and liabilities are disclosed in Note 25 - Financial instruments.

9 Accounts receivable, net

	12/31/2013	03/31/2013
Accounts receivable – Foreign market	43,040	-
Accounts receivable – Domestic market	4,540	-
Accounts receivable – Related parties (note 26)	535	1,466
Provision for doubtful accounts	<u>(373)</u>	<u>-</u>
	<u>47,742</u>	<u>1,466</u>

Accounts receivable of the external market are originated in U.S. dollars, which are translated into the Reais on the presentation date of the interim financial statements.

As of December 31, 2013, the Company did not have any operations that generated a material effect from adjustments to present value.

The Company's exposure to credit and currency risks and losses through impairment related to trade accounts receivable are disclosed in Note 25 - Financial Instruments.

10 Inventories

	12/31/2013	03/31/2013
Finished goods		
Sugar	4,509	6,503
Ethanol	40,707	5,543
Yeast	61	-
Oil	29	8
Warehouse, raw material and others	<u>33,122</u>	<u>19,767</u>
	<u>78,428</u>	<u>31,821</u>

As of December 31, 2013, warehouse materials and others, goods and changes in finished goods recognized in the selling cost amounted to R\$ 512,223 (R\$ 432,083 as of December 31, 2012).

11 Advances to suppliers

	12/31/2013	03/31/2013
Advances to other suppliers	2,346	425
Advances to sugar suppliers	90,227	61,464
Advances to suppliers - Related parties (Note 26)	6,948	9,652
	99,521	71,541
Current	50,052	38,111
Non-current	49,469	33,430

Advances to sugarcane suppliers are represented substantially by amounts advanced to rural partners, as provided for by contract, and the products will be delivered during the next harvest season.

12 Recoverable taxes

	12/31/2013	03/31/2013
Contribution for funding of social security funding – COFINS	18,800	18,482
Tax on the circulation of goods and services - ICMS	16,511	3,055
Social Integration Program – PIS	3,367	3,840
Withholding income tax – IRRF	5,138	2,808
Tax on industrialized products – IPI	878	466
Other taxes recoverable	942	1,130
	45,636	29,781
Current	43,182	29,306
Non-current	2,454	475

13 Assets held for sale

Non-current assets held for sale at December 31, 2013 (R\$ 3,028) refer to the property, plant and equipment of a substation for connection with the power distribution network, located in the city of Maracaju/MS, which is under negotiation with the power distribution company of the state of Mato Grosso do Sul.

14 Income and social contribution taxes

The breakdown of expense calculated by the combined statutory rates and the income and social contribution tax expense charged to net income is presented below:

	12/31/2013	12/31/2012
Accounting loss before income and social contribution taxes	(229,819)	(88,157)
Combined tax rate	34%	34%
Income tax and social contribution using combined tax rate	78,138	29,973
Permanent additions (exclusions)	(8,525)	21,017
Write-off by merger	(36,066)	-
Income tax and social contribution in income for the period	33,547	50,990
Effective rate	15%	58%

Management conducted an initial assessment of the provisions found in Provisional Measure 627 dated November 11, 2013 (“MP 627”) and Normative Ruling 1397 dated September 16, 2013, as amended by Normative Ruling 1422 dated December 19, 2013 (“IN 1397”).

Although the MP 627 comes into effect on January 1, 2015, there is the option (irreversibly) of early adopting it as of January 1, 2014. The Management has not yet concluded whether it should opt for the early adoption or not.

In accordance with analyses by Management and consultants, if the option of early adoption is not taken, there is no significant risk related to the taxation of dividends paid after the MP 627 date publication that exceeded the taxable income calculated in the period between January 1, 2008 and December 31, 2013.

The changes in the period ended December 31, 2013 are presented as follows:

	03/31/2013	Merger Paraíso	Recognized in income (loss)	Recognized in comprehensive income	12/31/2013
Provision for contingencies	1,884	-	(208)	-	1,676
Allowance for doubtful accounts	593	-	-	-	593
Temporary provisions	641	13,321	(1,080)	-	12,881
Deferred income tax and social contribution on tax loss forwards and negative basis	55,591	36,066	54,362	-	146,019
Deferred income tax and social contribution on goodwill	14,742	-	(3,376)	-	11,366
Deferred taxes on the surplus value of property, plant and equipment	(13,797)	(32,464)	(1,083)	-	(47,344)
Incentivized accelerated depreciation	-	(4,942)	-	-	(4,942)
Deferred taxes on appreciation of biological assets	(58,572)	(4,960)	(18,503)	-	(82,035)
Fair value of investments	(5,440)	-	-	(1,084)	(6,524)
Exchange variation - cash method calculation	(2,188)	-	40,375	-	38,187
Revaluation reserve	-	(3,026)	(873)	-	(3,899)
Write-off of deferred income tax and social contribution on net income on negative basis due to merger	-	-	(36,066)	-	(36,066)
Total	(6,546)	3,995	33,547	(1,084)	29,912

Management considers that tax deferred assets resulting from timing differences will be realized in proportion to the final resolution of contingencies and events.

The expected recoverability of the tax credits is based on the projections of future taxable income taking into consideration various business and financial assumptions at the end of the quarter. Accordingly, these estimates may differ from the effective taxable income in the future due to the inherent uncertainties involving these estimates.

Deferred tax assets, in according with the Company’s expected future profitability will be realized within five years.

15 Investments

	12/31/2013	03/31/2013
Investments in subsidiaries (a)		
Auto Posto Santa Cândida de Bocaina Ltda. (i)	4,289	4,895
	<u>4,289</u>	<u>4,895</u>

(a) Investments in subsidiaries

They represent investments in subsidiaries valued using the equity accounting method in the individual financial statements and in the advances for future capital increase, where the breakdown is listed in the table below:

	<u>12/31/2013</u>
	Auto Posto
Capital	100
Number of quotas/shares	100
Ownership percentage (i)	100%
Shareholders' equity at March 31, 2013	4,895
Income (loss) for the period	(606)
Shareholders' equity at December 31, 2013	4,289
Total amount of investment	<u>4,289</u>

Change in the period

	<u>12/31/2013</u>
	Auto Posto
Balance of the investment as of March 31, 2013	4,895
Equity in income of subsidiaries and associated companies	(606)
Balance of the investment on December 31, 2013	<u>4,289</u>

- (i) On October 18, 2012, the Company acquired from Tonon Holding 100% of the capital of Auto Posto Santa Cândida de Bocaina Ltda., a gas station located near the Santa Candida unit. The cost of acquisition was R\$ 4,600. The investments were not consolidated.

16 Property, plant and equipment

Cost	Land	Buildings and improvements	Facilities	Machinery and equipment	Furniture and fixtures	IT equipment	Vehicles	Tools and accessories	Machinery and Agricultural implements	Inter-harvest maintenance	Constructions in progress	Total
Balance at March 31, 2012	5,794	74,483	83,852	157,263	1,078	2,900	13,889	125	35,401	47,927	620	423,332
Additions	-	-	12	1,239	5	56	1,627	-	1,926	12,521	1,824	19,210
Write-offs	-	-	-	-	-	-	-	-	-	(55,549)	(725)	(56,274)
Transfers to assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
Balance at December 31, 2012	5,794	74,483	83,864	158,502	1,083	2,956	15,516	125	37,327	4,899	1,719	386,268
Balance at March 31, 2013	6,334	67,381	87,044	159,532	1,287	3,228	18,465	164	45,225	64,037	4,146	456,843
Additions	-	-	695	2,229	98	111	942	14	3,796	16,306	12,868	37,058
Write-offs	-	-	-	(71)	-	-	(513)	-	(1,912)	(72,216)	-	(74,713)
Merger	666	53,577	-	177,090	1,839	-	23,607	-	39,710	10,141	3,974	310,603
Interest capitalized	77	-	-	9,192	50	-	408	-	-	-	-	9,728
Capitalized interest on property, plant and equipment	-	-	-	-	-	-	-	-	-	-	2,122	2,122
Transfers	-	441	419	7,604	41	341	29	-	1,085	(722)	(9,239)	-
Balance at December 31, 2013	7,077	121,399	88,158	355,575	3,315	3,680	42,939	178	87,904	17,546	13,871	741,642
Accumulated depreciation												
Balance at March 31, 2012	-	(3,647)	(21,018)	(26,091)	(369)	(1,405)	(7,844)	(118)	(2,924)	-	-	(63,416)
Additions	-	(2,097)	(7,037)	(12,433)	(80)	(374)	(2,288)	(39)	(4,269)	-	-	(28,617)
Write-offs	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
Balance at December 31, 2012	-	(5,744)	(28,055)	(38,524)	(449)	(1,779)	(10,132)	(157)	(7,193)	-	-	(92,033)
Balance at March 31, 2013	-	(7,872)	(25,016)	(46,276)	(602)	(2,050)	(8,516)	(104)	(11,553)	-	-	(101,989)
Additions	-	(1,982)	(4,028)	(7,737)	(165)	(402)	(3,310)	(37)	(5,437)	-	-	(23,099)
Write-offs	-	-	-	3	-	-	400	-	1,313	-	-	1,715
Merger	-	(11,237)	-	(60,924)	(1,101)	-	(18,502)	-	(13,703)	-	-	(105,467)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
Balance at December 31, 2013	-	(21,090)	(29,044)	(114,935)	(1,868)	(2,452)	(29,928)	(141)	(29,381)	-	-	(228,839)
Book value												
At March 31, 2012	5,794	70,836	62,834	131,172	709	1,495	6,045	7	32,477	47,927	620	359,916
12/31/2012	5,794	68,739	55,809	119,978	634	1,177	5,384	(32)	30,134	4,899	1,719	294,235
03/31/2013	6,334	59,509	62,028	113,256	685	1,178	9,949	60	33,672	64,037	4,146	354,854
12/31/2013	7,077	100,308	59,115	240,641	1,448	1,228	13,012	36	58,523	17,546	13,871	512,803

Maintenance expenditures incurred during the inter-harvest period are recognized to property, plant and equipment and fully depreciated in the next harvest season.

The fixed assets pledged as collateral for loans and financing are presented in Note 20 - Loans and financing.

The Company evaluates each quarter if there is objective evidence that impairment losses have occurred. The model and the assumptions used in determining the fair value represent management's best estimate on the date of the quarterly consolidated interim financial statements and are reviewed annually.

17 Biological assets

Biological assets comprise the cultivation and plantation of sugarcane, through contracts with leaseholders and sugarcane partners, for the use as raw material in its industrial processes of sugar and ethanol. The cultivation of sugarcane is initiated with the plantation of seedlings on land owned by third-party landowners, and the first cutting occurs after a period of 12 to 18 months after planting, when the sugarcane is cut and the root ("shoot") continues in the soil. After each cutting or year/harvest, the treated shoot grows again, giving on average a total of five or six harvests, which varies based on the species and genetic material to which it refers.

Movements of Company's biological assets are stated as follows:

	12/31/2013	03/31/2013
Biological assets at the beginning of the period	471,376	398,109
Increase due to merger of subsidiary	147,541	-
Increase resulting from plantations	74,790	65,915
Increase resulting from harvest treatment	86,265	58,750
Amortization of crop handling	(84,175)	(51,312)
Amortization of crop	(79,340)	(47,633)
Variation of the fair value	54,421	47,547
Biological assets at the end of the period	<u>670,878</u>	<u>471,376</u>

Biological assets will be realized in the following harvests:

	12/31/2013	03/31/2013
Harvest 2013/2014	16,583	112,936
Harvest 2014/2015	179,008	100,732
Harvest 2015/2016	157,229	90,013
Harvest 2016/2017	123,350	69,435
Harvest 2017/2018	91,057	49,257
Harvest 2018/2019	63,158	34,751
Harvest 2019/2020	34,088	14,252
Harvest 2020/2021	6,405	-
	<u>670,878</u>	<u>471,376</u>

Planted areas refer only to sugarcane plants, and do not consider planted land.
The following assumptions were used in the determination of the fair value:

	12/31/2013	03/31/2013
Estimated harvest area (ha)	73,858	55,267
Estimated productivity (ton/ha)	77.15	76.79
Quantity of TRS per ton of sugarcane (kg ATR/ton)	140.00	140.00
Average TRS price per Kg projected (R\$/Kg)	0.49	0.49

The fair value of the sugarcane crops was determined using the methodology of the discounted cash flow, considering:

- Cash inflows from a combination of (i) estimated production, measured in kilos of ATR (Total Recoverable Sugar) and of (ii) future market price of sugarcane, which is estimated based on market information and estimates of the future prices of sugar and ethanol; and
- Cash outflows represented by the estimate of (i) necessary costs for the biological transformation of sugarcane (crop handling) until harvest; (ii) costs associated with the harvest/ Cutting, Shipment and Transport (CCT); and (iii) costs of leasing and agricultural partnership.

Based on the estimates of income and costs, the Company determines the discounted cash flows that will be generated and present value that amount, considering an actual discount rate of 6.26% a year, compatible with the compensation of the investment in the circumstances. Changes in the fair value are presented as “Changes in the fair value of the biological assets”.

The model and the assumptions used to determine the fair value represent the best estimate of the Board on the date of the financial statements, which are reviewed annually.

The increase or decrease in the fair value is determined by the difference between the fair value of the biological assets at the beginning of the period and at the end of the period, less the costs incurred with the plantation in the development and depreciation of the biological assets in the period.

The Company is exposed to a series of risks related to its plantations as follows:

Regulatory and environmental risks

The Company is subject to Brazilian laws and regulations. The Company determined environmental policies and procedures focused on the compliance of environmental and other laws. The Management conducts regular analyses to identify environmental risks and to guarantee that the systems in operation are appropriate to manage these risks.

Risk supply and demand

The Company is exposed to risks originating from the fluctuation of prices and sales volume of its plantations. Whenever possible, the Company manages this risk aligning its volume of extraction with the supply and demand of the market. The Management makes regular analyses of the trend of the industry to guarantee that the price structure of the Company is according to the market and to guarantee that the projected volumes of extraction are consistent with the demand expected.

Climate risks and others

The plantations of the Company are exposed to the risks of damage caused by climate changes, plagues, fires and other forces of nature. The Company has extensive processes in operation focused on the monitoring and on the reduction of these risks, including regular inspections in the sugarcane plantations, and analyses and control of disease and plagues.

18 Intangibles, net

Description	Cost	Accumulated amortization	Net 12/31/2013	Net 03/31/2013
Software and others	6,165	(1,508)	4,657	2,259
Fair value of contracts with third-parties (a)	16,856	(1,448)	15,408	-
Goodwill in business combinations – CPC 15 (b)	113,924	-	113,924	-
Total	136,945	(2,956)	133,989	2,259

- (a) As part of the acquisition accounting the company registered a contract entered by Paraíso with third parties where an investment was made by these third parties in a plant attached to Paraíso for the production of other products from sugarcane molasses. This plant entered into operation at the end of the 2012/13 harvest. This contract establishes the acquisition of molasses equivalent to the crushing of 500 thousand tons of sugarcane per harvest, which represents a production equivalent to 45 thousand m³ of hydrous ethanol.
- (b) Refer to the goodwill for the acquisition and merger of Paraíso as described in note 2.

19 Suppliers

	12/31/2013	03/31/2013
Domestic suppliers	99,054	38,463
Sugarcane suppliers	7,822	3,176
Suppliers – related parties (Note 26)	173	99
	107,049	41,738
Current	102,427	41,726
Non-current	4,622	12

The sugarcane harvest period, between April and December of each year, on average, has direct impact on the balance of suppliers of sugarcane and respective cutting, loading and transportation services.

Amounts payable to sugarcane suppliers and agricultural partners take into consideration sugarcane delivered and not yet paid, and possible supplementation of sugarcane price calculated based on the final harvest price, using the Total Recoverable Sugar (TRS) index disclosed by Consecana – Sao Paulo State Council of Sugarcane, Sugar and Alcohol Producers.

The Company's exposure to currency and liquidity risks, related to accounts payable to suppliers, is disclosed in Note 25 - Financial Instruments.

20 Loans and financing

	12/31/2013	03/31/2013
Current liabilities		
Working capital	125,755	85,303
Bonds	20,416	10,245
Advance on exchange contract (ACC)	18,202	-
Export pre-payment (PPE)	46,947	10,551
Leasing	-	191
Governement Agency for Machinery and Equipment Financing - FINAME	6,593	1,161
Agricultural funding (Pesa)	657	-
	<u>218,570</u>	<u>107,451</u>
Non-current liabilities		
Working capital	218,047	213,763
Bonds	680,595	575,552
Export pre-payment (PPE)	247,600	28,797
Governement Agency for Machinery and Equipment Financing – FINAME	10,472	4,446
Agricultural funding (Pesa)	2,601	-
	<u>1,159,315</u>	<u>822,558</u>
Total	<u><u>1,377,885</u></u>	<u><u>930,009</u></u>

Terms and conditions of outstanding loans were as follows:

Description	Index	Currency	Average annual interest rate	Year of maturity	12/31/2013
Advance on Exchange Contract (ACC)	Fixed rate + exchange variation	USD	6.45%	2014	18,202
Bonds	Fixed rate + exchange variation	USD	9.25%	2020	701,011
Working capital	Fixed rate + CDI	BRL	16.62%	2014–2015	47,047
Working capital	Fixed rate + exchange variation	USD	11.69%	2014–2017	92,324
Finame	Fixed rate + TJLP	BRL	6.83%	2014–2018	17,065
Export pre-payment (PPE)	Fixed rate + CDI/Libor + exchange variation	USD	8.14%	2014–2017	294,547
Syndicated loan	Fixed rate + CDI	BRL	19.27%	2017	98,723
Syndicated loan	Fixed rate + exchange variation	USD	11.50%	2017	105,708
Agricultural funding (Pesa)	IGPM – price index	BRL	5.53%	2019	3,258
					<u><u>1,377,885</u></u>

Loan and financing balances represented in current liabilities are segregated into principal and interest, as follows:

	12/31/2013		
	Principal	Accrued interest	Total
Working capital	116,803	8,951	125,754
Bonds	-	20,416	20,416
Advance on Exchange Contract (ACC)	17,182	1,020	18,202
Export pre-payment (PPE)	40,918	6,030	46,948
FINAME	6,547	47	6,594
Agricultural funding (Pesa)	-	656	656
	181,450	37,120	218,570

	03/31/2013		
	Principal	Accrued interest	Total
Working capital	80,218	5,085	85,303
Bonds	-	10,245	10,245
Export pre-payment (PPE)	9,676	875	10,551
Leases	189	2	191
FINAME	1,157	4	1,161
	91,240	16,211	107,451

The portions of financing classified as non-current liabilities maturing between 2014 and 2020, have the following payment schedule.

Maturity year:	12/31/2013	03/31/2013
2014/2015	34,707	80,663
2015/2016	182,205	60,625
2016/2017	167,588	42,121
2017/2018	91,619	40,922
2018/2019	-	22,675
2019/2020	683,196	575,552
	1,159,315	822,558

With guarantees:

Description	Guarantee	12/31/2013	03/31/2013
Working capital	Property, plant and equipment / Investment /		
FINAME	Pledge of sugarcane / Ethanol	64,266	101,923
Leases	Property, plant and equipment	17,065	6,917
Export pre-payment (PPE)	Property, plant and equipment	-	1,455
Syndicated loan	Property, plant and equipment	185,000	61,492
	Pledge of sugarcane	45,281	96,941
		311,612	268,728

On December 31, 2013, the Company did not comply with some contractual obligations (covenants) related to certain financial indicators as indicated above. Management obtained the consent of the financial institution (waiver) for non compliance with these obligations prior to the year end and therefore kept the classification of such loans as non-current.

21 Taxes payable

	12/31/2013	03/31/2013
Social Security Charges – INSS	1,531	2,226
Withholding income tax – IRRF	1,138	277
Value added taxes on sales and services – ICMS	2,873	1
Service tax - ISS	1,901	171
Other taxes payable	531	-
	<u>7,974</u>	<u>2,675</u>

22 Taxes payable in installments

	12/31/2013	03/31/2013
Value-added tax on sales and services - ICMS (ii)	6,999	6,017
Social Security Charges – INSS (i)	5,720	4,792
Social Integration Program (PIS) and Contribution for Social Security Funding (COFINS) (i)	1,109	-
Contribution to the Severance Indemnity Fund – FGTS	505	-
Corporate Income Tax – IRPJ (i)	278	253
Social Contribution on Net Income (CSLL) (i)	41	42
Others	245	-
	<u>14,897</u>	<u>11,104</u>
Current	7,732	5,265
Non-current	7,165	5,839

- (i) The Company adhered the Tax Recovery program (Refis) for federal debts, approved by Law 11941 of 27 May 2009 and in July 2011 substantially consolidated its debts related to INSS, PIS, COFINS and IRPJ/CSLL.
- (ii) It refers to ICMS debts that were included in the Program for Payment in Installment incentivized by the State of São Paulo (PPI). The total amounts of the installments are being paid in 120 monthly installments.

Schedule of payments of taxes in installment classified in current and non-current liabilities:

Year of maturity	12/31/2013	03/31/2013
2013	-	5,265
2014	7,731	2,970
2015	2,447	1,093
2016	2,033	-
2017	1,396	-
2018–2024	<u>1,290</u>	<u>1,776</u>
	<u>14,897</u>	<u>11,104</u>

23 Advances from customers

	12/31/2013	03/31/2013
Advances from customers - Domestic market (i)	6,455	1,151
Advances from customers - Foreign market (ii)	24,975	-
Advances from customers - Performance	<u>6,282</u>	<u>5,963</u>
	<u>37,712</u>	<u>7,114</u>

(i) The amount refers to the advances made by clients purchasing of ethanol.

(ii) The amount refers to the advances made by clients purchasing of sugar.

24 Provision for contingencies

The Company is party to lawsuits of a civil, labor and tax nature, all due in the normal course of operations. Management, based on its legal advisors' opinion and, whenever applicable, based on specific opinion issued by specialists, assesses the expectation of the outcome of the proceeding in course and determines the need or not for constituting a provision for contingencies.

As of December 31, 2013, the provision for contingencies in the amount of R\$ 7,319 refers to lawsuits considered as probable losses, based on the opinions of the legal advisors, is considered sufficient by Management to cover possible losses, as follows:

	Civil and environmental	Labor	Tax	Total
Balance at March 31, 2013	<u>697</u>	<u>4,991</u>	<u>900</u>	<u>6,588</u>
Merger	380	496	120	996
Provisions during the period	15	-	85	100
Write-offs during the period	-	(365)	-	(365)
Reclassifications	<u>(100)</u>	<u>220</u>	<u>(120)</u>	<u>-</u>
Balance at December 31, 2013	<u>992</u>	<u>5,342</u>	<u>985</u>	<u>7,319</u>

Tax proceedings

Refer to taxes whose payment is being challenged in court by the Company, in which the challenged amounts have been deposited in court; and success fees to be paid to the lawyers contracted by the Company for defenses in tax lawsuits.

Civil and environmental proceedings

Refer to compensation for property and moral damages; public civil actions to prohibit the burning of sugarcane straw and establishment of a legal reserve; and execution actions of an environmental nature.

Labor proceedings

These refer to labor claims mainly related to overtime; commuting hours; elimination of breaks during shifts; hazardous duty and health hazard premiums; return of amounts deducted from the payroll, such as contributions to unions; night work pay; and recognition of a single employment contract with the consequent payment of the 13th-month salary and vacation pay plus a vacation bonus equivalent to one third of the salary.

Contingent liabilities

The Company has other contingent liabilities involving labor, tax and civil issues in the estimated amount of R\$ 47,772 (R\$ 48,063 as of March 31, 2013). Due to the current stage of these suits and as the lawyers consider a favorable outcome possible, no provision for loss was recorded in the interim financial statements.

25 Financial instruments

Financial risk management

Overview

The Company is exposed to the following risks from the use of financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk;
- Operational risk;
- Capital structure risk.

This note presents information on the Company's exposure to each one of the abovementioned risks, the Company's goals, policies and processes for the measurement and management of risk, and the Company's capital management.

Risk management structure

The Company has a risk management policy that defines the methodologies and instruments to be applied for the permanent control of the risks to which it is exposed.

This policy aims at creating mechanisms for the maintenance of the Company's economic and financial balance, through the use of hedges for assets and liabilities. The procedures and

instruments used for this are evaluated by the Controllershship, Finance and Marketing committees, and subsequently proposed for approval by the Board of Directors.

The hedges to mitigate the main risks are managed as follows:

For volatility of sugar prices on the international market, instruments are defined that include the amount of production of VHP sugar estimate for the harvest;

For the exchange rate the amounts to be received in each period, are observed, in accordance with the forecast cash flow for the harvest;

For interest rates of financial liabilities, only the transactions where the interest rates present significant historical volatility are hedged.

All the positions taken are constantly evaluated aiming at resizing the hedged volumes as necessary, as the Company uses derivative financial instruments for the sole purpose of hedging its assets and liabilities.

Credit risk

Credit risk is the possibility of a financial loss if a client or a counterpart of a financial instrument fails to fulfill its contractual obligations arising mainly from trade accounts receivable and investments of the Company.

The company's main scope of its credit risk management is to contract operations only with financial institutions recognized by the market as a solid institution, which are approved in advance by the Board of Directors. Within this scope, the opening of new positions in the New York exchange (ICE Futures US) with the intermediation of INTL FCStone is authorized.

For client credit risk, the Company conducts analyzes prior to registration to ensure the suitability of the prospective client, as well as spot contracts to ensure the advanced receipt of the physical delivery of the product sold, trying to maintain a low average turnover of receipt from its clients.

In order to mitigate such risks, the Company adopts as practice an analysis of the financial and equity situation of their counterparties.

Exposure to credit risk

The carrying amounts of financial assets classified as loans and receivables represent the maximum credit exposure. The maximum credit risk exposure on the date of the quarterly interim financial statements was:

	12/31/2013	03/31/2013
Cash and banks	99,112	2,809
Interest earnings bank deposits	37,332	301,777
Other investments	15,179	19,324
Derivative financial instruments	220	1,373
Trade accounts receivable	47,742	1,466
Other accounts receivable	828	1,653
	<u>200,413</u>	<u>328,402</u>

Management in order to mitigate credit risks spreads its financial investments and other investments in financial institutions deemed by the market as first tier institutions.

Impairment loss

The allowance for doubtful accounts on trade accounts receivable was recorded in an amount considered by management as sufficient in the face of possible losses.

The composition of accounts receivable by maturity age is as follows:

	12/31/2013	03/31/2013
Overdue		
Up to 30 days	759	-
31–60 days	321	-
After 61 days	342	-
> 121 days	1,553	-
	<u>2,975</u>	<u>-</u>
Falling due		
Up to 30 days	33,630	1,466
Over 31 days	11,137	-
	<u>44,767</u>	<u>1,466</u>
Total	<u>47,742</u>	<u>1,466</u>

The changes in allowance for impairment loss in relation to accounts receivable during the quarter was as follows:

Balance at March 31, 2013	<u>-</u>
Merger	<u>(373)</u>
Balance at December 31, 2013	<u>(373)</u>

Liquidity risk

Liquidity risk is the risk of the Company encountering difficulties in performing the obligations associated with its financial liabilities that are settled with cash payments or with another financial asset.

The Company's approach in liquidity management is to guarantee, as much as possible, that it always has sufficient liquidity to perform its obligations upon maturity, under normal and stress conditions, without causing unacceptable losses or with a risk of sullyng the Company's reputation.

The contractual maturities of financial liabilities are shown below, including payment of estimated interest:

12/31/2013					
	Cash flow	Up to 1 year	Between two and three years	Between four and five years	> 5 years
Financial liabilities					
Suppliers	107,049	102,427	4,622	-	-
Derivative financial instruments	6,272	6,272	-	-	-
Loans and financing	1,377,885	218,570	216,912	259,207	683,196
Other accounts payable	4,358	4,358	-	-	-
	<u>1,495,564</u>	<u>331,627</u>	<u>221,534</u>	<u>259,207</u>	<u>683,196</u>
03/31/2013					
	Cash flow	< 1 year	Between two and three years	Between four and five years	> 5 years
Financial liabilities					
Suppliers	41,738	41,726	12	-	-
Derivative financial instruments	4,628	1,749	-	2,879	-
Loans and financing	930,009	107,451	54,270	192,736	575,552
Other accounts payable	3,205	3,205	-	-	-
	<u>979,580</u>	<u>154,131</u>	<u>54,282</u>	<u>195,615</u>	<u>575,552</u>

The gross inflows of entries / (exits), disclosed in the table above represent cash flows related to derivative and non-derivative financial liabilities held for risk management purposes, which are not usually closed before the contractual maturity.

Market risk

Market risk is the risk that changes in market prices, such as exchange rates and interest rates. The objective of market risk management is to manage and control exposures to market risks, within acceptable parameters, and at the same time to optimize the return.

Foreign exchange risk

The exchange rate risk to which the Company is exposed is the appreciation of the real against the dollar, as a significant portion of its revenue arises from exports received in USD, which in the event of appreciation of the real against the dollar causes a decrease in their revenues.

The hedging mechanisms aim at ensuring an average receipt compatible with the results projected by the Company for the harvest year. For hedging receipts from export revenues, the Company uses the "Currency forwards" (NDF) with the various financial institutions with which it operates.

The balances of loans and financing exposed to U.S. dollars refer materially to operations for Advances on Exchange Contract, Export Credit Notes, and Prepayment of Exports and Bonds. The Company therefore believes that there is a natural hedge, since the operations will be paid with funds from the delivery of sugar, also in U.S. dollars, which mitigates the risk of an impact on the Company's cash flow.

Exposure to foreign currency

The Company's exposure is substantially linked to the U.S. dollars (USD) on the base-dates presented below:

	<u>12/31/2013</u>		<u>03/31/2013</u>	
Assets	R\$	US.	R\$	US.
Current assets				
Accounts receivable – Foreign market	43,040	18,373	-	-
Derivative financial instruments				
Forward foreign currency contracts - NDF	-	-	1,369	680
Margin deposits	220	94	4	2
Total assets	43,260	18,467	1,373	682
	<u>12/31/2013</u>		<u>03/31/2013</u>	
Liabilities	R\$	US.	R\$	US.
Current liabilities				
Loans and financing	148,701	63,477	54,653	27,141
Derivative financial instruments				
Future options (marked to market)	-	-	-	-
Forward foreign currency contracts - NDF	6,272	2,677	-	-
Cash flow swap	-	-	1,749	869
Non-current liabilities				
Loans and financing	1,071,787	457,520	737,655	366,300
Derivative financial instruments				
Cash flow swap	-	-	2,879	1,430
Total liabilities	1,226,760	523,674	796,936	395,737
Net liability exposure	1,183,500	505,207	795,563	395,055

Monetary assets and liabilities were updated and recorded in the balance sheet as of December 31, 2013 and March 31, 2013 with the exchange rate calculated by the Central Bank of Brazil, respectively, R\$ 2,3426 and R\$ 2,0138 per USD 1.00.

The balances of loans and financing refer to operations of Advances on Exchange Contracts, Export Credit Notes, Export Prepayment and Bonds, therefore although the exchange rate effect has an impact on the interim financial statements, there is a natural hedge since the operations

will be paid with funds from the delivery of sugar, also in U.S. dollars, which mitigates the risk of impact on the cash flow of the Company.

Sensitivity analysis

The likely scenario was adopted based on the position of the Company at December 31, 2013. For other scenarios, management used 25% for a possible scenario and a change of 50% for a remote scenario.

Overdue	Remote (-50%)	Possible (-25%)	Probable	Possible (+25%)	Remote (+50%)
Forward foreign currency contracts - NDF (*)	(34,033)	(13,880)	6,272	26,425	46,577
Loans and financing	610,244	915,366	1,220,488	1,525,611	1,830,733

- (*) Changes were calculated on the referential rate of each transaction, which is the rate that would be negotiated with the counterparties as of December 31, 2013.

Interest rate risk

The Company's indebtedness costs are substantially tied to variable rates and thus it is exposed to the volatility of the following interest rates: Libor, TJLP and CDI. Occasionally, when significant volatilities are found in some interest rate to which it is exposed, the Company hedges itself against interest rates by contracting Cash Flow Swaps tied to be some long-term operations, such Prepayment of Export and Export Credit Notes, which are contracted with several financial institutions with which the Company operates.

Breakdown of financial instruments with variable interest rates

On the date of the quarterly consolidated interim financial statements, the profile of financial instruments remunerated at variable rates was concentrated in investments and loans and financing.

Variable rate instruments

The company does not conduct sensitivity analysis for financial instruments tied to variable interest rates, since it considers that the possible impacts are immaterial to its quarterly interim consolidated financial statements.

Price risk

The Company is exposed to risks of changes in commodity prices due to the products produced, such as sugar and ethanol.

The Company operates in the management of price risk for volumes of sugar corresponding to the expected production for the harvest. The management of the positions is done in order to enable adjustments in the positions established, in response to market conditions, operating on the futures markets of the New York Stock Exchange (ICE Future US. - Intercontinental Exchange) and OTC markets.

On December 31, 2013, our sugar prices for the 2013/2014 harvest for commercial partners totaled 470.8 thousand tons at the average price of 0.1874 ¢/lb (US dollar cent per pound-mass), of which 21,2 thousand tons are expected to be delivered from October to March 2014.

Sensitivity analysis

The assumptions used for the sensitivity analysis considers that there is a difference of more or less 10% from the indexes used for determining the fair value at December 31, 2013.

The Company does not show the mark to market of OTC contracts - Sugar.

Operational risk

Operating risk is the risk of direct or indirect losses arising from different causes related to the processes, personnel, technology and infrastructure of the Company and its subsidiaries, and external factors, except credit, market and liquidity risks, as those arising from legal and regulatory requirements and from generally accepted corporate behavior standards. Operating risks are associated to all operations of the Company.

The Company's goal is to manage the operational risk to avoid the occurrence of financial losses and damage to its reputation, and to pursue cost effectiveness and avoid control procedures that restrict initiative and creativeness.

Capital structure risk

Results from the choice between own capital (capital transfers and profit retention) and third party capital that the Company makes to finance its operations. To mitigate the liquidity risks and the optimization of the weighted average cost of capital, the Company permanently monitors the indebtedness levels according to market standards.

Capital management

The risk assessment for capital management has the main purpose of ensuring the satisfactorily continuity of the Company's operation, with a structure capable of generating value for shareholders with adequate levels of borrowings and the benefits and the security permitted by a sound capital position. The Board of Directors defines the performance indicator to be analyzed and actions to achieve the desired level.

The indicator used by the Company is the ratio of net debt divided by the EBITDA (income before interest, taxes, depreciation and amortization, including amortization of the plantation, accumulated in the last 12 months). Net debt includes total loans and financing from the first quarter to the third quarter less total cash and cash equivalents, other investments and finished product inventory value. For the fourth quarter (harvest end), net debt includes total loans and financing less total cash and cash equivalents and other investments, and EBITDA accumulated in the last 12 months.

Revisions to the Company's dividend policy, investment policy and asset management are acceptable as actions to enable the fulfillment of the capital management goals and targets.

The ratio deemed satisfactory by the Company must be equal to or lower than three, i.e., the debt must no more than three times the EBITDA.

The index recorded in the quarter ended December 31, 2013 was 3.2 (2.07 at March 31, 2013), in accordance with the minimum ratio established by the Company.

The Company's debt to adjusted capital ratio at the end of the quarter is presented as follows:

	12/31/2013	03/31/2013
Total loans and financing	1,377,885	930,009
Less: Cash and cash equivalents	136,444	304,586
Less: Other investments	15,179	19,324
Less: Finished product inventory	45,306	-
Net debt	1,180,956	606,099
Total shareholders' equity	228,373	302,539
Net debt / shareholders' equity	5.17	2.00

(*) Other investments exclude investment recognized at cost in Centro de Tecnologia Canavieira, Energisa Bioeletricidade Santa Cândida I S.A., Energisa Bioeletricidade Vista Alegre I S.A. and Auto Posto Santa Cândida.

Accounting classifications and fair values

Statement of financial instruments and their respective category classification:

	12/31/2013	03/31/2013
Financial instruments recorded at fair value through profit or loss		
Other investments	15,179	19,324
Derivative financial instruments assets	220	1,373
Derivative financial instruments liabilities	(6,272)	(4,628)
Loans and receivables		
Trade accounts receivable	47,742	1,466
Other accounts receivable	828	1,653
Cash and cash equivalents	136,444	304,586
Liabilities held at amortized cost		
Suppliers	(107,049)	(41,738)
Loans and financing	(1,377,885)	(930,009)
Other accounts payable	(4,358)	(3,205)

During the quarter ended December 31, 2013, there was no reclassification of financial instruments between the categories above.

Book value versus fair value

The fair values of the financial assets and liabilities, together with the book values presented in the balance sheet, are as follows:

	12/31/2013		03/31/2013	
	Book value	Fair value	Book value	Fair value
Assets				
Cash and cash equivalents	136,444	136,444	304,586	304,586
Other investments	15,179	15,179	19,324	19,324
Derivative financial instruments	220	220	1,373	1,373
Trade accounts receivable	47,742	47,742	1,466	1,466
Other accounts receivable	828	828	1,653	1,653
Liabilities				
Suppliers	107,049	107,049	41,738	41,738
Derivative financial instruments	6,272	6,272	4,628	4,628
Loans and financing	1,377,885	1,273,434	930,009	941,139
Other accounts payable	4,358	4,358	3,205	3,205

Fair value hierarchy

The table below provides an analysis of financial instruments that are measured at fair value after first-time recognition, grouped in Levels 1–3 based on the observable level of fair value:

- **Level 1 measurements of fair value** - are obtained from (unadjusted) prices quoted in active markets for identical assets and liabilities;
- **Level 2 fair value measurements** - are obtained through other variables in addition to quoted prices included in Level 1, which are verifiable directly for the asset or liability (that is, as prices) or indirectly (that is, based on prices);
- **Level 3 fair value measurements** - are obtained through evaluation techniques that include variables for the asset or liability, but that are not based on verifiable market data (non-verifiable data).

	12/31/2013			03/31/2013		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Other investments	15,179	-	-	19,324	-	-
Margin deposits	-	220	-	-	11,601	-
Liabilities						
Cash flow swap	-	-	-	-	4,628	-
Forward foreign currency contracts - NDF	-	6,272	-	-	-	-

Derivative instruments

At December 31, 2013, the balances of assets and liabilities related to transactions involving derivative financial instruments were as follows:

	12/31/2013	03/31/2013
Derivatives (assets)		
Margin deposits	220	4
Forward foreign currency contracts - NDF	<u>-</u>	<u>1,369</u>
Total current assets	<u>220</u>	<u>1,373</u>
Derivatives (liabilities)		
Sugar positions - MtM	-	-
Forward foreign currency contracts - NDF	6,272	-
Cash flow swap	<u>-</u>	<u>4,628</u>
Total liabilities	<u>6,272</u>	<u>4,628</u>
Total current liabilities	6,272	1,749
Total non-current liabilities	-	2,879

The amounts of margin deposits refer to funds held in a current account with the broker INTL FCStone to cover initial margins and daily adjustments resulting from fluctuations in sugar prices, to ensure the outstanding operations that the Company has with the broker.

The balance of forward contracts, NDF, refers to the positive result of hedge transactions contracted in the form of NDF.

The balance of cash flow swaps refers to the negative result calculated for cash flow hedges for export pre-payments.

Guarantee margins

At December 31, 2013, the Company held amounts deposited as guarantee margins, as required by the Nova York ICE Future US exchange, as follows:

Broker INTL FCStone	12/31/2013	03/31/2013
OTC account	<u>220</u>	<u>4</u>
	<u><u>220</u></u>	<u><u>4</u></u>

Forward contracts - NDF

The counterparties to foreign currency forward contracts as of December 31, 2013 are first tier banks.

12/31/2013						
Position	Maturity	US\$ thousand	Average fixed rate R\$/US\$	Reference value – R\$	Fair value - R\$	Effect payable - R\$
Sold	May 2014	500	2.4280	1,214	(7)	(7)
Sold	July 2014	2,250	2.2851	5,141	(370)	(370)
Sold	July 2014	7,750	2.2660	17,561	(1,515)	(1,515)
Sold	August 2014	9,000	2.2895	20,605	(1,691)	(1,691)
Sold	September 2014	8,250	2.3132	19,084	(1,486)	(1,485)
Sold	October 2014	6,500	2.3325	15,161	(1,144)	(1,144)
Sold	November 2014	500	2.4100	1,205	(60)	(60)
		34,750				(6,272)

Impact of derivative financial instruments in income (loss)

Income and expenses on derivatives by category	12/31/2013	12/31/2012
Incomes		
Futures contracts - Sugar	215	6,540
Currency forward contracts - NDF	142	219
Cash flow swap	49	310
Total revenues	406	7,069
Expenses		
Futures contracts - Sugar	(5,012)	(7,263)
Currency forward contracts - NDF	(19,540)	(9,017)
Cash flow swap	(566)	(5,283)
Total expenses	(25,118)	(21,563)
Net Income (loss)	(24,712)	(14,494)

26 Related parties

Remuneration of key management personnel

	12/31/2013	03/31/2013
Salaries and wages	2,564	1,747
Fees and bonuses	-	88
Social security and social contributions	247	287
Profit sharing program	7	313
Others	46	127
	2,863	2,562

The remuneration paid to key management personnel, composed of officers and directors, as of December 31, 2013 was R\$ 2,863 (R\$ 2,562 at March 31, 2013) and includes short-term

variable salaries and benefits. The Company does not grant benefits with long-term characteristics to the key management personnel.

Other related party transactions

Breakdown of balances of assets	12/31/2013	03/31/2013
Accounts receivable		
Estrela Dalva Tecnologia em limpeza	45	-
Silvia de Barros Brisola	130	-
Flavio de Albuquerque Pinheiro	126	-
Wilson Helio de Albuquerque Pinheiro Junior	116	-
Renata de Albuquerque Pinheiro	118	-
Transbocainense Transportes Ltda.	-	1,466
Total accounts receivable - related parties (note 9)	535	1,466
Advances to suppliers		
Abelmir BortoloTonon	444	374
Alfredo Tonon and others	-	1,211
Antônio Tonon	-	237
Aparecida T. TononGhiselli	128	357
Auto Posto Santa Cândida de Bocaina Ltda.	1,324	855
Celso Roberto Tonon	-	324
DioneteTonon	96	116
José Antônio Tonon	457	876
Mauro de Albuquerque Pinheiro	247	-
Renato José Tonon	301	689
Tereza de Francisco	17	-
Transbilin Transp. Ltda.	41	1,902
TononAgroimóveis Rurais Ltda.	2,662	1,490
Transbocainense Transportes Ltda.	-	1,041
Tonon Holding	500	-
Vera Tonon Durante	435	180
Wilson Jelio Albuquerque Pinheiro Junior	296	-
Total advances to suppliers - Related parties (note 11)	6,948	9,652
Breakdown of balances of liabilities	12/31/2013	03/31/2013
Suppliers		
ABT Participações Ltda.	12	8
Alfredo Tonon and others	-	-
Auto Posto Santa Candida de Bocaina Ltda.	-	10
ALT Participações Ltda.	12	8
ANT Participações Ltda.	12	8
CAJRT Participações Ltda.	12	8
Celso Roberto Tonon	-	15
JAT Participações Ltda.	12	8
J. Tonon Transp. Ltda.	33	28
RJT Participações Ltda.	12	6
TononAgroimóveis Rurais Ltda.	-	-
Mauro Albuquerque Pinheiro	-	-
Tereza Albuquerque Pinheiro	3	-
Flavio de Albuquerque Pinheiro	65	-
Total suppliers – related parties (note 19)	173	99

Tonon Bioenergia S.A.
Interim financial statements
December 31, 2013

	12/31/2013							
	Purchase of fuel	Purchase of sugarcane	Services received	Sureties taken	Retainer expenses	Purchases of property, plant and equipment	Acquisition of Paraíso	Total
AbelmirBortoloTonon	-	-	-	97	-	1,960	-	2,057
ABT Participações Ltda.	-	-	-	-	108	-	-	108
Alfredo Tonon	-	138	-	143	-	-	-	281
Alfredo Tonon and others	-	10	-	-	-	-	-	10
ALT Participações Ltda.	-	-	-	-	108	-	-	108
ANT Participações Ltda.	-	-	-	-	108	-	-	108
Antônio Tonon	-	-	-	61	-	-	-	61
Aparecida T. TononGhiselli	-	195	-	-	-	-	-	195
Auto Posto Santa Cândida de Bocaina Ltda.	25,129	-	-	-	-	-	-	25,129
CAJRTParticipações Ltda.	-	-	-	-	108	-	-	108
Carlos Eduardo B. Tonon	-	-	-	-	-	30	-	30
Celso Roberto Tonon	-	214	-	110	-	-	-	324
DioneteTonon	-	106	-	-	-	-	-	106
Flavio Albuquerque Pinheiro	-	61	-	-	-	-	62,857	62,918
J. Tonon Transportes Ltda.	-	-	435	-	-	-	-	435
JAT Participações Ltda.	-	-	-	-	108	-	-	108
José Antônio Tonon	-	146	-	117	-	-	-	263
Pinhal Administração de Bens	-	11	-	-	-	-	-	11
Renata de Albuquerque Pinheiro	-	61	-	-	-	-	62,857	62,918
Renato José Tonon	-	11	-	110	-	-	-	121
RJT Participações Ltda.	-	-	-	-	108	-	-	108
Silvia de Barros Brisola	-	30	-	-	-	-	31,429	31,459
Tonon Agro Imóveis Rurais Ltda.	-	4,904	-	-	-	-	-	4,904
Transbilin Transportes Ltda.	-	-	-	-	-	1,474	-	1,474
Transbocainense Transportes Ltda.	-	-	-	-	-	2,147	-	2,147
Wilson Helio A. Pinheiro Jr.	-	61	-	-	-	-	62,857	62,918
Total	25,129	5,948	435	638	648	5,611	220,000	258,409

Tonon Bioenergia S.A.
Interim financial statements
December 31, 2013

03/31/2013

	Sale of property, plant and equipment	Purchase of fuel	Purchase of sugarcane	Services received	Sureties taken	Retainer expenses	Purchases of property, plant and equipment	Total
AbelmirBortoloTonon	-	-	-	-	152	-	510	662
ABT Participações Ltda.	-	-	-	-	-	94	-	94
Alfredo Tonon	-	-	403	-	224	-	-	627
ALT Participações Ltda.	-	-	-	-	-	94	-	94
ANT Participações Ltda.	-	-	-	-	-	94	-	94
Antônio Tonon	-	-	-	-	95	-	-	95
Aparecida T. TononGhiselli	-	-	324	-	-	-	-	324
Auto Posto Santa Cândida de							-	
Bocaina Ltda.	-	24,979	-	-	-	-	-	24,979
CAJRTParticipações Ltda.	-	-	-	-	-	94	-	94
Carlos Eduardo B. Tonon	-	-	22	-	-	-	518	540
Celso Roberto Tonon	-	-	407	-	173	-	-	580
DioneteTonon	-	-	26	-	-	-	-	26
Fernando José B. Tonon	-	-	-	-	-	-	128	128
J. Tonon Transportes Ltda.	-	-	-	482	-	-	-	482
JAT Participações Ltda.	-	-	-	-	-	94	-	94
José Antônio Tonon	-	-	313	-	183	-	-	496
Renato José Tonon	-	-	762	-	173	-	-	935
RJT Participações Ltda.	-	-	-	-	-	94	-	94
Tonon Agro Imóveis Rurais Ltda.	-	-	9,832	-	-	-	-	9,832
Transbilin Transportes Ltda.	-	-	-	46	-	-	-	46
Transbocainense Transportes Ltda.	-	-	-	135	-	-	-	135
Total	-	24,979	12,089	663	1,000	564	1,156	40,451

27 Shareholders' equity

Capital

On May 3, 2013 there was a capital increase by FIP Terra Viva through the capitalization of credits arising from the sale of its shares issued by Paraíso Bioenergia S.A. to the Company, in the amount of R\$ 70 million. This increase is divided into R\$ 8,954 in capital and R\$ 61,046 in the capital reserve represented by the excess amount of the issue price from subscribing to shares.

At December 31, 2013, capital is R\$ 88,265 divided into 55,200,009 registered common shares with no par value and 33,064,744 registered preferred shares, with no par value. The capital is comprised by the following shareholders:

	<u>12/31/2013</u>		<u>03/31/2013</u>	
	Shares (thousand)	R\$	Shares (thousand)	R\$
Tonon Holding S.A. (i)	55,200	55,200	55,200	55,200
FIP - Terra Viva (ii)	33,065	<u>33,065</u>	24,110	<u>24,110</u>
		<u>88,265</u>		<u>79,310</u>

- (i) Nominative common shares with no par value. Preferred shares assures voting rights in General Assembly;
- (ii) Nominative preferred shares with no par value. Preferred shares, according to Tonon's By-Law, has voting rights in General Assembly, being assured a priority in the capital reimbursement.

All capital is fully subscribed and paid in.

Capital reserve

Represented by the excess amount of the issue price of the subscription of shares by the fund FIP Terra Viva.

Goodwill special reserve

Represented by the tax benefit generated by the goodwill through corporate mergers made by the Company.

The Company, for corporate purposes, wrote off this goodwill since for accounting practices adopted in Brazil this goodwill does not meet the requirements of accounting recognition, however, the portion of the tax benefit to which the Company is entitled was maintained in accordance with the legal opinion of its legal counsel.

Legal reserve

The legal reserve is set up at the rate of 5% of the net income determined in each financial year, pursuant to article 193 of Law 6404/76 up to the limit of 20% of the share capital.

Dividends

If there is a profit in the year, the Company's prevailing bylaws require that the Annual General Meeting decides on the distribution of dividends, which is at least 30% of the net income for the year, adjusted in accordance with article 202 of Law 6404/76.

Equity evaluation adjustment

Refers to the adoption of the deemed cost for property, plant and equipment on the transition date, less the respective deferred income tax and social contribution and it is being realized through depreciation, disposal or write off of the assets which it originated from.

Advances for future capital increase

Refers to the allocation of the purchase price of the acquisition of the subsidiary Paraíso Bioenergia S.A. in the amount of R\$ 50 million. This amount must be subscribed to the capital of Bioenergia S.A. through common shares by the seller or paid in local currency at the end of the period of 1 year counted from the date of the transaction, in accordance with the option of Tonon Bioenergia S.A, determined in the share purchase agreement.

28 Revenue

The Company's operating income consist of the sale of sugar, ethanol and electric power for domestic and foreign markets.

The reconciliation between the gross and net income is as follows.

	9 months		
	Consolidated	Parent - CPC	
	IFRS/CPC	12/31/2013	12/31/2012
	12/31/2013		
Gross revenue from domestic sales	273,348	174,618	178,394
Gross revenue from foreign sales	489,248	414,002	377,341
Gross revenue from sales and services	5,916	3,801	-
	<u>768,512</u>	<u>592,421</u>	<u>555,735</u>
Less:			
Deductions and rebates	(10,782)	(10,782)	(14,920)
Sales tax	(28,638)	(12,137)	(16,895)
	<u>(39,420)</u>	<u>(22,919)</u>	<u>(31,815)</u>
Net revenue	<u>729,092</u>	<u>569,502</u>	<u>523,920</u>

29 Expenses and other operating income

	9 months		
	Consolidated	Parent - CPC	
	IFRS/CPC 12/31/2013	12/31/2013	12/31/2012
Operating expenses by type			
Personnel Expenses	(23,319)	(19,314)	(9,078)
Third parts services	(4,455)	(4,384)	(3,726)
Commercial expenses of shipments and freight	(49,236)	(42,990)	(41,533)
Expenses with taxes fees and contributions	(2,457)	(2,457)	(340)
Other expenses	(1,990)	(4,077)	(1,564)
Depreciation and amortization	(1,123)	(1,572)	(862)
Gain in the sale of investments	(558)	(558)	(3,122)
Adjustment in fair value of investments	-	-	1,752
Other net operating income	12,541	10,722	3,524
	(70,597)	(64,630)	(54,949)
Operating expenses by function			
Administrative expenses	(19,848)	(15,064)	(4,043)
Selling expenses	(49,236)	(44,189)	(38,296)
General expenses	(14,054)	(13,455)	(10,831)
Other net operating income	12,541	8,078	(1,779)
	(70,597)	(64,630)	(54,949)

30 Net financial income (loss)

	Consolidated	Parent - CPC	
	IFRS/CPC 12/31/2013	12/31/2013	12/31/2012
Financial income			
Gains with derivative financial instruments	3,270	406	7,069
Yields from financial investments	6,876	6,668	3,136
Discounts obtained	300	289	3,354
Asset interest	1,768	1,270	704
Asset foreign exchange fluctuation	175,608	154,542	10,845
	187,822	163,175	18,039
Financial expenses			
Losses with derivative financial instruments	(33,230)	(25,118)	(21,563)
Interest expense and bank charges	(104,668)	(89,734)	(80,137)
Liability foreign exchange fluctuations	(364,342)	(311,445)	(50,735)
	(502,240)	(426,297)	(152,435)
Net financial income (loss)	(314,418)	(263,121)	(134,936)

31 Governmental grant

The Company has a state tax incentive program with the State of Mato Grosso do Sul in the form of deferral of payment of Value Added Tax on Sales and Services (ICMS). The Company's use of

the tax incentive is contingent on fulfillment of all the obligations set forth in the agreement, whose conditions refer to factors under the Company's control.

The benefit related to the reduction in the payment of this tax is calculated on the outstanding balance calculated in each calculation period by applying the percentage of the discount given by the tax incentive.

The amount of the subsidy calculated during the period was recorded in the income statement as a deduction under sales taxes.

For the periods ended December 31, 2012 and 2013, the amount of the incentive which impacted the results were R\$ 2,678, and R\$ 3,737, respectively.

32 Firm commitments

Expected production for 2013/2014 harvest, with respective obligation volumes with clients, obligations referring to contracts already executed with clients and suppliers for the coming harvests, partners and sugarcane leases are as follows.

2013/2014 Harvest - Forecast production versus commitments with clients

Sugar values (in tons)			
	Forecast production + Inventory	Commitments With clients	Volume Committed (%)
12/31/2013	25,770	18,000	69.85%

Commitments with clients for the next harvest for sale of sugar

Year / Harvest	Tons of sugar
2014/2015	473,000
2015/2016	478,500
2016/2017	253,500
2017/2018	90,000
	1,295,000

2013/2014 Harvest – Executed contract with suppliers, partners and leases for 2013 and following years

Future harvests	Obligations with suppliers in thousands of Brazilian reais
Harvest 2013/2014	24,901
Harvest 2014/2015	128,992
Harvest 2015/2016	111,093
Harvest 2016/2017	89,532
Harvest 2017/2018	65,764
Harvest 2018/2019	30,887
Harvest 2019/2020	22,624
Harvest from 2020/2021 to 2029/2030	121,319
	595,112

For purposes of valuation of the commitments for payment to suppliers, partners and leases, used the value of the TRS effect in December, 2013 of R\$ 0.4439 kg / TRS in 2013 and in other harvests for the closed commitments.

33 Insurance coverage

The Group adopts the policy of contracting insurance coverage for assets subject to risks for amounts considered sufficient to cover eventual casualties, considering the nature of its activity.

	12/31/2013	03/31/2013
Operating risks	21,000	30,000
Material damages	695,540	640,000
Loss of profit	-	33,049
Civil liability	3,600	3,600
	<u>720,140</u>	<u>706,649</u>

34 Profit sharing

In accordance with the Collective labor agreement, signed with its employees, the Company implemented the program for employee profit sharing based on agreements and operating and financial targets previously established, based on the budgetary plan

The operating and financial indicators agreed between the Company and the employees, through the unions that represent them, are related to the following aspects: (i) agribusiness operating indexes; (ii) budgetary index; (iii) safety, health and environmental statistical indexes; (iv) economic gains with changes in processes and the related quality; (v) economic and financial performance.

The amount of profit sharing, which was recorded as operating expenses, is as follows:

	12/31/2013	12/31/2012
Profit sharing	<u>6,175</u>	<u>5,886</u>



Tonon Bioenergia S.A.

**Financial statements
as of March 31, 2013, 2012 and 2011**



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Independent auditors' report on financial statements

To
The Board of Directors and Shareholders of
Tonon Bioenergia S.A.
Bocaina - SP

We have audited the accompanying statement of financial position of Tonon Bioenergia S.A. ("the Company"), as of March 31, 2013, and the related statements of income, comprehensive income (loss), changes in stockholders' equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices adopted in Brazil (BR GAAP) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board – IASB, and for such internal control as management determines necessary to enable the preparation of the financial statements free from material misstatement, whether caused by fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Brazilian and International Standards on Auditing. Those standards require that we comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence on the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Tonon Bioenergia S.A. as of March 31, 2013, the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board – IASB and accounting practices adopted in Brazil (BR GAAP).

Ribeirão Preto, May 10, 2013.

KPMG Auditores Independentes
CRC 2SP014428/O-6

A handwritten signature in blue ink, appearing to read 'André Luiz Monaretti'.

André Luiz Monaretti
Accountant CRC-1SP160909/O-3

Tonon Bioenergia S.A.

Statements of financial position as of March 31, 2013, 2012 and 2011

(In thousands of Brazilian Reais)

Assets	Note	2013	2012	2011	Liabilities	Note	2013	2012	2011
Cash and cash equivalents	6	304,586	28,227	26,043	Suppliers	17	41,726	89,785	45,882
Other investments	7	19,324	35,987	30,765	Derivatives	22	1,749	7,740	5,579
Derivatives	22	1,373	7,325	19,907	Loans and financing	18	107,451	379,790	508,251
Accounts receivable, net	8	1,466	3,912	13,214	Salaries and social charges		14,522	12,962	11,323
Inventories	9	31,821	28,470	18,952	Taxes payable		2,675	7,723	1,184
Advances to suppliers	10	38,111	37,427	36,272	Taxes payable in installments	19	5,265	3,405	4,058
Prepaid expenses		226	547	1,250	Advances from customers	20	7,114	53,812	10,625
Recoverable taxes	11	29,306	27,489	6,701	Dividends payable		-	7,475	-
Assets held for sale	12	3,028	3,028	-	Other accounts payable		3,205	101	-
Income and social contribution taxes		151	498	500					
Other receivables		1,653	146,658	-	Total current liabilities		183,707	562,793	586,902
Total current assets		431,045	319,568	153,604	Suppliers	17	12	104	1,907
Other investments	7	34,168	32,259	7,891	Derivatives	22	2,879	-	3,990
Advances to suppliers	10	33,430	17,492	-	Loans and financing	18	822,558	255,841	69,102
Recoverable taxes	11	475	223	374	Redeemable preferred shares	24	-	-	103,750
Judicial deposits		3,063	3,250	3,298	Deferred tax liabilities	13	6,546	22,095	11,665
Other receivables		-	-	788	Provision for contingencies	21	6,588	20,385	17,392
Property, plant and equipment	14	354,854	359,916	490,288	Taxes payable in installments	19	5,839	6,983	9,029
Biological assets	15	471,376	398,109	288,580	Total non-current liabilities		844,424	305,408	216,835
Intangibles, net	16	2,259	2,417	167	Stockholders' equity				
Total non-current assets		899,625	813,666	791,386	Capital stock		79,310	67,424	55,470
					Legal reserve		993	993	-
					Capital reserve		106,170	74,057	11
					Special premium reserve		34,806	34,806	34,806
					Profit reserve		35,940	32,084	-
					Equity valuation adjustments		45,319	55,669	64,406
					Accumulated losses		-	-	(13,440)
					Total stockholders' equity	24	302,539	265,033	141,253
Total assets		1,330,670	1,133,234	944,990	Total liabilities and stockholders' equity		1,330,670	1,133,234	944,990

Notes are an integral part of the financial statements

Tonon Bioenergia S.A.

Statements of income

Fiscal years ended March 31, 2013, 2012 and 2011

(In thousands of Brazilian Reais)

	Note	2013	2012	2011
Net revenue	25	594,103	475,808	392,349
Cost of goods sold and services rendered		(486,555)	(376,129)	(332,393)
Changes in the fair value of biological asset	15	<u>47,547</u>	<u>29,176</u>	<u>13,019</u>
Gross profit		<u>155,095</u>	<u>128,855</u>	<u>72,975</u>
Administrative expenses	26	(5,220)	(4,777)	(6,716)
Selling expenses	26	(36,030)	(31,537)	(29,748)
General expenses	26	(14,023)	(10,390)	(20,088)
Other operating income, net	26	<u>(544)</u>	<u>63,577</u>	<u>1,206</u>
		<u>(55,817)</u>	<u>16,873</u>	<u>(55,346)</u>
Income before financial income (expenses) and taxes		<u>99,278</u>	<u>145,728</u>	<u>17,629</u>
Financial income		79,148	122,018	62,402
Financial expenses		<u>(212,890)</u>	<u>(241,352)</u>	<u>(124,475)</u>
Financial expenses, net	27	<u>(133,742)</u>	<u>(119,334)</u>	<u>(62,073)</u>
(Loss) profit before taxes		<u>(34,464)</u>	<u>26,394</u>	<u>(44,444)</u>
Current income and social contribution taxes	13	-	685	798
Deferred income and social contribution taxes	13	<u>19,524</u>	<u>(9,586)</u>	<u>21,200</u>
(Loss) net profit from continuing operations		<u>(14,940)</u>	<u>17,493</u>	<u>(22,446)</u>
Discontinued operations	5	<u>729</u>	<u>2,379</u>	<u>1,550</u>
(Loss) net profit for the year		<u>(14,211)</u>	<u>19,872</u>	<u>(20,896)</u>

Notes are an integral part of the financial statements.

Tonon Bioenergia S.A.

Statements of comprehensive income

Fiscal years ended March 31, 2013, 2012 and 2011

(In thousands of Brazilian Reais)

	Note	2013	2012	2011
(Loss) net profit for the year		(14,211)	19,872	(20,896)
Net change in fair value and financial assets held for sale		11,692	-	-
Income tax and social contribution on other comprehensive income	15	<u>(3,975)</u>	<u>-</u>	<u>-</u>
Other comprehensive income, net of income tax and social contribution		<u>7,717</u>	<u>-</u>	<u>-</u>
Total comprehensive (loss) income		<u>(6,494)</u>	<u>19,872</u>	<u>(20,896)</u>

Notes are an integral part of the financial statements.

Tonon Bioenergia S.A.

Statements of changes in stockholders' equity

Fiscal years ended March 31, 2013, 2012 and 2011

(In thousands of Brazilian Reais)

	Note	Capital Stock	Capital Reserve	Special Premium Reserve	Profit reserves		Equity Valuation adjustments	Accumulated Losses	Total
					Legal Reserve	Profit Reserve			
Balances on March 31, 2010		55,470	11	10,031	-	-	73,387	(1,525)	137,374
Acquisition of Tonon Agricultura S.A.		-	-	24,775	-	-	-	-	24,775
Realization of deemed cost		-	-	-	-	-	(8,981)	8,981	-
Loss for the year		-	-	-	-	-	-	(20,896)	(20,896)
Balances on March 31, 2011		55,470	11	34,806	-	-	64,406	(13,440)	141,253
Realization of deemed cost		-	-	-	-	8,737	(8,737)	-	-
Preferred shares transferred from liability to equity (see note 26)		11,954	74,046	-	-	-	-	25,383	111,383
Net profit for the year		-	-	-	-	-	-	19,872	19,872
Destination of the net profit		-	-	-	-	-	-	-	-
Legal reserve		-	-	-	993	-	-	(993)	-
Distribution of dividends		-	-	-	-	-	-	(7,475)	(7,475)
Retained profits		-	-	-	-	23,347	-	(23,347)	-
Balances on March 31, 2012		67,424	74,057	34,806	993	32,084	55,669	-	265,033
Capital increase		11,886	32,113	-	-	-	-	-	44,000
Realization of deemed cost		-	-	-	-	10,350	(10,350)	-	-
Other comprehensive income		-	-	-	-	7,717	-	-	7,717
Net loss for the year		-	-	-	-	(14,211)	-	-	(14,211)
Balances on March 31, 2013		79,310	106,170	34,806	993	35,940	45,319	-	302,539

Notes are an integral part of the financial statements.

Tonon Bioenergia S.A.

Statements of cash flows - Indirect method

Fiscal years ended March 31,2013, 2012 and 2011

(In thousands of Brazilian Reais)

	2013	2012	2011
Cash flows of the operating activities			
(Loss) net profit for the year	(14,211)	19,872	(20,896)
Adjustments for:			
Depreciation of property, plant and equipment	38,572	35,057	52,897
Amortization of the intangible assets	158	90	33
Amortization of inter-harvest maintenance carried out	55,434	37,670	11,128
Change in the fair value of biological assets	(47,547)	(29,176)	(13,019)
Amortization of crops and handling costs	98,945	70,730	66,730
Allowance for doubtful accounts	(4,011)	4,767	1,147
Provision for contingencies	(13,797)	2,993	4,261
Deferred tax assets and liabilities	(19,524)	9,586	(21,200)
Interest and exchange rate variation on loans and financing	104,088	100,940	91,686
Change in the fair value of derivatives	2,840	10,753	(10,338)
Residual value of disposed property, plant and equipment	839	25,460	4,155
Interest received on the sale of investments	-	(6,021)	-
Earnings in the sale of investments	(1,752)	-	-
Gain on sale of investments	-	(57,786)	-
Change in the fair value of investments	-	(4,309)	-
	200,035	220,626	166,584
Changes in assets and liabilities			
Decrease (Increase) in other investments	28,198	(12,009)	(34,391)
Decrease in of accounts receivable	6,457	4,535	9,728
(Increase) in inventories	(3,351)	(9,518)	(2,324)
(Increase) in advance to suppliers	(16,622)	(18,647)	(19,890)
Decrease in prepaid expenses	321	703	101
(Increase) in recoverable taxes and income and social contribution taxes	(1,722)	(20,635)	(2,236)
Decrease (Increase) in other accounts receivable	145,005	151	(375)
Decrease (Increase) in judicial deposits	187	48	(112)
Increase (Decrease) in suppliers	(48,151)	42,100	(34,632)
Increase (Decrease) in salaries and social charges	1,560	1,639	1,314
(Decrease) Increase in taxes payable	(5,048)	6,539	(3,206)
(Decrease) Increase in advances from customers	(46,698)	43,187	(7,149)
Increase (Decrease) in other accounts payable	3,104	101	(197)
(Decrease) Increase in payment of taxes in installments	716	(1,855)	(1,164)
Interest paid on loans and financing	(81,174)	(48,113)	(71,711)
Cash flows provided by operating activities	182,818	208,852	340
Cash flows from investing activities			
Capital increase in investments	-	(378)	-
Additions to property, plant and equipment	(89,783)	(65,951)	(75,097)
Additions to intangible assets	-	(2,340)	(105)
Additions to biological assets	(124,665)	(151,083)	(115,199)
Cash flows used in investing activities	(214,448)	(219,752)	(190,401)
Cash flows from financing activities			
Proceeds from loans and financing	1,034,848	295,717	521,052
Payments of loans and financing	(763,384)	(282,633)	(342,299)
Capital increase	44,000	-	5,000
Payments of dividends	(7,475)	-	-
Cash flows provided by financing activities	307,989	13,084	183,753
Net increase (decrease) in cash and cash equivalents	276,359	2,184	(6,308)
Statement of cash and cash equivalents variation			
At the end of the year	304,586	28,227	32,351
At the beginning of the year	28,227	26,043	26,043
Net increase (decrease) in cash and cash equivalents	276,359	2,184	(6,308)

Notes are an integral part of the financial statements.

Notes to the financial statements

(In thousands of Reais)

1 Operational context

a. General

Tonon Bioenergia S.A. ("The Company") is a non-public corporation, with headquarters located in the Rod. Jaú Araraquara, km 129, Fazenda Santa Cândida, municipal district of Bocaina, state of São Paulo, Brazil. The corporate objective of the Company and preponderant activity is sugarcane plantation and the manufacture and marketing of sugar, ethanol and other products from sugarcane; co-generation of electric energy; agricultural exploration of products and raw materials.

Approximately 80% of the sugarcane used in the manufacturing of products originates from sugarcane it harvest itself, from shareholders, from associated companies and agricultural partners. The remaining 20% originates from third party suppliers.

In the year ended March 31, 2013 the Company had an installed capacity of 5.5 million/tons of sugarcane per year. During the same period the Company crushed 5.1 million/tons and produced 363.647,4 tons of sugar and 175,065.7 cubic meters of ethanol.

b. Acquisition and sale of investments

During 2012, the Company incorporated the entities Companhia Tonon Bioelétrica S.A., Companhia Tonon Bioelétrica MS S.A., Tonon Bioeletricidade S.A. and Tonon Bioeletricidade MS Ltda., whose corporate objective is to generate and market thermoelectric energy, besides the import and export activities. We recently entered into a strategic partnership with Grupo Energisa S.A., or Energisa, an energy company in Brazil. In connection with this partnership, we sold co-generation assets to Energisa and agreed to exchange bagasse for energy and steam produced at the power plants which we continue to operate. The sale was agreed in December 2011, when we executed four share purchase and sale agreements with Energisa pursuant to which we agreed to sell shares of four Special Purpose Entities, or SPEs: (i) Energisa Bioeletricidade Santa Cândida I S.A., or USC I, into which we transferred all of our co-generation assets at our Santa Cândida mill; (ii) Energisa Bioeletricidade Santa Cândida II S.A., or USC II, into which we transferred all of our construction and operation rights in case of expansion of our Santa Cândida co-generation plant; (iii) Energisa Bioeletricidade Vista Alegre I S.A., or UVA I, into which we transferred all of our co-generation assets at our Vista Alegre mill; and (iv) Energisa Bioeletricidade Vista Alegre II S.A., or UVA II, into which we transferred all of our construction and operation rights in case of expansion of our Vista Alegre co-generation plant. In August 2012, pursuant to such share purchase and sale agreements, Energisa acquired: (i) 85% of the capital stock of USC I; (ii) 85% of the capital stock of UVA I; (iii) 100% of the capital stock of USC II; and (iv) 100% of the capital stock of UVA II from us for an aggregate amount of approximately R\$150.0 million. Pursuant to the terms of the agreements, in approximately 20 years Energisa will sell back the assets owned by each of USC I, USC II, UVA I and UVA II to us. Only the entities Tonon Bioeletricidade S.A. and Tonon Bioeletricidade MS Ltda. have facilities.

The sales price was approximately R\$150 million, and a gain of R\$58 million was recorded, which is reported under other operating income (expenses), net.

The sale of investments aimed at expanding the installed capacity, from the current 60MW to 170 MW, through the expansion of two already existing thermoelectric power plants (from 60MW to 90MW) and the construction of two others thermoelectrics (with a total capacity of 80MW) until 2014, whose investments are under Energisa's responsibility.

2 Basis of preparation

a. Statement of compliance

The financial statements were prepared in accordance with accounting practices adopted in Brazil (BR GAAP), which includes, the corporate legislation, the Pronouncements, Guidance and Interpretations issued by the Accounting Pronouncements Committee (CPC) and by the Federal Accounting Council (CFC) and also in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board - IASB. The issuance of these financial statements was authorized by the Company's Board of Directors on May 06, 2013.

b. Measurement basis

The financial statements have been based on historical cost, except for the following material items in the statement of financial position:

- The available for sale financial instruments measured at fair value through other comprehensive income;
- The derivatives measured at fair value through profit and loss; and
- The biological assets measured by their fair value net from its costs to sell.

c. Functional currency and presentation currency

These financial statements are presented in Brazilian Reais, which is the functional currency of the Company. All financial information presented in Reais has been rounded up/down to the nearest thousands, except when stated otherwise.

d. Use of judgment and estimates

The preparation of financial statements in accordance with BR GAAP and IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reporting of values of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments regarding the accounting policies adopted that affect the amounts recorded in the financial statements are described in the following notes:

- Note 8 - Allowance for doubtful accounts
- Note 13 - Deferred tax assets and liabilities

- Note 22 - Financial instruments

Information about uncertainties, assumptions and estimates that has a significant risk of an adjustment in the next financial years has been included in the following notes:

- Note 15 - Biological asset
- Note 14 - Useful life of the property, plant and equipment
- Note 21 - Provision for contingencies

3 Description of significant accounting policies

The accounting policies described below have been applied consistently to all years presented in these financial statements.

a. Foreign currency

Foreign-currency transactions

Transactions in foreign currency were converted to the respective functional currency of the Company by the exchange rates on the dates of the transactions. Monetary assets and liabilities denominated and established in foreign currencies on the presentation date are reconverted to the functional currency at the exchange rate in force on that date. The exchange rate gain or loss in monetary items is the difference between the amortized cost of the functional currency at the beginning of the financial year, adjusted by interest and payments made during the financial year, and the amortized cost in foreign currency at the exchange rate at the end of the financial year of presentation.

b. Financial instruments

i. Non-derivative financial assets

The Company initially recognizes loans, receivables and deposits on the date they are originated. All other financial assets (including assets designated at fair value through profit and loss) are initially recognized on the transaction date on which the Company became party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the asset's cash flows expire or when the Company transfers the rights to receive the contractual cash flows of a financial asset in a transaction where essentially all the risks and rewards of ownership of financial assets are transferred to the buyer. Any interest that is created or retained by the Company in financial assets is recognized as an individual asset or liability.

Financial assets or liabilities are offset and their net amount presented in the statement of financial position when, and only when, the Company is legally entitled to offset the amounts and intends to settle on a net basis or realize the asset and settle the liability simultaneously.

The Company classifies its financial assets under the following categories:

Financial assets measured by fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is held for trading and designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages these investments and makes purchase and sales decisions based on their fair value in accordance with the investment strategy and risk management documented by the Company. The costs of the transaction are recognized in the result as incurred. Financial assets recorded at fair value through the profit or loss are measured at fair value and changes in the fair value of such assets are recognized in the income (loss) for the year.

Financial assets designated as fair value through profit or loss comprise equity instruments that otherwise would be classified as available for sale.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

The loans and receivables cover cash and cash equivalents, accounts receivable, advances to suppliers, prepaid expenses and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and financial investments with original maturity of three months or less from the original maturity date, which are subject to insignificant risk of change in value, and are used in the management of short term commitments.

ii. Non-derivative financial liabilities

The Company initially recognizes debt securities issued and subordinated liabilities on the date they originated. All other financial liabilities are initially recognized on the transaction date on which the Company became party to the contractual provisions of the instrument. The Company writes off a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company classifies the non-derivative financial liabilities in the category of other financial liabilities. Such financial liabilities are recognized initially by fair value added any costs of assignable transactions. After the initial recognition, these liabilities are measured by the amortized cost using the effective interest rate method.

The Company has the following non-derivative financial liabilities: suppliers, loans and financing and other accounts payable.

Limits of bank overdrafts that have been paid in cash and are an integrated part of the cash management of the Company are included with a component of the cash equivalents for purposes of the statement of cash flows.

iii. Capital

As of March 31, 2013, common and preferred stock are classified as equity. In previous years, certain redeemable preferred shares were classified as financial liabilities.

The minimum mandatory dividends established in our bylaws are recognized as liabilities.

iv. *Derivative financial instruments*

The Company has derivative instruments of financial hedge to protect its exposures to the risk of variation of foreign currency and price. Embedded financial derivatives are separated from their principal contracts and are recorded individually, if the economic characteristics and risks of the principal contract and the embedded financial derivative are not intrinsically related, or if an individual instrument with the same conditions of the embedded financial derivative satisfies the definition of derivative, and the combined instrument is not measured by fair value through profit or loss.

Derivatives are recognized initially by fair value. The costs of attributed transactions are recognized in the profit or loss when incurred. After the initial recognition, the derivatives are measured by the fair value, and variations in the fair value are recorded in profit or loss.

c. *Property, plant and equipment*

i. *Recognition and measurement*

Property, plant and equipment items are stated at historical acquisition or construction cost, net of accumulated depreciation and any impairment losses.

The cost includes expenses that are directly attributed to the acquisition of an asset.

Software purchased as an integral part of a piece of equipment is capitalized as a part of this equipment.

When parts of an item of equipment have different useful lives, these useful lives are recorded as separate items (principal components) of fixed assets.

Gains and losses in the disposal of an item of fixed assets (calculated as the difference between the resources originating from the disposal and the book value of the fixed assets) are recognized in other operating income/expenses, net in the statement of income.

ii. *Costs of maintenance*

The Company carries out maintenance services annually in its industrial units, approximately in the period between December and March. The main costs of maintenance include costs of labor, materials, external services and indirect general expenses allocated during the inter-harvest period. These costs are registered as a component of cost of the equipment and depreciated during the following harvest.

iii. *Depreciation*

Items of the property, plant and equipment are depreciated using the straight-line method in profit or loss over the estimated useful lives of each component. Land is not depreciated.

Items of the property, plant and equipment are depreciated from the date on which they are installed and are ready for use or in respect of internally constructed assets, from the date that the asset is completed and are ready for use.

The annual weighted average rates for depreciation of the assets, for the current and comparative fiscal years, are:

	2013	2012	2011
Buildings and improvements	3.38%	3.38%	4.57%
Facilities	9.17%	9.17%	14.13%
Machinery and equipment	10.49%	10.49%	8.42%
Furniture and utensils	10.27%	10.27%	8.20%
IT equipment	20.87%	20.87%	11.95%
Vehicles	15.39%	15.39%	15.62%
Tools and accessories	32.00%	32.00%	100%
Machinery and agricultural implements	9.01%	9.01%	10.28%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

d. Intangible assets

i. Recognition and measurement

Intangible assets acquired by the Company with finite useful lives, are measured at cost, presented net of accrued amortization and, whenever necessary, by impairment losses.

ii. Subsequent expenditures

Subsequent expenditures are capitalized only when they increase the future economic benefits incorporated into the specific asset they relate to. All other expenditures are recognized in profit or loss as incurred.

iii. Amortization

Amortization is recognized in profit or loss based on the straight-line method according to the estimated useful life, as per the date on which they are ready for use. The estimated useful life for the current and comparative periods is 5 years.

Amortization methods, useful life and residual values are reviewed at the end of every year and adjusted if appropriate.

e. Biological assets

Biological assets are measured at fair value less costs to sell. Adjustments to the fair value less costs to sell are recognized in profit or loss. Costs to sell include all costs that are necessary to sell the assets. Sugarcane is transferred to inventories at its fair value, deducting the estimated costs of the sales established on the cutting date.

f. Leased assets

Leases in which the Company assumes the risks and rewards of ownership are classified as financial leases. At initial recognition, the leased asset is measured at the lower amount of its fair value and the present value of the minimum payments. After initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Operating leases are not recognized in the statement of financial position of the Company.

g. Inventories

Inventories are measured at the lower of cost and net realizable value. Inventory costs are valued at the average cost of purchase or production and include expenses incurred in the acquisition of inventories, production and conversion costs and other costs incurred in bringing them to their current locations and conditions.

The net realizable value is the estimated sale price in the normal course of business, less estimated completion costs and selling expenses.

The cost transferred from biological assets to inventory is the fair value less cost to sell at the date of harvest.

h. Impairment

i. Financial assets (including receivables)

Financial assets not measured at fair value through profit and loss are assessed at each reporting date for impairment. An asset is impaired if there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes nonpayment or late payment by the debtor, restructuring of the amount owed to the Company on terms that it would not normally accept in other transactions, evidence that the debtor or issuer is going to enter bankruptcy proceedings or the disappearance of an active market for a security. Furthermore, a significant or prolonged decline in the fair value of the security below its cost is objective evidence of impairment.

Financial assets measured by amortized cost

The Company takes into account evidence of impairment for receivables, both individually and collectively. All individually significant receivables are tested for impairment. All individually significant receivables found not to have incurred individual impairment are then tested collectively for any impairment that may have occurred, but not yet been identified. Individually important assets are evaluated collectively as to the loss of value per combined grouping of these securities with characteristics of similar risks.

When testing for impairment, collectively, the Company uses historical trends of default probability, recovery terms and the size of losses incurred, adjusted to reflect management's judgment as to whether the current economic credit conditions mean that the actual losses will probably be higher or lower than those suggested by historic trends.

Impairment of a financial asset measured at amortized cost is calculated as the difference between the book value and the present value of future estimated cash flows, discounted at the asset's effective original interest rate. Losses are recognized in the statement of income for the year and recorded in a provision against receivables. Interest on the impaired asset is still recognized by reversing the discount. When a subsequent event indicates a reversal of the impairment, the decrease in the impairment is reversed and credited to the statement of income.

Non-financial assets

The carrying amount of the company's non-financial assets, which are not biological assets, deferred tax and inventory, are reviewed on every presentation date to determine if there is

indication of loss in the recoverable value. If this indication exists, then the recoverable value of the asset is estimated.

A loss through a reduction in recoverable value is recognized if the carrying amount of the asset or “cash-generating unit” (CGU) exceeds its recoverable value.

The recoverable value of an asset or reporting unit is the higher of the value in-use and fair value less costs to sell. When determining value in-use, the estimated future cash flows are discounted to their present values at a pre-tax discount rate that reflects the current market terms regarding the capital recoverability period and the asset’s specific risks or CGU. For impairment testing purposes, assets that cannot be tested individually are grouped in the smallest group of assets that generate cash for continuous use and which are largely independent from the cash flows from other assets or groups of assets (“reporting unit” or “CGU”).

Losses as a result of a reduction in the recoverable value are recognized in the profit or loss. Impairment is reversed only to the extent that the carrying amount of the asset does not exceed the book value of the assets, net of depreciation or amortization, had the loss in value not been recognized.

i. Assets classified as held for sale

The non-current assets or groups classified as held for sale, on which the values are expected to be recovered, primarily through a sales transaction instead of continuous use, are classified as assets held for sale. Immediately prior to being classified as assets held for sale, the assets, or components of a group of assets classified as held for sale, are measured according to the accounting policies of the Company. Thereafter, the assets, or group of assets classified as held for sale, are measured by the lowest amount of the book value and the fair value less costs to sell. No impairment should be allocated to the inventories, financial assets, deferred tax assets and biological assets, which continue to be measured according to the accounting policies of the Company. The impairment established in the initial classification as held for sale and the gains and losses subsequently established are recognized in the profit or loss.

Once classified as held for sale, intangible and property, plant and equipment are not amortized or depreciated. Investments subject to equity pick up are no longer accounted for under the equity method.

j. Employee benefits

Short term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized in the expected amount to be paid under the bonus plans in cash for short-term profit shares if the Company has a legal or constructive obligation to pay this amount because of the services provided by the employee and the obligation can be reliably estimated.

k. Provision for contingencies

A provision is recognized if, as a result of a past event, the Company has a legal or constructive obligation that can be reliably estimated, and it is probable that an outflow of economic benefits

will be required to settle the obligation. The provisions are established based on the best estimates of the risk involved.

l. Revenue

Revenue from the sale of products in the normal course of business is recognized at fair value of the consideration received or receivable. Revenue is recognized when there is persuasive evidence that significant risks and rewards of ownership have been transferred to the buyer, that it is probable that the financial economic benefits will flow to the Company, that the associated costs and possible return of goods can be estimated reliably, that there is no continuous involvement with the products sold, and that the revenue can be measured reliably.

The moment of transfer of risks and rewards varies depending on the individual terms of each sales contract. For sugar and ethanol sales in the domestic market, the transfer normally occurs when the product is delivered to the establishment of the client or when it is picked up by the client directly from the Company. In the case of export sales to the international market the transfer occurs by loading the goods onto the relevant shipping company at the seller's port. For sales of electric energy, the Company uses power meters installed for clients, whereby at the end of each month this quantity is calculated and the consequent recognition of the revenue is computed.

m. Government grants

Government grants that compensate the Company for expenses incurred are recognized in profit or loss on a systematic basis over the same period in which the expenses are recognized.

n. Lease

i. Lease payments

Minimum lease payments made under financial leases are allocated between the financial expenses and reduction of the outstanding liabilities. Financial expenses are allocated to each period during the lease term in order to produce a periodic rate of interest on the remaining balance of liabilities.

ii. Determining whether an arrangement contains a lease

At the inception of an arrangement, the Company determines whether such an arrangement is or contains lease. This is the case if both of the following conditions below are met:

- a. The fulfilment of the arrangement depends on the use of that specified asset; and
- b. The arrangement includes the right to use the asset.

At inception of the arrangement or on a reassessment of the arrangement, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes that it is impracticable to separate the payments of a financial lease reliably, an asset and a liability are recognized at an amount equal to the fair value of the underlying asset. Subsequently the payments under the financial lease are allocated into financial expense (using the Company's incremental borrowing rate) and reduction of the outstanding liability.

o. Financial income and financial expenses

Financial income is comprised of interest on financial instruments, exchange rate variation, gains with derivative instruments. Interest income is recognized in profit or loss using the effective interest rate method.

Financial expenses are comprised of interest on loans, bank fees, exchange rate variation and losses with derivative instruments. Interest on loans that are not directly attributed to acquisition, building or production of a qualified asset are charged to profit or loss using the effective interest rate method.

p. Income and social contribution taxes

Income and social contribution taxes, both current and deferred, are calculated at the rate of 15% plus a surcharge of 10% on taxable income in excess of R\$240 for income tax and 9% on taxable income for social contribution on net income, and consider the offsetting of tax loss carry forwards and negative basis of social contribution, limited to 30% of annual taxable profit.

Income and social contribution expenses consist of current and deferred taxes. Current and deferred taxes are recognized in the income statement, except for those related to other comprehensive income.

Current income is the tax payable or receivable on the expected taxable income or loss for the year, at rates effective or substantially effective at the reporting date of the financial statements and any adjustment to the taxes payable in relation to prior years.

Deferred taxes are recognized in relation to temporary differences between the book values of assets and liabilities for accounting purposes and the corresponding amounts used for tax purposes.

Deferred taxes are measured at the expected rates to apply to the temporary differences when they are reversed, based on the laws in effect or substantially in effect as at the reporting date of the financial statements.

In the determination of the current and deferred taxes, the Company takes into consideration the impact of uncertainties related to tax positions taken and if any additional payments of taxes and interest have been made. The Company believes that the provision for income taxes within liabilities is appropriate based on its evaluation of several factors, including interpretations of tax laws, historical experience and periods still subject to review. This evaluation is based on estimates and assumptions that could involve a series of judgments on future events. New information can be made available enabling the Company to change its judgment as to the adequacy of the existing provision; such alterations will impact the expense with income taxes in the year in which they are made.

Deferred tax assets and liabilities are offset if there is a legal right to offset current tax assets and liabilities, and they are related to income taxes levied by the same tax authority on the same entities subject to taxation.

Deferred income and social contribution tax assets are recognized on deductible tax losses, tax credits and temporary differences not used when it is probable that future taxable earnings will be generated against which they can be offset.

Deferred income and social contribution tax assets are reviewed at each reporting date and are reduced to the extent that realization is no longer probable.

q. Discontinued operations

Classification as discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale, if this occurs first. When an operation is classified as a discontinued operation, the comparative income statement is re-presented as if the operation had been discontinued since the start of the comparative period.

r. New rules and interpretations not yet adopted

Various standards, amendments to standards and interpretations issued by the CPC have not yet entered into force for the fiscal year ended Monday, March 31, 2013, and are as follows:

i. *CPC 36 (R3) - Consolidated statements, CPC 19 (R2) - joint arrangement CPC 45 - Disclosure of interests in other companies*

The objective of Technical Pronouncement CPC 36 (R3) is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

According to CPC 19 (R2), the joint arrangement structure, although it is still an important consideration, is not the main factor in determining the type of joint arrangement and the subsequent accounting:

- Joint operation: when the participating parties have rights to the assets and obligations for the liabilities related to the business, they are recorded in the accounting in accordance with the parties' interests in assets, liabilities, revenues and expenses.
- Joint venture : when the participating parties have rights to the net assets of the business, they are recorded in the accounting through the equity accounting method, and there is proportionate consolidation of the joint venture eliminated.

The objective of this pronouncement is to establish principles for financial reporting by entities that have interests in joint ventures (joint arrangements). The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

CPC 45 consolidates all requirements for disclosures that an entity should make when participating in one or more other entities. The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

ii. *CPC 18 (R2) - Investment in affiliated companies, subsidiaries and joint ventures*

The main changes introduced by CPC 18 (R2) refer to the accounting for results and upstream transactions between the subsidiary and the parent company and transactions between subsidiaries of the same group that should be recognized in the financial statements of the seller, but should not be recognized in the financial statements of the parent company while traded assets are in the balance sheet of the purchaser belonging to the business group.

The objective of this Pronouncement is to establish the accounting for investments in affiliated companies and subsidiaries and to define the requirements for the application of the equity method when recording investments in affiliated companies, subsidiaries and joint ventures. The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

iii. *CPC 33 (R1) - Employee Benefits*

The main changes introduced by CPC 33 (R1) refer to the accounting of defined benefit plans. The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

iv. *CPC 46 - Measurement of fair value*

CPC 46 defines fair value, explains how to measure it and establishes what must be disclosed on this form of measurement. The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

The new pronouncements or changes in pronouncements as indicated above have not been applied in preparing these financial statements. These standards are effective for annual periods beginning on or after January 1, 2013.

The Company's management has concluded that none of these new pronouncements will have a material effect on the financial statements.

4 Determination of fair value

A number of accounting policies and disclosures of the Company requires that fair value be determined for both financial assets and liabilities and non-financial assets and liabilities. Fair values have been determined for the purpose of measurement and/or disclosure, based on the methods below. When applicable, additional information about the assumptions made to determine fair values is disclosed in specific notes relating to that asset or liability.

i. *Biological assets*

The methodology adopted by the Company, to satisfy the calculation requirement of biological assets corresponding to the plantation, that generate several harvests, and the standing sugarcane, was the future discounted cash flow method. The future discounted cash flow method, considers assumptions like the price per ton of sugarcane, productivity, cutting, loading and transport costs, cost of crop handling, and costs of partnership and taxes, among others. The discount rate used to determine the present value of the cash flow is calculated based on the Weighted Average Cost of Capital - WACC.

ii. *Accounts receivable and other credits*

The fair value of accounts receivable and other credits is estimated as the present value of future cash flows, discounted by the market interest rates established on the presentation date of the financial statements. This fair value is determined for disclosures purposes.

iii. *Exchange rate and swap contracts of cash flows*

The fair value of fixed-term exchange rate contracts is based on the listed market price, whenever available. If the listed market price is not available, fair value is estimated by discounting the difference between the forward contract price and the current forward price for the residual maturity period of the contract, using a risk-free interest-rate (benchmarked on government bonds).

The fair value of cash flow swaps is based on quotes from brokers. These quotes are tested as to reasonability through the discount of future cash flows estimated based on the terms and maturity of each contract, and using market interest rates for a similar instrument used on the date of measurement. The fair values reflect the credit risk of the instrument and include adjustments to consider the credit risk of the Company and counterpart, whenever appropriate.

iv. Other non-derivative financial liabilities

Fair value, determined for disclosures purposes, is calculated based on the present value of the principal and future cash flows, discounted by the market interest rate at the reporting date. For financial leases, the interest rate is established through comparison with similar lease contracts.

5 Discontinued operations

Discontinued operations refer to cogeneration of power operations, whose partial sale was agreed (85%) in the last quarter of the 2012 fiscal year. This operation was not a discontinued operation or classified as held for sale on March 31, 2011.

	2013	2012	2011
Net income from discontinued operations			
Revenues	2,137	19,824	1,543
Cost of the products sold	<u>(1,032)</u>	<u>(16,219)</u>	<u>(16,195)</u>
Income before tax	<u>1,105</u>	<u>3,605</u>	<u>2,348</u>
Taxes on profit	<u>(376)</u>	<u>(1,226)</u>	<u>(798)</u>
Income after taxes on discontinued operations	<u>729</u>	<u>2,379</u>	<u>1,550</u>

Statement of cash flow of discontinued operations

Cash flow of discontinued operations	2013	2012	2011
Net cash provided by operating activities	1,105	5,630	5,730

6 Cash and cash equivalents

		2013	2012	2011
Cash and banks		2,809	5,148	4,559
Financial investments				
Fixed interest-rate investments				
LCA	60% of the CDI - Interbank deposit certificate(*)	-	-	15,769
CDB - Bank deposit certificate	100% of the CDI - Interbank deposit certificate (*)	156,200	-	2,029
Interest-bearing account	Variation of the North American dollar	-	-	2,652
CDB - Bank deposit certificate	101% of the CDI - Interbank deposit certificate (*)	145,387	597	1,034
Automatic financial investment		190	22,482	-
		304,586	28,227	26,043

(*) Weighted average rate.

The balance of cash and banks comprises bank deposits available for immediate use. The balances derive from the Company's normal course of operations.

Financial investments are recorded at cost, plus income incurred until the statement of financial position date upon which the value does not exceed the market value. These investments can be readily redeemed without penalties or losses.

The exposure of the Company to the risk of changes in interest rates and a sensitivity analysis for financial assets and liabilities are disclosed in Note 22 - Financial instruments.

7 Other investments

		2013	2012	2011
Current investments				
Financial investments				
Fixed interest rates investments				
- CDB- Bank deposit certificate	95% of the CDI- Interbank deposit certificate (*)	-	1,622	-
- CDB- Bank deposit certificate	99.3% of the CDI- Interbank deposit certificate (*)	-	514	-
- CDB- Bank deposit certificate	98% of the CDI- Interbank deposit certificate (*)	-	8,473	-
- CDB- Bank deposit certificate	100% of the CDI- Interbank deposit certificate (*)	7,137	9,275	14,511
- CDB- Bank deposit certificate	100.5% of the CDI- Interbank deposit certificate (*)	-	15,853	-
- CDB- Bank deposit certificate	101% of the CDI- Interbank deposit certificate (*)	29	-	16,254
- CDB- Bank deposit certificate	101.6% of the CDI- Interbank deposit certificate (*)	8,620	-	-
- Capitalization Bond	Referential rate	-	250	-
- Quotas		3,538	-	-
		<u>19,324</u>	<u>35,987</u>	<u>30,765</u>
Non-current investments				
Financial investments				
Fixed interest rates investments				
- CDB- Bank deposit certificate	99.5% of the CDI- Interbank deposit certificate (*)	-	3,364	7,891
- CDB- Bank deposit certificate	100% of the CDI- Interbank deposit certificate (*)	-	11,314	-
		-	14,678	7,891
Investments				
Centro de Tecnologia Canavieira (a)		357	357	-
Tonon Bioeletrecidade S.A (b)		13,261	9,564	-
Tonon Bioeletrecidade MS Ltda. (b)		15,655	7,660	-
Auto Posto Santa Cândida (c)		4,895	-	-
		34,168	17,581	-
		<u>34,168</u>	<u>32,259</u>	<u>7,891</u>

(*) Weighted average rate

The exposure of the Company to credit risk, interest rates and a sensitivity analysis for financial assets and liabilities are disclosed in Note 22 - Financial instruments.

(a) Investments recognized at cost.

(b) We recently entered into a strategic partnership with Grupo Energisa S.A., or Energisa, an energy company in Brazil. In connection with this partnership, we sold co-generation assets to Energisa and agreed to exchange bagasse for energy and steam produced at the power plants which we continue to operate. The sale was agreed in December 2011, when we executed four share purchase and sale agreements with Energisa pursuant to which we agreed to sell shares of

four Special Purpose Entities, or SPEs: (i) Energisa Bioeletricidade Santa Cândida I S.A., or USC I, into which we transferred all of our co-generation assets at our Santa Cândida mill; (ii) Energisa Bioeletricidade Santa Cândida II S.A., or USC II, into which we transferred all of our construction and operation rights in case of expansion of our Santa Cândida co-generation plant; (iii) Energisa Bioeletricidade Vista Alegre I S.A., or UVA I, into which we transferred all of our co-generation assets at our Vista Alegre mill; and (iv) Energisa Bioeletricidade Vista Alegre II S.A., or UVA II, into which we transferred all of our construction and operation rights in case of expansion of our Vista Alegre co-generation plant. In August 2012, pursuant to such share purchase and sale agreements, Energisa acquired: (i) 85% of the capital stock of USC I; (ii) 85% of the capital stock of UVA I; (iii) 100% of the capital stock of USC II; and (iv) 100% of the capital stock of UVA II from us for an aggregate amount of approximately R\$150.0 million. Pursuant to the terms of the agreements, in approximately 20 years Energisa will sell back the assets owned by each of USC I, USC II, UVA I and UVA II to us. In this transaction, Tonon satisfied several preceding conditions and thus received the agreed sum of approximately R\$150 million in August 2012;

Investment kept by the Company recorded at fair value when control was lost. The difference (between cost and the new attributed cost or fair value of the investment), in the amount of R\$17,581 was recognized as “Other operating expenses/income, net” in profit or loss. These investments are classified as available for sale and accounted for at fair value to OCI. At the fiscal year end March 31, 2013, the change in fair value was R\$ 7,517, net of income and social contribution taxes.

- (c) On October 18, 2012, we acquired from the Tonon Family 100% of the capital stock of Auto Posto Santa Cândida de Bocaina Ltda., a company that owns a gas station located close to our Santa Cândida mill. The acquisition cost was R\$4.6 million. This investments was not consolidated.

	Centro de Tecnologia Canaveira S.A.	Tonon Bioeletricidade S.A.	Tonon Bioeletricidade MS Ltda.	Tonon Bioeletricidade MS Ltda.	Tonon Bioeletricidade MS Ltda.	Total
Balance on March 31, 2011	-	-	-	-	-	-
Investment	179	20	20	20	20	259
Capital increase	178	-	-	13,720	72,340	86,238
Write-off	-	(20)	(20)	(11,679)	(61,506)	(73,225)
Changes in fair value	-	-	-	7,503	(3,194)	4,309
Balance on March 31, 2012	357	-	-	9,564	7,660	17,581

	Centro de Tecnologia Canaveira S.A.	Tonon Bioeletricidade S.A.	Tonon Bioeletricidade MS Ltda.	Auto Posto Santa Candida de Bocaina Ltda.	Total
Balance on March 31, 2012	357	9,564	7,660	-	17,581
Changes in fair value	-	3,697	7,995	-	11,692
Acquisition	-	-	-	4,600	4,600
Equity income in subsidiaries companies	-	-	-	295	295
Balance on March 31, 2013	357	13,261	15,655	4,895	34,168

8 Accounts receivable, net

	2013	2012	2011
Accounts receivable - Foreign market	-	-	1,658
Accounts receivable - Domestic market	-	6,437	10,526
Accounts receivable - Related parties (note 23)	1,466	1,486	2,228
Provision for doubtful accounts	-	(4,011)	(1,198)
	<u>1,466</u>	<u>3,912</u>	<u>13,214</u>

Accounts receivable from the foreign-market are originated in U.S. dollar, which are converted into Brazilian *Reais* on the reporting date of the financial statements, using the rate of that date.

The Company as of March 31, 2013, did not have any operation that generated a significant effect of adjustment to the present value.

The exposure of the Company to credit risk, currency and losses by reduction to the recoverable value, related to trade accounts receivable, is disclosed in Note 22 - Financial instruments.

9 Inventories

	2013	2012	2011
Finished products			
Sugar	6,503	-	5,611
Ethanol	5,543	14,517	1,176
Oil	8	-	-
Warehouse and others	19,767	13,953	12,001
Others	-	-	164
	<u>31,821</u>	<u>28,470</u>	<u>18,952</u>

On March 31, 2013, raw materials and others, goods and alterations in finished products, recognized as costs, was R\$ 486,555 (R\$ 376,129 on March 31, 2012 and R\$ 332,993 on March 31, 2011).

10 Advances to suppliers

	2013	2012	2011
Advance to other suppliers	425	866	4,040
Advance to sugarcane suppliers	61,464	38,347	27,895
Advance to performance suppliers	-	8,696	-
Advance to suppliers - Related parties (note 23)	9,652	7,010	4,337
	<u>71,541</u>	<u>54,919</u>	<u>36,272</u>
Current	38,111	37,427	36,272
Non-current	33,430	17,492	-

The advances to sugarcane suppliers are represented, by anticipated amounts to agricultural partners according to clauses provided in contractual arrangements, whose product delivery will occur in the next harvest.

11 Recoverable taxes

	2013	2012	2011
Contribution for the funding of the social security - COFINS	18,482	19,216	1,961
Tax on the circulation of goods and services - ICMS	3,055	1,360	752
Tax on industrialized products - IPI	466	413	377
Program of social integration - PIS	3,840	4,144	586
Other recoverable taxes	3,938	2,579	3,399
	<u>29,781</u>	<u>27,712</u>	<u>7,075</u>
Current	29,306	27,489	6,701
Non-current	475	223	374

12 Assets held for sale

The non-current assets held for sale on March 31, 2013 amounted R\$ 3,028 (same value on March 31, 2012) refer to a sub-station connected to the power distribution network, situated in the municipal district of Maracajú/MS, the sale of which is being negotiated with a power distribution company in the state of Mato Grosso do Sul.

13 Deferred tax assets and liabilities

The composition of the expense calculated by applying the combined tax rates and the expense with income and social contribution taxes in profit and loss is demonstrated as follows:

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	2013	2012	2011
Profit (loss) before income and social contribution taxes	(34,464)	26,394	(44,444)
Combined rate	34%	34%	34%
Income and social contribution taxes using the combined rate	11,718	(8,974)	15,111
Permanent (additions) exclusions	7,806	73	6,887
Income and social taxes contribution recognized in the results for the year	19,524	(8,901)	21,998
Effective rate income and social contribution tax	57%	34%	49%

The transactions occurring in fiscal year ending on March 31, 2013, are demonstrated as follows:

	2011	Recognized in the statement of income	Compensation Tax Paid in Installments	2012
Provision for contingency	5,914	2,101	-	8,015
Provision for doubtful debts	390	2,030	-	2,420
Provision of ATR - Sugarcane suppliers	1,774	(1,774)	-	-
Tax loss carry forwards and negative basis of social contribution	18,822	(702)	(844)	17,276
Goodwill	28,907	(7,082)	-	21,825
Property, plant and equipment	(34,984)	10,142	-	(24,842)
Biological assets	(32,488)	(9,919)	-	(42,407)
Investments fair value	-	(1,465)	-	(1,465)
Exchange rate variation - taxed on cash regime	-	(2,917)	-	(2,917)
Total	(11,665)	(9,586)	(844)	(22,095)

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	2012	Reconhecidos no resultado	Reconhecidos no resultado abrangente	2013
Provision for contingency	8,015	(6,131)	-	1,884
Provision for doubtful debts	2,420	(1,827)	-	593
Provision of ATR - Sugarcane suppliers	-	641	-	641
Tax loss carry forwards and negative basis of social contribution	17,276	38,315	-	55,591
Goodwill	21,825	(7,083)	-	14,742
Property, plant and equipment	(24,842)	11,043	-	(13,797)
Biological assets	(42,407)	(16,165)	-	(58,572)
Investments fair value	(1,465)	-	(3,975)	(5,440)
Exchange rate variation - taxed on cash regim	(2,917)	731	-	(2,188)
Total	<u>(22,095)</u>	<u>19,524</u>	<u>(3,975)</u>	<u>(6,546)</u>

Management considers that the deferred tax assets originating from temporary differences are realized in proportion to the final resolution of contingencies and events.

The estimates of recovery of the deferred tax assets were based on projections of taxable profits taking into consideration several financial assumptions and the business considered in the closing of the financial year. Consequently, the estimates are subject to significant judgement and may not crystallize in the future, considering the uncertainties inherent to these assumptions.

The deferred tax assets are expected to be realized in the next 5 years.

14 Property, plant and equipment

Cost	Land	Buildings and improvements	Facilities	Machinery and equipment	Furniture and fixtures	Computer equipment	Vehicles	Tools and accessories	Machinery and agricultural implements	Inter-harvest maintenance	Construction In progress	Total
Balances on March 31, 2011	<u>3,544</u>	<u>94,947</u>	<u>113,170</u>	<u>253,618</u>	<u>978</u>	<u>2,001</u>	<u>15,055</u>	<u>125</u>	<u>24,728</u>	<u>46,659</u>	<u>11,590</u>	<u>566,415</u>
Additions	-	-	-	-	-	-	120	-	-	47,927	17,904	65,951
Write-offs	-	-	-	(26,661)	-	(7)	(1,810)	-	-	(46,659)	(7,251)	(82,388)
Transfer to assets held for sale	-	(23,886)	(29,857)	(72,903)	-	-	-	-	-	-	-	(126,646)
Transfers between accounts	<u>2,250</u>	<u>3,422</u>	<u>539</u>	<u>3,209</u>	<u>100</u>	<u>906</u>	<u>524</u>	<u>-</u>	<u>10,673</u>	<u>-</u>	<u>(21,623)</u>	<u>-</u>
Balances on March 31, 2012	<u>5,794</u>	<u>74,483</u>	<u>83,852</u>	<u>157,263</u>	<u>1,078</u>	<u>2,900</u>	<u>13,889</u>	<u>125</u>	<u>35,401</u>	<u>47,927</u>	<u>620</u>	<u>423,332</u>
Additions	540	93	20	3,207	85	188	1,725	30	8,304	71,544	4,048	89,784
Write-offs	-	-	-	(839)	-	-	-	-	-	(55,434)	-	(56,273)
Transfers between accounts	<u>-</u>	<u>(7,195)</u>	<u>3,172</u>	<u>(99)</u>	<u>124</u>	<u>140</u>	<u>2,851</u>	<u>9</u>	<u>1,520</u>	<u>-</u>	<u>(522)</u>	<u>-</u>
Balances on March 31, 2013	<u>6,334</u>	<u>67,381</u>	<u>87,044</u>	<u>159,532</u>	<u>1,287</u>	<u>3,228</u>	<u>18,465</u>	<u>164</u>	<u>45,225</u>	<u>64,037</u>	<u>4,146</u>	<u>456,843</u>

Depreciation	Land	Buildings and Improvements	Facilities	Machinery and Equipment	Furniture and utensils	Computer equipment	Vehicles	Tools and accessories	Machinery and agricultural implements	Inter-harvest maintenance	Construction In progress	Total
Balances on March 31, 2011	<u>-</u>	<u>(11,151)</u>	<u>(17,908)</u>	<u>(40,105)</u>	<u>(263)</u>	<u>(1,098)</u>	<u>(4,437)</u>	<u>(85)</u>	<u>(1,080)</u>	<u>-</u>	<u>-</u>	<u>(76,127)</u>
Additions	-	(2,079)	(9,045)	(18,014)	(106)	(314)	(3,622)	(33)	(1,844)	-	-	(35,057)
Write-offs	-	6,737	-	3,310	-	7	215	-	-	-	-	10,269
Transfer to assets held for sale	-	2,846	5,935	28,718	-	-	-	-	-	-	-	37,499
Balances on March 31, 2012	<u>-</u>	<u>(3,647)</u>	<u>(21,018)</u>	<u>(26,091)</u>	<u>(369)</u>	<u>(1,405)</u>	<u>(7,844)</u>	<u>(118)</u>	<u>(2,924)</u>	<u>-</u>	<u>-</u>	<u>(63,416)</u>
Balances on April 1, 2012	<u>-</u>	<u>(3,647)</u>	<u>(21,018)</u>	<u>(26,091)</u>	<u>(369)</u>	<u>(1,405)</u>	<u>(7,844)</u>	<u>(118)</u>	<u>(2,924)</u>	<u>-</u>	<u>-</u>	<u>(63,416)</u>
Additions	-	(2,839)	(9,382)	(16,648)	(109)	(499)	(3,140)	(53)	(5,902)	-	-	(38,572)
Write-offs	-	-	-	-	-	-	-	-	-	-	-	-
Transfer s between accounts	<u>-</u>	<u>(1,386)</u>	<u>5,384</u>	<u>(3,537)</u>	<u>(124)</u>	<u>(146)</u>	<u>2,468</u>	<u>67</u>	<u>(2,727)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balances on March 31, 2012	<u>-</u>	<u>(7,872)</u>	<u>(25,016)</u>	<u>(46,276)</u>	<u>(602)</u>	<u>(2,050)</u>	<u>(8,516)</u>	<u>(104)</u>	<u>(11,553)</u>	<u>-</u>	<u>-</u>	<u>(101,989)</u>
Net book value												
On March 31, 2011	3,544	83,796	95,262	213,513	715	903	10,618	40	23,648	46,659	11,590	490,288
On March 31, 2012	5,794	70,836	62,834	131,172	709	1,495	6,045	7	32,477	47,927	620	359,916
On March 31, 2013	6,334	59,509	62,028	113,256	685	1,178	9,949	59	33,673	64,037	4,146	354,854

Property, plant and equipment assets given as guarantee for the loans and financing operations are presented in Note 18 - Loans and financing operations.

The Company assesses every financial year if there is objective evidence of an impairment. The model and the premises used in the determination of the recoverable amount represent the managements' best estimate on the date of the assesment, which are reviewed annually.

15 Biological assets

Biological assets comprise the cultivation and plantation of sugarcane, through contracts with leaseholders and sugarcane partners, for the use as raw material in its industrial processes of sugar and ethanol. The cultivation of sugarcane is initiated with the plantation of seedlings on land owned by third-party landowners, and the first cutting occurs after a period of 12 to 18 months after planting, when the sugarcane is cut and the root ("shoot") continues in the soil. After each cutting or year/harvest, the treated shoot grows again, giving on average a total of five or six harvests, which varies based on the species and genetic material to which it refers.

Below are the transactions of the biological assets of the Company:

	2013	2012	2011
Biological asset at the beginning of the financial year	398,109	288,580	227,092
Increase originating from purchases	-	466	12,808
Increase originating from planting	65,915	99,867	61,164
Increase originating from crop handling	58,750	50,750	41,227
Amortization of the crop	(51,312)	(29,503)	(39,213)
Increase from assets incorporation (SCAA)			
Amortization of the crop handling	(47,633)	(41,227)	(27,517)
Variation of the fair value	47,547	29,176	13,019
Biological asset at the end of the financial year	471,376	398,109	288,580

The biological asset has its realization in the following harvest periods:

	2013	2012	2011
2011/2012 Harvest	-	-	81,575
2012/2013 Harvest	-	57,331	47,426
2013/2014 Harvest	112,936	90,921	51,624
2014/2015 Harvest	100,732	75,246	36,275
2015/2016 Harvest	90,013	63,795	38,030
2016/2017 Harvest	69,435	48,096	19,645
2017/2018 Harvest	49,257	31,256	14,005
2018/2019 Harvest	34,751	24,764	-
2019/2020 Harvest	14,252	6,700	-
	471,376	398,109	288,580

The areas cultivated represent only the sugarcane plantation, without considering the land on which the crops are located.

The following assumptions were used in determining the fair value:

	2013	2012	2011
Estimated harvest area (ha)	55,267	62,521	40,273
Estimated productivity (t/ha)	76.79	76.12	83.19
Quantity of ATR per ton of sugarcane (kg ATR/t)	140.00	139.00	142.42
Average projected price of ATR (R\$/kg ATR)	0.49	0.51	0.41

The fair value of the sugarcane crops was determined using the methodology of the discounted cash flow, considering:

- Cash inflows from a combination of (i) estimated production, measured in kilos of ATR (Total Recoverable Sugar) and of (ii) future market price of sugarcane, which is estimated based on market information and estimates of the future prices of sugar and ethanol; and
- Cash outflows represented by the estimate of (i) necessary costs for the biological transformation of sugarcane (crop handling) until harvest; (ii) costs associated with the harvest/ Cutting, Shipment and Transport (CCT); and (iii) costs of leasing and agricultural partnership.

Based on the estimates of income and costs, the Company determines the discounted cash flows that will be generated and present value that amount, considering an actual discount rate of 5.95% a year, compatible with the compensation of the investment in the circumstances. Changes in the fair value are presented as “Changes in the fair value of the biological assets”.

The model and the assumptions used to determine the fair value represent the best estimate of the Board on the date of the financial statements, which are reviewed annually.

The increase or decrease in the fair value is determined by the difference between the fair value of the biological assets at the beginning of the period and at the end of the period, less the costs incurred with the plantation in the development and depreciation of the biological assets in the period.

The Company is exposed to a series of risks related to its plantations as follows:

Regulatory and environmental risks

The Company is subject to Brazilian laws and regulations. The Company determined environmental policies and procedures focused on the compliance of environmental and other laws. The Management conducts regular analyses to identify environmental risks and to guarantee that the systems in operation are appropriate to manage these risks.

Risk supply and demand

The Company is exposed to risks originating from the fluctuation of prices and sales volume of its plantations. Whenever possible, the Company manages this risk aligning its volume of extraction with the supply and demand of the market. The Management makes regular analyses of the trend of the industry to guarantee that the price structure of the Company is according to the market and to guarantee that the projected volumes of extraction are consistent with the demand expected.

Climate risks and others

The plantations of the Company are exposed to the risks of damage caused by climate changes, plagues, fires and other forces of nature. The Company has extensive processes in operation focused on the monitoring and on the reduction of these risks, including regular inspections in the sugarcane plantations, and analyses and control of disease and plagues.

16 Intangibles, net

Description	Cost	Accrued amortization	Net 2013	Net 2012	Net 2011
Software and others	2,794	(535)	2,259	2,417	167
Total	2,794	(535)	2,259	2,417	167

17 Suppliers

	2013	2012	2011
Domestic suppliers	38,463	67,533	33,958
Sugarcane suppliers	3,176	20,464	12,274
Suppliers - Related parties (note 23)	99	1,892	1,557
	41,738	89,889	47,789
Current	41,726	89,785	45,882
Non-current	12	104	1,907

The harvest period for sugarcane, which is between April and December of each year, on average, has a direct impact on the balance with sugarcane suppliers and respective cutting, shipment and transport services.

The amounts payable to sugarcane suppliers and agricultural partners take into consideration the sugarcane delivered and not yet paid, as well as the complement of price calculated based on the final price of harvest through the Total Recovered Sugar index (ATR) disclosed by Consecana - The Council of Sugarcane, Sugar and Ethanol Producers in the State of São Paulo.

The exposure of the Company to the risks of currency and liquidity related to accounts payable to suppliers is disclosed in Note 22 - Financial instruments.

18 Loans and financing

	2013	2012	2011
Current liabilities			
Operating capital	85,303	147,047	72,320
Bonds	10,245	-	-
Advance on Exchange Contract (ACC)	-	150,377	91,594
Export pre-payment (PPE)	10,551	58,899	212,201
Finance lease	191	1,571	1,990
Government Agency for Machinery and Equipment Financing FINAME	<u>1,161</u>	<u>21,896</u>	<u>130,146</u>
	<u>107,451</u>	<u>379,790</u>	<u>508,251</u>
Non-current liabilities			
Operating capital	213,763	40,177	53,515
Bonds	575,522	-	-
Export pre-payment (PPE)	28,797	117,170	4,292
Finance lease	-	261	3,087
Government Agency for Machinery and Equipment Financing FINAME	<u>4,446</u>	<u>98,233</u>	<u>8,208</u>
	<u>822,558</u>	<u>255,841</u>	<u>69,102</u>
Total	<u><u>930,009</u></u>	<u><u>635,631</u></u>	<u><u>577,353</u></u>

The terms and conditions of the outstanding loans and financings were the following:

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Modality	Indexer	Currency	Average annual interest rate	Year of maturity	2013	2012	2011
Advance on Exchange Contract (ACC)	Fixed rate + CDI + exchange variation	USD	-	-	-	150,377	91,594
Bonds	Fixed rate + exchange variation	USD	9,25%	2020	585,797	-	-
Operating Capital	Fixed rate + CDI	R\$	13,58%	2013 a 2015	49,850	154,424	125,835
Operating Capital	Fixed rate + exchange variation	USD	7,50%	2014	16,782	32,800	-
Government Agency for Machinery and Equipment	Fixed rate + TJLP/UMBNDDES variation						
Financing - FINAME		R\$	2,59%	2016 a 2018	5,607	120,129	138,354
Finance lease	Fixed rate	R\$	11,11%	2013	191	1,832	5,077
Export pre-payment (PPE)	Fixed rate + CDI/Libor + exchange variation	USD	9,79%	2013 a 2014	39,348	176,069	216,493
Syndicated	Fixed rate + CDI	R\$	16,51%	2017	120,539	-	-
Syndicated	Fixed rate + exchange variation	USD	11,50%	2017	111,895	-	-
					<u>930,009</u>	<u>635,631</u>	<u>577,353</u>
With guarantees:							
Operating capital	Lien of property, plant and equipment / financial investment / rural property mortgage / cession of cred. rights / agricultural pledge / endorsement					101,923	
Government Agency for Machinery and Equipment	Chattel of the industrial park of the unit of Vista Alegre / rural property mortgage / endorsement					6,917	
Financing - FINAME						1,455	
Finance lease	Lien of property, plant and equipment / endorsement						
Export pre-payment (PPE)	Rural property mortgage / assignment / promissory note / chattel of the industrial park of the unit of Santa Cândida / endorsement					61,492	
Syndicated	Cession of cred. rights / lien escrow account / pledge of farming / endorsement					96,941	

On March 31, 2013, the Company did not comply with some contractual obligations (covenants) related to certain financial indicators as indicated above. Management obtained the consent of the financial institution (waiver) for non compliance with these obligations prior to the year end and therefore kept the classification of such loans as non-current.

19 Taxes payable in installments

	2013	2012	2011
Companhia de Tecnologia de Saneamento Ambiental - CETESB	-	133	315
Social contribution program (i)	42	42	-
Income tax program (i)	253	393	465
Value-added taxes on sales and services (ii)	6,017	4,729	6,810
National institute of social security (i)	4,792	5,091	5,497
	<u>11,104</u>	<u>10,388</u>	<u>13,087</u>
Current	5,265	3,405	4,058
Non-current	5,839	6,983	9,029

- (i) The Company adhered to the program of Tax Recovery (REFIS) of federal debts, approved by Law no. 11941, of May 27, 2009 and, in July/2011 consolidating its debts related to National Institute of Social Security, Brazilian Social Security Institute - INSS and Corporate Income tax - IRPJ/Social contribution on net income- CSLL.
- (ii) Refers to Value-Added Tax - ICMS debts that were included in the Payment Incentive Program of the State of São Paulo (PPI). The total amounts will be paid over 120 monthly installments.

Payment Schedule of taxes in installments classified in the current and non-current liabilities:

Year of maturity	2013	2012	2011
2012	-	3,405	4,058
2013	5,265	2,706	3,178
2014 to 2024	5,839	4,277	5,851
	<u>11,104</u>	<u>10,388</u>	<u>13,087</u>
Current liabilities	5,265	3,405	4,058
Non-current liabilities	5,839	6,983	9,029

20 Advances from customers

	2013	2012	2011
Advance from customers - Domestic market (i)	1,151	31,875	8,976
Advance from customers - Foreign market exports	-	-	1,649
Advance from customers - Miscellaneous	-	3,192	-
Advance from customers - Performance	5,963	8,696	-
Advance from related parties (note 23)	-	10,049	-
	<u>7,114</u>	<u>53,812</u>	<u>10,625</u>

(i) The amount refers to advances made by clients purchasing ethanol.

21 Provision for contingencies

The Company is party to civil, labor and tax claims, all as a result of the normal course of activities. Management, based on the opinion of its legal advisers and, whenever applicable, based on specific opinions issued by specialists, assesses the expectation of conclusion of the lawsuits in progress and determines the need or not of constituting a provision for contingencies.

On March 31, 2013, the provision for contingencies amounted to R\$ 6,588 and refers to lawsuits with probable loss and, based on management expectation, is considered to be sufficient to cover eventual losses, as follows:

	Civil and environmental	Financial	Labor	Tax	Total
Balance on March 31, 2011	3,744	11,077	2,340	231	17,392
Provisions made during the period	-	2,344	552	97	2,993
Reversions made during the period	(236)	-	-	236	-
Balance on March 31, 2012	<u>3,508</u>	<u>13,421</u>	<u>2,892</u>	<u>564</u>	<u>20,385</u>
Provisions made during the period	57	-	3,282	336	3,675
Reversions made during the period	(2,868)	(13,421)	(1,183)	-	(17,472)
Balance on March 31, 2013	<u>697</u>	<u>-</u>	<u>4,991</u>	<u>900</u>	<u>6,588</u>

Tax claims

Refer to taxes whose collection is being questioned legally by the Company, where judicial deposits have been made; success fees are payable to the defense lawyers contracted in tax claims.

Civil and environmental claims

Refer to indemnity claims for property and moral damages; public civil claims for abstention from burning sugarcane straw and constitution of legal reserve; and filing of environmental claims.

Labor claims

Refer to labor claims, whose main requests are overtime; *in itinere* hours; failure to provide break time; premium for danger and health risks; refund for payroll discounts, such as confederative contribution; night pay; and single contract with the consequent payment of 13th salary and vacation pay with an added constitutional third (1/3).

Financial claims

The Company did not comply in the harvest year of 2010/2011 with a restriction clause of a loans and financing contract, which would give the right to the counterparty to charge a punitive fine on the principal value of the contract, from the date on which the financial non-compliance occurred, as mentioned in the related agreement.

In the calculation of the probable loss, the restated rate of 0.06603% per day was considered, limited to 10%, from November 26, 2010, on the principal amount of R\$134,210.

The provision was reversed due to the total payment of the loan and financing to the bank.

Contingent liabilities

The Company has other contingent liabilities involving labor, tax and civil issues in the estimated total amount of R\$ 48,063 (R\$ 36,135 on March 31, 2012 and R\$ 31,046 on March 31, 2011). Due to the stage these claims are found and due to the company's counsel considering the chances of success as possible, no provision has been recorded in the financial statements.

22 Financial instruments

Financial risk management

General scope

The Company is exposed to the following risks:

- Credit risk
- Liquidity risk
- Market risk

This note contains information on the Company's exposure to each of the abovementioned risks, the Company's objectives, risk measurement and management processes and capital

management. Additional quantitative disclosures are included throughout these financial statements.

Risk management structure

The Company has a risk management policy that defines the methodologies and instruments that will be applied for the permanent control of risks to which it is exposed.

This policy envisages the creation of mechanisms that allow the maintenance of the economic-financial balance of the Company, through the use of protection for assets and liabilities. The procedures and instruments used for this are evaluated by the Committees of Controllershship, Finance and Marketing, and are later proposed for the approval of the Board of Directors.

Hedging operations for the mitigation of the main risks are managed as follows:

- i.** For the volatility of the sugar prices on the export market, instruments are defined that consider the amount for the production of Very High Polarization - VHP sugar estimated for the harvest;
- ii.** For the foreign exchange rate the amount received are observed in each period, according to the cash flow predicted for the harvest;
- iii.** For the interest rates of the financial liabilities a hedge is made only for the operations in which the interest rates present expressive historical volatility.

All of the positions assumed are evaluated continuously in order to redefine whenever necessary the volumes protected, considering that the Company uses derivative financial instruments with the exclusive purpose of protecting its assets and liabilities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to financial instruments fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

The main scope of the Company for credit risk management is to contract operations only from financial institutions recognized by the market as solid, and that are previously approved by the Board of Directors. In this scope, the opening of new positions is conducted on the New York stock exchange - *ICE Futures US* through the broker INTL FCStone.

For the client credit risk, the Company uses mechanisms of previous analyses of the clients' database to guarantee the good reputation of the potential customer, besides operating spot contracts to guarantee the advanced receipt before the physical delivery of the product sold, seeking to maintain a low average receipt turnover from its customers.

To mitigate these risks, the Company adopts as practice the analysis of the financial and equity status of its counterparts.

Exposure to credit risk

The book value of the financial assets represents the maximum exposure of the credit risk. The maximum exposure of the credit risk on the date of the financial statements was:

	2013	2012	2011
Cash and Banks	2,809	5,148	4,559
Financial investments	301,777	23,079	21,484
Other investments	19,324	50,665	38,656
Derivative financial instruments	1,373	7,325	19,907
Trade accounts receivable	1,466	3,912	13,214
Other accounts receivable	1,653	146,658	788
	<u>328,402</u>	<u>236,787</u>	<u>98,608</u>

Management, with the purpose of mitigating the credit risk, diversifies its financial investments and other investments in financial institutions considered, by the market, as first line banks.

Allowance for doubtful accounts

The amount recorded as an allowance for doubtful accounts was considered as sufficient by management in the event of eventual losses.

The composition of the accounts receivable by age of maturity is as follows:

	2013	2012	2011
Past due:			
30 days	-	2,649	1,958
From 31 to 60 days	-	17	1,185
After 60 days	-	4,071	4,236
	<u>-</u>	<u>6,737</u>	<u>7,379</u>
To mature:			
30 days	1,466	1,161	4,805
In more than 31 days	-	25	2,228
	<u>1,466</u>	<u>1,186</u>	<u>7,033</u>
Total	<u>1,466</u>	<u>7,923</u>	<u>14,412</u>

The change in the allowance for doubtful accounts in relation to receivable accounts, during the financial year, was the following:

Balance on March 31, 2011	1,198
Uses in the year	(1,954)
Provisions made during the period	<u>4,767</u>
Balance on March 31, 2012	4,011
Uses in the year	<u>(4,011)</u>
Balance on March 31, 2013	<u><u>-</u></u>

Liquidity risk

Liquidity risk is the risk that the Company could face problems to honor its obligations posed by financial liabilities that have to be settled in cash or through other financial assets.

The approach of the Company in the management of liquidity is to ensure, the maximum possible, that there is always sufficient liquidity to fulfill the obligations that are due, under normal conditions and of stress, without causing unacceptable losses or with the risk of damaging the reputation of the Company.

Below are the contractual maturities of the financial liabilities, including the payment of estimated interest rates:

2013					
	Book value	Less than one year	Between two and three years	Between four and five years	Above five years
Financial liabilities					
Suppliers	41,738	41,726	12	-	-
Derivative financial instruments	4,628	1,749	-	2,879	-
Loans and financing	930,009	107,451	54,270	192,736	575,552
Other accounts payable	<u>3,205</u>	<u>3,205</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>979,580</u></u>	<u><u>154,131</u></u>	<u><u>54,282</u></u>	<u><u>195,615</u></u>	<u><u>575,552</u></u>
2012					
	Book value	Less than one year	Between two and three years	Between four and five years	Above five years
Financial liabilities					
Suppliers	89,889	89,785	104	-	-
Derivative financial instruments	7,740	7,740	-	-	-
Loans and financing	635,631	379,790	39,445	112,243	104,153
Other accounts payable	<u>101</u>	<u>101</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>733,361</u></u>	<u><u>477,416</u></u>	<u><u>39,549</u></u>	<u><u>112,243</u></u>	<u><u>104,153</u></u>

	2011				
	Book value	Less than one year	Between two and three years	Between four and five years	Above five years
Financial liabilities					
Suppliers	47,789	45,882	1,907	-	-
Derivative financial instruments	9,569	5,579	3,990	-	-
Loans and financing	577,353	508,251	51,291	11,769	6,042
	<u>634,711</u>	<u>559,712</u>	<u>57,188</u>	<u>11,769</u>	<u>6,042</u>

The gross inflows of income (expenses), disclosed in the table above represent the cash flows related to derivative and non-derivatives financial liabilities held for the effects of risk management and that normally are not terminated before the contractual maturity.

Market risk

Market risk is the risk of market prices changes, such as exchange rates and interest rates. The objective of market risk management is to manage and control the exposures to market risks, within acceptable parameters, and, at the same time, optimize the return.

Exchange rate risk

The exchange rate risk to which the Company is exposed is the appreciation of the Brazilian real against the US dollar, because a significant part of its revenues originates from exports received in dollar and which, in case of an appreciation of the Brazilian real against the dollar, causes the decrease of its revenues.

The purpose of the hedge mechanisms is to guarantee an average receipt compatible with the results projected by the Company for a harvest period. For the protection of the receipts originating from the revenue of exports, the Company enters into “Non-Deliverable Forward” (NDF) in the several financial institutions with which it operates.

The balances of loans and financing exposed to the US dollar refer, mainly, to operations of Advances of Exchange Contract (ACEs), Export Credit Note, Export pre-payment and Bonds. The Company understands, therefore, that there is a natural hedge, considering that the operations will be paid with resources originating from the delivery of sugar, also in U.S. dollars, which mitigates the risk of impacts on the cash flow of the Company.

Foreign currency exposure

The exposure of the Company is substantially tied to the U.S. dollar on the dates indicated below:

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	2013		2012		2011	
	R\$	US.	R\$	US.	R\$	US.
Assets						
Current Assets						
Accounts receivable - exports	-	-	-	-	1,658	1,018
Derivative financial instruments						
Fixed-term contracts in foreign currency - NDF	1,369	0,661	-	-	9,498	5,832
Margin deposits	4	1,932	7,325	4,020	10,409	6,391
Total assets	1,373	2,593	7,325	4,020	21,565	13,241
Liabilities						
Current liabilities						
Loans and financing	54,653	27,139	222,378	122,045	158,837	97,524
Financial derivative instruments						
Future options (market to market)	-	-	6,540	3,589	4,845	2,975
Fixed-term contracts in foreign currency -NDF	-	-	469	258	-	-
Swap Cash flow	1,749	0,973	731	401	734	451
Non-current liability						
Loans and financing	737,655	366,300	136,868	75,116	173,093	106,277
Financial derivative instruments						
Swap Cash flow	2,879	1,430	-	-	3,990	2,450
Total Liabilities	796,936	395,842	366,986	201,409	341,499	209,677
Net liability exposure	795,563	395,160	359,660	197,389	319,934	196,436

The monetary assets and liabilities were restated and recorded on the balance sheet on March 31, 2013, March 31, 2012 and March 31, 2011, with an exchange rate published by the Central Bank, being respectively, from R\$ 2.0137, R\$ 1.8221 and R\$ 1.6287 for US. 1.00.

The balances of loans and financing refer to operations of Advance of Exchange Contract, Export Credit Note, Bonds and Export pre-payment agreements and, therefore, although the exchange effect has an impact on financial statements, there is a natural hedge, considering that the operations are paid with resources originating from the delivery of sugar, also in U.S. dollars, which mitigates the risk of impacts on the cash flow of the Company.

Sensitivity analysis

The probable scenario was adopted based on the position of the Company on March 31, 2013. For the other scenarios, management used 25% for a possible scenario and a variation of 50% for a remote scenario.

Operations	Remote (-50%)	Possible (-25%)	Probable	Possible (+25%)	Remote (+50%)
Fixed term contracts in foreign currency - NDF (*)	(42,818)	(22,093)	(1,369)	19,356	40,018
Swap Cash flow	7,808	6,209	4,839	3,211	1,802
Loans and financing	396,154	594,231	792,308	990,385	1,188,462

- (*) The variations were calculated on the reference rate for each transaction, which is the rate already negotiated with the based counterparties on March 31, 2013.

Risk of interest rates

The Company has debt costs tied substantially to variable rates and, thus, is exposed to the volatility of the following interest rates: Libor, TJLP and CDI. Occasionally, when expressive volatilities are verified in a specific interest rate to which it is exposed, the Company protects

itself from interest rates by contracting “Swap Cash Flow” tied to specific long term operations, like Export pre-payment and Export Credit Notes, which are contracted with several financial institutions with which the Company operates.

Composition of variable interest-rate instruments

On the date of the financial statements, the company's of the financial instruments compensated by variable interest rates were mainly comprised of financial investments, and loans and financing.

Variable-rate instruments

The Company does not carry out the sensitivity analysis for instruments tied to variable interest rates, because it considers the possible impacts are irrelevant for their financial statements.

Risk of prices changes

The Company is exposed to the risk of changes in the price of commodities on the products it produces, such as sugar and ethanol.

The Company operates in the risk management of prices for sugar volumes that correspond to the expected production of the harvest. The management of the positions is made in order to enable adjustments in the positions entered into, in response to the market conditions by operating in the futures markets of the New York Stock Exchange (ICE Future US - Intercontinental Exchange) and on OTC markets.

On March 31, 2013, 113,493 tons of sugar was priced through the sales contracts for future deliveries expected between April to July 2013, by fixing an average price of 0.1969 ¢/lb (U.S. dollar cents per weight in pounds) on the New York Stock Exchange - ICE Futures US.

Sensitivity analysis

The premises used for the sensitivity analysis considers variations of 10% more and 10% less from the indexes used to establish the fair value on March 31, 2013.

Management of the capital

The risk assessment for the management of the capital has the main purpose of insuring the successful continuity of the operation of the Company, with a structure that is able to create value for the shareholders with appropriate levels of loans and advantages, and security enabled by a healthy capital status. The Board of Directors is responsible for defining which performance indicator will be analyzed and the actions taken to reach the desired level.

The indicator used by the Company is the ratio of net debt divided by the EBITDA (earnings before interest, taxes, depreciation and amortization, including the crop amortization, accrued in the last 12 months). Net debt includes the total of loans and financing, excluding total cash and cash equivalents and other investments, and accrued EBITDA in the last 12 months.

As actions for the attainment of the objectives and targets of management of the capital, those admissible are the ones related to the review of the dividends policy, of investments and management of the assets of the Company.

The net debt index considered as satisfactory by the Company should be equal or below three, i.e. net debt should be a maximum of three times the EBITDA.

The index measured as of fiscal year ended on March 31, 2012 was 2,07 (1,83 on March 31, 2012 and 2,75 on March 31, 2011), in accordance with the maximum index established by the Company.

The net debt of the Company for the adjusted ratio of the capital at the end of each fiscal year is presented below:

	2013	2012	2011
Total loans and financing	930,009	635,631	577,353
Minus: Cash and cash equivalents	304,586	28,227	26,043
Minus: Other investments	19,324	50,665	38,656
Net debt	606,099	556,739	512,654
Total stockholder's equity	302,539	265,033	141,253
Net-debt-to-equity ratio	2,00	2,10	3,63

Classification of financial instruments and fair value

Statement of financial instruments in their respective classifications per category:

	2013	2012	2011
Financial instruments designated at fair value through the statement of income			
Other investments	19,324	50,665	38,656
Derivative financial assets	1,373	7,325	19,907
Derivative financial liabilities	4,628	(7,740)	(9,569)
Assets held for amortized cost			
Cash and cash equivalents	304,586	28,227	26,043
Loans and receivables			
Trade accounts receivable	1,466	3,912	13,214
Other accounts receivable	1,653	146,658	788
Liabilities held at amortized cost			
Suppliers	(41,738)	(89,889)	(47,789)
Loans and financing	(930,009)	(635,631)	(577,353)
Other accounts payable	(3,205)	(101)	-

During the fiscal year ended on March 31, 2013, no reclassification was made of financial instruments among the categories above.

Carrying amount versus fair value

The fair values as well as the book values of financial assets and liabilities stated on the balance sheet are as follows:

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	2013		2012		2011	
	Book value	Fair value	Book value	Fair value	Book value	Fair value
Assets						
Cash and cash equivalents	304,586	304,586	28,227	28,227	26,043	26,043
Other investments	19,324	19,324	50,665	50,665	38,656	38,656
Financial derivative instruments	1,373	1,373	7,325	7,325	19,907	19,907
Trade accounts receivable	1,466	1,466	3,912	3,912	13,214	13,214
Other accounts receivable	1,653	1,653	146,658	146,658	788	788
Liabilities						
Suppliers	41,738	41,738	89,889	89,889	47,789	47,789
Financial derivative instruments	4,628	4,628	7,740	7,740	9,569	9,569
Loan and financing	930,009	930,009	635,631	635,631	577,353	577,353
Other accounts payable	3,205	3,205	101	101	-	-

Fair value hierarchy

The table below provides an analysis of financial instruments measured at fair value after initial recognition, grouped into levels 1 to 3 based on fair value observable:

- **Fair value measurements at level 1** - Measurements using unadjusted quoted market prices in active markets for identical assets or liabilities;
- **Fair value measurements at level 2** - Measurements through variables other than Level 1 price quotes that are observable for the relevant asset or liability, either directly (as prices) or indirectly (based on prices).
- **Fair value measurements at level 3** - Measurements using valuation techniques that include variables of the asset or liability, but that are not based on observable market data (non-observable data).

	2013		
	Level 1	Level 2	Level 3
Assets			
Cash and cash equivalents	2,999	301,587	-
Other investments	19,324	11,601	-
Margin deposit			
Liabilities			
Swap Cash flow	-	4,628	-

	2012		
	Level 1	Level 2	Level 3
Assets			
Cash and cash equivalents	27,630	597	-
Other investments	-	50,665	-
Financial derivative instruments			
Fixed-term contracts in foreign currency - NDF			
Margin deposit	-	7,325	-
Liabilities			
Financial derivative instruments			
Future options (market to market)	6,540	-	-
Fixed-term contracts in foreign currency - NDF	469	-	-
Swap Cash flow	731	-	-
	2011		
	Level 1	Level 2	Level 3
Assets			
Other investments	-	38,656	-
Financial derivative instruments			
Fixed-term contracts in foreign currency - NDF	9,498	-	-
Margin deposit	-	10,409	-
Liabilities			
Financial derivative instruments			
Future options (market to market)	4,845	-	-
Fixed-term contracts in foreign currency - NDF	-	-	-
Swap Cash flow	4,724	-	-

Derivative instruments

On March 31, 2013, the assets and liabilities balances related to transactions involving financial derivative instruments were the following:

	2013	2012
Asset derivatives		
Margin deposits	4	7,325
Fixed term contracts in foreign currency – NDF	1,369	-
Total current assets	<u>1,373</u>	<u>7,325</u>
Liability derivatives		
Sugar positions – MtM	-	6,540
Fixed term contracts in foreign currency - NDF	-	469
Swap cash flow	4,628	731
Total liabilities	<u>4,628</u>	<u>7,740</u>
Total current liabilities	1,749	7,740
Total non-current liabilities	2,879	-

Margin deposits values refer to resources held in the current account with the broker INTL FCStone to cover the initial margins and daily adjustments originating from the variation of sugar prices to guarantee the outstanding trades that the Company has with the broker.

The sugar positions MtM balances refer to the potential result of the pending future and OTC operations with the broker INTL FCStone. The maturity dates of the operations are tied to sugar deliveries, corresponding to contracts entered into with the clients Bunge London Ltd. and ED&F Man Ltd.

The fixed-term contracts - NDF balance refers to the positive result of the operations of foreign exchange hedges contracted, in the NDF modality.

The swap cash flow balance refers to the negative result calculated from the operation of cash flow hedges of export pre-payment operations.

Margin guarantees

The Company held on March 31, 2013, values deposited as margin guarantees, in accordance with the determination of the New York Stock Exchange, ICE Future US, as follows:

Broker INTL FCStone	2013	2012
OTC Account	-	7,325
Futures Account	4	-
	<u>4</u>	<u>7,325</u>

The Company does not show outstanding balances of Future contracts and OTC as of March 31, 2013.

On March 31, 2012, the fair values of the operations related to derivative instruments were established, as follows:

	2012		
	Contracts	Fair value	Effect receivable
Swap contracts			
Long position	385	371	371
Short position	80	129	129
	<u>465</u>	<u>500</u>	<u>500</u>
OTC contracts			
Long position	1,014	2,345	2,345
Short position	1,726	3,693	3,693
	<u>2,740</u>	<u>6,038</u>	<u>6,038</u>
Total	<u>3,205</u>	<u>6,538</u>	<u>6,538</u>

	2011		
	Contracts	Fair value	Effect receivable
Future contracts			
Long position	110	102	102
	110	102	102
Swap contracts			
Long position	372	22,687	2,269
Short position	755	20,221	2,022
	1,127	42,908	4,291
OTC contracts			
Long position	570	5,067	507
Short position	122	(544)	(54)
	692	4,523	453
Total	1,929	47,533	4,846

Fixed-term Contracts - NDF

The counterparts of the fixed term contracts in foreign currency on March 31, 2013 are the following banks: Bradesco, Itaú BBA, Pine, Rabobank and Santander.

Position	Maturity	US\$ thousand	Average fixed rate R\$/US\$	Reference value - R\$	Fair value - R\$	Effect payable - R\$
Short	May-13	2,250	2.1038	4,734	148	148
Short	June-13	750	2.1622	1,622	85	85
Short	July-13	8,500	2.1049	17,892	389	389
Short	August-13	8,500	2.1115	17,947	349	349
Short	September-13	7,250	2.1178	15,354	267	267
Short	October-13	2,750	2.1206	5,832	76	76
Short	November-13	5,000	2.1241	10,621	105	105
Short	November-13	3,500	2.1276	7,447	47	47
Short	June-14	750	2.1451	1,609	(23)	(23)
Short	July-14	750	2.1560	1,617	(22)	(22)
Short	August-14	750	2.1637	1,623	(25)	(25)
Short	September-13	750	2.1727	1,630	(28)	(28)
		41,500				1,368

Swap cash flow

The counterparties of the swap cash flow are with financial institutions considered, by the market, as first line banks. The contracts are destined for exchange protection in export pre-payment operations with costs tied to the Libor.

	Reference value	Fair value	Effect payable
	R\$	R\$	R\$
Vencimento			
September-13	5,949	(971)	(971)
August -14	4,656	(1,570)	(1,570)
August -15	4,087	(1,193)	(1,193)
August -16	2,983	(628)	(628)
August -17	1,695	(266)	(266)
			<u>(4,628)</u>

Impact of the financial derivative instruments in the Statement of Income

Revenues and Expenses with Derivatives per Category	2013	2012	2011
Revenues			
Future contracts - Sugar	9,500	15,167	12,195
Fixed-term currency contracts - NDF	1,498	180	14,119
Swap Cash flow	<u>358</u>	<u>8,562</u>	<u>-</u>
Total revenues	<u>11,356</u>	<u>23,909</u>	<u>26,314</u>
Expenses			
Future contracts - Sugar	-	(16,067)	(14,084)
Fixed-term currency contracts - NDF	(9,017)	(6,588)	(148)
Swap Cash flow	<u>(6,332)</u>	<u>(2,122)</u>	<u>(11,613)</u>
Total expenses	<u>(15,349)</u>	<u>(24,777)</u>	<u>(25,845)</u>
Net result	<u>(3,993)</u>	<u>(868)</u>	<u>469</u>

23 Related parties

Key management compensation

	2013	2012	2011
Wages and salaries	1,747	2,139	1,762
Fees and bonus	88	432	784
Pension and social contributions	287	398	188
Profit sharing program	313	78	454
Other	<u>1,933</u>	<u>1,730</u>	<u>290</u>
	<u>4,368</u>	<u>4,777</u>	<u>3,478</u>

The compensation paid to the key staff of the Board of Directors, composed by the board and counselors, on March 31, 2013 was R\$ 4,368 (R\$ 4,777 on March 31, 2012) and includes salaries and short-term variable benefits. The Company does not grant benefits with long-term characteristics to the key staff of the Board.

Other transactions with related parties

Composition of the asset balances	2013	2012	2011
Accounts receivable			
Alfredo Tonon e Outros	-	4	4
J. Tonon Transp. Ltda.	-	1	1
JRAM Transportes Ltda.	-	-	1,385
Transbocainense Transportes Ltda.	1,466	1,481	839
Total of trade accounts receivable - Related parties (note 8)	<u>1,466</u>	<u>1,486</u>	<u>2,228</u>

Advance to suppliers			
Abelmir Bortolo Tonon	374	374	199
Alfredo Tonon e Outros	1,211	1,174	672
Antônio Tonon	237	234	112
Aparecida T. Tonon Ghiselli	357	380	229
Auto Posto Santa Cândida de Bocaina Ltda.	855	956	2,050
Carlos Eduardo B. Tonon	-	-	65
Celso Roberto Tonon	324	392	232
Dionete Tonon	116	-	-
Fernando José B. Tonon	-	-	4
José Antônio Tonon	876	908	435
Renato José Tonon	689	671	339
Transbilin Transp. Ltda.	1,902	35	-
Tonon Agroimóveis Rurais Ltda.	1,490	1,886	-
Transbocainense Transportes Ltda.	1,041	-	-
Vera Tonon Durante	180	-	-
Total of advance to suppliers - related parties (note 10)	<u>9,652</u>	<u>7,010</u>	<u>4,337</u>

Composition of the liability balances	2013	2012	2011
Suppliers			
ABT Participações Ltda.	8	12	-
Alfredo Tonon e Outros	-	1,673	1,557
Auto Posto Santa Candida de Bocaina Ltda.	10	-	-
ALT Participações Ltda.	8	12	-
ANT Participações Ltda.	8	12	-
CAJRT Participações Ltda.	8	12	-
Celso Roberto Tonon	15	73	-
Dionete Tonon	-	4	-
JAT Participações Ltda.	8	12	-
J. Tonon Transp. Ltda.	28	68	-
RJT Participações Ltda.	6	12	-
Tonon Agroimóveis Rurais Ltda.	-	2	-
Total of suppliers – Related parties (note 17)	<u>99</u>	<u>1,892</u>	<u>1,557</u>

Advance from customers			
Energisa S.A.	-	10,000	-
Transbilin Transp. Ltda.	-	49	-
Total of advance from customers – Related parties (note 20)	<u>-</u>	<u>10,049</u>	<u>-</u>

	2013							
	Sale of property, planted and equipment	Purchase of fuel	Purchase of sugarcane	Services taken	Guarantees taken	Expense with Admin. FEE	Purchase of property, planted and equipment	Total
Abelmir Bortolo Tonon	-	-	-	-	152	-	510	662
ABT Participações Ltda.	-	-	-	-	-	94	-	94
Alfredo Tonon	-	-	403	-	224	-	-	627
ALT Participações Ltda.	-	-	-	-	-	94	-	94
ANT Participações Ltda.	-	-	-	-	-	94	-	94
Antônio Tonon	-	-	-	-	95	-	-	95
Aparecida T. Tonon Ghiselli	-	-	324	-	-	-	-	324
Auto Posto Santa Cândida de Bocaina Ltda.	-	24,979	-	-	-	-	-	24,979
CAJRTParticipações Ltda.	-	-	-	-	-	94	-	94
Carlos Eduardo B. Tonon	-	-	22	-	-	-	518	540
Celso Roberto Tonon	-	-	407	-	173	-	-	580
Dionete Tonon	-	-	26	-	-	-	-	26
Fernando José B. Tonon	-	-	-	-	-	-	128	128
J. Tonon Transportes Ltda.	-	-	-	482	-	-	-	482
JAT Participações Ltda.	-	-	-	-	-	94	-	94
José Antônio Tonon	-	-	313	-	183	-	-	496
Renato José Tonon	-	-	762	-	173	-	-	935
RJT Participações Ltda.	-	-	-	-	-	94	-	94
Tonon Agro Imóveis Rurais Ltda.	-	-	9,832	-	-	-	-	9,832
Transbilin Transportes Ltda.	-	-	-	46	-	-	-	46
Transbocainense Transportes Ltda.	-	-	-	135	-	-	-	135
Total	-	24,979	12,089	663	1,000	564	1,156	40,451

2012							
	Sale of property, planted and equipment	Purchase fuel	Purchase of sugarcane	Services taken	Guarantees taken	Expense with Admin. FEE	Total
Abelmir Bortolo Tonon	-	-	42	-	152	-	194
ABT Participações Ltda.	-	-	-	-	-	69	69
Alfredo Tonon	-	-	210	-	224	-	434
Alfredo Tonon E Outros	-	-	1,302	-	-	-	1,302
ALT Participações Ltda.	-	-	-	-	-	69	69
ANT Participações Ltda.	-	-	-	-	-	69	69
Antônio Tonon	-	-	-	-	95	-	95
Aparecida T. Tonon Ghiselli	-	-	183	-	-	-	183
Auto Posto Santa Cândida de Bocaina Ltda.	-	25,553	-	-	-	-	25,553
CAJRTParticipações Ltda.	-	-	-	-	-	69	69
Carlos Eduardo B. Tonon	-	-	21	-	-	-	21
Celso Roberto Tonon	-	-	358	-	173	-	531
Dionete Tonon	-	-	91	-	-	-	91
J. Tonon Transportes Ltda.	-	-	-	993	-	-	993
JAT Participações Ltda.	-	-	-	-	-	69	69
José Antônio Tonon	-	-	40	-	183	-	223
Renato José Tonon	-	-	112	-	173	-	285
RJT Participações Ltda.	-	-	-	-	-	69	69
Tonon Agro Imóveis Rurais Ltda.	-	-	4,712	-	-	-	4,712
Transbilin Transportes Ltda.	-	-	-	3,481	-	-	3,481
Transbocainense Transportes Ltda.	1,385	-	-	3,825	-	-	5,210
Total	1,385	25,553	7,071	8,299	1,000	414	43,722
2011							
	Sale of property, planted and equipment	Purchase fuel	Purchase of sugarcane	Services taken	Guarantees taken	Expense with Admin. FEE	Total
Abelmir Bortolo Tonon	-	-	214	-	152	-	366
Alfredo Tonon E Outros	-	-	929	-	223	-	1,152
Antonio Tonon	-	-	113	-	94	-	207
Aparecida T. Tonon Ghiselli	-	-	229	-	-	-	229
Auto Posto Santa Cândida de Bocaina Ltda.	-	26,354	-	-	-	-	26,354
Carlos Eduardo B. Tonon	-	-	65	-	-	-	65
Celso Roberto Tonon	-	-	307	-	172	-	479
Claudette B. Tonon	-	-	12	-	-	-	12
Dionete Tonon	-	-	6	-	-	-	6
Fernando José B. Tonon	-	-	4	-	-	-	4
J. Tonon Transportes Ltda.	-	-	1	-	-	-	1
JRAM Transportes Ltda.	1,385	-	-	-	-	-	1,385
José Antônio Tonon	-	-	482	-	182	-	664
Rafael Tonon	-	-	23	-	-	-	23
Renato José Tonon	-	-	412	-	172	-	584
Transbocainense Transportes Ltda.	838	-	-	-	-	-	838
Total	2,223	26,354	2,797	-	995	-	32,369

24 Shareholders' equity

Capital

On March 31, 2013 the total capital amounted to R\$ 79,310, divided into 55,200,000 common and nominative shares with no par value, and 24,110,000 preferred and nominative shares with no par value. On March 31, 2012, total capital amounted to R\$ 67,424 composed by 55,200,000 common and nominative with no par value, and 11,954 preferred and nominative shares no par value. The Company's capital stock is owned by the following shareholders:

	2013		2012		2011	
	shares (thousands)	R\$	shares (thousands)	R\$	shares (thousands)	R\$
Tonon Holding S.A. (i)	55,200	55,200	55,470	55,470	55,470	55,470
FIP - Terra Viva (ii)	24,110	24,110	11,954	11,954	-	-
		<u>79,310</u>		<u>67,424</u>		<u>55,470</u>

- (i) Common and nominative shares with no par value.
- (ii) Preferred and nominative shares with no par value.

On October 15, 2012, was capitalized the advance for the future capital increase (AFAC) made by FIP Terra Viva on September 3, 2012 in the amount of R\$44 million.

The capital is subscribed and appropriately paid-in.

The Company had preferred shares in the amount of R\$ 86,000, of which R\$ 81,000 was received on February 26, 2010 and R\$ 5,000 was received on April 27, 2010, classified as a financial liability in 2010 and 2011, which are adjusted by the IPCA plus 12% interest rate p.a. from the date of the respective contribution.

On September 16, 2011, the shareholders of the Company amended the shareholders' agreement eliminating the redemption clause of the preferred shares as result of which the accounting classification of the preferred shares turned into an equity instrument, according to CPC 39 and IAS 32. Then, the preferred shares were transferred from liabilities to equity as Capital and Capital Reserve. The related addendum comprised:

- Changes of the rights of preferred shares issued by the Company, excluding any prediction related to their redemption by the Company;
- Termination of the statutory reserve that was previously destined singly and exclusively for the payment of redeemable preferred shares.

Capital reserve

It is represented by the value exceeding the issue price on the subscription of shares by the FIP Terra Viva fund.

Special premium reserve

Represented by the tax benefit generated by the goodwill through the corporate restructuring from company's acquisitions in the past.

The Company, for corporate reasons, has written off this goodwill and registered the tax benefit which the Company is entitled to according to the tax laws.

Legal reserve

The destination of the net profit of the financial year, calculated after deducting the shares referred to in article 190 of Law no. 6,404/76, adjusted for the purposes of calculating dividends, in the terms of article 202 of the same Law, observing the following order of deduction: (i) five percent (5%) will be applied, before any other destination, to the constitution of the legal reserve, which should not exceed twenty percent (20%) of the capital. In the financial year in which the balance of the legal reserve added to the amount of the capital reserves stated in § 1 of article 182 of Law no. 6,404/76 exceeds thirty percent (30%) of the capital, it will not be required the destination of part of the net profit of the financial year to the legal reserve.

Dividends

Regarding the required dividend not inferior, in each financial year, to thirty percent (30%) of the adjusted annual net profit, in the form stated by article 202 of Law no. 6,404/76, which exceeds the profit realized, in the terms of article 197, of Law no. 6,404/76.

Equity valuation adjustments

Relates to adoption of the deemed cost attributed to the property, plant and equipment the date of transition, deducting the respective deferred income tax and social contribution, which is to be realized through depreciation, transfer or write-off of the assets.

25 Revenue

The revenue of the Company is comprised of the sale of sugar, ethanol and electric energy to the domestic and foreign markets.

The reconciliation between gross revenue and net revenue is as follows:

	2013	2012	2011
Gross revenue from the domestic market	217,327	208,583	187,917
Gross revenue from the foreign market	410,161	291,147	231,225
Gross revenue form services	2,554	-	-
	<u>630,042</u>	<u>499,730</u>	<u>419,142</u>
Less:			
Deductions and returns	(15,762)	2,367	3,781
Taxes on revenue	<u>(20,177)</u>	<u>21,555</u>	<u>23,012</u>
	<u>(35,939)</u>	<u>(23,922)</u>	<u>(26,793)</u>
Net revenue	<u><u>594,103</u></u>	<u><u>475,808</u></u>	<u><u>392,349</u></u>

26 Expenses and other operating revenue

	2013	2012	2011
Operating expenses by nature			
Personal expenses	(12,405)	(9,726)	(8,817)
Third party services	(4,806)	(3,647)	(6,465)
Commercial expenses with transport and shipment	(40,284)	(30,598)	(29,748)
Expenses with taxes, fees and contributions	(422)	(288)	(1,068)
Other expenses	(1,345)	(1,574)	(7,131)
Depreciation and amortization	(1,146)	(869)	(3,323)
Gains in the sale of investments	(2,747)	57,786	-
Adjustment in fair value of investments	1,752	4,309	-
Other net operating revenues	108	1,480	1,206
Expense with allowance for doubtful accounts	5,478	1,480	1,206
	<u>(55,817)</u>	<u>16,873</u>	<u>(55,346)</u>
Operating expenses per function			
Administrative expenses	(5,220)	(4,777)	(6,716)
Sales expenses	(36,030)	(31,537)	(29,748)
General expenses	(14,023)	(10,390)	(20,088)
Other net operating revenues	(544)	63,577	1,206
	<u>(55,817)</u>	<u>16,873</u>	<u>(55,346)</u>

27 Financial income (expenses) net

	2013	2012	2011
Financial income			
Gains with financial derivative instruments	1,339	23,909	26,313
Contractual penalties	13,421	-	-
Earnings with financial investments	7536	8,833	4,833
Discounts obtained	356	1,962	1,462
Interest receivable	4,726	7,731	-
Exchange variation receivable	51,770	79,583	29,794
	<u>79,148</u>	<u>122,018</u>	<u>62,402</u>
Financial expenses			
Losses with financial derivative instruments	(15,349)	(24,777)	(25,845)
Interest payable and bank expenses	(94,798)	(80,543)	(87,989)
Exchange variation payable	(102,746)	(123,197)	(10,641)
Contractual penalties	-	(12,835)	-
	<u>(212,890)</u>	<u>(241,352)</u>	<u>(124,475)</u>
Net financial income and expenses result	<u>(133,742)</u>	<u>(119,334)</u>	<u>(62,073)</u>

28 Government grants

The Company has a tax incentive program with the state of Mato Grosso do Sul in the form of deferred payment of Value-Added Tax on Sales and Services - ICMS.

The use of the benefit by the Company is conditioned to the fulfillment of all the obligations established in the term of agreement, whose terms refer to the factors under the control of the Company.

The benefit related to the reduction in the payment of this tax is calculated on the debt balance in each period of calculation, by applying a percentage of discounts granted through the tax incentive.

The value of the grants calculated in the financial year was recorded in profit or loss as deductions in the line taxes on sales.

For the financial years ending on March 31, 2013, March 31, 2012 and 2011, the value of the grants that impacted the result was R\$4,245, R\$2,811 and R\$ 3,451, respectively.

29 Firm commitments

Below is the expected production for the 2013/2014 harvest period with the respective volumes of commitments with customers, as well as the commitments for the next harvests, related to contracts already entered into with customers and suppliers, partners and leases of sugarcane.

2011/2012 Harvest period - Production expected versus commitments with customers

Values of sugar VHP (in tons)		
Production expected	Commitments with clients	Volume (%) committed
394,852	368,000	93%

Commitments with customers for the next harvests of sale of sugar

Harvest period	Tons of sugar
2013/2014	368,000
2014/2015	311,000
2015/2016	351,000
2016/2017	134,000
2017/2018	60,000
	<u>1,224,000</u>

2013/2014 Harvest - Closed contracts for 2013 and subsequent years with suppliers and partners and leases

Future harvest periods	Commitments with suppliers in thousands of R\$
2013/2014 Harvest	91,728
2014/2015 Harvest	83,498
2015/2016 Harvest	75,201
2016/2017 Harvest	59,275
2017/2018 Harvest	45,483
2018/2019 Harvest	17,511
From 2019/2010 to 2027/2028 Harvests	92,842
	465,538

For the purposes of valuation of the commitments of payments from suppliers, partners and leases, the value of the ATR of R\$ 0,4728 kg/ATR was used for 2013 and in the other harvests for the closed commitments.

30 Insurance coverage

The Company adopts the policy of hiring insurance to coverage property, plant and equipment and inventories subject to risks, for sums considered as sufficient to cover eventual claims, considering the nature of its activity. The risk assumptions made, by their nature, are not part of the scope of a review of financial statements, and therefore were not reviewed by our independent auditors.

	2013	2012
Operational risk	30,000	25,750
Material damages	640,000	593,279
Loss of profits	33,049	33,049
Civil liability	3,600	600
	706,649	652,678

31 Profit sharing program and results

In compliance with the Collective Labor Agreements, entered into with the categories of its employees, the Company implemented a profit sharing program for employees in the profits and results, based on the operating and financial targets previously established based on the budget plan.

The operating and financial indicators agreed between the Company and employees, through the labor unions that represent them, are related to the following aspects: (i) agro-industrial operating indexes; (ii) budget index; (iii) health, safety, and environmental statistic indexes; (iv) economic gains with changes of processes and the respective quality; (v) economic-financial performance.

These indicators are segregated for the specific application to the respective departments involved, which are divided, for purposes of this program, between the agricultural, industrial and administrative areas.

Expenses related to the Company's profit sharing program on March 31, 2013 were R\$ 7,670, which were recorded as operating costs and expenses (R\$ 6,240 on March, 31 2012).

32 Subsequent events

The following subsequent events occurred after March 31, 2013:

- On March 20, 2013, the Company entered into a share purchase agreement (or the Paraíso acquisition agreement) with the Individual Sellers and FIP DGF Terra Viva (FIP DGF Terra Viva and the Individual Sellers herein collectively referred to as the Sellers) pursuant to which the Company acquired Paraíso, a sugar and ethanol operator in the state of São Paulo which operates one mill with a sugarcane crushing capacity of 2.5 million tons per harvest period. The Paraíso mill is located less than 40km away from our Santa Cândida mill. On April 10, 2013, the Company received final approval for the acquisition from the antitrust regulator CADE (*Conselho Administrativo de Defesa Econômica*). After considering all legal aspects of the transaction, including the approval of CADE, the acquisition was concluded in May 3, 2013. At this date the Company paid in an amount of R\$ 120 million comprised by R\$ 50 million in cash and R\$ 70 million of new shares issued to the shareholders of Paraíso Bioenergia S.A. The remaining R\$ 50 million will be paid, at the Company's option, cash or by issuance new shares, as agreed in the purchase agreement;
- On April 29, 2013, The Company incorporated the investee Auto Posto Candida by the amount of R\$ 4,670 represented by the equity book value, supported by technical appraisal issued by specialized company.

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Paraíso Bioenergía S.A.

Financial statements
March 31, 2013, 2012 and 2011

KPMG Auditores Independientes
May 2013
KPDS 60322



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Independent auditors' report on the financial statements

To
The Directors and Shareholders
Paraíso Bioenergia S.A.
Brotas – SP

Introduction

We have examined the accompanying financial statements of Paraíso Bioenergia S.A. (Company), which comprise the balance sheet as of March 31, 2013 and the respective statements of income, comprehensive income (loss), changes in stockholders' equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices adopted in Brazil (BR GAAP) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board – IASB, and for such internal control as management determines necessary to enable the preparation of the financial statements free from material misstatement, whether caused by fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Brazilian and International Standards on Auditing. Those standards require that we comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence on the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Paraíso Bioenergia S.A. as of March 31, 2013, the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board – IASB and accounting practices adopted in Brazil (BR GAAP).

Emphasis

As mentioned in note 3e, due to correction of errors and certain reclassifications, the Company restated, as required by CPC 23 – Accounting Policies, Changes in Accounting Estimates and Correction of Errors and CPC 26 (R1) – Presentation of Financial Statements, the corresponding amounts in the statement of financial position, statement of income, statement of comprehensive income, statements of changes in shareholders' equity and statements of cash flows as of and for the years ended March 31, 2012 and 2011 to: a) classify its redeemable preferred shares within non-current liabilities, as they were incorrectly classified within equity; b) offset non-current deferred tax assets with non-current deferred tax liabilities; c) present asset/liabilities and revenues/costs relating to performance transactions on a net basis and, d) correct certain disclosures in the notes to the financial statements. Our opinion does not contain any qualification with respect to this matter. .

Ribeirão Preto, May 15, 2013

KPMG Auditores Independentes
CRC 2SP014428/O-6

André Luiz Monaretti
Accountant CRC 1SP160909/O-3

Paraíso Bioenergia S.A.

Balance sheets

March 31, 2013, 2012 and 2011

(In thousands of reais)

	Note	2013	2012 (Restated)	2011 (Restated)
Assets				
Cash and cash equivalents	5	9,466	10,744	7,481
Financial investments	6	26,271	23,769	-
Trade accounts receivable	7	3,339	4,884	2,770
Inventories	8	9,634	15,747	3,471
Advance to suppliers	9	22,275	25,373	27,514
Recoverable taxes	10	4,327	2,119	1,284
Derivative instruments	31	-	224	-
Other receivables	12	496	110	759
Total current assets		<u>75,808</u>	<u>82,970</u>	<u>43,279</u>
Non-current assets				
Deposits in court and others		384	2,261	283
Recoverable taxes	10	301	301	342
Loans	11	242	464	-
Deferred income tax and social contribution	22	2,115	-	-
Biological assets	13	155,564	108,972	90,458
Other investments	14	108	108	108
Property, plant and equipment	15	224,066	236,317	207,877
Total non-current assets		<u>382,780</u>	<u>348,423</u>	<u>299,068</u>
Total assets		<u>458,588</u>	<u>431,393</u>	<u>342,347</u>

	Note	2013	2012 (Restated)	2011 (Restated)
Liabilities				
Suppliers of cane and other products	16	64,433	54,850	23,501
Loans and financing	17	212,619	77,038	52,355
Salaries and vacations payable		6,304	5,229	4,903
Taxes payable	18	10,816	7,314	1,876
Taxes in installments	19	7,930	4,752	5,441
Advance from customers	20	4,113	9,435	6,423
Other accounts payable	21	1,179	2,791	4,477
Derivative instruments	31	4,358	366	-
Total current liabilities		<u>311,752</u>	<u>161,775</u>	<u>98,976</u>
Non-current liabilities				
Suppliers of cane and other products	16	6,263	9,177	8,995
Loans and financing	17	88,355	156,546	77,928
Advance from customers	20	-	-	10,452
Loans	11	2,379	82	8
Deferred income tax and social contribution	22	-	16,832	35,479
Taxes in installments	19	6,455	5,589	6,913
Redeemable preferred shares	24	-	-	66,153
Other accounts payable	21	-	-	6,669
Provision for contingencies	23	584	208	436
		<u>104,036</u>	<u>188,434</u>	<u>213,033</u>
Stockholders' equity				
Capital	24	5,095	5,095	3,428
Capital reserves		59,838	59,838	1,505
Revaluation reserve		5,873	6,761	7,639
Equity valuation adjustments		48,282	54,077	59,978
Accumulated losses		(76,288)	(44,587)	(42,212)
Total stockholders' equity		<u>42,800</u>	<u>81,184</u>	<u>30,338</u>
Total liabilities		<u>415,788</u>	<u>350,209</u>	<u>312,009</u>
Total liabilities and stockholders' equity		<u>458,588</u>	<u>431,393</u>	<u>342,347</u>

See the accompanying notes to the financial statements

Paraíso Bioenergia S.A.

Statements of income

Years ended March 31, 2013, 2012 and 2011

(In thousands of reais)

	Note	2013	2012 (Restated)	2011 (Restated)
Net revenues	25	237,868	215,271	176,883
Changes in fair value of biological assets	13	28,288	193	488
Cost of goods sold and services rendered		<u>(240,148)</u>	<u>(203,423)</u>	<u>(140,523)</u>
Gross profit		<u>26,008</u>	<u>12,041</u>	<u>36,848</u>
Operating income (expenses)				
Selling expenses	26	(8,509)	(6,673)	(8,960)
Administrative expenses	26	(12,780)	(10,511)	(20,180)
Other operating expenses, net	27	<u>(1,779)</u>	<u>(200)</u>	<u>(2,014)</u>
(Loss) Income before financial income (expense)		<u>2,940</u>	<u>(5,343)</u>	<u>5,694</u>
Financial income	28	2,244	1,148	2,194
Financial expenses	28	(35,414)	(26,209)	(26,320)
Foreign exchange (losses) gains, net	28	<u>(27,102)</u>	<u>(9,391)</u>	<u>6,341</u>
Financial expenses, net		<u>(60,272)</u>	<u>(34,452)</u>	<u>(17,785)</u>
Loss before taxes		<u>(57,332)</u>	<u>(39,795)</u>	<u>(12,091)</u>
Deferred income tax and social contribution	22	<u>18,948</u>	<u>18,647</u>	<u>1,300</u>
Loss for the year		<u><u>(38,384)</u></u>	<u><u>(21,148)</u></u>	<u><u>(10,791)</u></u>

See the accompanying notes to the financial statements.

Paraíso Bioenergia S.A.

Statements of comprehensive income

Years ended March 31, 2013, 2012 and 2011

(In thousands of reais)

	2013	2012 (Restated)	2011 (Restated)
Loss for the year	(38,384)	(21,148)	(10,791)
Other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss)	<u><u>(38,384)</u></u>	<u><u>(21,148)</u></u>	<u><u>(10,791)</u></u>

See the accompanying notes to the financial statements.

Paraíso Bioenergia S.A.

Statements of changes in shareholders' equity

Years ended March 31, 2013, 2012 and 2011

(In thousands of reais)

	Capital	Capital reserves	Revaluation reserve	Equity valuation adjustment	Accumulated losses	Total
Balances at April 1, 2010 (Restated)	5,480	1,505	28,581	61,113	(35,313)	61,366
Decrease in capital and revaluation reserve through split-off	(2,052)	-	(18,185)	-	-	(20,237)
Realization of revaluation reserve	-	-	(2,757)	-	2,757	-
Equity valuation adjustment (realization)	-	-	-	(1,135)	1,135	-
Loss for the year	-	-	-	-	(10,791)	(10,791)
Balances at March 31, 2011 (Restated)	3,428	1,505	7,639	59,978	(42,212)	30,338
Preferred shares transferred from liabilities to shareholders' equity (Note 24)	1,667	58,333	-	-	11,994	71,994
Realization of revaluation reserve	-	-	(878)	-	878	-
Equity valuation adjustment (realization)	-	-	-	(5,901)	5,901	-
Loss for the year	-	-	-	-	(21,148)	(21,148)
Balances at March 31, 2012 (Restated)	5,095	59,838	6,761	54,077	(44,587)	81,184
Realization of revaluation reserve	-	-	(888)	-	888	-
Equity valuation adjustment (realization)	-	-	-	(5,795)	5,795	-
Loss for the year	-	-	-	-	(38,384)	(38,384)
Balances at March 31, 2013	<u>5,095</u>	<u>59,838</u>	<u>5,873</u>	<u>48,282</u>	<u>(76,288)</u>	<u>42,800</u>

See the accompanying notes to the financial statements.

Paraíso Bioenergia S.A.

Statements of cash flows - Indirect method

Years ended March 31, 2013, 2012 and 2011

(In thousands of reais)

	2013	2012 (Restated)	2011 (Restated)
Cash flow from operating activities			
Loss for the year	(38,384)	(21,148)	(10,791)
Adjustments for:			
Depreciation	39,697	37,147	27,831
Deferred income tax and social contribution	(18,948)	(18,647)	(1,300)
Change in the fair value of biological assets	(28,288)	(193)	(488)
Decrease in biological assets due to the harvest	50,241	51,468	8,602
Allowance for doubtful accounts	56	49	220
Provision for contingencies	376	(228)	(504)
Unrealized interest and exchange gain	37,748	27,542	12,945
Residual value of fixed assets written off	7,523	13,667	6,954
	50,021	89,657	43,469
Changes in operating assets and liabilities			
Decrease/(increase) in trade accounts receivable	1,489	(2,163)	4,890
Increase in financial investments	(2,502)	(23,769)	-
Decrease (increase) in inventories	6,113	(12,276)	2,555
Decrease (increase) in advances to suppliers	3,098	2,141	(7,185)
(Increase) decrease in recoverable taxes	(2,208)	(794)	3,112
Decrease (increase) in loans	2,519	(390)	8,053
Decrease in derivative instruments	4,216	142	-
(Increase) decrease in other receivables	(386)	649	1,225
Decrease (increase) in deposits in court and others	1,877	(1,978)	10
Increase (decrease) in suppliers of cane and other products	6,669	31,531	(756)
Increase in salaries and vacations payable	1,075	326	3,333
Decrease in advance from customers	(5,322)	(7,440)	(7,667)
Increase (decrease) in taxes payable	3,502	5,438	(3,121)
Increase (decrease) in taxes paid in installments	4,044	(2,013)	580
Decrease in other accounts payable	(1,612)	(8,355)	(1,981)
Interest paid	(22,337)	(17,094)	(11,094)
Net cash provided by operating activities	50,256	53,612	35,423
Cash flow from investing activities			
Property, plant and equipment	(34,970)	(79,254)	(45,962)
Biological assets	(68,545)	(69,789)	(44,364)
Net cash used in investing activities	(103,515)	(149,043)	(90,326)
Cash flows from financing activities			
Proceeds from loans and financing	135,540	209,617	32,280
Payment of loans and financing, principal	(83,559)	(110,923)	(31,651)
Capital increase	-	-	60,000
Net cash provided by financing activities	51,981	98,694	60,629
(Decrease) Increase in cash and cash equivalents	(1,278)	3,263	5,726
(Decrease) increase in cash and cash equivalents			
At beginning of year	10,744	7,481	1,755
At end of year	9,466	10,744	7,481
(Decrease) Increase in cash and cash equivalents	(1,278)	3,263	5,726

See the accompanying notes to the financial statements.

Notes to the financial statements

(In thousands of Reais)

1 Operations

Paraíso Bioenergia S.A. (the “Company”) is a non-public corporation, with headquarters located in the Rod. Brotas Torrinha, km 7,5, municipal district of Brotas, state of São Paulo. The corporate objective of the Company and preponderant activity is sugarcane plantation and the manufacture and marketing of sugar, ethanol and other products from sugarcane; co-generation of electric energy; agricultural exploration of products and raw materials. Approximately 59% of the sugarcane used in the manufacturing of products originates from sugarcane it harvest itself, from shareholders, from associated companies and agricultural partners. The remaining 41% originates from third party suppliers.

2 Basis of preparation

a. Statements of compliance

The financial statements were prepared in accordance with accounting practices generally accepted in Brazil (BR GAAP), which are derived from Brazilian Corporation Law, the pronouncements, orientations and interpretations issued by the Accounting Pronouncements Committee (CPC) and rules issued by the Federal Accounting Council (CFC) and in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The issuance of the financial statements was authorized by the Company’s board of directors on May 10, 2013.

b. Measurement basis

The financial statements have been based on historical cost, except for the following material items in the statement of financial position:

- Financial instruments stated at fair value through profit or loss;
- The derivatives measured at fair value through profit and loss; and
- The biological assets measured by their fair value net from its costs to sell.

c. Functional currency and presentation currency

These financial statements are presented in Brazilian Reais, which is the functional currency of the Company. All financial information presented in Reais has been rounded up/down to the nearest thousands, except when stated otherwise.

d. Use of judgments and estimates

The preparation of financial statements in accordance with to BR GAAP and IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reporting of values of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments regarding the accounting policies adopted that affect the amounts recorded in the financial statements are described in the following notes:

- Note 07 - Trade accounts receivable (allowance for doubtful accounts)
- Note 22 - Deferred income tax and social contribution; and
- Note 31 - Financial instruments and risk management.

Information about uncertainties, assumptions and estimates that have a significant risk of adjustments in the next financial years have been included in the following notes:

- Note 15 - Useful life of property, plant and equipment;
- Note 13 - Biological assets; and
- Note 23 - Provision for contingencies;

e. Restatement of corresponding amounts

Management decided to restate the previously issued corresponding amounts for the years ended March 31, 2012 and 2011 in order to: i) correct the classification of redeemable preferred shares previously recognized within equity to non-current liabilities and to reflect the impact of this reclassification, as described in Note 24; ii) offset non-current deferred tax assets with non-current deferred tax liabilities; iii) present assets/liabilities and revenues/costs related to performance operations whereby the Company is acting as an agent on a net basis; and iv) correct certain disclosures in the notes to the financial statements.

The tables below summarize the adjustments to the previously issued financial statements.

Balance sheet at March 31, 2012

	03/31/2012 previously presented	Adjustments	03/31/2012 as restated
Current assets			
Cash and cash equivalents	10,744	-	10,744
Financial investments	23,769	-	23,769
Trade accounts receivable	4,884	-	4,884
Inventories	20,183	(4,436) (a)	15,747
Advances to suppliers	18,236	7,137 (b)	25,373
Recoverable taxes	2,119	-	2,119
Derivative instruments	224	-	224
Other receivable	7,247	(7,137) (b)	110
Total current assets	87,406	(4,436)	82,970
Non-current assets			
Other receivable	68	(68) (c)	-
Deposits in court	2,193	68 (c)	2,261
Recoverable taxes	301	-	301
Loans	464	-	464
Deferred Income Tax and Social Contribution	34,828	(34,828) (d)	-
Biological assets	108,972	-	108,972
Other investments	108	-	108
Property, plant and equipment	236,317	-	236,317
Total Non-current assets	383,251	(34,828)	348,423
Total Assets	470,657	(39,264)	431,393
Current liabilities	59,286	(4,436) (a)	54,850
Suppliers of sugarcane and others	495	(495) (b)	-
Related Parties / Loans	77,038	-	77,038
Loans and financing	5,229	-	5,229
Salaries and vacations payable	7,314	-	7,314
Taxes payable	4,752	-	4,752
Taxes in installments	9,435	-	9,435
Advance from customers	2,791	-	2,791
Other accounts payable	366	-	366
Derivative instruments	166,706	(4,931)	161,775
Total current liabilities			
Non-current liabilities			

Paraíso Bioenergia S.A.
Financial statements
March 31, 2013, 2012 and 2011

	03/31/2012 previously presented	Adjustments	03/31/2012 as restated
Suppliers of sugarcane and others	8,682	495 (b)	9,177
Loans and financing	156,546	-	156,546
Loans	82	-	82
Deferred Income Tax and Social Contribution	51,66	(34,828) (d)	16,832
Taxes in installments	5,589	-	5,589
Provision for contingencies	208	-	208
Total No-current liabilities	222,767	(34,333)	188,434
Shareholders' equity			
Capital	5,095	-	5,095
Capital reserves	59,838	-	59,838
Revaluation reserve	6,761	-	6,761
Equity valuation adjustments	54,077	-	54,077
Accumulated losses	(44,587)	-	(44,587)
Total shareholders' equity	81,184	-	81,184
Total liabilities	389,473	(39,264)	350,209
Total liabilities and Shareholder's equity	470,657	(39,264)	431,393

Balance sheet at March 31, 2011

	03/31/2011 previously presented	Adjustments	03/31/2011 as restated
Current assets			
Cash and cash equivalents	7,481	-	7,481
Trade accounts receivable	2,770	-	2,770
Inventories	3,471	-	3,471
Advances to suppliers	18,669	8,845 (b)	27,514
Recoverable taxes	1,284	-	1,284
Loans	8,499	(8,499) (b)	-
Other receivable	1,105	(346) (b)	759
Total Current assets	43,279	-	43,279
Non-current assets			
Other receivable	83	(83) (c)	-
Deposits in court	200	83 (c)	283
Recoverable taxes	342	-	342
Deferred Income Tax and Social Contribution	29,859	(29,859) (d)	-
Biological assets	90,458	-	90,458

Paraíso Bioenergia S.A.
Financial statements
March 31, 2013, 2012 and 2011

	03/31/2011 previously presented	Adjustments		03/31/2011 as restated
Other investments	108	-		108
Property, plant and equipment	<u>207,877</u>	<u>-</u>		<u>207,877</u>
Total Non-current assets	<u>328,927</u>	<u>(29,859)</u>		<u>299,068</u>
Total assets	<u>372,206</u>	<u>(29,859)</u>		<u>342,347</u>
Current liabilities				
Related parties	8,994	(8,994)	(b)	-
Suppliers of cane and other products	23,501	-		23,501
Loans and financing	52,355	-		52,355
Salaries and vacations payable	4,903	-		4,903
Taxes payable	1,876	-		1,876
Taxes in installments	5,441	-		5,441
Advance from customers	6,423	-		6,423
Other accounts payable	4,478	-		4,478
Derivative instruments	<u>-</u>	<u>-</u>		<u>-</u>
Total Current liabilities	<u>107,970</u>	<u>(8,994)</u>		<u>98,976</u>
Non-current liabilities				
Suppliers of sugarcane and others	-	8,995	(b)	8,995
Loans and financing	77,928	-		77,928
Advance from customers	10,452	-		10,452
Loans	8	-		8
Deferred Income Tax and Social Contribution	65,339	(29,860)	(d)	35,479
Taxes in installments	6,913	-		6,913
Redeemable Preferred Shares	-	66,153	(f)	66,153
Other accounts payable	6,669	-		6,669
Provision for contingencies	<u>436</u>	<u>-</u>		<u>436</u>
Total Non-Current liabilities	<u>167,745</u>	<u>45,288</u>		<u>213,033</u>
Shareholders' Equity				
Capital	5,095	(1,667)	(f)	3,428
Capital reserve	59,838	(58,333)	(f)	1,505
Revaluation reserve	7,639	-		7,639
Equity valuation adjustments	59,978	-		59,978
Accumulated losses	<u>(36,059)</u>	<u>(6,153)</u>	(f)	<u>(42,212)</u>
Total Shareholders' Equity	<u>96,491</u>	<u>66,153</u>		<u>30,338</u>
Total liabilities	<u>275,715</u>	<u>36,294</u>		<u>312,009</u>
Total liabilities and Shareholder's equity	<u>372,206</u>	<u>(29,859)</u>		<u>342,347</u>

Statement of Income - Year ended March 31, 2012

	Presented previously	Adjustments		Restated
Net revenues	235,740	(20,469)	(a)	215,271
Change in fair value of biological assets	-	193	(g)	193
Cost of goods sold and services rendered	(223,699)	20,276	(a) and (g)	(203,423)
Gross profit	<u>12,041</u>	<u>-</u>	-	<u>12,041</u>
Selling expenses	(6,673)	-	-	(6,673)
Administrative expenses	(10,511)	-	-	(10,511)
Other operating expenses, net	<u>(201)</u>	<u>1</u>	-	<u>(200)</u>
Loss (income) before financial income (expenses)	<u>(5,344)</u>	<u>1</u>	-	<u>(5,343)</u>
Financial income	1,148	-	-	1,148
Financial expenses	(20,368)	(5,841)	(e)	(26,209)
Foreign exchange losses, net	<u>(9,391)</u>	<u>-</u>		<u>(9,391)</u>
Financial expenses, net	<u>(28,611)</u>	<u>(5,841)</u>		<u>(34,452)</u>
Loss before taxes	(33,955)	(5,840)		(39,795)
Deferred income tax and social contribution	<u>18,647</u>	<u>-</u>		<u>18,647</u>
Net (loss) income for the year	<u>(15,308)</u>	<u>(5,840)</u>		<u>(21,148)</u>

Statement of Income - Year ended March 31, 2011

	Previously presented	Adjustments	As restated
Net revenues	191,316	(14,433) (a)	176,883
Change in fair value of biological assets	-	488 (g)	488
Cost of goods sold and services rendered	(154,468)	13,945 (a) and (g)	(140,523)
Gross profit	<u>36,848</u>	<u>-</u>	<u>36,848</u>
Selling expenses	(8,960)	-	(8,960)
Administrative expenses	(20,180)	-	(20,180)
Other operating expenses, net	<u>(2,014)</u>	<u>-</u>	<u>(2,014)</u>
Income before net financial income (expenses), net	<u>5,694</u>	<u>-</u>	<u>5,694</u>
Financial income	2,194	-	2,194
Financial expenses	(20,167)	(6,153) (e)	(26,320)
Foreign exchange income, net	<u>6,341</u>	<u>-</u>	<u>6,341</u>
Financial expenses, net	<u>(11,632)</u>	<u>(6,153)</u>	<u>(17,785)</u>
Loss before taxes	<u>(5,938)</u>	<u>(6,153)</u>	<u>(12,091)</u>
Deferred income tax and social contribution	<u>1,300</u>	<u>-</u>	<u>1,300</u>
Net loss for the year	<u>(4,638)</u>	<u>(6,153)</u>	<u>(10,791)</u>

Statements of changes in stockholders' equity - Year ended March 31, 2012

	<u>Capital</u>	<u>Capital reserves</u>	<u>Revaluation reserve</u>	<u>Equity valuation adjustment</u>	<u>Accumulated losses</u>	<u>Total</u>
Balances at March 31, 2011	5,095	59,838	7,639	59,978	(36,059)	96,491
Realization of revaluation reserve	-	-	(878)	-	878	-
Equity valuation adjustment (realization)	-	-	-	(5,901)	5,901	-
Loss for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,307)</u>	<u>(15,307)</u>
Balances at March 31, 2012 (previously presented)	5,095	59,838	6,761	54,077	(44,587)	81,184
Preferred shares transferred from equity to liability (f)	(1,667)	(58,333)	-	-	-	(60,000)
Interest on redeemable preferred shares – 2011 (e)	-	-	-	-	(6,153)	(6,153)
Interest on redeemable preferred shares – 2012 (e)	-	-	-	-	(5,841)	(5,841)
Preferred shares transferred from liability to equity (f)	1,667	58,333	-	-	11,994	71,994
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balances at March 31, 2012 (as restated)	<u>5,095</u>	<u>59,838</u>	<u>6,761</u>	<u>54,077</u>	<u>(44,587)</u>	<u>81,184</u>

Statements of changes in stockholders' equity - Year ended March 31, 2011

	<u>Capital</u>	<u>Capital reserves</u>	<u>Revaluation reserve</u>	<u>Equity valuation adjustment</u>	<u>Accumulated losses</u>	<u>Total</u>
Balances at April 1, 2010	5,480	1,505	28,581	61,113	(35,313)	61,366
Decrease in capital and revaluation reserve through split-off	(2,052)	-	(18,185)	-	-	(20,237)
Increase in capital	1,667	-	-	-	-	1,667
Goodwill in capital subscription	-	58,333	-	-	-	58,333
Realization of revaluation reserve	-	-	(2,757)	-	2,757	-
Equity valuation adjustment (realization)	-	-	-	(1,135)	1,135	-
Loss for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,638)</u>	<u>(4,638)</u>
Balances at March 31, 2011 (Previously presented)	5,095	59,838	7,639	59,978	(36,059)	96,491
Preferred shares transferred from equity to liability (f)	(1,667)	(58,333)	-	-	-	(60,000)
Interest on redeemable preferred shares (e)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,153)</u>	<u>(6,153)</u>
Balances at March 31, 2011 (as restated)	<u>3,428</u>	<u>1,505</u>	<u>7,639</u>	<u>59,978</u>	<u>(42,212)</u>	<u>30,338</u>

Statements of cash flows – Indirect method - Year ended March 31, 2012

	31/03/2012 previously presented	Adjustments	31/03/2012 as restated
Cash flow from operating activities			
Loss for the year	(15,307)	(5,841)	(21,148)
Adjustments for:			
Depreciation	37,147	-	37,147
Deferred income tax and social contribution	(18,647)	-	(18,647)
Change in the fair value of biological assets	(193)	-	(193)
Decrease in biological assets due to the harvest	51,468	-	51,468
Allowance for doubtful accounts	49	-	49
Provision for contingencies	(228)	-	(228)
Unrealized interest and exchange gain	21,700	5,842 (e)	27,542
Residual value of fixed assets written off	13,667	-	13,667
	89,656	1	89,657
Changes in operating assets and liabilities			
Decrease in trade accounts receivable	(2,163)	-	(2,163)
Increase in financial investments	(23,769)	-	(23,769)
Increase in inventories	(16,713)	4,437 (b)	(12,276)
Decrease in advances to suppliers	433	1,708 (b)	2,141
Increase in recoverable taxes	(793)	(1)	(794)
Increase in Loans	(390)	-	(390)
Decrease in derivative instruments	142	-	142
(Increase) decrease in other receivables	(6,128)	6,777 (b)	649
Increase in deposits in court and others	(1,993)	15	(1,978)
Increase in suppliers of cane and other products	44,466	(12,935) (b)	31,531
Increase in salaries and vacations payable	327	(1)	326
(Decrease) in advance from customers	(7,440)	-	(7,440)
Increase in taxes payable	5,438	-	5,438
Decrease in taxes paid in installments	(2,013)	-	(2,013)
Decrease in other accounts payable	(8,354)	(1)	(8,355)
Interest paid	(17,094)	-	(17,094)
Net cash provided by operating activities	53,612		53,612
Cash flow from investing activities			
Property, plant and equipment	(79,254)	-	(79,254)
Biological assets	(69,789)	-	(69,789)

Paraíso Bioenergia S.A.
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March 31, 2013, 2012 and 2011

	31/03/2012 previously presented	Adjustments	31/03/2012 as restated
Net cash used in investing activities	<u>(149,043)</u>	-	<u>(149,043)</u>
Cash flows from financing activities			
Proceeds from loans and financing	209,617	-	209,617
Payment of loans, principal	(110,923)	-	(110,923)
Capital increase	<u>-</u>	-	<u>-</u>
Net cash provided by financing activities	<u>98,694</u>		<u>98,694</u>
Increase in cash and cash equivalents	<u>3,263</u>		<u>3,263</u>
Increase in cash and cash equivalents			
At beginning of year	7,481	-	7,481
At end of year	<u>10,744</u>	-	<u>10,744</u>
Increase in cash and cash equivalents	<u>3,263</u>		<u>3,263</u>

Statements of cash flows – Indirect method - Year ended March 31, 2011

	31/03/2011 previously presented	Adjustments	31/03/2011 as restated
Cash flow from operating activities			
Loss for the year	(4,638)	(6,153)	(10,791)
Adjustments for:			
Depreciation	27,831	-	27,831
Deferred income tax and social contribution	(1,300)	-	(1,300)
Change in the fair value of biological assets	(488)	-	(488)
Decrease in biological assets due to the harvest	8,602	-	8,602
Allowance for doubtful accounts	220	-	220
Provision for contingencies	(504)	-	(504)
Unrealized interest and exchange gain	6,793	6,152 (e)	12,945
Residual value of fixed assets written off	<u>6,954</u>	-	<u>6,954</u>
	43,470	-	43,469
Changes in operating assets and liabilities			
Decrease in trade accounts receivable	4,890	-	4,890

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	31/03/2012 previously presented	Adjustments	31/03/2012 as restated
Decrease in inventories	2,555	-	2,555
Increase in advances to suppliers	(7,185)	-	(7,185)
Decrease in recoverable taxes	3,111	-	3,111
Decrease in financial loan	8,053	-	8,053
Decrease in other receivables	1,225	-	1,225
Decrease in deposits in court and others	10	-	10
Decrease in suppliers of cane and other products	(756)	-	(756)
Increase in salaries and vacations payable	3,333	-	3,333
Decrease in advance from customers	(7,667)	-	(7,667)
Decrease in taxes payable	(3,121)	-	(3,121)
Increase in taxes paid in installments	580	-	580
Decrease in other accounts payable	(1,981)	-	(1,981)
Interest paid	<u>(11,094)</u>	-	<u>(11,094)</u>
Net cash provided by operating activities	<u>35,423</u>	-	<u>35,422</u>
Cash flow from investing activities			
Property, plant and equipment	(45,962)	-	(45,962)
Biological assets	<u>(44,364)</u>	-	<u>(44,364)</u>
Net cash used in investing activities	<u>(90,326)</u>		<u>(90,326)</u>
Cash flows from financing activities			
Proceeds from loans and financing	32,280	-	32,280
Payment of loans, principal	(31,651)	-	(31,651)
Capital increase	<u>60,000</u>	-	<u>60,000</u>
Net cash provided by financing activities	<u>60,629</u>		<u>60,629</u>
Increase in cash and cash equivalents	<u><u>5,726</u></u>		<u><u>5,726</u></u>
Increase in cash and cash equivalents			
At beginning of year	1,755	-	1,755
At end of year	<u>7,481</u>	-	<u>7,481</u>
Increase in cash and cash equivalents	<u><u>5,726</u></u>		<u><u>5,726</u></u>

These adjustments have the following nature:

- (a) Reclassification to present assets/liabilities and revenues/costs related to performance transactions whereby the Company is acting as an agent on a net basis;
- (b) Reclassification of advances and accounts payable to suppliers with related parties.
- (c) Reclassification of assets related to other deposits in court that were being presented separately from deposits in court.
- (d) Reclassification of deferred tax assets and liabilities for net presentation, in accordance with CPC 32/IAS 12.
- (e) Interest on Redeemable Preferred Shares while classified as financial liabilities adjusted by the IPCA (Amplified Consumer Price Index) plus interest of 12% p.a., as described in note 24.
- (f) Reclassification from equity to non-current liabilities of redeemable preferred shares as described in note 24.
- (g) Reclassification to recognize changes in fair value of biological assets within costs of goods sold.

Consequently, the Company restated the following notes 8, 9, 16, 22 and 24, for the corrections made as noted above.

3 Description of significant accounting policies

The accounting policies described in detail below have been applied consistently to all the years presented in these financial statements.

a. Foreign currency

Transactions in foreign currency

Transactions in foreign currency were converted to the respective functional currency of the Company by the exchange rates on the dates of the transactions. Monetary assets and liabilities denominated and established in foreign currencies on the presentation date are reconverted to the functional currency at the exchange rate in force on that date. The exchange rate gain or loss in monetary items is the difference between the amortized cost of the functional currency at the beginning of the financial year, adjusted by interest and payments made during the financial year, and the amortized cost in foreign currency at the exchange rate at the end of the financial year of presentation.

b. Financial Instruments

i. Non-derivative financial assets

The Company initially recognizes loans, receivables and deposits on the date they are originated. All other financial assets (including assets designated at fair value through profit and loss) are initially recognized on the transaction date on which the Company became party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the asset's cash flows expire or when the Company transfers the rights to receive the contractual cash flows of a financial asset in a transaction where essentially all the risks and rewards of ownership of financial assets are transferred to the buyer. Any interest that is created or retained by the Company in financial assets is recognized as an individual asset or liability.

Financial assets or liabilities are offset and their net amount presented in the statement of financial position when, and only when, the Company is legally entitled to offset the amounts and intends to settle on a net basis or realize the asset and settle the liability simultaneously.

The Company classifies its financial assets under the following categories:

Financial assets measured by fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is held for trading and designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages these investments and makes purchase and sales decisions based on their fair value in accordance with the investment strategy and risk management documented by the Company. The costs of the transaction are recognized in the result as incurred. Financial assets recorded at fair value through the profit or loss are measured at fair value and changes in the fair value of such assets are recognized in the income (loss) for the year.

Financial assets designated as fair value through profit or loss comprise equity instruments that otherwise would be classified as available for sale.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables include cash and cash equivalents, accounts receivable, advances to suppliers, prepaid expenses and other receivables.

Financial assets available for sale

Financial assets available for sale are non-derivative financial assets that are designated as available for sale or are not classified in any of the previous categories. The Company's investments in membership certificates are classified as financial assets available for sale. Equity instruments that do not have a quoted market price on an active market and whose fair value cannot be reliably measured should be measured at cost.

ii. Non-derivative financial liabilities

The Company initially recognizes debt securities issued and subordinated liabilities on the date they originated. All other financial liabilities are initially recognized on the transaction date on which the Company became party to the contractual provisions of the instrument. The Company writes off a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company classifies the non-derivative financial liabilities in the category of other financial liabilities. Such financial liabilities are recognized initially by fair value added of any costs of assignable transactions. After the initial recognition, these liabilities are measured by the amortized cost using the effective interest rate method.

The Company has the following non-derivative financial liabilities: suppliers, loans and financing and other accounts payable.

Limits of bank overdrafts that have been paid in cash and are an integral part of the cash management of the Company are included with a component of the cash equivalents for purposes of the statement of cash flows.

iii. Capital

As of March 31, 2013, common and preferred stock are classified as equity. In previous years, certain redeemable preferred shares were classified as financial liabilities.

The minimum mandatory dividends established in our bylaws are recognized as liabilities.

iv. Derivative financial instruments

The Company has derivative instruments of financial hedge to protect its exposures to the risk of variation of foreign currency and price. Embedded financial derivatives are separated from their principal contracts and are recorded individually, if the economic characteristics and risks of the principal contract and the embedded financial derivative are not intrinsically related, or if an individual instrument with the same conditions of the embedded financial derivative satisfies the definition of derivative, and the combined instrument is not measured by fair value through profit or loss.

Derivatives are recognized initially by fair value. The costs of attributed transactions are recognized in the profit or loss when incurred. After initial recognition, the derivatives are measured by the fair value, and variations in the fair value are recorded in profit or loss.

c. Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment items are stated at historical acquisition or construction cost, net of accumulated depreciation and any impairment losses.

The cost includes expenses that are directly attributed to the acquisition of an asset.

Software purchased as an integral part of a piece of equipment is capitalized as a part of this equipment.

When parts of an item of equipment have different useful lives, these useful lives are recorded as separate items (principal components) of fixed assets.

Gains and losses on the disposal of an item of fixed assets (calculated as the difference between the proceeds originating from the disposal and the book value of the fixed assets) are recognized in other operating income/expenses, net in the statement of income.

ii. Costs of maintenance

The Company carries out maintenance services annually in its industrial units, approximately in the period between December and March. The main costs of maintenance include costs of labor, materials, external services and indirect general expenses allocated during the inter-harvest period. These costs are registered as a component of cost of the equipment and depreciated during the following harvest.

iii. Depreciation

Items of property, plant and equipment are depreciated using the straight-line method in profit or loss over the estimated useful lives of each component. Land is not depreciated.

Items of property, plant and equipment are depreciated from the date on which they are installed and are ready for use or in respect of internally constructed assets, from the date that the asset is completed and are ready for use.

The annual weighted average rates for depreciation of the assets, for the current and comparative fiscal years, are:

	03/31/2013	03/31/2012	03/31/2011
Buildings	3.96%	3.96%	3.96%
Machinery and equipment	12.08%	12.08%	12.08%
Agricultural machinery and implements	14.50%	14.50%	14.50%
Vehicles	15.55%	15.55%	15.55%
Furniture and fixtures	30.00%	30.00%	30.00%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

d. Biological assets

Biological assets are measured at fair value less costs to sell. Adjustments to the fair value less costs to sell are recognized in profit or loss. Costs to sell include all costs that are necessary to sell the assets. Sugarcane is transferred to inventories at its fair value, deducting the estimated costs to sell at the harvest date.

e. Leased assets

Leases in which the Company assumes the risks and rewards of ownership are classified as financial leases. At initial recognition, the leased asset is measured at the lower amount of its fair value and the present value of the minimum payments. After initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Operating leases are not recognized in the statement of financial position of the Company.

f. Inventories

Inventories are measured at the lower of cost and net realizable value. Inventory costs are valued at the average cost of purchase or production and include expenses incurred in the acquisition of inventories, production and conversion costs and other costs incurred in bringing them to their current locations and conditions.

The net realizable value is the estimated sale price in the normal course of business, less estimated completion costs and selling expenses.

The cost transferred from the biological assets to inventory is the fair value less cost to sell at the date of harvest.

g. Impairment

iv. *Financial assets (including receivables)*

Financial assets not measured at fair value through profit and loss are assessed at each reporting date for impairment. An asset is impaired if there is objective evidence of impairment.

Objective evidence that financial assets is impaired includes nonpayment or late payment by the debtor, restructuring of the amount owed to the Company on terms that it would not normally accept in other transactions, evidence that the debtor or issuer is going to enter bankruptcy proceedings or the disappearance of an active market for a security. Furthermore, a significant or prolonged decline in the fair value of the security below its cost is objective evidence of impairment.

Financial assets measured by amortized cost

The Company takes into account evidence of impairment for receivables, both individually and collectively. All individually significant receivables are tested for impairment. All individually significant receivables found not to have incurred individual impairment are then tested collectively for any impairment that may have occurred, but not yet been identified. Individually important assets are evaluated collectively as to the loss of value per combined grouping of these securities with characteristics of similar risks.

When testing for impairment, collectively, the Company uses historical trends of default probability, recovery terms and the size of losses incurred, adjusted to reflect management's judgment as to whether the current economic credit conditions mean that the actual losses will probably be higher or lower than those suggested by historic trends.

Impairment of a financial asset measured at amortized cost is calculated as the difference between the book value and the present value of future estimated cash flows, discounted at the asset's effective original interest rate. Losses are recognized in the statement of income for the year and recorded in a provision against receivables. Interest on the impaired asset is still recognized by reversing the discount. When a subsequent event indicates a reversal of the impairment, the decrease in the impairment is reversed and credited to the statement of income.

Non-financial assets

The carrying amount of the company's non-financial assets, which are not biological assets, deferred tax and inventory, are reviewed on every presentation date to establish if there is indication of loss in the recoverable value. If this indication exists, then the recoverable value of the asset is estimated.

A loss through a reduction in recoverable value is recognized if the carrying amount of the asset or "cash-generating unit" (CGU) exceeds its recoverable value.

The recoverable value of an asset or reporting unit is the higher of the value in-use and fair value less costs to sell. When determining value in-use, the estimated future cash flows are discounted to their present values at a pre-tax discount rate that reflects the current market terms regarding the capital recoverability period and the asset's specific risks or CGU. For impairment testing purposes, assets that cannot be tested individually are grouped in the smallest group of assets that generate cash for continuous use and which are largely independent from the cash flows from other assets or groups of assets ("reporting unit" or "CGU").

Losses as a result of a reduction in the recoverable value are recognized in the profit or loss. The impairment is reversed only to the extent that the carrying amount of the asset does not exceed the book value of the asset, net of depreciation or amortization, had the loss of value not been recognized.

h. Employee benefits

Short-term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized in the expected amount to be paid under the bonus plans in cash for short-term profit shares if the Company has a legal or constructive obligation to pay this amount because of the services provided by the employee and the obligation can be reliably estimated.

i. Provisions

A provision is recognized if, as a result of a past event, the Company has a legal or constructive obligation that can be reliably estimated, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provisions are established based on the best estimates of the risk involved.

j. Revenue

Revenue from the sale of products in the normal course of business is recognized at fair value of the consideration received or receivable. Revenue is recognized when there is persuasive evidence that significant risks and rewards of ownership have been transferred to the buyer, that it is probable that the financial economic benefits will flow to the Company, that the associated costs and possible return of goods can be estimated reliably, that there is no continuous involvement with the products sold, and that the revenue can be measured reliably.

The moment of transfer of risks and rewards varies depending on the individual terms of each sales contract. For sugar and ethanol sales in the domestic market, the transfer normally occurs when the product is delivered to the establishment of the client or when it is picked up by the client directly from the Company. In the case of export sales to the international market the transfer occurs by loading the goods onto the relevant shipping company at the seller's port. For sales of electric energy, the Company uses power meters installed for clients, whereby at the end of each month this quantity is calculated and the consequent recognition of the revenue is computed.

k. Government grants

Government grants that compensate the Company for expenses incurred are recognized in profit or loss on a systematic basis over the same period in which the expenses are recognized.

l. Leases

i. Lease payments

Minimum lease payments made under financial leases are allocated between the financial expenses and a reduction of the outstanding liabilities. Financial expenses are allocated to each period during the lease term in order to produce a periodic rate of interest on the remaining balance of liabilities.

ii. Determining whether a contract contains a lease

At the inception of an arrangement, the Company determines whether such an arrangement is or contains a lease. This is the case if both of the following conditions below are met:

- The fulfilment of the arrangement depends on the use of that specified asset; and
- The arrangement includes the right to use the asset.

At the inception of the arrangement or on a reassessment of the arrangement, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes that it is impracticable to separate the payments of a financial lease reliably, an asset and a liability are recognized at an amount equal to the fair value of the underlying asset. Subsequently the payments under the financial lease are allocated into financial expense (using the Company's incremental borrowing rate) and a reduction of the outstanding liability.

m. Financial income and expenses

Financial income is comprised of interest on financial instruments, exchange rate variation, gains with derivative instruments. Interest income is recognized in profit or loss using the effective interest rate method.

Financial expenses are comprised of interest on loans, bank fees, exchange rate variation and losses with derivative instruments. Interest on loans that are not directly attributed to acquisition, building or production of a qualified asset are charged to profit or loss using the effective interest rate method.

n. Income tax and social contribution

Income and social contribution taxes, both current and deferred, are calculated at the rate of 15% plus a surcharge of 10% on taxable income in excess of R\$240 for income tax and 9% on taxable income for social contribution on net income, and consider the offsetting of tax loss carry forwards and negative basis of social contribution, limited to 30% of annual taxable profit.

Income and social contribution expenses consist of current and deferred taxes. Current and deferred taxes are recognized in the income statement, except for those related to other comprehensive income.

Current income is the tax payable or receivable on the expected taxable income or loss for the year, at rates effective or substantially effective at the reporting date of the financial statements and any adjustment to the taxes payable in relation to prior years.

Deferred taxes are recognized in relation to temporary differences between the book values of assets and liabilities for accounting purposes and the corresponding amounts used for tax purposes.

Deferred taxes are measured at the expected rates to apply to the temporary differences when they are reversed, based on the laws in effect or substantially in effect as at the reporting date of the financial statements.

In the determination of the current and deferred taxes, the Company takes into the consideration the impact of uncertainties related to tax positions taken and if any additional payments of taxes and interest have been made. The Company believes that the provision for income taxes within liabilities is appropriate based on its evaluation of several factors, including interpretations of tax laws, historical experience and periods still subject to review. This evaluation is based on estimates and assumptions that could involve a series of judgments on future events. New information can be made available enabling the Company to change its judgment as to the adequacy of the existing provision; such alterations will impact the expense with income taxes in the year in which they are made.

Deferred tax assets and liabilities are offset if there is a legal right to offset current tax assets and liabilities, and they are related to income taxes levied by the same tax authority on the same entities subject to taxation.

Deferred income and social contribution tax assets are recognized on deductible tax losses, tax credits and temporary differences not used when it is probable that future taxable earnings will be generated against which they can be offset.

Deferred income and social contribution tax assets are reviewed at each reporting date and are reduced to the extent that realization is no longer probable.

o. Environmental aspects

The Company's production facilities and its industrial and agricultural activities are all subject to environmental regulations. The Company diminishes the risks associated with environmental issues through operating procedures and controls, and investments in equipment for pollution control and systems. The Company believes that no provision for losses related to environmental issues is currently required, based on the current laws and regulations in force.

p. New rules and interpretations not yet adopted

Various standards, amendments to standards and interpretations issued by the CPC have not yet entered into force for the fiscal year ended March 31, 2013, and are as follows:

i. CPC 36 (R3) - Consolidated statements, CPC 19 (R2) - joint arrangement CPC 45 - Disclosure of interests in other companies

The objective of Technical Pronouncement CPC 36 (R3) is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or

more other entities. The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

According to CPC 19 (R2), the joint arrangement structure, although it is still an important consideration, is not the main factor in determining the type of joint arrangement and the subsequent accounting:

- Joint operation: when the participating parties have rights to the assets and obligations for the liabilities related to the business, they are recorded in the accounting in accordance with the parties' interests in assets, liabilities, revenues and expenses.
- Joint venture : when the participating parties have rights to the net assets of the business, they are recorded in the accounting through the equity accounting method, and there is proportionate consolidation of the joint venture eliminated.

The objective of this pronouncement is to establish principles for financial reporting by entities that have interests in joint ventures (joint arrangements). The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

CPC 45 consolidates all requirements for disclosures that an entity should make when participating in one or more other entities. The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

ii. CPC 18 (R2) - Investment in affiliated companies, subsidiaries and joint ventures

The main changes introduced by CPC 18 (R2) refer to the accounting for results and upstream transactions between the subsidiary and the parent company and transactions between subsidiaries of the same group that should be recognized in the financial statements of the seller, but should not be recognized in the financial statements of the parent company while traded assets are in the balance sheet of the purchaser belonging to the business group.

The objective of this Pronouncement is to establish the accounting for investments in affiliated companies and subsidiaries and to define the requirements for the application of the equity method when recording investments in affiliated companies, subsidiaries and joint ventures. The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

iii. CPC 33 (R1) - Employee Benefits

The main changes introduced by CPC 33 (R1) refer to the accounting of defined benefit plans. The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

iv. CPC 46 - Measurement of fair value

CPC 46 defines fair value, explains how to measure it and establishes what must be disclosed on this form of measurement. The Company's management concluded that there is no impact on these financial statements resulting from the adoption of this pronouncement.

The new pronouncements or changes in pronouncements as indicated above have not been applied in preparing these financial statements. These standards are effective for annual periods beginning on or after April 1, 2013.

The Company's management has concluded that none of these new pronouncements will have a material effect on the financial statements.

4 Determination of fair value

A number of accounting policies and disclosures of the Company requires that fair value be used for both financial assets and liabilities and non-financial assets and liabilities. Fair values have been determined for the purpose of measurement and/or disclosure, based on the methods below. When applicable, additional information about the assumptions made to determine fair values is disclosed in specific notes relating to that asset or liability.

i. Biological Assets

The methodology adopted by the Company, to satisfy the calculation requirement biological assets corresponding to the plantation, that generate several harvests, and the standing sugarcane, was the future discounted cash flow method. The future discounted cash flow method, considers assumptions like the price per ton of sugarcane, productivity, cutting, loading and transport costs, cost of crop handling, and costs of partnership and taxes, among others. The discount rate used to determine the present value of the cash flow is calculated based on the Weighted Average Cost of Capital - WACC.

ii. Trade accounts receivable and other receivables, accounts payable to suppliers and other accounts arising directly from the company's operations.

The fair value of accounts receivable and other credits is estimated as the present value of future cash flows, discounted by the market interest rates established on the presentation date of the financial statements. This fair value is determined for disclosures purposes.

iii. Loans and financing

The fair value, determined for disclosure purposes, is calculated based on the present value of the principal and future cash flows, discounted by the market rate of the interest verified on the presentation date of the financial statements.

iv. Other non-derivative financial liabilities

Fair value, determined for disclosures purposes, is calculated based on the present value of the principal and future cash flows, discounted by the market interest rate at the reporting date. For financial leases, the interest rate is established through comparison with similar lease contracts.

5 Cash and cash equivalents

	2013	2012	2011
Cash and banks	4,998	1,328	915
Financial investments	<u>4,468</u>	<u>9,416</u>	<u>6,566</u>
	<u>9,466</u>	<u>10,744</u>	<u>7,481</u>

The balance of cash and banks comprises bank deposits available for immediate use. The balances derive from the Company's normal course of operations.

Interest earning bank deposits are recorded at cost, plus income incurred until the statement of financial position date upon which the value does not exceed the market value. These investments can be readily redeemed without penalties or losses.

The exposure of the Company to the risk of changes in interest rates and a sensitivity analysis for financial assets and liabilities are disclosed in Note 31 - Financial instruments.

6 Financial investments

		2013	2012	2011
Fixed interest rates investments				
- CDB- Bank deposit certificate	100% of the CDI- Interbank deposit certificate (*)	26,271	23,769	
		<u>26,271</u>	<u>23,769</u>	<u>-</u>

The investments refer to amounts withheld as collateral at the time of the release of working capital financing operations and advances on exchange contracts (ACC).

The exposure of the Company to the risk of changes in interest rates and a sensitivity analysis for financial assets and liabilities are disclosed in Note 31 - Financial instruments.

7 Trade accounts receivable

	2013	2012	2011
Trade accounts receivable - domestic market	3,776	5,265	3,102
(-) Allowance for doubtful accounts	<u>(437)</u>	<u>(381)</u>	<u>(332)</u>
	<u>3,339</u>	<u>4,884</u>	<u>2,770</u>

The breakdown of balances by maturity is presented below:

	2013	2012	2011
To fall due			
Up to 30 days	485	115	249
From 31 to 60 days	-	-	60
From 61 to 90 days	-	24	60
From 91 to 180 days	-	-	60
From 181 to 360 days	-	-	0
More than 360 days	<u>21</u>	<u>94</u>	<u>451</u>
	506	233	880
Overdue:			
Up to 30 days – (a)	2,322	4,272	941
From 31 to 60 days	199	113	93
From 61 to 90 days	5	62	43
91 to 120 days (b)	332	5	243
From 121 to 180 days	13	41	450
From 181 to 360 days	26	157	113
More than 360 days	<u>373</u>	<u>382</u>	<u>339</u>
	<u>3,270</u>	<u>5,032</u>	<u>2,222</u>
	<u>3,776</u>	<u>5,265</u>	<u>3,102</u>

- (a) Amount received in early April of Cargill and Czarnikow of Brazil Ltda;
- (b) R\$ 332 value in the process of reimbursement by the insurer.

Represented substantially by balances receivable related to the sale of sugar and ethanol on the domestic market.

The allowance for doubtful accounts was recorded in an amount considered sufficient by Management to cover eventual losses on the realization of the receivables. The expense of the formation of the allowance for doubtful accounts was recorded under “Selling expenses” in the income statement.

The changes in the allowance for doubtful accounts on accounts receivables are as follows:

	2013	2012	2011
Balance at the beginning of the year	381	332	112
Addition	<u>56</u>	<u>49</u>	<u>220</u>
Balance at the end of the year	<u>437</u>	<u>381</u>	<u>332</u>

The Company as of March 31, 2013, did not have any operation that generated a significant effect of adjustment to the present value.

The exposure of the Company to the risk of changes in interest rates and a sensitivity analysis for financial assets and liabilities are disclosed in Note 31 - Financial instruments.

8 Inventories

	2013	2012 (Restated)	2011 (Restated)
Finished products			
Sugar	1,807	3,424	
Ethanol	2,839	8,466	160
Auxiliary items and others	<u>4,988</u>	<u>3,857</u>	<u>3,311</u>
	<u>9,634</u>	<u>15,747</u>	<u>3,471</u>

On March 31, 2013, raw materials and others, goods and alterations in finished products, recognized as costs, was R\$ 221,389 (R\$ 223,669 at March 31, 2012 and R\$ 154,956 at March 31, 2011).

9 Advances to suppliers

	2013	2012 (Restated)	2011 (Restated)
Advances to other suppliers	1,213	7,137	346
Advances to sugarcane suppliers	21,062	18,236	18,669
Advances to suppliers - related parties (note 11)	<u>-</u>	<u>-</u>	<u>8,499</u>
	<u>22,275</u>	<u>25,373</u>	<u>27,514</u>

Advances to other suppliers refer mainly to payments in advance related to the acquisition of assets related to the investment in expansion and modernization of the industrial park.

Advances to sugarcane suppliers refer to amounts advanced for future supply of sugarcane from partnership contracts, corresponding to 409,000 tons of sugarcane (298,000 tons of sugarcane at March 31, 2012 and 359,000 tons of sugarcane at March 31, 2011), for which delivery of the product will occur in the next harvest.

10 Recoverable taxes

	2013	2012	2011
ICMS (value added tax)	2,901	879	1,214
COFINS (Turnover tax on gross profit)	181	549	144
PIS (Social integration program)	39	119	31
IPI (Excise tax)	662	381	-
IOF (Tax on financial operations)	148	136	-
IRRF (Income tax withheld at source)	664	356	237
CSLL (social contribution on net income)	<u>33</u>	<u>-</u>	<u>-</u>
	<u>4,628</u>	<u>2,420</u>	<u>1,626</u>
Current assets	4,327	2,119	1,284
Non-current assets	301	301	342

ICMS

The balance is composed of amounts calculated in commercial transactions and on the acquisition of items of property, plant and equipment, which are being realized at a ratio of 1:48, which can be offset against taxes of the same nature.

11 Related party transactions

a) Remuneration of key management personnel

In 2013 the remuneration of key management personnel totaled R\$ 3,277 (R\$ 2,103 in the 2012 and R\$ 2,599 in the 2011) and included salaries and variable benefits.

b) Other related party transactions

The main asset and liability balances as at March 31, 2013, 2012 and 2011, as well as the transactions that influenced the profit or loss, with respect to transactions with related parties, arise mainly from transactions with parties of the same economic group.

Balances and transactions:

	Assets			Liabilities			Results		
	2013	2012	2011	2013	2012	2011	2013	2012	2011
Current									
Advances for sugarcane (note 9)	-	-	8,499	-	-	-	-	-	5,694
- Purchase of sugarcane (note 16) (a) Shareholders	-	-	-	65	495	8,995	-	-	-
Non-current									
- Loan (b)	242	464	-	2,379	82	8	(2,075)	(24)	323

Agricultural Condominium – Flávio de Albuquerque Pinheiro e Outros

- (a) On August 31, 2010, the private instrument for purchase and sale of the sugarcane crop and agricultural implements was signed by the partners of the Company, arising from private contracts of agricultural partnerships transferring to Paraíso Bioenergia S/A all assets, rights and obligations of the Agricultural Condominium called Flávio Albuquerque Pinheiro e Outros. The balance will be settled during the 2013/14 harvest.
- (b) It is a loan updated monthly by the pre-fixed rate of 15% p.a.

12 Other receivables

	2013	2012	2011
Accounts receivable - sale of land	-	-	675
Prepaid expenses	<u>496</u>	<u>110</u>	<u>84</u>
	<u>496</u>	<u>110</u>	<u>759</u>

13 Biological Assets

Biological assets comprise the cultivation and plantation of sugarcane, through contracts with leaseholders and sugarcane partners, for the use as raw material in its industrial processes of sugar and ethanol. The cultivation of sugarcane is initiated with the plantation of seedlings on land owned by third-party landowners, and the first cutting occurs after a period of 12 to 18 months after planting, when the sugarcane is cut and the root (“shoot”) continues in the soil. After each cutting or year/harvest, the treated shoot grows again, giving on average a total of five or six harvests, which varies based on the species and genetic material to which it refers.

Below are the transactions of the biological assets of the Company:

Biological assets at April 1, 2010	54,208
(-) Decrease due to harvest	(8,602)
Increase due to new plantations	44,364
Change in fair value	<u>488</u>
Biological assets at March 31, 2011	90,458
(-) Decrease due to harvest	(51,468)
Increase due to new plantations	69,789
Change in fair value	<u>193</u>
Biological assets at March 31, 2012	108,972
(-) Decrease due to harvest	(50,241)
Increase due to new plantations	68,545
Change in fair value	<u>28,288</u>
Biological assets at March 31, 2013	<u>155,564</u>

The biological assets will be realized in the following harvest years:

	2013	2012	2011
2011/2012	-	-	20,740
2012/2013	-	31,622	25,574
2013/2014	47,347	28,441	19,522
2014/2015	37,418	20,053	11,595
2015/2016	25,845	10,986	3,387
2016/2017	18,140	9,669	9,640
2017/2018	14,189	8,201	-
2018/2019	9,842	-	-
2019/2020	<u>2,783</u>	<u>-</u>	<u>-</u>
	<u>155,564</u>	<u>108,972</u>	<u>90,458</u>

The areas cultivated represent only the sugarcane plantation, without considering the land on which the crops are located.

The following assumptions were used in determining the fair value:

	2013	2012	2011
Estimated harvest area (hectares)	21,564	20,032	19,853
Forecast productivity (tons of cane/hectares)	71	68	68
Quantity of total recoverable sugar - TRS (kg)	140.00	140.56	140.55
Value of ATR per kg (R\$/kg)	0.4867	0.5137	0.4397

The fair value of the sugarcane crops was determined using the methodology of the discounted cash flow, considering:

- Cash inflows from a combination of (i) estimated production, measured in kilos of ATR (Total Recoverable Sugar) and of (ii) future market price of sugarcane, which is estimated based on market information and estimates of the future prices of sugar and ethanol; and
- Cash outflows represented by the estimate of (i) necessary costs for the biological transformation of sugarcane (crop handling) until harvest; (ii) costs associated with the harvest/ Cutting, Shipment and Transport (CCT); and (iii) costs of leasing and agricultural partnership.

Based on the estimates of income and costs, the Company determines the discounted cash flows that will be generated and present value that amount, considering an actual discount rate of 4.67% a year, compatible with the compensation of the investment in the circumstances. Changes in the fair value are presented as “Changes in the fair value of the biological assets”.

The model and the assumptions used to determine the fair value represent the best estimate of the Board on the date of the financial statements, which are reviewed annually.

The increase or decrease in the fair value is determined by the difference between the fair value of the biological assets at the beginning of the period and at the end of the period, less the costs incurred with the plantation in the development and depreciation of the biological assets in the period.

The Company is exposed to a series of risks related to its plantations as follows:

Regulatory and environmental risks

The Company is subject to Brazilian laws and regulations. The Company determined its environmental policies and procedures focused on the compliance of environmental and other laws. Management conducts regular analyses to identify environmental risks and to guarantee that the systems in operation are appropriate to manage these risks.

Risk supply and demand

The Company is exposed to risks originating from the fluctuation of prices and sales volume of its plantations. Whenever possible, the Company manages this risk aligning its volume of extraction with the supply and demand of the market. The Management makes regular analyses of the trend of the industry to guarantee that the price structure of the Company in accordance with the market and to guarantee that the projected volumes of extraction are consistent with the demand expected.

Climate risks and others

The plantations of the Company are exposed to the risks of damage caused by climate changes, plagues, fires and other forces of nature. The Company has extensive processes in operation focused on the monitoring and on the reduction of these risks, including regular inspections in the sugarcane plantations, and analyses and control of disease and plagues.

14 Other investments

	2013	2012	2011
Other investments	<u>108</u>	<u>108</u>	<u>108</u>

The Company's investments in membership certificates are classified as financial assets available for sale and are recorded at cost.

15 Property, plant and equipment

	Buildings	Machinery and Equipment	Agricultural machinery and implements	Furniture and fixtures	Vehicles	Computer equipment	Land	Buildings under construction	Off season maintenance	Advance to suppliers	Total
Cost											
Balance at March 31, 2010	37,728	155,903	19,986	920	22,065	557	21,544	354	15,882	232	275,171
Additions	949	2,314	10,123	212	2,480	95	-	6,372	20,309	3,108	45,962
Write-offs	(1,714)	(4,821)	(2,043)	(3)	(1,242)	(141)	(20,877)	(21)	(12,606)	(827)	(44,295)
Transfers	663	123	(68)	-	-	414	-	(850)	-	(282)	-
Balance at March 31, 2011	37,626	153,519	27,998	1,129	23,303	925	667	5,855	23,585	2,231	276,838
Additions	5	734	13,279	145	325	63	-	34,842	17,842	12,019	79,254
Write-offs	(22)	(355)	(2,255)	(22)	(415)	-	-	-	(20,785)	(12,026)	(35,880)
Transfers	759	315	-	288	-	(346)	-	(1,158)	-	142	-
Balance at March 31, 2012	38,368	154,213	39,022	1,540	23,213	642	667	39,539	20,642	2,366	320,212
Additions	-	651	2,758	214	1,768	15	-	7,276	20,435	1,853	34,970
Write-offs	(103)	(5,335)	(1,126)	(4)	(623)	(1)	-	-	(22,021)	(2,550)	(31,763)
Transfers	15,557	28,249	-	102	-	394	-	(44,302)	-	-	-
Balance at March 31, 2013	<u>53,822</u>	<u>177,778</u>	<u>40,654</u>	<u>1,852</u>	<u>24,358</u>	<u>1,050</u>	<u>667</u>	<u>2,513</u>	<u>19,056</u>	<u>1,669</u>	<u>323,419</u>
Depreciation											
Balance at March 31, 2010	(6,890)	(33,396)	(7,647)	(696)	(9,339)	(256)	-	-	-	-	(58,224)
Depreciation for the period	(985)	(8,976)	(1,930)	(98)	(3,192)	(44)	-	-	-	-	(15,225)
Write-offs	39	1,773	1,754	1	921	-	-	-	-	-	4,488
Balance at March 31, 2011	(7,836)	(40,599)	(7,823)	(793)	(11,610)	(300)	-	-	-	-	(68,961)
Depreciation for the period	(1,479)	(8,685)	(2,594)	(113)	(3,424)	(67)	-	-	-	-	(16,362)
Write-offs	-	131	917	15	365	-	-	-	-	-	1,428
Balance at March 31, 2012	(9,315)	(49,153)	(9,500)	(891)	(14,669)	(367)	-	-	-	-	(83,895)
Depreciation for the period	(1,397)	(8,781)	(3,794)	(147)	(3,492)	(65)	-	-	-	-	(17,676)
Write-offs	36	1,051	712	1	419	-	-	-	-	-	2,219
Balance at March 31, 2013	<u>(10,676)</u>	<u>(56,883)</u>	<u>(12,582)</u>	<u>(1,037)</u>	<u>(17,742)</u>	<u>(432)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(99,352)</u>
Net book value											
At March 31, 2011	29,790	112,920	20,175	336	11,693	625	667	5,855	23,585	2,231	207,877
At March 31, 2012	29,053	105,060	29,522	649	8,544	275	667	39,539	20,642	2,366	236,317
At March 31, 2013	43,146	120,895	28,072	815	6,616	618	667	2,513	19,056	1,668	224,066

Impairment testing for cash generating units

The impairment testing performed by the Company was based on projected cash flows discounted to present value. The projections were made in Reais (R\$) in real terms.

Based on this test no losses were identified to be recognized in the financial statements.

Key assumptions used in the projections of discounted cash flows

The key assumptions used in the calculation of the recoverable amount are:

- Projected cash flow
- Interest rate for purposes of discount to present value

Collateral

At March 31, 2013, the Company granted land, machinery, equipment and vehicles with a book value of R\$ 168,100 (R\$171,857 at March 2012 and R\$ 108,536 at March 2011) as collateral for bank financin

16 Suppliers of cane and other products

	2013	2012 (Restated)	2011 (Restated)
Service materials	38,169	58,840	19,365
Sugar cane	32,462	4,692	4,136
Sugarcane from related parties (Note 11)	<u>65</u>	<u>495</u>	<u>8,995</u>
	<u>70,696</u>	<u>64,027</u>	<u>32,496</u>
Current liabilities	64,433	54,850	23,501
Non-current liabilities	6,263	9,177	8,995

The Company's exposure to currency and liquidity risks, related to accounts payable to suppliers and other accounts payable is disclosed in note 31.

17 Loans and financing

This note discloses information on the contractual position of the Company's financing and loans with interest which are measured at amortized cost. Note 31 discloses additional information with respect to the Company's exposure to interest rate and currency risks. Current and non-current loans and financing totaled R\$ 300,974 at March 31, 2013, R\$ 233,584 at March 31, 2012 and R\$ 130,283 at March 31, 2011. The increase is substantially due to the new funds for agricultural and industrial expansion and exchange variations, as presented below.

	2013	2012	2011
Loans and financing	300,974	233,584	130,283
Cash + Financial Investments	<u>(35,737)</u>	<u>(34,513)</u>	<u>(7,481)</u>
Net Banking Liabilities	<u>265,237</u>	<u>199,071</u>	<u>122,802</u>
	2013	2012	2011
Current liabilities			
Finame	6,005	5,951	4,001
Working capital	8,108	18,122	12,507
Agricultural Financing - PESA	647	590	572
Leasing	67	942	3,387
Advances on Exchange Contracts - ACC	52,993	49,739	18,519
Prepayment for exporting	<u>144,799</u>	<u>1,694</u>	<u>13,369</u>
	<u>212,619</u>	<u>77,038</u>	<u>52,355</u>

	2013	2012	2011
Non-current liabilities			
Finame	13,330	17,641	5,882
Working capital	71,997	7,034	31,902
Agricultural Financing - PESA	3,028	2,479	2,655
Leasing	-	79	866
Prepayment for exporting	-	129,313	36,621
	<u>88,355</u>	<u>156,546</u>	<u>77,928</u>
Total banking liabilities	<u>300,974</u>	<u>233,584</u>	<u>130,283</u>

Covenants of financing contracts

As a way of monitoring the Company's financial situation financial covenants are used by the lenders involved in some debt contracts. The Company monitors compliance with these covenants.

The contracts containing financial covenants and their form of calculation are as follows:

Syndicated Export Prepayment (PPE) consisting of 4 banks (Rabobank, Santander, Bradesco and Votorantim)

- Calculation of the financial indicators is made at the end of each year based on the annual financial statements.
- $\text{Net bank debt} / \text{EBITDA} = \text{a ratio less than or equal to } 3.5.$
- $\text{EBITDA} / (\text{Net Financial Expenses (-) Monetary and Exchange variations}) = \text{a ratio greater than or equal to } 3.0.$

Certificate of Export Credit (CCE) contracted with Banco BTG Pactual

- Calculation of the financial indicators at the closing of each quarter based on the last 12 months where the first period of measurement is the quarter ended June 30, 2013
- $\text{Net bank debt} / \text{EBITDA} = \text{a ratio less than or equal to } 3.5.$
- $\text{Current Liquidity Index} = \text{a ratio equal to or more than } 0.70$
- $\text{EBITDA} / (\text{Net Financial Expenses (-) Monetary and Exchange variations}) = \text{a ratio greater than or equal to } 3.0.$

On March 31, 2012, the Company did not comply with some contractual obligations (covenants) related to certain financial indicators as indicated above. Management obtained the consent of the financial institution (waiver) for non compliance with these obligations prior to the year end and therefore kept the classification of such loans as non-current.

On March 31, 2013, the Company did not comply with some contractual obligations (covenants) related to certain financial indicators as indicated above. Management obtained the consent of the financial institution (waiver) for non compliance with these obligations after to the year end and therefore reclassified the amount of R\$ 142,791 from non-current to current liabilities.

The portions of financing classified as non-current liabilities fall due between April 2014 and November 2019, and have the following payment schedule.

Year of maturity:	2013	2012	2011
2012	-	-	34,000
2013	-	34,077	36,513
2014	23,693	38,665	2,161
2015	34,030	55,149	4,273
2016	18,923	27,752	311
2017	10,832	460	276
2018	575	275	245
2019	<u>302</u>	<u>168</u>	<u>149</u>
	<u>88,355</u>	<u>156,546</u>	<u>77,928</u>

Terms and schedule for amortization of the debt

The terms and conditions of the outstanding financing are as follows:

Type	Currency	Index	Average annual rate of interest	Year of maturity	2013		2012		2011	
					Book value	Fair value	Book value	Fair value	Book value	Fair value
Finame	R\$	TJLP	8.55%	2012 to 2017	19,335	19,335	23,592	23,592	22,101	22,101
Working capital	R\$	CDI	10.70%	2012 to 2014	2,974	2,974	17,984	17,984	34,226	34,226
Agricultural Funding - PESA	R\$	IGPM	4,54%	2019	3,675	3,675	3,069	3,069	3,469	3,469
Leasing	R\$	CDI	7,80%	2013	67	67	1,021	1,021	3,292	3,292
Advance on Export contracts - ACC	USD	Pre-fixed rate	8.10%	2013	52,993	52,993	49,739	49,739	25,960	25,960
Working capital	USD	LIBOR	6.30%	2013 to 2015	10,569	10,569	9,272	9,272	4,975	4,975
Export Credit Notes (CCE)	USD	LIBOR	13.50%	2013 to 2017	<u>66,563</u>	<u>66,563</u>	-	-	-	-
Prepayment for exports	USD	LIBOR	7,80%	2013 to 2017	<u>144,799</u>	<u>144,799</u>	<u>131,006</u>	<u>131,006</u>	<u>46,975</u>	<u>46,975</u>

Guarantees

The guarantees offered by the Company by type of loans are as follows:

Type	Guarantee	Amount
FINAME	- Chattel mortgage of Fixed Assets	26,443,086
Leasing	- Chattel mortgage of Fixed Assets	134,019
Agricultural Funding (PESA)	-National Treasury Bonds / Rural Property Mortgage	32,143,488
Prepayment of exports	- Chattel mortgage of Fixed Assets / Contracts for sale of sugar / rural property mortgage	380,869,768
Working capital	- Financial investment / Contracts for sale of sugar/ Rural Property Mortgage / Pledge of Sugarcane	224,580,739
Advance on Exchange Contracts - ACC	- Contracts for sale of sugar / Financial investment / Pledge of Sugarcane	34,349,412

The Company's bank loans and financing are secured by land, machinery, equipment and vehicles with a book value of R\$ 167,434 (R\$ 171,857 in 2012 and R\$ 108,536 in 2011), as described in Note 15.

18 Taxes payable

	2013	2012	2011
ICMS (Value-added tax)	166	2,986	124
INSS (Social Security tax)	6,185	2,407	1,057
FGTS (Government severance indemnity fund)	267	421	186
ISS (Service tax)	2,012	877	344
IRRF (Income tax withheld at source)	1,567	480	-
Others	<u>619</u>	<u>143</u>	<u>165</u>
	<u>10,816</u>	<u>7,314</u>	<u>1,876</u>

19 Taxes in installments

	2013	2012	2011
INSS (Social security)	3,032	1,839	2,286
ICMS (Value-added tax)	8,828	5,819	7,539
REFIS - Law 11,941	1,012	2,126	2,331
Other	<u>1,513</u>	<u>557</u>	<u>198</u>
	<u>14,385</u>	<u>10,341</u>	<u>12,354</u>
Current liabilities	7,930	4,752	5,441
Non-current liabilities	6,455	5,589	6,913

The portions classified in non-current liabilities have the following payment schedule:

Year of maturity:	2013	2012	2011
2012			2,602
2013		2,343	1,803
2014	2,885	1,352	1,199
2015 to 2024	<u>3,570</u>	<u>1,894</u>	<u>1,309</u>
	<u>6,455</u>	<u>5,589</u>	<u>6,913</u>

20 Advances from customers

	2013	2012	2011
Advances from customers for sugarcane	2,600	5,174	16,032
Advances from customers for ethanol	1,042	3,303	843
Advances from customers for other products	<u>471</u>	<u>958</u>	<u>-</u>
	<u>4,113</u>	<u>9,435</u>	<u>16,875</u>

Current liabilities	4,113	9,435	6,423

Non-current liabilities	-	-	10,452

Year of maturity:	2013	2012	2011
2011	-	-	-
2012	-	9,435	5,096
2013	<u>4,113</u>	<u>-</u>	<u>5,356</u>
	<u>4,113</u>	<u>9,435</u>	<u>10,452</u>

Advances from customers consist mainly of prepayment corresponding to 9,121 (4,000 tons of sugar and 2,500 m³ of hydrous ethanol, 9,100 tons of sugar and 875 m³ of hydrous ethanol at March 31, 2011), to be realized in the 2013/14 harvest.

21 Other accounts payable

	2013	2012	2011
Crystalsev Comércio e Representações Ltda.	-	-	9,032
Macquarie Brazil Participações Ltda.	-	1,688	1,578
Others	<u>1,179</u>	<u>1,103</u>	<u>536</u>
	<u>1,179</u>	<u>2,791</u>	<u>11,146</u>
Current liabilities	1,179	2,793	4,477
Non-current liabilities	-	-	6,669

Crystalsev Comércio e Representações Ltda.

These are amounts payable arising from a proposed agreement to conclude amicable settlement between the parties, signed on March 18, 2010 where Paraíso Bioenergia S.A., agreed with the financial debt before Crystalsev Comercio e Representações Ltda., in the amount of US\$ 5,500,000 (five million five hundred thousand US dollars) that was translated by the PTAX800 quotation of the Central Bank of Brazil, on October 31, 2009 corresponding to R\$ 9,117 (R\$ 10,195 at March 31) which was settled in accordance with the conditions of the plan for extrajudicial reorganization.

Macquarie Brazil Participações Ltda.

It addresses fees for structuring and brokering transactions related to the restructuring of the financial transactions that gave rise to the request for extrajudicial reorganization.

22 Deferred income and social contribution taxes

The Company based on the expected generation of future taxable income, recognized tax credits on tax losses and negative basis of social contribution, which have no expiration date and whose compensation is limited to 30% of annual taxable income. These credits are held in non-current assets, in conformity with CPC 26 and CPC 32.

The book value of the deferred tax assets is reviewed periodically and the projections are reviewed annually if there are material factors that may change the projections.

The tax rates of these taxes, currently defined for determining these deferred credits, are 25% for income tax and 9% for the social contribution. Deferred taxes have the following nature:

a. Nature of the deferred taxes

	Balance at March 31, 2011 (Restated)	Recognized in the income statement	Balance at, March 31, 2012(Restated)
Biological assets	5,826	(66)	5,760
Tax loss carry forwards and negative basis of social contribution	24,033	5,036	29,069
Temporary additions	-	-	-
Temporary exclusions	(30,254)	10,113	(20,141)
Revaluation reserve	(4,186)	524	(3,662)
Property, plant and equipment (deemed cost and rate of depreciation)	<u>(30,898)</u>	<u>3,040</u>	<u>(27,858)</u>
	<u>(35,479)</u>	<u>18,647</u>	<u>(16,832)</u>

	Balance at March 31, 2012	Recognized in the income statement	Balance at, March 31, 2013
Biological assets	5,760	(9,618)	(3,858)
Tax loss carry forwards and negative basis of social contribution	29,069	11,409	40,477
Temporary additions/exclusions	(20,141)	13,715	(6,426)
Revaluation reserve	(3,662)	457	(3,205)
Property, plant and equipment (deemed cost and rate of depreciation)	<u>(27,858)</u>	<u>2,985</u>	<u>(24,873)</u>
	<u>(16,832)</u>	<u>18,948</u>	<u>2,115</u>

The Company estimates it will recover the deferred tax assets in the next 8 years.

Management considers that the deferred tax assets resulting from temporary differences will be realized in accordance with the final resolution of the contingencies and events.

The estimates for recovery of tax credits were based on projections for taxable income taking into consideration various financial and business assumptions at year end. Accordingly, these estimates are subject to not being fulfilled in the future, considering the uncertainties inherent to these forecasts.

b. Breakdown of income tax and social contribution on the income for the year

	2013	2012 (Restated)	2011 (Restated)
Book (loss) income before income tax and social contribution	(57,332)	(39,795)	(12,091)
Combined statutory tax rate	34%	34%	34%
Income tax and social contribution			
At the combined tax rate	19,493	13,530	4,111
Permanent additions /exclusions			
Nondeductible expenses / income	<u>(545)</u>	<u>5,117</u>	<u>(2,811)</u>
Income tax and social contribution on the income for the year	<u><u>18,948</u></u>	<u><u>18,647</u></u>	<u><u>1,300</u></u>
Effective rate	33%	47%	11%

Deferred income tax and social contribution are recorded to reflect future tax effects attributable to temporary differences between the tax base of assets and liabilities and their respective book value.

23 Provision for contingencies

The Company is party to judicial and administrative proceedings in various courts and government agencies, arising from the normal course of operations, involving tax, labor, civil and other issues.

Based on information from its legal advisers, an analysis of the pending legal proceedings, and previous experience with regards to amounts claimed, Management recorded a provision in an amount considered sufficient to cover the possible losses from the lawsuits in progress, as follows:

	Labor	Civil	Total
Balance at April 1, 2010	330	610	940
Provisions made during the period	85	94	179
Provisions used during the period	<u>(129)</u>	<u>(554)</u>	<u>(683)</u>
Balance at March 31, 2011	286	150	436
Provisions used during the period	<u>(78)</u>	<u>(150)</u>	<u>(228)</u>
Balance at March 31, 2012	<u>208</u>	=	<u>208</u>
Provisions made during the period	<u>376</u>	=	<u>376</u>
Balance at March 31, 2013	<u>584</u>	=	<u>584</u>

The Company has other contingencies involving labor, civil and tax questions whose materialization in the opinion of the legal advisers is a possible, but not likely loss in a total of R\$ 541 (R\$ 1,648 in 2012 and R\$ 2,295 in 2011), for which Company management, based on the opinion of its legal counsel, understands that it is not necessary to record a provision for possible loss.

24 Equity

a. Capital

At March 31, 2013 and 2012, capital is represented by 3,428,472 (three million, four hundred and twenty-eight thousand, four hundred and seventy-two) registered common shares with no par value and 1,666,804 (one million, six hundred and sixty-six thousand, eight hundred and four) registered class "A" preferred shares with no par value. At March 31, for the 1,666,804 (one million, six hundred and sixty-six thousand, eight hundred and four) registered class "A" preferred shares, with a redemption clause upon realization of an IPO, which was changed in conformity with the Minutes of the Special General Meeting of September 31, 2011. These shares belong to the following shareholders domiciled in Brazil:

	31/03/2013	
	Shares	R\$
Paraíso Holding Ltda.	3,428,472	3,428
FIP Terra Viva Investimento em Participações	<u>1,666,804</u>	<u>1,667</u>
	<u>5,095,276</u>	<u>5,095</u>

On September 30, 2011, FTV Paraíso Participações S.A. was merged by Paraíso Bioenergia S.A., and the interest of FTV Paraíso passed to its parent company FIP Terra Viva Investimento em Participações.

All capital is fully subscribed and duly paid in.

The Company has preferred shares in the amount of R\$ 60,000,000, received on February 15, 2010, presented as Capital and a Capital reserve and which, due to its characteristics, should have been addressed as a liability financial instrument and restated by the IPCA (amplified consumer price index) plus 12% p.a. from the date of the respective contribution.

On September 21, 2011, the shareholders of the Company amended the shareholders' agreement eliminating the redemption clause of the preferred shares as result of which the accounting classification of the preferred shares turned into an equity instrument, according to CPC 39 and IAS 32. Then, the preferred shares were transferred from liabilities to equity as Capital and Capital Reserve. The related addendum comprised:

- Changes of the rights of preferred shares issued by the Company, excluding any prediction related to their redemption by the Company;
- Termination of the statutory reserve that was previously destined singly and exclusively for the payment of redeemable preferred shares.

b. Equity valuation adjustment

It is composed of the effect of the adoption of deemed cost for property, plant and equipment as a result of the application of CPC 27 and ICPC 10 at the transition date, less the respective deferred income tax and social contribution, which is being carried out through depreciation, disposal or write-off of the assets that gave rise to it.

25 Net revenues

The Company's operating income consists of the sale of sugar, ethanol and electricity for the domestic and foreign market.

Below we present the reconciliation between the gross income for tax purposes and the income presented in the income statement:

	2013	2012	2011
Revenues from sales of sugar	140,296	126,575	118,853
Revenues from sales of ethanol	101,161	87,785	70,116
Other revenues	<u>19,626</u>	<u>24,405</u>	<u>5,775</u>
	261,083	238,765	194,744
Sale taxes	(23,215)	(23,494)	(17,861)
Net revenues	<u>237,868</u>	<u>215,271</u>	<u>176,883</u>

26 Operating expenses

Operating expenses by nature:	2013	2012	2011
Personnel expenses	5,287	6,219	6,839
Third-party services	3,306	3,997	7,706
Commercial expenses for freight and shipment	8,509	6,673	8,960
Expenses for taxes, fees and contributions	186	479	2,001
Other expenses	3,135	(487)	3,455
Depreciation and amortization	<u>866</u>	<u>303</u>	<u>179</u>
	<u>21,289</u>	<u>17,184</u>	<u>29,140</u>

Reconciliation with operating expenses classified by function:

Selling expenses	8,509	6,673	8,960
Administrative and general expenses	<u>12,780</u>	<u>10,511</u>	<u>20,180</u>
	<u>21,289</u>	<u>17,184</u>	<u>29,140</u>

27 Other operating expenses, net

	2013	2012	2011
Expenses of Crystalsev (*)	-	-	950
Write-off of property, plant and equipment (residual value)	(668)	(980)	(3,087)
Others	<u>(1,111)</u>	<u>780</u>	<u>123</u>
	<u>(1,779)</u>	<u>(200)</u>	<u>(2,014)</u>

(*) In the year ended March 31, 2011, after the final meeting of accounts, fruit of the transactions with Crystalserv, remaining amounts were detected for the final settlement of this amicable. agreement to be completed.

28 Financial expenses, net

Financial income	2013	2012	2011
Earnings from financial investments	2,179	1,034	2,164
Discounts obtained	31	31	8
Others	<u>34</u>	<u>83</u>	<u>22</u>
	<u>2,244</u>	<u>1,148</u>	<u>2,194</u>
Financial expenses			
Interest on financing	(30,504)	(18,831)	(19,146)
Interest on loans	(1,000)	(7,197)	(6,880)
Others	<u>(3,910)</u>	<u>(181)</u>	<u>(294)</u>
	<u>(35,414)</u>	<u>(26,209)</u>	<u>(26,320)</u>
Net foreign exchange gains / losses			
Exchange gains	16,747	23,764	12,975
Exchange losses	(39,317)	(33,013)	(6,634)
Operations with derivatives	<u>(4,532)</u>	<u>(142)</u>	<u>-</u>
Net foreign exchange gains / losses	<u>(27,102)</u>	<u>(9,391)</u>	<u>6,341</u>
Net financial and exchange	<u>(60,272)</u>	<u>(34,452)</u>	<u>(17,785)</u>

29 Commitments

Commitment to purchase sugarcane

The Company has various commitments for purchase of sugarcane with third parties to assure part of its production for the next harvest periods. The amount of sugarcane to be acquired is calculated based on an estimated harvest of sugarcane per geographical area. The amount to be paid by the Company will be determined at the end of each harvest period in accordance with the payment system for sugarcane adopted by CONSECANA. The amount of sugarcane may be determined as follows:

Years	Tons of sugar
2013	696,000
2014	330,000
2015	305,000
2016	273,000
2017	<u>273,000</u>
	<u>1,877,000</u>

Commitment for supply of sugar

The Company has a long-term contract for the sale of refined sugar with Cargill in the following volumes:

Years	Tons of sugar
2013	107,000
2014	107,000
2015	93,000
2016	<u>51,000</u>
	<u>358,000</u>

It also has a contract for sale of VHP sugar for export to Czarnikow in the volume of 10,000 tons with delivery scheduled for the end of April 2013.

30 Insurance coverage

The Company has a policy of taking out insurance coverage for assets subject to risks in amounts considered sufficient to cover eventual losses, considering the nature of its activity. The risk assumptions adopted, given their nature, are not part of the scope of an audit of financial statements and, accordingly, were not examined by our independent auditors.

31 Financial instruments and risk management

Overview

The main risk factors to which the Company is exposed reflect economic and financial, and strategic and operating aspects. Strategic and operating risks (such as, demand behavior, competition and material changes in the industry's structure, amongst others) are addressed by the Company's management model.

The economic and financial risks mainly reflect the behavior of macroeconomic variables such as exchange rates and interest rates, as well as the characteristics of the financial instruments that the Company uses. These risks are managed through monitoring and control policies, specific strategies and setting of limits.

The main financial risks considered by the senior management are:

- Credit risk;
- Liquidity risk;
- Market risk;
- Operating risk;
- Capital framework risk.

This note presents information on the Company's exposure to each one of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's capital management. Additional quantitative disclosures are included throughout these financial statements.

Risk management framework

Credit risk

Credit risk is the risk of financial loss for the Company if a customer or counterparty in a financial instrument fails to meet its contractual obligations, which arise primarily from the Company's receivables from clients.

Liquidity risk

Liquidity risk is the risk where the Company is going to encounter difficulties in complying with its obligations associated with its financial liabilities that are settled with immediate payment or with another financial asset.

Market risk

It arises from the possibility of fluctuations in market prices, such as exchange rates, interest rates and prices of the products sold or produced by the Company and of other inputs used in the production process.

Exchange rate risk

This arises from the possibility of fluctuations in the exchange rates of the foreign currencies used by the Company for the acquisition of inputs, the sale of products and the contracting of financial instruments. The Company has operating cash flows from sales in other currencies and permanently evaluates the contracting of hedge operations to mitigate these risks.

Interest rate risk

It arises from the possibility of the Company incurring gains or losses as a result of fluctuations in interest rates on its financial assets and liabilities. Aiming at mitigating this type of risk, the Company seeks to diversify the raising of funds in terms of prefixed or floating rates.

Operating risk

Operating risk is the risk of any direct or indirect losses arising from of a variety of causes related to the Company's processes, personnel, technology and infrastructure and external factors, other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operating risks arise from all the Company's operations.

The Company's objective is to manage the operating risk in order to avoid the occurrence of financial losses and damages to the Company's reputation and to seek cost efficiency and to avoid control procedures that restrict initiative and creativity.

Capital framework risk

This arises from the choice between own capital (capital contributions and profit retention) and capital of third parties that the Company uses to finance its operations. To mitigate liquidity risks and to optimize the weighted average cost of capital, the Company permanently monitors its levels of indebtedness in accordance with market standards.

Financial instruments

The Company operates with various financial instruments, which are: trade accounts receivable, accounts payable to suppliers and loans and financing.

During the year ended March 31, 2013, there were no reclassifications of financial instruments.

	2013	2012	2011
Financial liabilities stated at fair value through profit or loss			
Cash and cash equivalents	9,466	10,744	7,481
Loans and receivables			
Trade accounts receivable	3,339	4,884	2,770
Related parties	242	464	8,499
Other receivables	496	110	759
Financial instrument available for sale			
Other investments	108	108	108
Liabilities held at amortized cost			
Suppliers of cane and other products	70,696	64,027	32,496
Loans and financing	300,974	233,584	130,283
Other accounts payable	1,179	2,791	11,146
Related parties	2,379	82	8

Credit risk

The book value of the financial assets represents the maximum credit exposure. The maximum credit risk exposure on the date of the financial statements was:

Assets	Note	2013	2012	2011
Cash and cash equivalents	5	9,466	10,744	7,481
Financial investments	6	26,271	23,769	-
Trade accounts receivable	7	3,339	4,884	2,770
Other receivables	12	<u>496</u>	<u>110</u>	<u>759</u>
Total		<u>39,572</u>	<u>39,507</u>	<u>11,010</u>

Liquidity risk

The contractual maturities of financial liabilities, including payment of estimated interest and excluding the impact on currency negotiation agreements, by the net position, are as follows:

2013							
	Book value	Contractual cash flow	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Assets							
Cash and cash equivalents	9,466	-	9,466	-	-	-	-
Financial investments	26,271	-	26,271	-	-	-	-
Trade accounts receivable	3,339	-	3,339	-	-	-	-
Other receivables	<u>496</u>	<u>-</u>	<u>496</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>39,572</u>	<u>-</u>	<u>39,572</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities							
Suppliers of cane and other products	70,696	-	63,159	1,274	2,188	4,075	-
Loans and financing	<u>300,974</u>	<u>-</u>	<u>168,844</u>	<u>43,775</u>	<u>15,076</u>	<u>73,279</u>	<u>-</u>
	<u>371,670</u>	<u>-</u>	<u>232,003</u>	<u>45,049</u>	<u>17,264</u>	<u>77,354</u>	<u>-</u>

2012							
	Net value	Contractual cash flow	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Assets							
Cash and cash equivalents	10,744	-	10,744	-	-	-	-
Financial investments	23,769	-	23,769	-	-	-	-
Trade accounts receivable	4,884	-	4,884	-	-	-	-
Other receivables	<u>110</u>	<u>-</u>	<u>110</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>39,507</u>	<u>-</u>	<u>39,507</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities							
Suppliers of cane and other products	64,027	-	54,406	940	3,043	5,638	-
Loans and financing	<u>233,584</u>	<u>-</u>	<u>36,112</u>	<u>40,926</u>	<u>72,742</u>	<u>83,056</u>	<u>748</u>
	<u>297,611</u>	<u>-</u>	<u>90,518</u>	<u>41,866</u>	<u>75,785</u>	<u>88,694</u>	<u>748</u>

2011							
	Net value	Contractual cash flow	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Assets							
Cash and cash equivalents	7,481	-	7,481	-	-	-	-
Financial investments	-	-	-	-	-	-	-
Trade accounts receivable	2,770	-	2,770	-	-	-	-
Other receivables	<u>759</u>	<u>-</u>	<u>759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>11,010</u>	<u>-</u>	<u>11,010</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities							
Suppliers of cane and other products	32,496	-	32,496	-	-	-	-
Loans and financing	<u>130,283</u>	<u>-</u>	<u>25,703</u>	<u>26,652</u>	<u>34,000</u>	<u>36,513</u>	<u>7,415</u>
	<u>162,779</u>	<u>-</u>	<u>58,199</u>	<u>26,652</u>	<u>34,000</u>	<u>36,513</u>	<u>7,415</u>

It is not expected that cash flows included in the Company's maturity analyses may occur significantly earlier or in significantly different amounts.

Exchange risk

It arises from the possibility of fluctuations in exchange rates of foreign currencies used by the Company primarily for balances receivable and payable denominated in reais, as well as amounts payable and receivable in foreign currencies.

The balances of assets and liabilities exposed to foreign currency at March 31, 2013, 2012 and 2011 comprise only transactions in U.S. dollars and are presented as follows:

	2013	2012	2011
Loans / financing in U.S. dollars	(136,519)	(104,285)	(44,893)
Net exposure	(136,519)	(104,285)	(44,893)

Year of maturity	2013	2012	2011
2011		-	19,997
2012		30,906	12,403
2013	30,071	14,194	12,493
2014	26,098	17,742	-
2015	38,834	27,249	-
2016	25,980	14,194	-
2017	15,536	-	-

The Company allocates almost 100% of its sugar production to the foreign market thus generating dollar revenues to meet the financing transactions in the same currency. In the year ended 31 March 2013 it obtained revenues from exports of around 68 million U.S. dollars.

Sensitivity analysis

For purposes of a sensitivity analysis to market risks arising from financial instruments, the Company analyzes jointly the hedge instrument and the hedged item, as presented in the tables below.

For the sensitivity analysis of exchange hedging instruments, management adopted as a likely scenario the values recognized in the accounting. As a reference, for the other scenarios, deterioration and appreciation were considered on the exchange rate used for calculating the balances presented in the accounting records. Scenarios II and III were estimated with an additional depreciation of 25% and 50%, respectively, of the Real in the likely scenario.

Sensitivity Analysis - Foreign exchange

Based on the balances of the hedge instruments and hedged items at March 31, 2013, the exchange rates and other indices were replaced when applicable and the changes were calculated between the new balance in Reais and the balance in Reais at March 31, 2012 in each of the scenarios.

The table below presents the possible impacts in the hypothesis of the respective scenarios presented:

Scenarios	Probable	High		Low	
		25%	50%	25%	50%
Financial liabilities					
Loans and financing	274,922	(68,730)	(137,461)	68,730	137,461
	<u>274,922</u>	<u>(68,730)</u>	<u>(137,461)</u>	<u>68,730</u>	<u>137,461</u>

The information used for the calculation of the sensitivity analysis presented above was obtained from external market sources, such as Bloomberg and BM&F Bovespa.

Sensitivity analysis for changes in the interest rate

Income from financial investments and financial expenses from the Company's financing are affected by changes in interest rates, such as Libor and CDI.

Fair value hierarchy

For the fair values recognized in the balance sheet, CPC 40 - Disclosure of Financial Instruments requires the disclosure for each class of financial and derivatives instruments, which class for determining the value was used, as defined below

- **Level 1:** Shares of investment funds and settlement positions of the counter party, in the case of evaluation of the balances of cash, cash equivalents and investments;
- **Level 2:** Fair value obtained through applying a calculation methodology that uses data and assumptions observable on an active market; and
- **Level 3:** Fair value obtained through applying a calculation methodology that uses data and assumptions generated internally in the entity.

	Book value at March 31, 2013	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	9,466	9,466	— -	— -
Financial investments	<u>26,271</u>	<u>26,271</u>	— -	— -
	<u>35,737</u>	<u>35,737</u>	— -	— -
	Book value at March 31, 2012	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	10,744	10,744	— -	— -
Financial investments	<u>23,769</u>	<u>23,769</u>	— -	— -
	<u>34,513</u>	<u>34,513</u>	— -	— -
	Book value at March 31, 2011	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	<u>7,481</u>	<u>7,481</u>	— -	— -
	<u>7,481</u>	<u>7,481</u>	— -	— -

Accordingly, the Company defined the respective levels as follows:

Level 1 – Shares of investment funds and settlement positions of the counter party, in the case of evaluation of the balances of cash, cash equivalents and investments;

Levels 2 and 3 – No financial instruments were classified in these levels.

32 Subsequent events

The following subsequent events occurred after March 31, 2013:

On March 20, 2013, we entered into a share purchase and sale agreement our shareholders including FIP DGF Terra Viva pursuant to which we were acquired by Tonon Bioenergia S.A.. On April 10, 2013, Tonon received final approval for the acquisition from the antitrust regulator CADE (*Conselho Administrativo de Defesa Econômica*). After considering all legal aspects of the transaction the acquisition was concluded in May 3, 2013. At this date the Tonon paid in an amount of R\$ 120 million comprised by R\$ 50 million in cash and R\$ 70 million of new shares issued to the shareholders of Paraíso Bioenergia S.A. The remaining R\$ 50 million will be paid, at the Tonon's option, cash or by issuance new shares, as agreed in the purchase agreement.

* * *

ANNEX A: PARAÍSO MILL APPRAISAL REPORTS

APPRAISAL REPORT



REQUESTED BY : TONON BIOENERGIA S/A.

OWNER : PARAÍSO BIOENERGIA S/A.

LOCATION OF PROPERTY : RODOVIA DOUTOR AMÉRICO PIVA (SP 197), KM 7
COUNTY : BROTAS
STATE : SÃO PAULO

TYPE OF PROPERTY : PLANT

PURPOSE OF APPRAISAL : TO DETERMINE THE MARKET VALUE

APPRAISAL REPORT # : I-16.689 - P/ 12.665/1/14

BASE DATE : MARCH 25, 2014

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I. FOREWORD

As per request of **TONON BIOENERGIA S/A** and in accordance with the terms and conditions of our proposal, we give below the outcome of the appraisal concerning the property.

1. PURPOSE

To ascertain the market value of a plant.

2. DOCUMENTATION

Documentation provided by TONON encompasses the following: Registrations # 17.564 and 17.566 issued by the Brotas Hall of Records – last update on July 19, 2013 – and plans, including local measurements.

3. ACCURACY OF APPRAISAL

This appraisal was carried out based on the guidelines and criteria set forth in **NBR 14.653-1/01 and 14.653-3/04 of ABNT** – Brazilian Association of Technical Standards.

4. NOTE

We assumed that information provided by third parties was reliable and provided in good faith.

II. LOCAL INSPECTION

1. CONTEXT

1.1. LOCATION

The property is located at **Rodovia Doutor Américo Piva (SP 197)**, km 7, County of Brotas, State of São Paulo.

In accordance with the Zoning Law of the County of Brotas, the property fits the Rural Zone.

1.2. CHARACTERISTICS OF LOCATION

Rodovia Doutor Américo Piva (SP 197) is a main road that serves counties in region.

It is a paved two-way and 20-meter wide road with breakdown lanes on both sides; it features curves and ascending slope.

The above-mentioned characteristics refer to the area where the property is located.

1.3. ACCESS / TRANSPORT

Main access to region is provided by Engenheiro Paulo Nilo Romano (SP 225) and Doutor Américo Piva (SP 197) roads.

As far as mass transport is concerned, bus services run to and from neighboring counties.

1.4. TYPE OF OCCUPANCY

Occupancy features country houses and farms.

1.5. PUBLIC IMPROVEMENTS

Public improvements are as follows: light & power (medium & high tension), telephone system, post office and road maintenance.

2. SITE

2.1. DESCRIPTION OF SITE

In accordance with documentation provided by TONON and our local inspection, the site has the following characteristics:

. Registration	: 17.564	: 17.566
. Total Area	: 253.300,00 m ²	: 258.100,00 m ²
. Shape	: uneven	: uneven
. Topography	: bumpy	: bumpy
. Soil	: dry	: dry

. Total Area of Registrations	: 511.400,00 m ²

Note : Dimensions and areas shown above were based on the following documents:

- 1 - Registration # 17.564 issued by the Brotas Hall of Records - last update on July 19, 2013;
- 2 - Registration # 17.566 issued by the Brotas Hall of Records - last update on July 19, 2013;
- 3 - Plans.

3. DESCRIPTION OF BUILDINGS

At the site there are the following buildings:

BUILDING # 01: DRIVERS' REST PLACE

It is a one-level concrete building with brick façade and cement fiber roof supported by metal structure.

Rooms / Basic Finishing:

Room & Restroom:

Ceiling	: slab
Walls	: painted walls and wall tiles
Floor	: ceramic
Window sashes	: aluminum
Doors	: iron and wood

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 15 years
- **Headroom** : 2,80 m
- **Built Area** : 75,56 m²
- **Remaining Useful Life** : 45 years

BUILDING # 02: GUARD GATE # 2 / SHIPPING / SCALE

It is a one-level concrete building with brick façade and cement fiber roof supported by concrete structure.

Rooms / Basic Finishing:

Room & Restroom:

Ceiling	: PVC
Walls	: painted walls and wall tiles
Floor	: ceramic
Window sashes	: aluminum
Doors	: iron and wood

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 10 years
- **Headroom** : 2,80 m
- **Built Area** : 55,65 m²
- **Remaining Useful Life** : 50 years

BUILDING # 03: PCTS LAB / SCALE

It is a one-level concrete building with brick façade and cement fiber roof supported by concrete structure.

Rooms / Basic Finishing:

Room & Restroom:

Ceiling	: slab
Walls	: painted walls and wall tiles
Floor	: ceramic
Window sashes	: aluminum
Doors	: iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 10 years
- **Headroom** : 2,80 m
- **Built Area** : 41,80 m²
- **Remaining Useful Life** : 50 years

BUILDING # 04: SAMPLING PROBE

It is a one-level building with cement fiber roof supported by a concrete structure.

Rooms / Basic Finishing:

Room:

- Ceiling : no ceiling
- Walls : painted walls
- Floor : cement
- Window sashes : iron
- Doors : iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 10 years
- **Headroom** : 2,80 m
- **Built Area** : 78,00 m²
- **Remaining Useful Life** : 50 years

BUILDING # 05: FERTILIZER SHED

It is a one-level building with brick façade and cement fiber roof supported by a metal structure.

Rooms / Basic Finishing:

Warehouses & Restrooms:

Ceiling	: no ceiling
Walls	: painted walls and wall tiles
Floor	: cement and ceramic
Window sashes	: aluminum
Doors	: iron

- **Repair & Maintenance** : B: between new and fair
- **Estimated Age** : 5 years
- **Headroom** : 3,50 m
- **Built Area** : 814,46 m²
- **Remaining Useful Life** : 55 years

BUILDING # 06: SUPPORT TO THE FUEL STATION

It is a one-level building with painted façade and aluminum roof.

Rooms / Basic Finishing:

Rooms & Restrooms:

Ceiling	: slab
Walls	: painted walls and wall tiles
Floor	: ceramic
Window sashes	: iron
Doors	: iron

- **Repair & Maintenance** : A: new
- **Estimated Age** : 0 year
- **Headroom** : 2,80 m
- **Built Area** : 42,00 m²
- **Remaining Useful Life** : 60 years

BUILDING # 07: FUEL STATION SHELTER

It is a one-level shelter with aluminum roof.

- **Repair & Maintenance** : A: new
- **Estimated Age** : 0 year
- **Headroom** : 5,50 m
- **Built Area** : 200,00 m²
- **Remaining Useful Life** : 60 years

BUILDING # 08: CAFETERIA

It is a one-level concrete building with painted façade and aluminum roof.

Rooms / Basic Finishing:

Cafeteria, Kitchen, Storeroom, Rooms and Restrooms:

- Ceiling : slab and partly without ceiling
- Walls : painted walls and wall tiles
- Floor : ceramic
- Window sashes : aluminum
- Doors : aluminum

- **Repair & Maintenance** : A: new
- **Estimated Age** : 1 year
- **Headroom** : 2,80 m
- **Built Area** : 560,64 m²
- **Remaining Useful Life** : 59 years

BUILDING # 09: BANKING SERVICE

It is a one-level concrete building with painted façade and cement fiber roof supported by concrete structure.

Rooms / Basic Finishing:

Rooms:

- Ceiling : slab
- Walls : painted walls
- Floor : ceramic
- W : aluminum
- Doors : aluminum

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 10 years
- **Headroom** : 2,80 m
- **Built Area** : 18,00 m²
- **Remaining Useful Life** : 50 years

BUILDING # 10: HR, AGRICULTURE OFFICE, INFIRMARY

It is a one-level concrete building with painted façade and cement fiber roof supported by metal structure.

Rooms / Basic Finishing:

Rooms, Veranda and Restrooms:

Ceiling	: slab
Walls	: painted walls and wall tiles
Floor	: ceramic
Window sashes	: aluminum
Doors	: iron and wood

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 10 years
- **Headroom** : 2,80 m
- **Built Area** : 368,01 m²
- **Remaining Useful Life** : 50 years

BUILDING # 11: TOP MANAGEMENT AND ADMINISTRATION

It is a one-level concrete building with painted façade and cement fiber roof supported by metal structure.

Rooms / Basic Finishing:

Rooms, Hallway and Restrooms:

Ceiling	: slab
Walls	: painted walls and wall tiles
Floor	: ceramic
Window sashes	: aluminum
Doors	: iron and wood

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 10 years
- **Headroom** : 2,80 m
- **Built Area** : 388,95 m²
- **Remaining Useful Life** : 50 years

BUILDING # 12: LOCKER ROOM

It is a one-level concrete building with painted façade and cement fiber roof supported by metal structure.

Rooms / Basic Finishing:

Locker Room, Veranda and Restrooms:

- Ceiling : slab
- Walls : painted walls and wall tiles
- Floor : ceramic
- Window sashes : aluminum
- Doors : iron and wood

- **Repair & Maintenance** : B: between new and fair
- **Estimated Age** : 5 years
- **Headroom** : 2,80 m
- **Built Area** : 132,00 m²
- **Remaining Useful Life** : 55 years

BUILDING # 13: LAB, PLANT OFFICES

It is a two-story concrete building with painted/brick façade and cement fiber roof supported by metal structure.

Rooms / Basic Finishing:

Rooms, Balcony and Restrooms:

Ceiling	: slab, PVC
Walls	: painted walls and wall tiles
Floor	: ceramic
Window sashes	: aluminum
Doors	: iron and wood

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 15 years
- **Headroom** : 2,80 m
- **Built Area** : 349,94 m²
- **Remaining Useful Life** : 45 years

BUILDING # 14: CCM DISTILLERY

It is a one-level concrete building with painted façade and cement fiber roof supported by concrete structure.

Rooms / Basic Finishing :

Rooms:

Ceiling	: PVC
Walls	: painted walls
Floor	: cement
Window sashes	: iron
Doors	: Iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 15 years
- **Headroom** : 2,80 m
- **Built Area** : 55,90 m²
- **Remaining Useful Life** : 45 years

BUILDING # 15: SUGAR REFINERY

It is a one-level concrete building with aluminum/brick façade and aluminum roof supported by metal structure.

Rooms / Basic Finishing:

Rooms:

- Ceiling : no ceiling
- Walls : painted walls
- Floor : cement
- Window sashes : none
- Doors : iron

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 15 years
- **Headroom** : from 2,80 to 15,00 m
- **Built Area** : 470,35 m²
- **Remaining Useful Life** : 45 years

BUILDING # 16: SUGAR PLANT

It is a one-level concrete building with aluminum tile/brick façade and aluminum roof supported by metal structure.

Rooms / Basic Finishing:

Rooms:

Ceiling	: no ceiling
Walls	: painted walls
Floor	: cement
Window sashes	: none
Doors	: iron

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 15 years
- **Headroom** : from 2,80 to 15,00 m
- **Built Area** : 735,00 m²
- **Remaining Useful Life** : 45 years

BUILDING # 17: SYRUP EVAPORATION SYSTEM

It is a one-level shelter with aluminum tile roof supported by metal structure.

Rooms / Basic Finishing:

Rooms:

Ceiling	: no ceiling
Walls	: painted walls
Floor	: cement
Window sashes	: none
Doors	: iron

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 15 years
- **Headroom** : from 2,80 to 15,00 m
- **Built Area** : 377,36 m²
- **Remaining Useful Life** : 45 years

BUILDING # 18: COMPRESSOR ROOM

It is a one-level concrete building with brick façade and cement fiber roof supported by concrete structure.

Rooms / Basic Finishing:

Salas:

- Ceiling : PVC
- Walls : painted walls
- Floor : cement
- Window sashes : iron
- Doors : iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 15 years
- **Headroom** : 2,80 m
- **Built Area** : 59,40 m²
- **Remaining Useful Life** : 45 years

BUILDING # 19: TOOLING

It is a one-level concrete building with brick façade and cement fiber roof supported by concrete structure.

Rooms / Basic Finishing:

Rooms:

Ceiling	: PVC
Walls	: painted walls
Floor	: cement
Windows sashes	: iron
Doors	: iron

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 30 years
- **Headroom** : 2,80 m
- **Built Area** : 80,66 m²
- **Remaining Useful Life** : 30 years

BUILDING # 20: LIME WAREHOUSE

It is one-level concrete building with painted façade and aluminum tile roof supported by metal structure.

Rooms / Basic Finishing:

Rom:

Ceiling	: slab
Walls	: painted walls
Floor	: cement
Window sashes	: none
Doors	: none

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 30 years
- **Headroom** : 4,50 m
- **Built Area** : 53,35 m²
- **Remaining Useful Life** : 30 years

BUILDING # 21 : RESTROOM

It is a one-level concrete building with painted façade and slab roof.

Rooms / Basic Finishing:

Restroom:

- Ceiling : PVC
- Walls : painted walls
- Floor : ceramic
- Window sashes : iron
- Doors : iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 20 years
- **Headroom** : 2,80 m
- **Built Area** : 44,00 m²
- **Remaining Useful Life** : 40 years

Note : This construction is located inside the Machining building.

BUILDING # 22: MACHINING

It is a one-level concrete building with painted & aluminum tile façade and aluminum tile roof supported by metal structure.

Rooms / Basic Finishing:

Rooms:

Ceiling	: No ceiling
Walls	: painted walls
Floor	: cement
Window sashes	: iron
Doors	: iron

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 30 years
- **Headroom** : 5,50 m
- **Built Area** : 157,78 m²
- **Remaining Useful Life** : 30 years

BUILDING # 23: BOILER WORKSHOP

It is a one-level construction with aluminum tile roof supported by metal structure.

Ceiling	: no ceiling
Floor	: cement

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 25 years
- **Headroom** : 9,00 m
- **Built Area** : 984,72 m²
- **Remaining Useful Life** : 35 years

BUILDING # 24: NON-USED GRINDING MACHINES

It is a one-level construction with aluminum tile roof supported by metal structure.

Ceiling : no ceiling

Floor : cement

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 25 years
- **Headroom** : 9,00 m
- **Built Area** : 1.012,77 m²
- **Remaining Useful Life** : 35 years

BUILDING # 25: POWER STATION

It is a one-level concrete building with brick façade and cement fiber roof supported by metal structure.

Rooms / Basic Finishing:

Room:

Ceiling : slab

Walls : painted walls

Floor : cement

Window sashes : iron

Doors : iron

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 15 years
- **Headroom** : 6,00 m
- **Built Area** : 291,42 m²
- **Remaining Useful Life** : 45 years

BUILDING # 26: CONTROL ROOM

It is a two-story concrete building with brick façade and cement fiber roof supported by metal structure.

Rooms / Basic Finishing :

Rooms:

Ceiling	: slab
Walls	: painted walls
Floor	: ceramic
Window sashes	: iron
Doors	: iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 10 years
- **Headroom** : 2,80 m
- **Built Area** : 48,00 m²
- **Remaining Useful Life** : 50 years

BUILDING # 27: FIRE PUMP BUILDING

It is a one-level concrete building with painted façade and cement fiber roof supported by concrete structure.

Rooms / Basic Finishing :

Room:

Ceiling	: no ceiling
Walls	: painted walls
Floor	: cement
Window sashes	: iron
Doors	: iron

- **Repair & Maintenance** : B: between new and fair
- **Estimated Age** : 5 years
- **Headroom** : 4,50 m
- **Built Area** : 84,00 m²
- **Remaining Useful Life** : 55 years

BUILDING # 28: ROOM

It is a one-level concrete building with brick façade and slab roof.

Rooms / Basic Finishing:

Rooms:

- Ceiling : PVC
- Walls : painted walls
- Floor : cement
- Window sashes : iron
- Doors : iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 25 years
- **Headroom** : 2,80 m
- **Built Area** : 13,75 m²
- **Remaining Useful Life** : 35 years

BUILDING # 29: CCM BOILERS

It is a two-story concrete building with brick façade and cement fiber roof supported by concrete/metal structure.

Rooms / Basic Finishing:

Rooms:

Ceiling	: slab
Walls	: painted walls
Floor	: cement
Window sashes	: iron
Doors	: iron and aluminum

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 25 years
- **Headroom** : 2,80 m
- **Built Area** : 19,70 m²
- **Remaining Useful Life** : 35 years

BUILDING # 30: WATER CARE

It is a one-level concrete building with brick façade and cement fiber roof supported by metal structure.

Rooms / Basic Finishing:

Rooms:

Ceiling	: no ceiling
Walls	: painted walls
Floor	: cement
Window sashes	: iron
Doors	: iron

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 25 years
- **Headroom** : 4,50 m
- **Built Area** : 177,84 m²
- **Remaining Useful Life** : 35 years

BUILDING # 31: SUBSTATION, CCM GRINDING EQUIPMENT

It is a two-story concrete building with painted façade and cement fiber roof supported by concrete structure.

Rooms / Basic Finishing:

Rooms:

- Ceiling : PVC
- Walls : painted walls
- Floor : cement and ceramic
- Window sashes : aluminum
- Doors : iron

- **Repair & Maintenance** : B: between new and fair
- **Estimated Age** : 5 years
- **Headroom** : 3,00 m
- **Built Area** : 175,00 m²
- **Remaining Useful Life** : 55 years

BUILDING # 32: GRINDING EQUIPMENT

It is a one-level concrete building with painted façade and cement fiber rook supported by concrete structure.

Rooms / Basic Finishing:

Rooms:

Ceiling	: no ceiling, slab
Walls	: painted walls
Floor	: cement
Window sashes	: none
Doors	: none

- **Repair & Maintenance** : B: between new and fair
- **Estimated Age** : 5 years
- **Headroom** : 2,80 a 9,00 m
- **Built Area** : 3.453,28 m²
- **Remaining Useful Life** : 55 years

BUILDING # 33: CCM GRINDING EQUIPMENT

It is a one-level concrete building with painted façade and cement fiber roof supported by concrete structure.

Rooms / Basic Finishing:

Rooms:

Ceiling	: no ceiling
Walls	: painted walls
Floor	: cement
Window sashes	: iron
Doors	: iron

- **Repair & Maintenance** : B: between new and fair
- **Estimated Age** : 5 years
- **Headroom** : 2,80 m
- **Built Area** : 96,00 m²
- **Remaining Useful Life** : 55 years

BUILDING # 34: SUGAR WAREHOUSE # 1

It is a one-level concrete building with painted walls and aluminum tile roof supported by metal structure.

Rooms / Basic Finishing:

Warehouse:

- Ceiling : no ceiling
- Walls : painted walls
- Floor : cement
- Window sashes : iron
- Doors : iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 5 years
- **Headroom** : 9,00 m
- **Built Area** : 860,00 m²
- **Remaining Useful Life** : 55 years

BUILDING # 35: SUGAR WAREHOUSE # 2

It is a one-level concrete building with painted walls and aluminum tile roof supported by metal structure.

Rooms / Basic Finishing:

Warehouse:

Ceiling	: no ceiling
Walls	: painted walls
Floor	: cement
Window sashes	: iron
Doors	: iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 5 years
- **Headroom** : 9,00 m
- **Built Area** : 3.336,00 m²
- **Remaining Useful Life** : 55 years

BUILDING # 36: SUGAR WAREHOUSE # 3

It is a one-level concrete building with painted façade and aluminum tile roof supported by metal structure.

Rooms / Basic Finishing:

Warehouse:

Ceiling	: no ceiling
Walls	: painted walls
Floor	: cement
Window sashes	: iron
Doors	: iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 5 years
- **Headroom** : 9,00 m
- **Built Area** : 1.531,00 m²
- **Remaining Useful Life** : 55 years

BUILDING # 37: WORKSHOP

It is a one-level concrete building with painted façade and aluminum tile roof supported by metal structure.

Rooms / Basic Finishing:

Workshop:

- Ceiling : no ceiling
- Walls : painted walls
- Floor : cement
- Window sashes : iron
- Doors : iron

- **Repair & Maintenance** : D: between fair and minor repairs
- **Estimated Age** : 30 years
- **Headroom** : 4,50 m
- **Built Area** : 1.732,31 m²
- **Remaining Useful Life** : 30 years

BUILDING # 38: WORKSHOP SHED

It is a one-level concrete building with painted façade and aluminum tile roof supported by metal structure.

Rooms / Basic Finishing:

Workshop, Rooms:

Ceiling	: none
Walls	: painted walls
Floor	: cement
Window sashes	: iron
Doors	: iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 10 years
- **Headroom** : 2,80 and 4,50 m
- **Built Area** : 989,32 m²
- **Remaining Useful Life** : 50 years

BUILDING # 39: LUBRIFICATION & WASHING

It is a one-level concrete building with painted façade and cement fiber roof supported by concrete structure.

Rooms / Basic Finishing:

Rooms:

Ceiling	: none
Walls	: painted walls
Floor	: cement
Window sashes	: none
Doors	: none

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 10 years
- **Headroom** : 3,50 m
- **Built Area** : 131,60 m²
- **Remaining Useful Life** : 50 years

BUILDING # 40: WATCHMAN SHACK OF WORKSHOP

It is a one-level concrete building with painted façade and cement fiber roof supported by metal structure.

Rooms / Basic Finishing:

Room and Veranda:

- Ceiling : none
- Walls : painted walls
- Floor : Cement
- Window sashes : aluminum
- Doors : iron

- **Repair & Maintenance** : B: between new and fair
- **Estimated Age** : 5 years
- **Headroom** : 2,80 m
- **Built Area** : 12,25 m²
- **Remaining Useful Life** : 55 years

BUILDING # 41: KIOSK

It is a wooden shelter.

Ceiling : none
Floor : cement

- **Repair & Maintenance** : A: new
- **Estimated Age** : 1 year
- **Headroom** : 2,80 m
- **Built Area** : 13,85 m²
- **Remaining Useful Life** : 59 years

BUILDING # 42: GAS CENTER

It is a one-level concrete building with aluminum doors, iron gate and slab cover.

Ceiling : none
Walls : painted walls
Floor : cement
Doors : iron

- **Repair & Maintenance** : A: new
- **Estimated Age** : 1 year
- **Headroom** : 2,00 m
- **Built Area** : 1,50 m²
- **Remaining Useful Life** : 59 years

BUILDING # 43: FUEL STATION

It is a one-level concrete building with painted façade and aluminum tile roof supported by metal structure.

Rooms / Basic Finishing:

Rooms and Restrooms:

Ceiling	: slab
Walls	: painted walls and wall tiles
Floor	: ceramic
Window sashes	: iron
Doors	: iron

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 25 years
- **Headroom** : 2,80 m
- **Built Area** : 70,00 m²
- **Remaining Useful Life** : 35 years

BUILDING # 44: SHELTER OF FUEL STATION

It is a shelter.

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 25 years
- **Headroom** : 5,50 m
- **Built Area** : 222,64 m²
- **Remaining Useful Life** : 35 years

BUILDING # 45: SCALES

There are three road scales, each 3-meter wide and 18.58-meter long.

- **Repair & Maintenance** : C: fair
- **Estimated Age** : 10 years
- **Concrete Volume** : 16,65 m³
- **Remaining Useful Life** : 50 years

Note : The above-mentioned areas were obtained from plans provided by TONON and based on local inspection.

III. APPRAISAL

1. MARKET VALUE OF SITE

In order to determine the basic unit market value of site we have surveyed the local real estate market and compared the site with other similar properties in region for sale or already sold, taking into consideration the specific characteristics of the site appraised.

After analyzing data gathered and disregarding existing discrepancies, we have arrived at the following value for payment at sight:

. Basic Unit Value	: R\$ 5,16 /m ²
. Area of Site	: 511.400,00 m ²
. Market Value of Site	: R\$ 2.638.824,00

2. MARKET VALUE OF BUILDINGS

In order to ascertain the market value of buildings we took into consideration materials used, construction standards and specific characteristics.

ITEM	DESCRIPTION	Est. Age	Useful Life	Rem. Useful Life	Area (m²)	New Unit Value R\$/m² (R\$N)	% Age of Life	Maint & Repair Cond.	Depr. Coef.	Depr. Unit Value R\$/m²	Residual Value	GRAND TOTAL R\$
1	Drivers' rest place	15	60	45	75,56	980,00	25%	D	0,751	735,98	11.122,20	55.611,00
2	ISB #2, Shipping, Scale	10	60	50	55,65	980,00	17%	C	0,878	880,44	9.575,60	47.883,00
3	PCTS Lab, Scale	10	60	50	41,00	980,00	17%	C	0,878	880,44	7.183,20	35.966,00
4	Sampling Probe	10	60	50	70,00	980,00	17%	C	0,878	880,44	13.422,00	67.114,00
5	Fertilizer Shed	5	60	55	814,46	590,00	9%	B	0,957	564,63	91.973,00	459.069,00
6	Support to fuel station	0	60	60	42,00	980,00	0%	A	1,000	980,00	9.232,00	41.160,00
7	Fuel station shelter	0	60	60	200,00	200,00	0%	A	1,000	200,00	8.000,00	40.000,00
8	Cafeteria	1	60	59	560,64	1.350,00	2%	A	0,990	1.336,50	149.859,00	749.295,00
9	Banking services	10	60	50	10,00	1.100,00	17%	C	0,878	1.036,04	3.728,80	18.649,00
10	HR, Agriculture Offices, Infirmary	10	60	50	366,01	1.350,00	17%	C	0,878	1.185,20	97.240,40	436.202,00
11	Top Mgt. & Adm. Offices	10	60	50	300,95	1.350,00	17%	C	0,878	1.185,20	92.204,40	461.022,00
12	Locker room	5	60	55	132,00	1.350,00	9%	B	0,957	1.201,95	34.107,40	170.537,00
13	Lab., Plant offices	15	60	45	349,94	1.350,00	25%	C	0,823	1.111,05	77.760,20	398.901,00
14	CCM Distillery	15	60	45	55,90	590,00	25%	C	0,823	485,57	5.428,60	27.143,00
15	Sugar Refinery	15	60	45	470,35	1.080,00	25%	D	0,751	811,08	76.298,20	381.491,00
16	Sugar Plant	15	60	45	735,00	1.080,00	25%	D	0,751	811,08	119.228,60	596.144,00
17	Syrup Evaporation System	15	60	45	377,36	200,00	25%	D	0,751	150,20	11.335,60	56.679,00
18	Compressor room	15	60	45	59,40	590,00	25%	C	0,823	465,57	5.760,00	20.040,00
19	Tooling	30	60	30	80,88	400,00	50%	D	0,574	229,60	3.704,00	18.520,00
20	Lime warehouse	30	60	30	53,35	790,00	50%	D	0,574	453,46	4.838,40	24.792,00
21	Restroom	20	60	40	44,00	1.180,00	33%	C	0,761	897,98	7.902,20	39.511,00
22	Machining	30	60	30	157,70	790,00	50%	D	0,574	447,72	14.128,20	70.641,00
23	Boiler workshop	25	60	35	984,72	200,00	42%	D	0,645	129,00	25.405,00	127.029,00
24	Non-used grinding equipment	25	60	35	1.012,77	200,00	42%	D	0,645	129,00	26.129,40	130.647,00
25	Power station	15	60	45	291,42	790,00	25%	D	0,751	530,20	34.570,40	172.037,00
26	Control room *	10	60	50	48,00	790,00	17%	C	0,878	699,62	6.658,80	33.294,00
27	Fire Pump room	5	60	55	84,00	590,00	9%	B	0,957	564,63	9.485,80	47.429,00
28	Room *	25	60	35	13,75	790,00	42%	C	0,684	540,36	1.486,00	7.430,00
29	CCM Boiler	25	60	35	19,70	790,00	42%	C	0,684	540,36	2.128,00	10.645,00
30	Water Care	25	60	35	177,04	590,00	42%	D	0,645	380,55	13.535,40	67.677,00
31	Substation, CCM Grinding	5	60	55	175,00	1.080,00	9%	B	0,957	1.033,56	36.174,60	100.073,00
32	Grinding equipment	5	60	55	3.453,28	490,00	8%	B	0,957	469,99	323.969,40	1.619.347,00
33	CCM Grinding equipment	5	60	55	96,00	1.080,00	8%	B	0,957	1.033,56	19.844,40	99.222,00
34	Sugar warehouse # 1	5	60	55	860,00	1.080,00	8%	C	0,933	1.007,64	173.314,00	866.570,00
35	Sugar warehouse # 2	5	60	55	3.336,00	1.080,00	0%	C	0,933	1.007,64	672.297,40	3.361.487,00
36	Sugar warehouse # 3	5	60	55	1.531,00	1.080,00	0%	C	0,933	1.007,64	308.539,40	1.542.697,00
37	Workshop	30	60	30	1.732,31	790,00	50%	D	0,574	447,72	155.110,00	775.590,00
38	Workshop Shed	10	60	50	989,32	790,00	17%	C	0,878	699,62	135.505,20	677.526,00
39	Lubrication and Washing	10	60	50	131,60	790,00	17%	C	0,878	699,62	18.256,00	91.280,00
40	Workshop guard shack *	5	60	55	12,25	980,00	8%	B	0,957	937,86	2.297,80	11.489,00
41	Kiosk *	1	60	59	13,05	150,00	2%	A	0,990	148,50	411,40	2.057,00
42	Gas Center *	1	60	59	1,50	290,00	2%	A	0,990	287,10	86,20	431,00
43	Fuel Station *	25	60	35	70,00	980,00	42%	C	0,684	670,32	9.304,40	46.922,00
44	Fuel Station Shelter	25	60	35	222,64	200,00	42%	C	0,684	136,80	6.091,40	30.457,00
45	Scales *	10	60	50	16,85	1.220,00	17%	C	0,878	1.071,16	3.567,00	17.935,00
GRAND TOTAL					20.415,76	m²					R\$ 2.827.220,80	14.136.104,00
* Estimated areas.												

3. SUMMARY OF VALUES

3.1. MARKET VALUE OF PROPERTY

We have arrived at the market value of property by adding the values of site and buildings.

. Market Value of Site	: R\$ 2.638.824,00
. Market Value of Buildings	: R\$ 14.136.104,00
. Market Value of Property	: R\$ 16.774.928,00
. Grand Total	: R\$ 16.775.000,00

IV. METHODOLOGY

This appraisal was based on the methods set forth in NBR 14.653-1/01 and 14.653-3/04 of ABNT - (Brazilian Association of Technical Standards and/or the standards of IBAPE - Brazilian Institute of Appraisals and Engineering Inspections).

1. SITE:

In order to fulfill the purposes of this appraisal, the work was carried out as follows:

MARKET SURVEY:

In order to determine the market value and taking into consideration the type of the property being appraised, as well as reliable data available, we used the "Evolution Method" that features surveys in the real estate market, where we selected offers and sales in the same segment, as well as similar properties in the region.

SPECIFIC INQUIRIES:

We consulted with realtors who do business in the region where the property is located, whose opinions and comments were very useful to substantiate the outcome of this appraisal.

2. CONSTRUCTION:

In order to ascertain the construction worth, we used the "Reproduction Cost Method" that features weighing of March, 2014 basic unit values and multiples of housing unit costs shown in the table that is monthly published by the São Paulo Construction Industry Association; depreciation, maintenance & repair conditions of the referred to property were taken into consideration.

V. CRITERION

In this appraisal, we have determined the Market Value criterion as follows:

1. MARKET VALUE

It is the most probable amount that a given asset will get on a certain date, in accordance with the market terms in force.

VI. DATA HANDLING - FACTORS USED

UNIT VALUE: In order to arrive at unit values, we divided the total price by the respective comparison area.

OFFER FACTOR: A 10% reduction of the price offered will be used, taking into consideration final negotiation.

TRANSPOSING: The comparison elements were not transposed based on tax data, due to the fact that such data don't reflect the local real estate market condition. Therefore, the transpose we used in this appraisal was based on the scale of values shown below, duly adjusted to the site appraised.

The referred to factor is kept within the limits of the impact that the site or location will have on the property's value.

The factor is calculated as follows:

$$F_t = 1 + [(I_{la} - I_{lc}) / I_{lc}] \times P_t$$

Where:

F_t = Transposing factor

I_{la} = Local index of the property appraised

I_{lc} = Local index of the property used for comparison purposes

P_t = Share of location in the property's worth

SCALE OF VALUES USED:

1. CUMULATIVE INDEXES (SUM = 100)

A. TRAFFICABILITY = 20

B. PAVING

Asphalt	= 17
Cobblestone	= 16
Gravel or stone	= 8
Compacted earth	= 5

C. MASS TRANSPORT

Up to 100 m	= 15
From 100 to 300 m	= 10
From 300 to 500 m	= 5
Over 500 m	= 0

D. HOME LIGHT & POWER = 13

E. WATER = 11

F. PUBLIC LIGHT & POWER = 7

G. STREET WIDTH

Over 20 m	= 5
From 10 to 20 m	= 3
Up to 10 m	= 1
Squares	= 5

H. SLIDE BARS & GUTTERS = 5

I. SEWERAGE SYSTEM = 4

J. TELEPHONE SYSTEM = 2

L. GÁS SYSTEM = 1

2. MULTIPLYING INDEXES

A. CONSTRUCTION DENSITY

From 100% to 70%	= 1,00
From 70% to 40%	= 0,95
Below 40%	= 0,90

B. ECONOMIC CLASS

High	= 1,50 - 2,00
Middle/high	= 1,25 - 1,50
Middle	= 1,00 - 1,25
Middle/low	= 0,85 - 1,00
Low	= 0,70 - 0,85

C. BUSINESS FACTOR

High	= 1,00
Medium/high	= 0,85
Medium	= 0,70
Medium/low	= 0,60
Low	= 0,50

TOPOGRAPHY FACTOR :

Flat	= 1,00
Uneven	= 0,90
Highlands	= 0,80

AREA FACTOR:

Up to 2,000 m ²	= 1,00
From 2,001 m ² to 50,000 m ²	= 0,90
From 20,001 m ² to 50,000 m ²	= 0,85
From 50,001 m ² to 100,000 m ²	= 0,80
From 100,001 m ² to 150,000 m ²	= 0,75
From 150,001 m ² to 200,000 m ²	= 0,70
From 200,001 m ² to 300,000 m ²	= 0,65
From 300,001 m ² to 500,000 m ²	= 0,60
From 500,001 m ² to 750,000 m ²	= 0,55
From 750,001 m ² to 1,000,000 m ²	= 0,50
Over 1,000,001 m ²	= 0,40

HOMOGENIZING FORMULA: In order to make calculation easier, we have input the above-mentioned factors into the following formula:

$$V = (PC / S) \times Fo \times [(Fta / Ftc) + (Ftopa / Ftopc) + (Fga / Fgc) - \text{number of factors} + 1]$$

WHERE:

- V = Comparison value
- Pc = Purchase price
- Fo = Offer factor
- S = Área of comparison element
- Ft = Transposing factor (appraisal and comparison elements)
- Ftop = Topography factor (appraisal and comparison elements)
- Fg = Area factor (appraisal and comparison elements)

STATISTICS: APPRAISAL has carried out the statistical analysis and required adjustment by using a 30% range (limit determined by the “Standards”) and disregarding the off-limits elements.

VII. WRAP UP

1. PROPERTY'S TOTAL MARKET VALUE

In accordance with the aforementioned and attachments, the property owned by **PARAÍSO BIOENERGIA S/A**, located at Rodovia Doutor Américo Paiva (SP 197), km 7, Rural Zone of the County of Brotas, State of São Paulo, with a land area of 511,400 m² and a construction area of 20,415.76 m², is herein appraised at a Market Value of R\$ 16,775,000.00 (sixteen million, seven hundred seventy-five thousand Reals), assuming the property is free of any lien, ownership, domain, mortgage and condemnation and for the specific purpose this appraisal was carried out.



VIII. PHOTOS



RODOVIA DOUTOR AMÉRICO PIVA (SP 197)



ACCESS TO PROPERTY



PARKING



GUARD GATE # 1 – HR / AGRICULTURE OFFICES / INFIRMARY



HR / AGRICULTURE OFFICES / INFIRMARY



TOP MANAGEMENT & ADMINISTRATION



LOCKER ROOM



BANKING SERVICES



NON-USED FUEL STATION



GUARD HOUSE # 2/SHIPPING/SCALES



CAFETERIA



KIOSK



GAS CENTER



PCTS LAB / SCALE



SAMPLING PROBE



FERTILIZER SHED



FUEL STATION



SUPPORT TO FUEL STATION



LAB/ PLANT OFFICES



CCM DISTILLERY



SUGAR REFINERY



SUGAR PLANT



COMPRESSOR ROOM



TOOLING



LIME WAREHOUSE



RESTROOM & MACHINING



BOILER WORKSHOP



NON-USED GRINDING EQUIPMENT



SYRUP EVAPORATION SYSTEM



POWER STATION



CONTROL ROOM



FIRE PUMP ROOM



ROOM



CCM BOILER



WATER CARE



CONTROL / NON-USED GRINDING EQUIPMENT



CCM STATION & GRINDING EQUIPMENT



CCM GRINDING EQUIPMENT



CCM GRINDING SUBSTATION



SUGAR WAREHOUSE # 1



SUGAR WAREHOUSES # 1 & 3



SUGAR WAREHOUSE # 2



SUGAR PLANT & SUGAR WAREHOUSE # 2



WORKSHOP



WORKSHOP



WORKSHOP SHED



LUBRIFICATION & WASHING



DRIVERS' REST PLACE



LOCKER ROOM



REFINERY



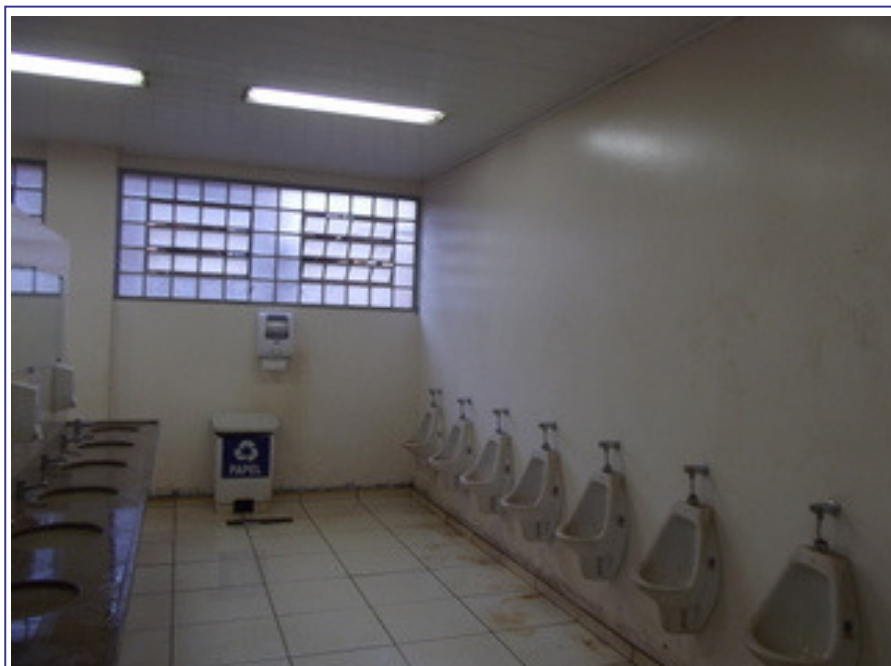
LAB



CCM DISTILLERY



PLANT OFFICES



RESTROOM



MACHINING



SUGAR WAREHOUSE # 2



SUGAR WAREHOUSE # 3



SUGAR WAREHOUSE # 1



GRINDING



SUBSTATION / CCM GRINDING



WORKSHOP



WORKSHOP SHED



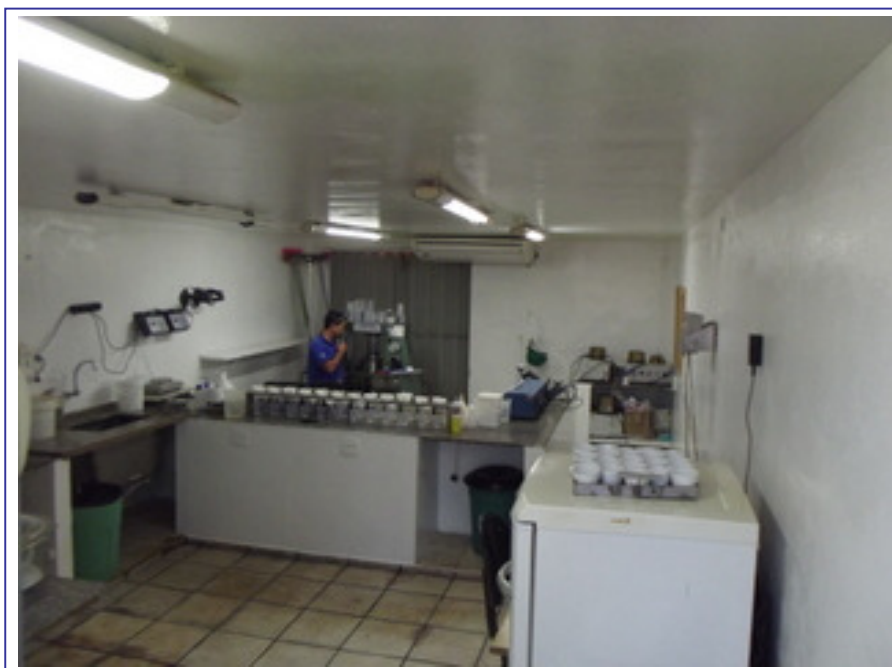
CAFETERIA



CAFETERIA'S KITCHEN



SAMPLING PROBE



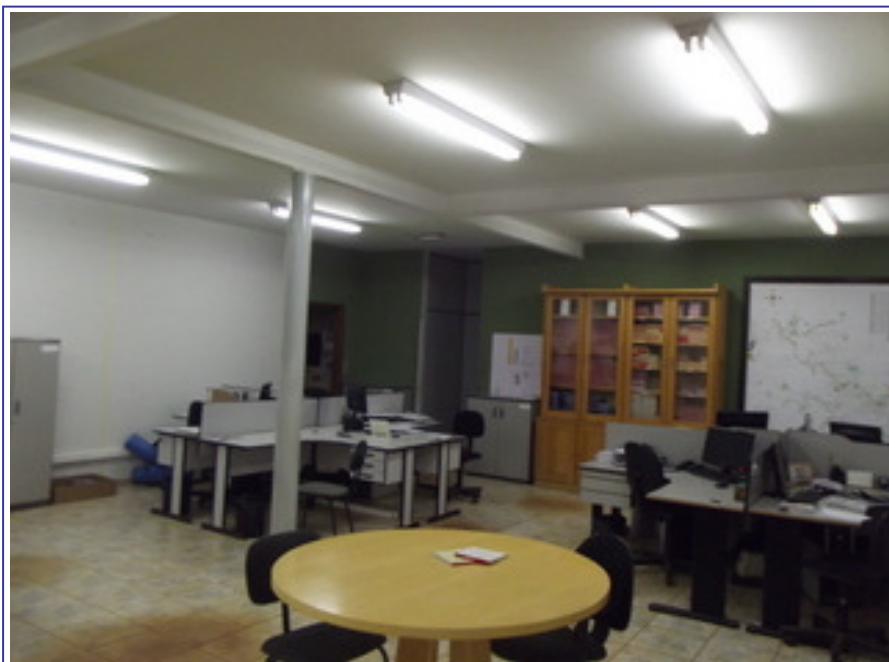
PCTS LAB



SCALE ROOM



CAFETERIA



AGRICULTURE OFFICES



LOCKER ROOM



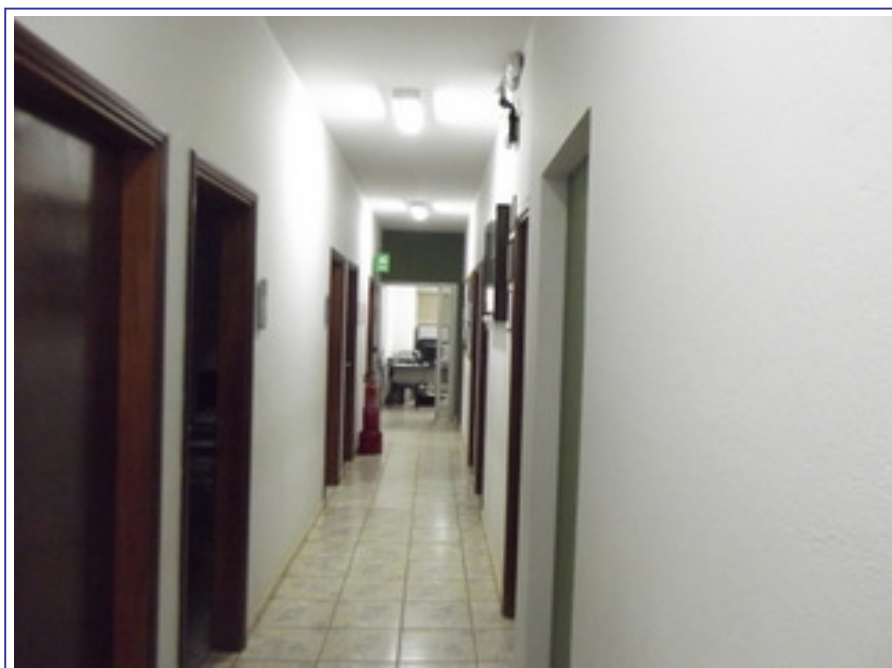
TOP MANAGEMENT & ADMINISTRATION



ROOM IN ADMINISTRATION OFFICES



MEETING ROOM



HALLWAY / TOP MANAGEMENT & ADM.



SCALE



SCALE

IX. LOCATION



X. SURVEY CARDS

LAND SURVEY CARD # 01

.State	: São Paulo
.County	: Brotas
.Address	: Brotas-Charqueada Road
.Zone	: Rural
.Index Used	: 43,65
.Total Area	: 314.600,00 m ²
.Improvements	: Light & power
.Topography	: Bumpy
.Remark	: 13 km from Brotas, in Patrimônio.
.Offer	: R\$ 1.350.000,00
.Information Source	: Casas e Chácaras Imóveis
	Ms. Ana - (0xx14) 3653-5948
.Calculation of unit price at sight for	: March, 2014
$.R\$ 1.350.000,00 \times 0,90 / 314.600,00 \text{ m}^2 = R\$ 3,86 / \text{m}^2$	
Surveyor	: W.F.B.

LAND SURVEY CARD # 02

.State	: São Paulo
.County	: Brotas
.Address	: Rodovia Engenheiro Paulo Nilo Romano (SP 225 / BR 369)
.Zone	: Rural
.Index Used	: 62,37
.Total Area	: 72.600,00 m ²
.Improvements	: Light & power
.Topography	: Bumpy
.Remark	: 4 km from Brotas, towards Itirapina.
.Offer	: R\$ 645.000,00
.Information Source	: Realtor
	Mr. Ernesto - (0xx14) 3653-1555 / 98172-6594
.Calculation of unit price at sight for	: March, 2014
.R\$ 645.000,00 x 0,90 / 72.600,00 m ² = R\$ 8,00 /m ²	
Surveyor	: W.F.B.

LAND SURVEY CARD # 03

.State	:	São Paulo
.County	:	Brotas
.Address	:	Rodovia Engenheiro Paulo Nilo Romano (SP 225 / BR 369)
.Zone	:	Rural
.Index Used	:	62,37
.Total Area	:	36.300,00 m ²
.Improvements	:	Light & power
.Topography	:	Bumpy
.Remark	:	15 km from Brotas, towards Itirapina. With pond, fishing and house = R\$ 200.000,00.
.Offer	:	R\$ 500.000,00
.Information Source	:	Realtor Mr. Ernesto - (0xx14) 3653-1555 / 98172-6594
.Calculation of unit price at sight for	:	March, 2014
$.(R\$ 500.000,00 \times 0,90 - R\$ 200.000,00) / 36.300,00 \text{ m}^2 = R\$ 6,89 / \text{m}^2$		
Surveyor	:	W.F.B.

LAND SURVEY CARD # 04

.State	: São Paulo
.County	: Torrinha
.Address	: Rodovia Doutor Américo Piva (SP 197)
.Zone	: Rural
.Index Use	: 62,37
.Total Area	: 25.000,00 m ²
.Improvements	: Light & power
.Topography	: Bumpy
.Remark	: 18 km from Brotas, towards Torrinha. Main house, houses and pond = R\$ 300.000,00.
.Offer	: R\$ 600.000,00
.Information Source	: Owner
	Mr. Rodolfo - (0xx14) 3656-1448
.Calculation of unit price at sight for	: March, 2014
.(R\$ 600.000,00 x 0,90 - R\$ 300.000,00) / 25.000,00 m ² = R\$ 9,60 /m ²	
Surveyor	: W.F.B.

LAND SURVEY CARD # 05

.State	: São Paulo
.County	: Brotas
.Address	: Rodovia Engenheiro Paulo Nilo Romano (SP 225 / BR 369)
.Zone	: Rural
.Index Used	: 62,37
.Total Area	: 121.000,00 m ²
.Improvements	: Light & power
.Topography	: Bumpy
.Remark	: 15 km from Brotas, towards Jaú. Pousada, 8 bangaloes, pool, house of caretaker, shed = R\$ 1.500.000,00.
.Offer	: R\$ 3.000.000,00
.Information Source	: Imobiliária Camargo Cardoso SM. Frederico Filho - (0xx14) 3653-1442 / 98157-8155
.Calculation of unit price at sight for	: March, 2014
.(R\$ 3.000.000,00 x 0,90 - R\$ 1.500.000,00) / 121.000,00 m ² = R\$ 9,92 /m ²	
Surveyor	: W.F.B.

LAND SURVEY CARD # 06

.State	: São Paulo
.County	: Brotas
.Address	: Rodovia Engenheiro Paulo Nilo Romano (SP 225 / BR 369)
.Zone	: Rural
.Index Used	: 62,37
.Total Area	: 72.600,00 m ²
.improvements	: Light & power
.Topography	: Bumpy
.Observação	: 2 km from Brotas, towards Itirapina.
.Offer	: R\$ 660.000,00
.Information Source	: Imobiliária Camargo Cardoso Mr. Frederico Filho - (0xx14) 3653-1442 / 98157-8155
.Calculation of unit price at sight for	: March, 2014
.R\$ 660.000,00 x 0,90 / 72.600,00 m ² = R\$ 8,18 /m ²	
Surveyor	: W.F.B.

XI. ATTACHMENT - SPREADSHEETS

XII. DOCUMENTATION

APPRAISAL REPORT

REQUESTED BY : TONON BIOENERGIA S/A.

OWNER : TONON BIOENERGIA S/A. – USINA PARAÍSO BIOENERGIA

LOCATION OF ASSETS : RODOVIA BROTAS/ TORRINHA, KM 7,5, S/N.º, FAZENDA PARAÍSO,
ZONA RURAL

COUNTY : BROTAS

STATE : SÃO PAULO

TYPE OF ASSETS : HAVERTERS, TRACTORS AND LOADERS, TOOLS & ACESSORIES,
FACILITIES, MACHINERY & EQUIPMENT, HEAVY DUTY VEHICLES &
TRUCKS

PURPOSE OF APPRAISAL : TO DETERMINE THE USE VALUE

APPRAISAL # : M-3.543/9 – P/12.665/1/14

BASE DATE : MARCH 26, 2014

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1. FOREWORD

An appraisal is based on rules, standards and publications of ABNT – Brazilian Association of Technical Standards, IBAPE – Brazilian Institute of Appraisals and Engineering Inspections and CVM – Securities Commission, besides own **APPRAISAL** methodology based on generally accepted principles.

The steps to carry out an appraisal are as follows:

- Inspection of machinery, equipment and facilities;
- Calculation of the replacement cost;
- Total useful life;
- Remaining useful life;
- Calculation of market value, use, insurance and liquidation;

2. INSPECTION OF MACHINERY, EQUIPMENT AND FACILITIES

After checking both the layout and production flow chart, we carry out a local inspection to ascertain the following:

- If the asset matches its description and features;
- Maintenance;
- Maintenance & repair conditions;
- Work conditions.

Each asset is individually inspected and we take into consideration all parts required to operate such asset, as it is the case of panels, engine, devices, platform, etc., provided they are directly related to such asset.

Equipment or parts that is hard to inspect due to difficult access or process, such as small valves, relays, wiring, parts of a reactor, etc., are deemed as inspected upon inspection of the area where they are located.

Check of information or assuming that the lack of such part would hamper the performance of the equipment substantiates this. Additional information on equipment features, power supply and piping are taken from drawings provided by the Engineering Department of the company.

As per Law 11.638/07, we do not appraise assets that are about to be removed from production, because they are no longer able to generate funds for the company.

Based on information provided by Maintenance and Production and gathered during inspection, we develop the Inspection Report rating preventive/corrective maintenance and conditions (excellent, good, acceptable, poor and very poor).

3. CALCULATION OF REPLACEMENT COST

Replacement cost is the actual cost to replace a given asset with the same features, taking into consideration the direct and indirect costs to install/erect the equipment.

Based on quotations, catalogues or price lists requested from suppliers, we ascertain the worth of a new machine or equipment plus the corresponding IPI (Excise Tax), if any. If a given machine or equipment is no longer manufactured, we use a similar one as a basis.

With respect to imported machines/equipment for which there are similar ones manufactured in Brazil, we use the local machines/equipment as a basis.

If no similar machine/equipment is manufactured in Brazil, we ascertain the FOB value in the country of origin or based on a copy of the import license. The CIF amount encompasses cost, insurance, freight and custom duties. Based on TAB (Brazilian Custom Tariff), we add the corresponding import duty and IPI (Excise Tax). We arrive at the ICMS (Value-added Tax) amount by adding CIF, import duty and IPI.

As far as incentive areas are concerned, we take into consideration the lower taxes applicable to each asset.

Due to the fact that APPRAISAL has been rendering services to major industrial companies, it was able to set up an outstanding magnetic file that encompasses prices of a myriad of machines and equipment. Such prices are updated on the date of appraisal, based on their respective Brazilian price index published by the “Conjuntura Econômica” magazine of the Getúlio Vargas Foundation. It is worth mentioning that all information gathered during the appraisal process is confidential and filed in our offices. Such information is only made available to the company by means of a written request and delivered to a duly authorized individual appointed by the company.

Once the price of a new machine/equipment is determined, we arrive at the corresponding replacement value by taking into consideration the direct and indirect costs to be incurred with the setup/erection of the machine/equipment.

The above-mentioned costs are translated into a percentage of the new machine/equipment, thus reflecting freight, insurance, materials, erection, engineering, etc. required to install the machine/equipment.

We do not take into consideration the setup/installation costs, in the event the appraisal is required for alienation, sale or realization of assets.

4. ASCERTAINING OF TOTAL USEFUL LIFE

The useful life of machines and equipment is estimated based on technical, physical, economic and obsolescence factors, as follows:

- Table IV – “Useful Life for Calculation of Technical Depreciation” published in the book “Engenharia de Avaliações” (Appraisal Engineering), Editora Pini. Such table was originally published in the book “Perry Chemical Handbook”, 3rd edition, page 1822.
- Table V – “Classification of Assets and Depreciation (Useful Life)” published in the book “Engenharia de Avaliações” (Appraisal Engineering). Such table was originally published in the book “Asset Guideline Classes, and Periods, Asset Depreciation Range” - T.I.R., 1088 of June 1971.
- The table “Useful Life of Machines and Equipment” presented by Mr. Victor Carlos Fillinger at the IX Pan-American Congress of Appraisals held in São Paulo in August, 1979.

Besides the above-mentioned procedures to determine the useful life of machines and equipment, APPRAISAL will also estimate the useful life of those machines and equipment that do not fit into the aforementioned tables.

5. ASCERTAINING OF REMAINING USEFUL LIFE

The remaining useful life is the estimated number of years that a given asset will generate funds for the company.

The total useful life of an asset also contemplates the obsolescence degree over the year. The remaining useful life is estimated by subtracting the total useful life from the number of years of use.

As a rule of thumb, we do not use any index to offset the natural tear and wear of machines and equipment if, during local inspection, we find that they are in good maintenance/repair and work conditions. If this is not the case, the unsatisfactory condition is translated into a percentage of the total useful life, thus resulting in the remaining useful life (% rem).

This ratio is not a straight-line one, i.e. taking into consideration the number of years and total useful life of an asset, but it will depend on the conditions of such asset.

Overhauls and modifications aiming at increasing productivity such as replacement of parts are examples that the useful life of a given asset can be extended. On the other hand, excessive tear and wear and poor maintenance will result in a shorter useful life.

6. CALCULATION OF INSURANCE, MARKET & USE VALUE

IBRACON sets forth that an appraisal aims at appraising assets based on their use value or their use value in their present conditions. Therefore, the opening value shall be the current replacement cost, taking into consideration the physical and technical tear and wear of the asset, as well as its use value for the company.

In order to arrive at the use value, the “physical tear and wear” is taken into consideration in the “Remaining Useful Life”, while the “technical wear”, i.e. obsolescence, is taken into consideration in the “Total Useful Life”. The “current replacement cost” is determined in “Calculation of Replacement Value”.

The remaining useful life/total useful life quotient multiplied by the replacement value will result in the use value.

This concept is adequate for insurance purposes, because in this case the assets will not be sold. Therefore, the amount to be insured is the use value of a given asset, taking into consideration the risk area where the asset is located.

In appraisals aiming at selling or alienating a company, we take into consideration all of its assets. The market value of the asset results from the corresponding use value.

If the purpose of the appraisal is the market value for sale or alienation of individual assets, we use the aforementioned methodology, but we do not include in the replacement value the costs to be incurred to install an asset. For each asset to be appraised, we carry out a market survey and weigh the average based on the outcome of the local inspection.

7. WRAP UP

Local inspection carried out by **APPRAISAL** showed that assets are in excellent maintenance & repair and work conditions and can be easily marketed. Remaining useful life of each asset was calculated based on apparent age and/or acquisition.

II. SUMMARY OF VALUES

LOCATION	USE VALUE (R\$)
FACILITIES	3,404,396.00
HAVESTERS/ TRACTORS/ LOADERS	25,710,546.00
HEAVY DUTY VEHICLES	9,574,781.00
MACHINERY & EQUIPT.	89,030,326.00
TOOLS & ACESSORIES	817,417.00
Grand Total:	128,537,466.00

1. USE VALUE

It is the price of a given asset owned by a company, taking into consideration the remaining useful life, market value and replacement cost in the present conditions of such asset.

1. USE VALUE OF ASSETS

Assets owned by **TONON BIOENERGIA S/A – USINA PARAÍSO BIOENERGIA**, located at Rodovia Brotas/ Torrinha, Km 7,5, s/n.º, Fazenda Paraíso, Rural Zone, County of Brotas, State of São Paulo, are herein appraisal at a Use Value of R\$ 128.537.466,00 (One hundred and twenty-eight million, five hundred and thirty-seven thousand, four hundred and sixty-six).

V. APPRAISAL REPORT

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
FACILITIES	APOIO	30000818	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	ADEQUAÇÃO DO SISTEMA DE VINHAÇA	50,799.00	41,071.00
FACILITIES	APOIO	30000826	0002-1	03/2011	1.0	80.9	20.0	15.4	03/2014	ADEQUAÇÃO DO SISTEMA DE VINHAÇA (INSTALAÇÃO)	428,642.00	381,213.00
FACILITIES	APOIO	30000815	0002-1	03/2011	1.0	80.9	20.0	15.4	03/2014	AMPLIAÇÃO INDUSTRIAL REF. ADUTORA DE VINHAÇA	229,309.00	203,936.00
FACILITIES	APOIO	30000811	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	AMPLIAÇÃO INDUSTRIAL REF. REDE DE VINHAÇA	113,186.00	91,511.00
FACILITIES	APOIO	30000813	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	ANEL VIÁRIO	5,428.00	4,389.00
FACILITIES	APOIO	30000828	0002-1	07/2010	1.0	73.5	20.0	14.0	03/2014	APARELHO GPS TECHGEO MOD. GTR-G2	38,069.00	30,779.00
FACILITIES	APOIO	30000812	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	ATERRO SANITÁRIO	1,785.00	1,443.00
FACILITIES	APOIO	30000827	0002-1	02/2012	1.0	84.0	20.0	16.0	03/2014	BASE P/ BOMBA DA REDE/		
FACILITIES	APOIO	30000835	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	CARREGADORA DA VINHAÇA	64,405.00	59,510.00
FACILITIES	APOIO	30000840	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	BOMBA HERBICIDA HERBICAT	57,966.00	46,866.00
FACILITIES	APOIO	30000806	0002-1	02/2005	1.0	73.5	20.0	14.0	03/2014	BOMBA HERBICIDA HERBICAT	57,966.00	46,866.00
FACILITIES	APOIO	30000821	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	BOMBA IMBIL TIPO INI 080-040	9,514.00	7,692.00
FACILITIES	APOIO	30000819	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	CARRETEL ENROLADOR MOD.		
FACILITIES	APOIO	30000817	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	TURBOMA Q 140-GS	70,845.00	57,279.00
FACILITIES	APOIO	30000814	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	CHAVE DE PARTIDA SOFT STARTER	3,814.00	3,084.00
FACILITIES	APOIO	30000822	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE CARCAÇA TIPO INI 125-400	6,306.00	5,098.00
FACILITIES	APOIO	30000817	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	CONSTRUÇÃO DE CANAL DE VINHAÇA	11,590.00	9,370.00
FACILITIES	APOIO	30000814	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	DEPOSITO DE RECICLÁVEIS	13,558.00	10,962.00
FACILITIES	APOIO	30000810	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	INSTALAÇÃO REF. REDE DE VINHAÇA	198,947.00	160,848.00
FACILITIES	APOIO	30000834	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	KIT CABO INTERFACE CL230B P/ MATRIZ	5,395.00	4,362.00
FACILITIES	APOIO	30000839	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	KIT CABO INTERFACE CL230B P/ MATRIZ	5,395.00	4,362.00
FACILITIES	APOIO	30000833	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	KIT GPS MATRIX MOD. 570GW CLEAR		
FACILITIES	APOIO	30000841	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	PAT C/ ANTENA H	13,176.00	10,653.00
FACILITIES	APOIO	30000807	0002-1	02/2005	1.0	73.5	20.0	14.0	03/2014	KIT GPS MATRIX MOD. 570GW CLEAR	14,269.00	11,536.00
FACILITIES	APOIO	30000829	0002-1	11/2010	1.0	73.5	20.0	14.0	03/2014	PAT C/ ANTENA H	13,176.00	10,653.00
FACILITIES	APOIO	30000842	0002-1	08/2011	1.0	73.5	20.0	14.0	03/2014	MOTOBOMBA IMBIL TIPO INI 100-500	14,269.00	11,536.00
FACILITIES	APOIO	30000824	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	MOTOBOMBA ITALY MOTORS - MOTOR	988.00	799.00
FACILITIES	APOIO	30000803	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	MOTOBOMBA ITALY MOTORS - MOTOR	988.00	799.00
FACILITIES	APOIO	30000823	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	MOTOBOMBA P/ MONTAGEM S/	988.00	799.00
FACILITIES	APOIO	30000800	0002-1	04/1990	50.0	73.5	20.0	14.0	03/2014	REBOQUE	68,402.00	55,303.00
FACILITIES	APOIO	30000808	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 150,0 CV MOD.		
FACILITIES	APOIO	30000802	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	280S/M	17,197.00	13,904.00
FACILITIES	APOIO	30000803	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	PASSAGEM DE NÍVEL P/ RESTILIO	3,136.00	2,536.00
FACILITIES	APOIO	30000804	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	REDE DE VINHAÇA - BASE	338,468.00	273,652.00
FACILITIES	APOIO	30000805	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	RESERVA TÓRIO DE VINHAÇA - BASE	111,563.00	90,199.00
FACILITIES	APOIO	30000806	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	RESERVA TÓRIO DE VINHAÇA - BASE	16,391.00	13,252.00
FACILITIES	APOIO	30000807	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	RESERVA TÓRIO DE VINHAÇA - BASE		
FACILITIES	APOIO	30000808	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	EQUIPAMENTO	129,807.00	104,949.00
FACILITIES	APOIO	30000809	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	RESERVA TÓRIO DE VINHAÇA -		
FACILITIES	APOIO	30000810	0002-1	06/2007	1.0	84.0	20.0	16.0	03/2014	INSTALAÇÃO	5,637.00	4,558.00
FACILITIES	APOIO	30000811	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	SISTEMA DE IRRIGAÇÃO DA REDE DE VINHAÇA	1,000,134.00	924,124.00
FACILITIES	APOIO	30000812	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA À ÓLEO	13,444.00	10,869.00
FACILITIES	APOIO	30000813	0002-1	07/2004	351.0	73.5	20.0	14.0	03/2014	POT. 300,0 KVA TRIFÁSICO	11,464.00	9,269.00
FACILITIES	APOIO	30000814	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	TUBULAÇÃO P/ REDE DE VINHAÇA (351,00 MTS.)		
FACILITIES	APOIO	30000815	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	VENTOSA SECA COMBINADA EM AÇO	48,062.00	38,858.00
FACILITIES	APOIO	30000816	0002-1	03/2011	1.0	73.5	20.0	14.0	03/2014	INOX	61,018.00	49,333.00
FACILITIES	EXTRAÇÃO	30000795	0002-1	03/2011	1.0	80.9	25.0	19.3	03/2014	VESTIÁRIOS		
FACILITIES	EXTRAÇÃO	30000794	0002-1	03/2011	1.0	80.9	20.0	15.4	03/2014	LUVA AQP P/ TRANSMISSÃO DE	202,241.00	179,863.00
FACILITIES	IMPLEMENTOS -	30000830	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	TORQUE DA MOENDA	131,433.00	116,890.00
FACILITIES	IMPLEMENTOS -	30000836	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	REFORÇO DA BASE DO PICADOR/		
FACILITIES	IMPLEMENTOS -	30000832	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	DESFIBRADOR	57,966.00	46,866.00
FACILITIES	IMPLEMENTOS -	30000837	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	BOMBA HERBICIDA HERBICAT	57,966.00	46,866.00
FACILITIES	IMPLEMENTOS -	30000831	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	BOMBA HERBICIDA HERBICAT	57,966.00	46,866.00
FACILITIES	IMPLEMENTOS -	30000838	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	KIT CABO INTERFACE CL230B P/ MATRIZ	5,395.00	4,362.00
FACILITIES	LAVAGEM/	30000792	0002-1	08/1987	90.0	73.5	20.0	14.0	03/2014	KIT CABO INTERFACE CL230B P/ MATRIZ	5,395.00	4,362.00
FACILITIES	LUBRIFICAÇÃO	30000793	0002-1	05/2002	1.0	73.5	20.0	14.0	03/2014	KIT GPS MATRIX MOD. 570GW CLEAR	13,176.00	10,653.00
FACILITIES	MANUTENÇÃO	30000796	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	PAT C/ ANTENA H	13,176.00	10,653.00
FACILITIES	CIVIL	30000797	0002-1	02/2012	1.0	84.0	20.0	16.0	03/2014	KIT GPS MATRIX MOD. 570GW CLEAR	13,176.00	10,653.00
FACILITIES	PRODUÇÃO DE	30000798	0002-1	02/2012	1.0	84.0	20.0	16.0	03/2014	PAT C/ ANTENA H	13,176.00	10,653.00
FACILITIES	AÇÚCAR VHP	30000797	0002-1	02/2012	1.0	84.0	20.0	16.0	03/2014	ESTEIRA TRANSPORTADORA MED.	21,295.00	19,677.00
FACILITIES	AÇÚCAR VHP	30000796	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	0,24X9,00 MTS. C/ LEVANTE		
FACILITIES	AÇÚCAR VHP	30000799	0002-1	02/2012	1.0	84.0	20.0	16.0	03/2014	ESTEIRA TRANSPORTADORA MED.	35,452.00	32,757.00
FACILITIES	AÇÚCAR VHP	30000796	0002-1	04/2011	1.0	73.5	20.0	14.0	03/2014	0,24X9,00 MTS. HORIZONTAL		
FACILITIES	AÇÚCAR VHP	30000799	0002-1	02/2012	1.0	84.0	20.0	16.0	03/2014	LAVATÓRIO MOD. ESPECIAL EM AÇO	2,166.00	1,751.00
FACILITIES	AÇÚCAR VHP	30000799	0002-1	02/2012	1.0	84.0	20.0	16.0	03/2014	INOX 304		
FACILITIES	AÇÚCAR VHP	30000799	0002-1	02/2012	1.0	84.0	20.0	16.0	03/2014	QUEBRADOR DE TORRÕES P/ AÇÚCAR	26,172.00	24,183.00
FACILITIES	AÇÚCAR VHP	30000799	0002-1	02/2012	1.0	84.0	20.0	16.0	03/2014	ENSACADO		
FACILITIES Total												3,404,396.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000747	0002-1	10/2006	1.0	73.5	10.0	7.0	03/2014	ADUBADERA SEMEADERA MOD. OS-1153 NR. 84323010	4,045.00	3,270.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000765	0002-1	06/2007	1.0	73.5	10.0	7.0	03/2014	APLICADOR DE NEMATICA/ INSETICIDA CMB	36,285.00	29,336.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000696	0002-1	12/2003	1.0	73.5	10.0	7.0	03/2014	ARADO DE A/VECAS REVERSIVEL MARCHESAN MOD. AAR-4	7,841.00	6,340.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10001125	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	ASPERSOR (MOTOBOMBA) FABRICAÇÃO PRÓPRIA	238.00	192.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10001126	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	ASPERSOR (MOTOBOMBA) FABRICAÇÃO PRÓPRIA	238.00	192.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10001127	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	ASPERSOR (MOTOBOMBA) FABRICAÇÃO PRÓPRIA	238.00	192.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000958	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	BAÚ EM ALUMÍNIO P/ ABRIGO DE PESSOAS	5,948.00	4,809.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10001123	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	BOMBA DE HERBICIDA JACTO MOD. JP	654.00	529.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10001128	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	CARRETAS DIVERSAS (FABRICAÇÃO PRÓPRIA)	41,638.00	33,664.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10001124	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	ENLEIRADERA DE PALHA DMB	8,090.00	6,540.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000834	0002-1	10/2010	1.0	73.5	10.0	7.0	03/2014	ENLEIRADERA DE PALHA JIJ INDUSTRIA E COMÉRCIO	10,307.00	8,333.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000724	0002-1	02/2005	1.0	73.5	10.0	7.0	03/2014	MOTOSERRA HUSQVARNA MOD. 288XP	2,189.00	1,770.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10001290	0002-1	07/1996	1.0	73.5	10.0	7.0	03/2014	MOTOSERRA NR. 334640378	72.00	58.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000646	0002-1	09/1995	1.0	73.5	10.0	7.0	03/2014	MOTOSERRA STIHL NR. 332660169	736.00	595.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000770	0002-1	07/2007	1.0	73.5	10.0	7.0	03/2014	PULVERIZADOR CUSTOMIZADO HB MOD. FCD001	4,759.00	3,847.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000771	0002-1	07/2007	1.0	73.5	10.0	7.0	03/2014	PULVERIZADOR DE BARRA MOD. HERBIPLUS COMPLETO	51,037.00	41,263.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000772	0002-1	07/2007	1.0	73.5	10.0	7.0	03/2014	PULVERIZADOR DE BARRA MOD. HERBIPLUS COMPLETO	51,037.00	41,263.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000744	0002-1	09/2006	1.0	73.5	10.0	7.0	03/2014	ROÇADEIRA STIHL MOD. FS-220	2,020.00	1,633.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000745	0002-1	09/2006	1.0	73.5	10.0	7.0	03/2014	ROÇADEIRA STIHL MOD. FS-220	2,020.00	1,633.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000746	0002-1	09/2006	1.0	73.5	10.0	7.0	03/2014	ROÇADEIRA STIHL MOD. FS-220	2,020.00	1,633.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000818	0002-1	06/2008	2.0	73.5	10.0	7.0	03/2014	ROÇADEIRA STIHL MOD. FS-220	2,020.00	1,633.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000831	0002-1	03/2010	1.0	73.5	10.0	7.0	03/2014	ROÇADEIRA STIHL MOD. FS-290	5,449.00	4,405.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000701	0002-1	11/2004	1.0	73.5	10.0	7.0	03/2014	SUPER CULTIVADOR OSCILADOR SÉRIE 66566-04	19,431.00	15,710.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000702	0002-1	11/2004	1.0	73.5	10.0	7.0	03/2014	SUPER CULTIVADOR OSCILADOR SÉRIE 66567-04	19,431.00	15,710.00
HAVERTERS, TRACTORS AND LOADERS	APOIO	10000678	0002-1	04/2001	200.0	73.5	10.0	7.0	03/2014	TUBOTYL C/ 03 UNIÕES (200,0 MTS.)	1,428.00	1,154.00
HAVERTERS, TRACTORS AND LOADERS	CAMINHÃO CANAVIEIRO	10000748	0002-1	12/2006	1.0	73.5	10.0	7.0	03/2014	CAÇAMBA BASCULANTE GOYDO SÉRIE 616899	20,625.00	16,675.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HAVERTERS, TRACTORS AND LOADERS	CAMINHÃO CANAVIEIRO	10000963	0002-1	07/2011	1.0	73.5	10.0	7.0	03/2014	CARROCERIA	12,730.00	10,292.00
HAVERTERS, TRACTORS AND LOADERS	CAMINHÃO CANAVIEIRO	10000739	0002-1	01/2006	1.0	73.5	10.0	7.0	03/2014	GUINDASTE HIDRÁULICO MOD. GHR20 ANO 2006	62,385.00	50,438.00
HAVERTERS, TRACTORS AND LOADERS	CAMINHÃO CANAVIEIRO	10000842	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCÉPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
HAVERTERS, TRACTORS AND LOADERS	CAMINHÃO CANAVIEIRO	10000843	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	52.00	42.00
HAVERTERS, TRACTORS AND LOADERS	CAMINHÃO CANAVIEIRO	10000845	0002-1	02/2011	1.0	73.5	10.0	7.0	03/2014	TANQUE PULVERIZADOR CAP. 12.000,0 LTS. COAGRIL	258,889.00	209,312.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000810	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	CARRETA TRANSBORDO MOD. ATA 10500	82,086.00	66,366.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000811	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	CARRETA TRANSBORDO MOD. ATA 10500	82,086.00	66,366.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000787	0002-1	10/2007	1.0	73.5	10.0	7.0	03/2014	CARRETA TRANSBORDO MOD. ATA 10500 SÉRIE 1010547	82,086.00	66,366.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000786	0002-1	10/2007	1.0	73.5	10.0	7.0	03/2014	CARRETA TRANSBORDO MOD. ATA 10500 SÉRIE 1010548	82,086.00	66,366.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10001076	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	PRESTAÇÃO DE SERVIÇO DE PESSOA JURÍDICA	2,029.00	1,641.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10001084	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	PRESTAÇÃO DE SERVIÇO DE PESSOA JURÍDICA	2,029.00	1,641.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10001086	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	PRESTAÇÃO DE SERVIÇO DE PESSOA JURÍDICA	2,029.00	1,641.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10001089	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	PRESTAÇÃO DE SERVIÇO DE PESSOA JURÍDICA	2,029.00	1,641.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10001091	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	PRESTAÇÃO DE SERVIÇO DE PESSOA JURÍDICA	2,029.00	1,641.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10001094	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	PRESTAÇÃO DE SERVIÇO DE PESSOA JURÍDICA	2,029.00	1,641.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10001111	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	PRESTAÇÃO DE SERVIÇO DE PESSOA JURÍDICA	2,029.00	1,641.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000612	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000613	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000614	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000615	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000616	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000617	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000618	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000619	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000620	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HAVERTERS, TRACTORS AND LOADERS	CARRETA	10000621	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SH-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10000622	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SH-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10000789	0002-1	12/2007	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SH-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10000829	0002-1	05/2009	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SH-10500E	81,113.00	65,579.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001075	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001077	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001078	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001083	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001085	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001087	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001088	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001090	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001092	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001093	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001095	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001096	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001097	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001098	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001099	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001100	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001101	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001102	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001103	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001104	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001105	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001106	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001107	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001108	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001109	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001110	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001112	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001113	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001114	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001115	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	CARRETA	10001119	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA SANTAL ANTENA P/ RÁDIO WIP VHF P/ VIATURAS	71,379.00	57,710.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001022	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARS ANTENA P/ RÁDIO WIP VHF P/ VIATURAS	52.00	42.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001026	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARS ANTENA P/ RÁDIO WIP VHF P/ VIATURAS	52.00	42.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001030	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARS ANTENA P/ RÁDIO WIP VHF P/ VIATURAS	52.00	42.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001034	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARS ANTENA P/ RÁDIO WIP VHF P/ VIATURAS	52.00	42.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001042	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARS ANTENA P/ RÁDIO WIP VHF P/ VIATURAS	52.00	42.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10000921	0002-1	03/2011	1.0	73.5	10.0	7.0	03/2014	COLHEDERA DE CANA CASE CHASSI 35240469	665,752.00	538,260.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10000920	0002-1	03/2011	1.0	73.5	10.0	7.0	03/2014	COLHEDERA DE CANA CASE MOD. A-7700	665,752.00	538,260.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10000922	0002-1	03/2011	1.0	73.5	10.0	7.0	03/2014	COLHEDERA DE CANA CASE MOD. A-7700	665,752.00	538,260.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001017	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	COLHEDERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001020	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	COLHEDERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001021	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	COLHEDERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001025	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	COLHEDERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001029	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	COLHEDERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001033	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	COLHEDERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00
HAVERTERS, TRACTORS AND HAVERTERS,	A	10001040	0002-1	03/2012	1.0	73.5	10.0	7.0	03/2014	COLHEDERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HAVERTERS.												
TRACTORS AND LOADERS.	COLHETADER	10001044	0002-1	03/2012	1.0	73.5	10.0	7.0	03/2014	COLHEDORA DE CANA CASEMOD. A-8800	940,905.00	760,722.00
HAVERTERS.	COLHETADER	10000806	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	COLHETADERA DE CANA CRUA E PICADA CASE	940,905.00	760,722.00
TRACTORS AND HAVERTERS.	COLHETADER	10000807	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	COLHETADERA DE CANA CRUA E PICADA CASE	940,905.00	760,722.00
TRACTORS AND HAVERTERS.	COLHETADER	10000808	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	COLHETADERA DE CANA CRUA E PICADA CASE	940,905.00	760,722.00
TRACTORS AND HAVERTERS.	COLHETADER	10000809	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	COLHETADERA DE CANA CRUA E PICADA CASE	940,905.00	760,722.00
TRACTORS AND HAVERTERS.	COLHETADER	10001141	0002-1	03/2013	1.0	84.0	10.0	8.0	03/2014	ELEVADOR STD CASEMOD. A7700 CÔD. 87474627	80,778.00	74,639.00
TRACTORS AND HAVERTERS.	COLHETADER	10001142	0002-1	03/2013	1.0	84.0	10.0	8.0	03/2014	ELEVADOR STD CASEMOD. A7700 CÔD. 87474627	80,778.00	74,639.00
TRACTORS AND HAVERTERS.	COLHETADER	10000884	0002-1	03/2011	1.0	73.5	10.0	7.0	03/2014	KIT DE INCÊNDIO DA COLHEDORA CASE MOD. A-8800	1,785.00	1,443.00
TRACTORS AND HAVERTERS.	COLHETADER	10000885	0002-1	03/2011	1.0	73.5	10.0	7.0	03/2014	KIT DE INCÊNDIO DA COLHEDORA CASE MOD. A-8800	1,785.00	1,443.00
TRACTORS AND HAVERTERS.	COLHETADER	10000886	0002-1	03/2011	1.0	73.5	10.0	7.0	03/2014	KIT DE INCÊNDIO DA COLHEDORA CASE MOD. A-8800	1,785.00	1,443.00
TRACTORS AND HAVERTERS.	COLHETADER	10000887	0002-1	03/2011	1.0	73.5	10.0	7.0	03/2014	KIT DE INCÊNDIO DA COLHEDORA CASE MOD. A-8800	1,785.00	1,443.00
TRACTORS AND HAVERTERS.	COLHETADER	10000888	0002-1	03/2011	1.0	73.5	10.0	7.0	03/2014	KIT DE INCÊNDIO DA COLHEDORA CASE MOD. A-8800	1,785.00	1,443.00
TRACTORS AND HAVERTERS.	COLHETADER	10001018	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCÉPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	COLHETADER	10001023	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCÉPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	COLHETADER	10001027	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCÉPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	COLHETADER	10001031	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCÉPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	COLHETADER	10001035	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCÉPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	COLHETADER	10001041	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCÉPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	COLHETADER	10001045	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCÉPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	COLHETADER	10001019	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	52.00	42.00
TRACTORS AND HAVERTERS.	COLHETADER	10001024	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	52.00	42.00
TRACTORS AND HAVERTERS.	COLHETADER	10001028	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	52.00	42.00
TRACTORS AND HAVERTERS.	COLHETADER	10001032	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	52.00	42.00
TRACTORS AND HAVERTERS.	COLHETADER	10001036	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	52.00	42.00
TRACTORS AND HAVERTERS.	COLHETADER	10001043	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	52.00	42.00
TRACTORS AND HAVERTERS.	COLHETADER	10001046	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	52.00	42.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10000788	0002-1	11/2007	1.0	73.5	10.0	7.0	03/2014	ABAFADOR P/ CARRETA DE CALÇÁRIO ADUBADERA TIPO CAIXA C/ ROSCA EM AÇO INOX C/ 02 SAÍDAS	7,526.00	6,085.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10000754	0002-1	03/2007	1.0	73.5	10.0	7.0	03/2014	ADUBADERA TIPO CAIXA C/ ROSCA EM AÇO INOX C/ 02 SAÍDAS	2,141.00	1,731.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10000755	0002-1	03/2007	1.0	73.5	10.0	7.0	03/2014	ADUBADERA TIPO CAIXA C/ ROSCA EM AÇO INOX C/ 02 SAÍDAS	2,141.00	1,731.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10000756	0002-1	04/2007	1.0	73.5	10.0	7.0	03/2014	ADUBADERA TIPO CAIXA C/ ROSCA S/ FIMEMAÇO INOX	1,998.00	1,616.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10000757	0002-1	04/2007	1.0	73.5	10.0	7.0	03/2014	ADUBADERA TIPO CAIXA C/ ROSCA S/ FIMEMAÇO INOX	1,998.00	1,616.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001209	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	AGITADOR HIDRÁULICO CÔD. 5022033	71.00	66.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001210	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	AGITADOR HIDRÁULICO CÔD. 5022033	71.00	66.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001211	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	AGITADOR HIDRÁULICO CÔD. 5022033	71.00	66.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10000714	0002-1	01/2005	1.0	73.5	10.0	7.0	03/2014	ARADO DE AIVECAS CIVEMASA MOD. AACR 4M SÉRIE 04008	13,536.00	10,944.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10000647	0002-1	12/1995	1.0	73.5	10.0	7.0	03/2014	ARADO DE AIVECAS REVERSÍVEL	7,841.00	6,340.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10000642	0002-1	12/1992	1.0	73.5	10.0	7.0	03/2014	ARADO DE AIVECAS REVERSÍVEL	7,841.00	6,340.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10000680	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	MARCHESAN MOD. AAR-4	357.00	289.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001133	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	ASERSOR TIPO CANHÃO 4S SET DF 35,60 MM.		
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001134	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	BADECO ELETRÔNICO DE ADUBO	53,534.00	43,282.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001129	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	BADECO ELETRÔNICO DE ADUBO C/ 04 LINHAS	53,534.00	43,282.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001130	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	BADECO ELETRÔNICO DE ADUBO C/ 04 LINHAS	53,534.00	43,282.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001131	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	BADECO ELETRÔNICO DE ADUBO C/ 04 LINHAS	53,534.00	43,282.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001132	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	BADECO ELETRÔNICO DE ADUBO C/ 04 LINHAS	53,534.00	43,282.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001152	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	BOMBA CENTRÍFUGA EMAÇO INOX	6,544.00	6,046.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001163	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	JUMIL TIPO HM5	6,544.00	6,046.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001174	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	BOMBA CENTRÍFUGA EMAÇO INOX	6,544.00	6,046.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001212	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	JUMIL TIPO HM5	6,544.00	6,046.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001213	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	CAIXA DE COMANDO JUMIL	405.00	374.00
TRACTORS AND HAVERTERS.	IMPLEMENTOS -	10001214	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	CAIXA DE COMANDO JUMIL	405.00	374.00

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Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001190	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	CONEXÃO T 1 F 1302040 JUMIL	12.00	11.00
HAVERTERS, TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10001191	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	CONEXÃO T 1 F 1302040 JUMIL	12.00	11.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10001192	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	CONEXÃO UNIÃO MACHO 1.1/4 2502050 JUMIL	14.00	13.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10001193	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	CONEXÃO UNIÃO MACHO 1.1/4 2502050 JUMIL	14.00	13.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10001194	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	CONEXÃO UNIÃO MACHO 1.1/4 2502050 JUMIL	14.00	13.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000682	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	CONJUNTO DE AGRÍCOLA DMB MOD. 07-B	2,499.00	2,020.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000686	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	CONJUNTO DE IRRIGAÇÃO COMPOSTO DE BOMBA	9,517.00	7,695.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000634	0002-1	02/1987	1.0	73.5	10.0	7.0	03/2014	CONJUNTO DE MONTAGEM DIRETA ASPE COMPLETO	10,336.00	8,357.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000661	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	CONJUNTO DE SULCADOR DE 03 LINHAS C/ 03 ADUBADERAS	952.00	769.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000727	0002-1	03/2005	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR A DUBADOR DE FROTA INTERNA 1275 SÉRIE 05001	23,480.00	18,983.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000728	0002-1	03/2005	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR A DUBADOR DE FROTA INTERNA 1276 SÉRIE 05002	23,480.00	18,983.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000703	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR CONJUNTO GARFO E SUPORTE C/ DISCO DE CORTE	1,117.00	903.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000704	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR CONJUNTO GARFO E SUPORTE C/ DISCO DE CORTE	1,117.00	903.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000705	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR CONJUNTO GARFO E SUPORTE C/ DISCO DE CORTE	1,117.00	903.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000706	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR CONJUNTO GARFO E SUPORTE C/ DISCO DE CORTE	1,117.00	903.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000707	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR CONJUNTO GARFO E SUPORTE C/ DISCO DE CORTE	1,117.00	903.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000668	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR DE 03 LINHAS	1,785.00	1,443.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000669	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR DE 03 LINHAS	1,785.00	1,443.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000670	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR DE 03 LINHAS	1,785.00	1,443.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000816	0002-1	05/2008	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR DMB OSCILANTE C/ HERBICIDA	17,997.00	14,551.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000817	0002-1	05/2008	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR DMB OSCILANTE C/ HERBICIDA	17,997.00	14,551.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000662	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	CULTIVADOR TRÍPLICE DMB MOD. 078/3.30P	952.00	769.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000819	0002-1	06/2008	1.0	73.5	10.0	7.0	03/2014	DESENLEIRADOR DE PALHA DE 03 LINHAS C/ RODAS ESTABILIZADORAS	6,350.00	5,134.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000820	0002-1	06/2008	1.0	73.5	10.0	7.0	03/2014	DESENLEIRADOR DE PALHA DE 03 LINHAS C/ RODAS ESTABILIZADORAS	6,350.00	5,134.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10001116	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	DESENLEIRADOR DE PALHA DE 03 LINHAS DMB	7,138.00	5,771.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10001117	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	DESENLEIRADOR DE PALHA DE 03 LINHAS DMB	7,138.00	5,771.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000710	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	DISTRIBUIDOR DE FERTILIZANTES E SEMENTES DFSC MED. 7,50 MTS. SÉRIE	12,938.00	10,460.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10001293	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	DISTRIBUIDOR DE FERTILIZANTES E SEMENTES DFSC MED. 7,50 MTS. SÉRIE	12,938.00	10,460.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10001289	0002-1	12/1995	1.0	73.5	10.0	7.0	03/2014	DISTRIBUIDOR DE TORTA DE FILTRO	8,555.00	6,917.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000711	0002-1	01/2005	1.0	73.5	10.0	7.0	03/2014	DOR DE ESPUMA TRACER COMPACTO	2,208.00	1,785.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000741	0002-1	08/2006	1.0	73.5	10.0	7.0	03/2014	ELIMINADOR SOQUETE DE 02 LINHAS ESPECIAL DMB MED. 1,50 MTS.	33,906.00	27,413.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000742	0002-1	08/2006	1.0	73.5	10.0	7.0	03/2014	ELIMINADOR SOQUETE DE 02 LINHAS ESPECIAL DMB MED. 1,50 MTS.	33,906.00	27,413.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000671	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	ENLEIRADEIRA DE PALHA AGROMEC TIPO RATAFLE	952.00	769.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000672	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	ENLEIRADEIRA DE PALHA AGROMEC TIPO RATAFLE	952.00	769.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000676	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	ENLEIRADEIRA DE PALHA ROTATIVO GIROPALHO	833.00	674.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000687	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	ENLEIRADEIRA DE PALHA ROTATIVO GIROPALHO	833.00	674.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000673	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	EQUIPAMENTO PULVERIZADOR PRESSURIZADO	2,023.00	1,636.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10000674	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	ESPARRAMADEIRA DE CALCÁRIO MINAMO MOD. M-20	1,666.00	1,347.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10001153	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	FLANGE 1.1/2" BR1155 JUMIL	78.00	72.00
TRACTORS AND HAVERTERS	IMPLEMENTOS - HORA	10001154	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	FLANGE 1.1/2" BR1155 JUMIL	78.00	72.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001155	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	FLANGE 1.1/2" BR1155 JUMIL	78.00	72.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001169	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	FLANGE 2" BR2 JUMIL	78.00	72.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001170	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	FLANGE 2" BR2 JUMIL	78.00	72.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001171	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	FLANGE 2" BR2 JUMIL	78.00	72.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000743	0002-1	08/2006	1.0	73.5	10.0	7.0	03/2014	GARRA CPL REF. INSTALAÇÃO DA FROTA NR. 719	2,471.00	1,998.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000611	0002-1	04/1984	1.0	73.5	10.0	7.0	03/2014	GRADE ARADORA GOLFINHO C/ CONTROLE REMOTO	3,239.00	2,619.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000778	0002-1	09/2007	1.0	73.5	10.0	7.0	03/2014	GRADE ARADORA INTERMEDIÁRIA COMPLETA	35,690.00	28,855.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000630	0002-1	04/1986	1.0	73.5	10.0	7.0	03/2014	GRADE ARADORA PESADA C/ CONTROLE REMOTO	2,275.00	1,840.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000631	0002-1	04/1986	1.0	73.5	10.0	7.0	03/2014	GRADE ARADORA PESADA C/ CONTROLE REMOTO	2,275.00	1,840.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000715	0002-1	01/2005	1.0	73.5	10.0	7.0	03/2014	GRADE DESTORROADORA CIVEMASA SÉRIE 04025	12,225.00	9,884.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001287	0002-1	10/1986	1.0	73.5	10.0	7.0	03/2014	GRADE NIVELADORA C/ CONTROLE REMOTO	25.00	20.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000698	0002-1	06/2004	1.0	73.5	10.0	7.0	03/2014	GUINCHO AGRÍCOLA SUPERBAG DRIA	5,106.00	4,128.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000699	0002-1	06/2004	1.0	73.5	10.0	7.0	03/2014	GUINCHO AGRÍCOLA SUPERBAG DRIA	5,106.00	4,128.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000633	0002-1	10/1986	1.0	73.5	10.0	7.0	03/2014	GUINDASTE HIDRÁULICO MUNCK GUINDASTE HIDRÁULICO RODOMAQ	8,374.00	6,770.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000738	0002-1	12/2005	1.0	73.5	10.0	7.0	03/2014	MOD. GHR-30 KIT DO SULCO CAP. 2,0 LTS.	89,509.00	72,368.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001080	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	CONJUGADO KIT DO SULCO CAP. 2,0 LTS.	27,957.00	22,603.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001082	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	CONJUGADO KIT DO SULCO CAP. 2,0 LTS.	5,592.00	4,521.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000812	0002-1	05/2008	1.0	73.5	10.0	7.0	03/2014	KIT OSCILANTE CULTIVADOR DMB P/ CANA CRUA	2,996.00	2,422.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000813	0002-1	05/2008	1.0	73.5	10.0	7.0	03/2014	KIT OSCILANTE CULTIVADOR DMB P/ CANA CRUA	2,996.00	2,422.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000814	0002-1	05/2008	1.0	73.5	10.0	7.0	03/2014	KIT OSCILANTE CULTIVADOR DMB P/ CANA CRUA	2,996.00	2,422.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000815	0002-1	05/2008	1.0	73.5	10.0	7.0	03/2014	KIT OSCILANTE CULTIVADOR DMB P/ CANA CRUA	2,996.00	2,422.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001202	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	MANGUEIRA AGRÍCOLA 1.1/4" 250 LBS.	62.00	57.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001203	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	MANGUEIRA AGRÍCOLA 1.1/4" 250 LBS.	62.00	57.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001204	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	MANGUEIRA AGRÍCOLA 1.1/4" 250 LBS.	62.00	57.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001199	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	MANGUEIRA AZUL 2 19262 JUMIL	38.00	35.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001200	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	MANGUEIRA AZUL 2 19262 JUMIL	38.00	35.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001201	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	MANGUEIRA AZUL 2 19262 JUMIL	38.00	35.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001205	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	MANGUEIRA TRANÇADA 1/2" 250 LBS. 3276 JUMIL	19.00	17.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001206	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	MANGUEIRA TRANÇADA 1/2" 250 LBS. 3276 JUMIL	19.00	17.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001208	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	MANGUEIRA TRANÇADA 1/2" 250 LBS. 3276 JUMIL	19.00	17.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000648	0002-1	12/1997	1.0	73.5	10.0	7.0	03/2014	MOTOBOMBA C/ MOTOR MWM TIPO 228-E	1,617.00	1,307.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000637	0002-1	02/1988	1.0	73.5	10.0	7.0	03/2014	MOTOBOMBA EA/30/G/1560 MG	735.00	595.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000651	0002-1	11/1999	1.0	73.5	10.0	7.0	03/2014	MOTOGUINCHO MADAL MOD. MD-10	13,086.00	10,580.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000658	0002-1	10/2000	1.0	73.5	10.0	7.0	03/2014	PLAINA DIANTEIRA AGRÍCOLA BALDAN	6,817.00	5,511.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000638	0002-1	03/1992	1.0	73.5	10.0	7.0	03/2014	PLANTADEIRA DE CANA PLANIMASA	108.00	87.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000689	0002-1	10/2001	1.0	73.5	10.0	7.0	03/2014	PULMIPUR C/ CAMPANA - CARPA QUÍMICA	444.00	359.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000690	0002-1	10/2001	1.0	73.5	10.0	7.0	03/2014	PULMIPUR C/ CAMPANA - CARPA QUÍMICA	444.00	359.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000652	0002-1	11/1999	1.0	73.5	10.0	7.0	03/2014	PULVERIZADOR AGRÍCOLA CONDOR MOD. AM-12	6,134.00	4,959.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000653	0002-1	11/1999	1.0	73.5	10.0	7.0	03/2014	PULVERIZADOR AGRÍCOLA CONDOR MOD. AM-12	6,134.00	4,959.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000656	0002-1	09/2000	1.0	73.5	10.0	7.0	03/2014	PULVERIZADOR DE BARRA MOD. HERBIFLUS	26,617.00	21,520.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000708	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	PULVERIZADOR DE BARRA MOD. HERBIFLUS	26,617.00	21,520.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000709	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	PULVERIZADOR DE BARRA MOD. HERBIFLUS	26,617.00	21,520.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000700	0002-1	09/2004	1.0	73.5	10.0	7.0	03/2014	PULVERIZADOR JACTO CAP. 600,0 LTS.	14,601.00	11,805.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000635	0002-1	08/1987	1.0	73.5	10.0	7.0	03/2014	PULVERIZADOS DE HERBICIDA JACTO	1,715.00	1,387.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000688	0002-1	07/2001	1.0	73.5	10.0	7.0	03/2014	RASTELO RNA LATERAL ALTO	2,415.00	1,953.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001143	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	REFORMA REF. CULTIVADOR DE ADUBO LÍQUIDO	595.00	550.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001144	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	REFORMA REF. CULTIVADOR DE ADUBO LÍQUIDO	595.00	550.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001145	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	REFORMA REF. CULTIVADOR DE ADUBO LÍQUIDO	595.00	550.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000667	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	REMOVEDOR DE TERRAS MADAL TIPO SCR	1,428.00	1,154.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000693	0002-1	04/2003	1.0	73.5	10.0	7.0	03/2014	ROÇADEIRA MOD. RP-1500 C/ 02 FACAS E SUPORTE	1,580.00	1,277.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000654	0002-1	02/2000	1.0	73.5	10.0	7.0	03/2014	ROÇADEIRA SHINDOLIVA MOD. C-350 PROFISSIONAL	1,298.00	1,049.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000660	0002-1	02/2001	1.0	73.5	10.0	7.0	03/2014	ROÇADEIRA STIHL MOD. FS-220	2,020.00	1,633.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000692	0002-1	07/2002	1.0	73.5	10.0	7.0	03/2014	ROÇADEIRA STIHL MOD. FS-220	2,020.00	1,633.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000677	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	SUB-SOLADOR C/ 02 LINHAS COMPLETO	595.00	481.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000640	0002-1	09/1992	1.0	73.5	10.0	7.0	03/2014	SUB-SOLADOR CÓD. 07B 3.3 OP-A COMPLETO	9,221.00	7,455.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000718	0002-1	01/2005	1.0	73.5	10.0	7.0	03/2014	SUB-SOLADOR DE ARRASTO CIVEMASA SÉRIE 04012	28,203.00	22,802.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000632	0002-1	05/1986	1.0	73.5	10.0	7.0	03/2014	SUB-SOLADOR DE ARRASTO DMB	2,019.00	1,632.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000636	0002-1	01/1988	1.0	73.5	10.0	7.0	03/2014	SULCADOR ADUBADOR DMB C/ 02 LINHAS	1,785.00	1,443.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000665	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	SULCADOR ADUBADOR DMB C/ 02 LINHAS	1,785.00	1,443.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000666	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	SULCADOR ADUBADOR DMB C/ 02 LINHAS	1,785.00	1,443.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000675	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	SULCADOR ADUBADOR DMB C/ 02 LINHAS	1,785.00	1,443.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000683	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	SULCADOR ADUBADOR DMB C/ 02 LINHAS	1,785.00	1,443.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000664	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	SULCADOR ADUBADOR DMB C/ 03 LINHAS	1,785.00	1,443.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000964	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	SULCADOR CULTIVADOR ADUBADOR JUMIL MOD. JM3520SH	33,310.00	26,931.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001037	0002-1	03/2012	1.0	73.5	10.0	7.0	03/2014	SULCADOR CULTIVADOR ADUBADOR JUMIL MOD. JM3520SH	33,310.00	26,931.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001038	0002-1	03/2012	1.0	73.5	10.0	7.0	03/2014	SULCADOR CULTIVADOR ADUBADOR JUMIL MOD. JM3520SH	33,310.00	26,931.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001039	0002-1	03/2012	1.0	73.5	10.0	7.0	03/2014	SULCADOR CULTIVADOR ADUBADOR JUMIL MOD. JM3520SH	33,310.00	26,931.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001081	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	SULCADOR CULTIVADOR ADUBADOR JUMIL MOD. JM3520SH	33,310.00	26,931.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000657	0002-1	10/2000	1.0	73.5	10.0	7.0	03/2014	SUPER CULTIVADOR OSCILADOR C/ ADUBADEIRA	19,382.00	15,670.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000694	0002-1	04/2003	1.0	73.5	10.0	7.0	03/2014	SUPER GRADE ARADORA C/ PNEUS P/ TRANSPORTE	8,289.00	6,702.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000695	0002-1	04/2003	1.0	73.5	10.0	7.0	03/2014	SUPER GRADE ARADORA C/ PNEUS P/ TRANSPORTE	8,289.00	6,702.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001150	0002-1	08/2013	11.0	84.0	10.0	8.0	03/2014	SUPORTE P/ EXTINTOR DE INCÊNDIO PQS CAP. 8,0 KGS.	418.00	386.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001151	0002-1	08/2013	9.0	84.0	10.0	8.0	03/2014	SUPORTE P/ EXTINTOR DE INCÊNDIO PQS CAP. 8,0 KGS.	343.00	317.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000641	0002-1	10/1992	1.0	73.5	10.0	7.0	03/2014	TERMOBILIZADOR C/ MOTOR MULTI-FOG MOD. 2000	1,139.00	921.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000777	0002-1	08/2007	1.0	73.5	10.0	7.0	03/2014	TERMOBILIZADOR PROFOG FORMIG SÉRIE 142/07	5,778.00	4,672.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001288	0002-1	12/1991	1.0	73.5	10.0	7.0	03/2014	TERRACEADOR CIVEMASA	8,253.00	6,673.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000783	0002-1	09/2007	1.0	73.5	10.0	7.0	03/2014	TERRACEADOR DE ARRASTO C/ CONTROL.REMOTO	67,810.00	54,824.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000697	0002-1	04/2004	1.0	73.5	10.0	7.0	03/2014	TOMBADOR DE CANA/ ACEBRADOR CANAVAL	5,307.00	4,290.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001159	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VÁLVULA DE ESFERA 1.1/2" 4542136 JUMIL	107.00	99.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001160	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VÁLVULA DE ESFERA 1.1/2" 4542136 JUMIL	107.00	99.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001161	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VÁLVULA DE ESFERA 1.1/2" 4542136 JUMIL	107.00	99.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001182	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VÁLVULA DE ESFERA 1/2" 4542134 JUMIL	55.00	50.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001183	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VÁLVULA DE ESFERA 1/2" 4542134 JUMIL	55.00	50.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001184	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VÁLVULA DE ESFERA 1/2" 4542134 JUMIL	55.00	50.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001166	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VÁLVULA DE ESFERA 2" 4542137 JUMIL	133.00	123.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001167	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VÁLVULA DE ESFERA 2" 4542137 JUMIL	133.00	123.00
HAVERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10001168	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VÁLVULA DE ESFERA 2" 4542137 JUMIL	133.00	123.00
HAVERTERS, TRACTORS AND LOADERS	MECÂNICOS	10000832	0002-1	05/2010	1.0	73.5	10.0	7.0	03/2014	CARRETA DE FERRO C/ SISTEMA HIDRÁULICO BASCULANTE	4,045.00	3,270.00
HAVERTERS, TRACTORS AND LOADERS	MECÂNICOS SERVIÇOS GERAIS	10000679	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	MANGUEIRA DE ALTA PRESSÃO 4" X 56,00 MM.	119.00	97.00
HAVERTERS, TRACTORS AND LOADERS	GERAIS	10000725	0002-1	03/2005	1.0	73.5	10.0	7.0	03/2014	ROÇADEIRA STIHL MOD. FS-220	2,020.00	1,633.00

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Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HAVERTERS.												
TRACTORS AND LOADERS	TRATOR	10000734	0002-1	06/2005	1.0	73.5	10.0	7.0	03/2014	CARREGADEIRA DE CANA MOD. CM50-P SUPER 2000	54,322.00	43,919.00
HAVERTERS.	GRANDE	10000735	0002-1	06/2005	1.0	73.5	10.0	7.0	03/2014	CARREGADEIRA DE CANA MOD. CM50-P SUPER 2000	54,322.00	43,919.00
TRACTORS AND HAVERTERS.	TRATOR	10000736	0002-1	06/2005	1.0	73.5	10.0	7.0	03/2014	CARREGADEIRA DE CANA MOD. CM50-P SUPER 2000	54,322.00	43,919.00
TRACTORS AND HAVERTERS.	GRANDE	10000751	0002-1	02/2007	1.0	73.5	10.0	7.0	03/2014	CARREGADEIRA DE CANA MOD. CMP SÉRIE 66386	70,189.00	56,748.00
TRACTORS AND HAVERTERS.	TRATOR	10000752	0002-1	02/2007	1.0	73.5	10.0	7.0	03/2014	CARREGADEIRA DE CANA MOD. CMP SÉRIE 66387	70,189.00	56,748.00
TRACTORS AND HAVERTERS.	GRANDE	10000753	0002-1	02/2007	1.0	73.5	10.0	7.0	03/2014	CARREGADEIRA DE CANA MOD. CMP SÉRIE 66388	70,189.00	56,748.00
TRACTORS AND HAVERTERS.	TRATOR	10000749	0002-1	01/2007	1.0	73.5	10.0	7.0	03/2014	CARREGADEIRA DE RODAS CATEPILLAR ANO 2006	448,914.00	362,947.00
TRACTORS AND HAVERTERS.	GRANDE	10000750	0002-1	01/2007	1.0	73.5	10.0	7.0	03/2014	CARREGADEIRA DE RODAS CATEPILLAR ANO 2006	448,914.00	362,947.00
TRACTORS AND HAVERTERS.	TRATOR	10000944	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	ENGATE AUTOMÁTICO	1,731.00	1,400.00
TRACTORS AND HAVERTERS.	GRANDE	10000945	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	ENGATE AUTOMÁTICO	1,731.00	1,400.00
TRACTORS AND HAVERTERS.	TRATOR	10000927	0002-1	04/2011	1.0	73.5	10.0	7.0	03/2014	ENLERADEIRA DE PALHA JIJ INDUSTRIA E COMERCIO	20,614.00	16,667.00
TRACTORS AND HAVERTERS.	GRANDE	10001146	0002-1	08/2013	109.0	84.0	10.0	8.0	03/2014	EXTINTOR DE INCÊNDIO PQS CAP. 8,0 KGS.	14,276.00	13,191.00
TRACTORS AND HAVERTERS.	TRATOR	10001148	0002-1	08/2013	9.0	84.0	10.0	8.0	03/2014	EXTINTOR DE INCÊNDIO PQS CAP. 8,0 KGS.	1,177.00	1,088.00
TRACTORS AND HAVERTERS.	GRANDE	10001149	0002-1	08/2013	11.0	84.0	10.0	8.0	03/2014	EXTINTOR DE INCÊNDIO PQS CAP. 8,0 KGS.	1,440.00	1,331.00
TRACTORS AND HAVERTERS.	TRATOR	10000943	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	KIT AGRICOL	4,269.00	3,452.00
TRACTORS AND HAVERTERS.	GRANDE	10000691	0002-1	04/2002	1.0	73.5	10.0	7.0	03/2014	KIT PNEUMÁTICO PI TRATOR	2,829.00	2,288.00
TRACTORS AND HAVERTERS.	TRATOR	10000763	0002-1	06/2007	1.0	73.5	10.0	7.0	03/2014	MOTONIVELADORA CATERPILLAR MOD. 140H C/ CABINE CLIMATIZADA	646,218.00	522,467.00
TRACTORS AND HAVERTERS.	GRANDE	10000764	0002-1	06/2007	1.0	73.5	10.0	7.0	03/2014	MOTONIVELADORA CATERPILLAR MOD. 140H C/ CABINE CLIMATIZADA	646,218.00	522,467.00
TRACTORS AND HAVERTERS.	TRATOR	10000624	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000767	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000774	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000780	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000790	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000794	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000798	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000802	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000852	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000856	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000860	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000865	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000869	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000873	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000877	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000881	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000891	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000896	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000900	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000904	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000908	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000913	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000917	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000924	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000966	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000970	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000974	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000978	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000983	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000987	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	TRATOR	10000991	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00
TRACTORS AND HAVERTERS.	GRANDE	10000995	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	RÁDIO TRANSCCEPTOR MOTOROLA MOD. EM-400 VHF 45W	1,173.00	949.00

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Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HAVERTERS,												
TRACTORS AND	TRATOR	10000993	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS	52.00	42.00
LOADERS	GRANDE									ARTICULADO		
HAVERTERS,	TRATOR									SUPORTE DE ANTENA DE CALHA ARS		
TRACTORS AND	GRANDE	10000997	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARTICULADO	52.00	42.00
HAVERTERS,	TRATOR									SUPORTE DE ANTENA DE CALHA ARS		
TRACTORS AND	GRANDE	10001001	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARTICULADO	52.00	42.00
HAVERTERS,	TRATOR									SUPORTE DE ANTENA DE CALHA ARS		
TRACTORS AND	GRANDE	10001005	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARTICULADO	52.00	42.00
HAVERTERS,	TRATOR									SUPORTE DE ANTENA DE CALHA ARS		
TRACTORS AND	GRANDE	10001009	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARTICULADO	52.00	42.00
HAVERTERS,	TRATOR									SUPORTE DE ANTENA DE CALHA ARS		
TRACTORS AND	GRANDE	10001013	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARTICULADO	52.00	42.00
HAVERTERS,	TRATOR									SUPORTE DE ANTENA DE CALHA ARS		
TRACTORS AND	GRANDE	10001050	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARTICULADO	52.00	42.00
HAVERTERS,	TRATOR									SUPORTE DE ANTENA DE CALHA ARS		
TRACTORS AND	GRANDE	10001054	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARTICULADO	52.00	42.00
HAVERTERS,	TRATOR									SUPORTE DE ANTENA DE CALHA ARS		
TRACTORS AND	GRANDE	10001057	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARTICULADO	52.00	42.00
HAVERTERS,	TRATOR									SUPORTE DE ANTENA DE CALHA ARS		
TRACTORS AND	GRANDE	10001061	0002-1	04/2012	1.0	73.5	10.0	7.0	03/2014	ARTICULADO	52.00	42.00
HAVERTERS,	TRATOR									SUPORTE P/ EXTINTOR DE INCÊNDIO PQS		
TRACTORS AND	GRANDE	10001147	0002-1	08/2013	109.0	84.0	10.0	8.0	03/2014	CAP. 8,0 KGS.	3,807.00	3,518.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10001120	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	125 SÉRIE BCL25C00121	138,292.00	111,809.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10001122	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	125 SÉRIE BCL25C00126	138,292.00	111,809.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10001121	0002-1	05/2012	1.0	73.5	10.0	7.0	03/2014	125 SÉRIE BCL25C00127	138,292.00	111,809.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000981	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	165 MAXXUM	187,100.00	151,270.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10001014	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	165 MAXXUM	181,729.00	146,928.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10001015	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	165 MAXXUM	181,729.00	146,928.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10001016	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	165 MAXXUM	181,729.00	146,928.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10001062	0002-1	03/2012	1.0	73.5	10.0	7.0	03/2014	165 MAXXUM	181,729.00	146,928.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10001063	0002-1	03/2012	1.0	73.5	10.0	7.0	03/2014	165 MAXXUM	181,729.00	146,928.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000623	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000628	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000766	0002-1	06/2007	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000773	0002-1	08/2007	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000779	0002-1	09/2007	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000793	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000797	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000801	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000805	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000965	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000969	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000973	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000977	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000982	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000986	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000990	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000994	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10000998	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10001002	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00
HAVERTERS,	TRATOR									TRATOR AGRÍCOLA CASE MOD. MXM-		
TRACTORS AND	GRANDE	10001006	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	180	207,648.00	167,883.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HAVERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10001010	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA CASE MOD. MXM-180	207,648.00	167,883.00
HAVERTERS, TRACTORS AND HAVERTERS,	TRATOR GRANDE	10001047	0002-1	03/2012	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA CASE MOD. MXM-180	207,648.00	167,883.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10001051	0002-1	03/2012	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA CASE MOD. MXM-180	207,648.00	167,883.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10001055	0002-1	03/2012	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA CASE MOD. MXM-180	207,648.00	167,883.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10001058	0002-1	03/2012	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA CASE MOD. MXM-180	207,648.00	167,883.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000836	0002-1	10/2010	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA CBT MOD. 2105M ANO 1983	9,517.00	7,695.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000643	0002-1	09/1994	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA FNH BASE 5610 2WD 8X2	53,534.00	43,282.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000644	0002-1	09/1994	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA FNH BASE 5610 2WD 8X2	53,534.00	43,282.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000645	0002-1	09/1994	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA FNH BASE 5610 2WD 8X2	53,534.00	43,282.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000835	0002-1	10/2010	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA MF MOD. 275-T ANO 1983	10,707.00	8,656.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000721	0002-1	02/2005	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA NEW HOLLAND SÉRIE TL75R400819	74,861.00	60,525.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000723	0002-1	02/2005	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA NEW HOLLAND SÉRIE TL75R400822	74,861.00	60,525.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000722	0002-1	02/2005	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA NEW HOLLAND SÉRIE TL75R400821	74,861.00	60,525.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000726	0002-1	03/2005	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA 4X4 SÉRIE BH144517013	150,587.00	121,750.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000758	0002-1	04/2007	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. 1280 4X4	128,482.00	103,878.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000760	0002-1	04/2007	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. 1280 4X4	128,482.00	103,878.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000762	0002-1	04/2007	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. 1280 4X4	128,482.00	103,878.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000837	0002-1	10/2010	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. 1280 4X4	128,482.00	103,878.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000838	0002-1	10/2010	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. 1280 4X4	128,482.00	103,878.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000839	0002-1	10/2010	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. 1280 4X4	128,482.00	103,878.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000730	0002-1	05/2005	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. 1280 4X4 SÉRIE 12804515658	118,137.00	95,514.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000731	0002-1	05/2005	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. 1280 4X4 SÉRIE 12804515659	118,137.00	95,514.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000732	0002-1	05/2005	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. 1280 4X4 SÉRIE 12804515660	118,137.00	95,514.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000729	0002-1	05/2005	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. 1280 4X4 SÉRIE 12804515661	118,137.00	95,514.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000712	0002-1	01/2005	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. BH SÉRIE BH144415225	144,946.00	117,189.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000713	0002-1	01/2005	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. BH SÉRIE BH144415226	144,946.00	117,189.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000740	0002-1	05/2006	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. BM-100 4X4	131,695.00	106,475.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000759	0002-1	04/2007	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. BM-120 4X4	145,733.00	117,825.00
TRACTORS AND HAVERTERS,	TRATOR GRANDE	10000761	0002-1	04/2007	1.0	73.5	10.0	7.0	03/2014	TRATOR AGRÍCOLA VALTRA MOD. BM-120 4X4	145,733.00	117,825.00
TRACTORS AND HAVERTERS, TRACTORS AND	TRATOR GRANDE	10000655	0002-1	08/2000	1.0	73.5	10.0	7.0	03/2014	TRATOR DE ESTERA FIAT ALIS (USADO)	65,431.00	52,901.00
											25,710,546.00	

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000563	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	ALONGAMENTO DE CHASSI P/ ADEQUAÇÃO	7,818.00	5,418.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000565	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	ANTENA P/ RÁDIO WIP VHF P/ VIATURAS	49.00	34.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000556	0002-1	06/2012	1.0	63.0	10.0	6.0	03/2014	ARS BARRA PULVERIZADORA FALCON MED. 14,00 MTS. C/ PISTA	6,401.00	4,436.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000436	0002-1	01/2003	1.0	57.8	10.0	5.5	03/2014	BAÚ MED. 5,50X2,00 MTS. C/ BANCOS	4,341.00	2,758.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000501	0002-1	12/2007	1.0	57.8	10.0	5.5	03/2014	BAÚ OFICINA GASCOM COMPLETO C/ INSTALAÇÃO	62,315.00	39,586.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000477	0002-1	12/2005	1.0	57.8	10.0	5.5	03/2014	BAÚ OFICINA GASCOM S.O.S. 4 EM 1	59,600.00	37,861.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000553	0002-1	06/2012	1.0	63.0	10.0	6.0	03/2014	ACOPLADO BOMBA CENTRÍFUGA EM AÇO INOX	6,232.00	4,318.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000569	0002-1	06/2012	1.0	63.0	10.0	6.0	03/2014	JUMIL TIPO HM5 BOMBA DE PRODUTOS ZANONI TIPO Z20230HS	6,374.00	4,417.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000554	0002-1	06/2012	1.0	63.0	10.0	6.0	03/2014	BOOM VALVE 5 SECTION MANIFOLD CÔD. 167	11,193.00	7,757.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000496	0002-1	09/2007	1.0	57.8	10.0	5.5	03/2014	CABINE DE TRANSPORTE DE TRABALHADORES RODOCAR	10,424.00	6,622.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000547	0002-1	03/2011	1.0	57.8	10.0	5.5	03/2014	CAÇAMBA BASCULANTE CAMINHÃO FORD MOD. F-12000 ANO 1994	22,732.00	14,441.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000394	0002-1	09/1996	1.0	57.8	10.0	5.5	03/2014	CAMINHÃO MERCEDES BENZ MOD. 2726/48 6X4	19,442.00	12,351.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000531	0002-1	12/2010	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO MERCEDES BENZ MOD. 2726/48 6X4	233,398.00	163,093.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000532	0002-1	12/2010	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO MERCEDES BENZ MOD. 2726/48 6X4	233,398.00	163,093.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000504	0002-1	01/2008	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO MERCEDES BENZ MOD. 33405/0126T	335,903.00	234,720.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000492	0002-1	03/2007	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO MERCEDES BENZ MOD. AXOR 3344	294,127.00	205,528.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000493	0002-1	03/2007	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO MERCEDES BENZ MOD. AXOR 3344	294,127.00	205,528.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000530	0002-1	11/2010	1.0	57.8	10.0	5.5	03/2014	CAMINHÃO OFICINA VOLANTE	76,817.00	48,798.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000453	0002-1	04/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO SCANIA CHASSI 9BSP6X4B053566038	304,097.00	212,496.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000451	0002-1	04/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO SCANIA CHASSI 9BSP6X4B053566040	304,097.00	212,496.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000452	0002-1	04/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO SCANIA CHASSI 9BSP6X4B053566045	304,097.00	212,496.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000457	0002-1	04/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO SCANIA CHASSI 9BSP6X4B053566047	304,097.00	212,496.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000450	0002-1	04/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO SCANIA CHASSI 9BSP6X4B053566049	304,097.00	212,496.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000471	0002-1	10/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO SCANIA CHASSI 9BSP6X4B053574363	304,097.00	212,496.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000472	0002-1	10/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO SCANIA CHASSI 9BSP6X4B053574383	304,097.00	212,496.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000469	0002-1	09/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO SCANIA CHASSI 9BSP6X4B053574395	304,097.00	212,496.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000470	0002-1	09/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO SCANIA CHASSI 9BSP6X4B053574419	304,097.00	212,496.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000485	0002-1	08/2006	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO SCANIA MOD. P-124 CB 6X4	299,112.00	209,012.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000445	0002-1	02/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN CHASSI 9BW4M82U05R510085	141,388.00	98,798.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000459	0002-1	04/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN CHASSI 9BW4M82U05R518211	141,388.00	98,798.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000447	0002-1	02/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN CHASSI 9BW4M82UX5R512216	141,388.00	98,798.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000473	0002-1	11/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN CHASSI 9BWA52RX6R603154	141,388.00	98,798.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000474	0002-1	11/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN CHASSI 9BWN672S56R604228	141,388.00	98,798.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000475	0002-1	11/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN CHASSI 9BWN672SX6R602420	141,388.00	98,798.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000502	0002-1	01/2008	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 09150	104,689.00	73,154.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000416	0002-1	01/2002	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 15180 ANO 2001/ 2002 BRANCO	157,487.00	110,048.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000583	0002-1	09/2012	1.0	69.3	10.0	6.6	03/2014	CAMINHÃO VOLKSWAGEN MOD. 15180 ANO 2011/ 2012 À DIESEL	157,487.00	120,052.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000581	0002-1	09/2012	1.0	69.3	10.0	6.6	03/2014	CAMINHÃO VOLKSWAGEN MOD. 15180 ANO 2011/2012 BRANCO GEADA	157,487.00	120,052.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000503	0002-1	01/2008	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 15180 CONSTELATION C/ CLIMATIZADOR	157,487.00	110,048.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000529	0002-1	11/2010	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 15180 CONSTELATION C/ CLIMATIZADOR	157,487.00	110,048.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000597	0002-1	03/2011	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 15180 CONSTELATION C/ CLIMATIZADOR	157,487.00	110,048.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000598	0002-1	03/2011	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 15180 CONSTELATION C/ CLIMATIZADOR	157,487.00	110,048.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000417	0002-1	01/2002	1.0	57.8	10.0	5.5	03/2014	CAMINHÃO VOLKSWAGEN MOD. 16200 ANO 1998/ 1998 BRANCO	4,654.00	2,956.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000495	0002-1	09/2007	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 26220 C/ CLIMATIZADOR	237,930.00	166,260.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000498	0002-1	09/2007	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 26220 C/ CLIMATIZADOR	237,930.00	166,260.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000486	0002-1	11/2006	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 26220 CUMMINS BRANCO	237,930.00	166,260.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000487	0002-1	11/2006	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 26220 CUMMINS BRANCO	237,930.00	166,260.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000579	0002-1	09/2012	1.0	69.3	10.0	6.6	03/2014	CAMINHÃO VOLKSWAGEN MOD. 26260 ANO 2011/ 2012 BRANCO GEADA	237,930.00	181,374.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000476	0002-1	12/2005	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 26260 CHASSI 9BW5T82U26R608415	237,930.00	166,260.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000494	0002-1	08/2007	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 31320 CAMINHÃO VOLKSWAGEN MOD. 31320	237,884.00	166,227.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000577	0002-1	09/2012	1.0	69.3	10.0	6.6	03/2014	CAMINHÃO VOLKSWAGEN MOD. 31370 ANO 2011/2012 BRANCO GEADA	237,884.00	181,339.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000576	0002-1	09/2012	1.0	69.3	10.0	6.6	03/2014	CAMINHÃO VOLKSWAGEN MOD. 31370 ANO 2011/ 2011 BRANCO GEADA	305,910.00	233,195.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000434	0002-1	11/2002	1.0	57.8	10.0	5.5	03/2014	CAMINHÃO VOLKSWAGEN MOD. 7-110 MWM ANO 2002	22,882.00	14,536.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000435	0002-1	12/2002	1.0	57.8	10.0	5.5	03/2014	CARRETA REBOQUE DE CANA CARROCERIA ABERTA	581.00	369.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000414	0002-1	04/2001	1.0	57.8	10.0	5.5	03/2014	CARRETA REBOQUE DE CANA CFC KRONE MOD. 3227 ANO 1989	1,450.00	921.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000415	0002-1	04/2001	1.0	57.8	10.0	5.5	03/2014	CARRETA REBOQUE DE CANA CFC KRONE MOD. 3228 ANO 1989	1,450.00	921.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000413	0002-1	04/2001	1.0	57.8	10.0	5.5	03/2014	CARRETA REBOQUE DE CANA CFC MOD. 4729 CHASSI 9AFD07520MF002567	1,465.00	930.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000520	0002-1	10/2008	1.0	57.8	10.0	5.5	03/2014	CARRETA REBOQUE DE CANA INTEIRA GUERRA	64,808.00	41,169.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000521	0002-1	10/2008	1.0	57.8	10.0	5.5	03/2014	CARRETA REBOQUE DE CANA INTEIRA GUERRA	64,808.00	41,169.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000522	0002-1	10/2008	1.0	57.8	10.0	5.5	03/2014	CARRETA REBOQUE DE CANA INTEIRA GUERRA	64,808.00	41,169.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000481	0002-1	01/2006	1.0	57.8	10.0	5.5	03/2014	CARROCERIA ABERTA P/ PLANTIO (USADA)	9,064.00	5,758.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000405	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	CARROCERIA CANAVIEIRA METÁLICA	1,748.00	1,110.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000406	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	CARROCERIA CANAVIEIRA METÁLICA	1,748.00	1,110.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000407	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	CARROCERIA CANAVIEIRA METÁLICA	1,748.00	1,110.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000408	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	CARROCERIA CANAVIEIRA METÁLICA	1,748.00	1,110.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000409	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	CARROCERIA CANAVIEIRA METÁLICA	1,748.00	1,110.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000410	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	CARROCERIA CANAVIEIRA METÁLICA	1,748.00	1,110.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000411	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	CARROCERIA CANAVIEIRA METÁLICA	1,748.00	1,110.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000419	0002-1	04/2002	1.0	57.8	10.0	5.5	03/2014	CARROCERIA EM AÇO P/ CARGA SECA	299.00	190.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000480	0002-1	12/2005	1.0	57.8	10.0	5.5	03/2014	CARROCERIA P/ CAMINHÃO TIPO FRANCHIA (USADA)	3,172.00	2,015.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000468	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	CARROCERIA P/ TRANSPORTE DE CANA CHASSI 9BSF6X4B053566040	27,665.00	17,574.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000467	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	CARROCERIA P/ TRANSPORTE DE CANA CHASSI 9BSF6X4B053566045	27,665.00	17,574.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000420	0002-1	04/2002	1.0	57.8	10.0	5.5	03/2014	CARROCERIA P/ TRANSPORTE DE CANA PICADA	26,014.00	16,525.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000421	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	CARROCERIA P/ TRANSPORTE DE CANA PICADA	26,014.00	16,525.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000422	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	CARROCERIA P/ TRANSPORTE DE CANA PICADA	26,014.00	16,525.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000512	0002-1	03/2008	1.0	57.8	10.0	5.5	03/2014	CARROCERIA P/ TRANSPORTE DE CANA PICADA	26,014.00	16,525.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000466	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	CARROCERIA P/ TRANSPORTE DE CANA CHASSI 9BSF6X4B053566038	27,665.00	17,574.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000560	0002-1	08/2012	1.0	63.0	10.0	6.0	03/2014	CHAPA LISA MED. 3,00 MTS. CADA PEÇA	1,316.00	912.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000555	0002-1	06/2012	1.0	63.0	10.0	6.0	03/2014	CHICOTE ELÉTRICO 11170501300 - FAGRO	2,899.00	2,009.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000557	0002-1	06/2012	1.0	63.0	10.0	6.0	03/2014	CHICOTE ELÉTRICO 11170501313 - FAGRO	2,899.00	2,009.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000418	0002-1	03/2002	1.0	57.8	10.0	5.5	03/2014	COMBOIO PRO-LUB CONJUNTO COMPLETO	14,172.00	9,003.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000500	0002-1	12/2007	1.0	57.8	10.0	5.5	03/2014	COMBOIO PRO-LUB GASCOM TIPO A-4000/5 R/1T	73,645.00	46,783.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000478	0002-1	12/2005	1.0	57.8	10.0	5.5	03/2014	COMBOIO PRO-LUB GASCOM TIPO A-4000/6 ACOPLADO	51,396.00	32,649.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000585	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CBA MOD. 870C	2,833.00	1,799.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000586	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CBA MOD. 870C	2,833.00	1,799.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000587	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CBA MOD. 870C	2,833.00	1,799.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000588	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CBA MOD. 870C	2,833.00	1,799.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000589	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CBA MOD. 870C	2,833.00	1,799.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000590	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CBA MOD. 870C	2,833.00	1,799.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000591	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CBA MOD. 870C	2,833.00	1,799.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000592	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CBA MOD. 870C	2,833.00	1,799.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000593	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CBA MOD. 870C	2,833.00	1,799.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000594	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CHASSI 9BSF6X4B053566040	2,833.00	1,799.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000595	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CHASSI 9BSF6X4B053566045	2,833.00	1,799.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000596	0002-1	09/2005	1.0	57.8	10.0	5.5	03/2014	COMPUTADOR DE BORDO CHASSI 9BSR6X4B053566047	2,833.00	1,799.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000497	0002-1	10/2007	1.0	57.8	10.0	5.5	03/2014	CONJUNTO DE AGRIBOMBA COMPLETO P/ TRANSPORTE DE ÁGUA	39,655.00	25,191.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000446	0002-1	03/2005	1.0	57.8	10.0	5.5	03/2014	CONJUNTO MÓVEL COMPLETO DE COMBATE À INCÊNDIOS SÉRIE 6398	40,698.00	25,854.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000448	0002-1	03/2005	1.0	57.8	10.0	5.5	03/2014	CONJUNTO MÓVEL COMPLETO DE COMBATE À INCÊNDIOS SÉRIE 6407	40,698.00	25,854.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000575	0002-1	07/2012	1.0	63.0	10.0	6.0	03/2014	FURGÃO OFICINA GASCON	70,246.00	48,680.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000449	0002-1	03/2005	1.0	57.8	10.0	5.5	03/2014	GUINCHO MOTOCANA MUNK NR. SPOMN166520011	19,533.00	12,408.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000548	0002-1	03/2011	1.0	57.8	10.0	5.5	03/2014	IMPLEMENTO REF. PIPA IMPACTO CAP. 15.000,0 LTS.	43,398.00	27,569.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000571	0002-1	05/2012	1.0	63.0	10.0	6.0	03/2014	KIT DE TRANSFORMAÇÃO VW MOD. 31-370	8,233.00	5,705.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000570	0002-1	05/2012	1.0	63.0	10.0	6.0	03/2014	KIT HIDRÁULICO DA FRANCHIA P/ CAVALO TRACTOR	6,798.00	4,711.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000572	0002-1	05/2012	1.0	63.0	10.0	6.0	03/2014	KIT HIDRÁULICO DA FRANCHIA P/ CAVALO TRACTOR	6,798.00	4,711.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000562	0002-1	09/2012	1.0	63.0	10.0	6.0	03/2014	KIT MASTRO JACTO	11,355.00	7,869.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000568	0002-1	06/2012	1.0	63.0	10.0	6.0	03/2014	KIT SUPER PRO WITH GUIDANCE SINGLE	36,000.00	24,948.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000599	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	KIT VIPER PRO 2.5.1	4,606.00	4,256.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000561	0002-1	08/2012	1.0	63.0	10.0	6.0	03/2014	MANTA DE BORRACHA LONADO	1,349.00	935.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000499	0002-1	10/2007	1.0	57.8	10.0	5.5	03/2014	MISTURADOR COMPLETO P/ APLICAÇÃO DE FERTILIZANTE ACOPLADO	62,315.00	39,586.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000584	0002-1	09/2012	1.0	63.0	10.0	6.0	03/2014	OFICINA VOLANTE - IMPACTO CARAJÁS	63,448.00	43,969.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000412	0002-1	12/1999	1.0	57.8	10.0	5.5	03/2014	FRANCHIA EM MADEIRA MED. 7,85X3,00 MTS.	1,639.00	1,041.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000574	0002-1	06/2012	1.0	69.3	10.0	6.6	03/2014	FRANCHIA TIPO PESCOÇO MÓVEL C/ 02 EIXOS	149,201.00	113,736.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000505	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	RÁDIO TRANSECTOR MOTOROLA MOD. EM-400 VHF 45W	1,118.00	774.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000535	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	RÁDIO TRANSECTOR MOTOROLA MOD. EM-400 VHF 45W	1,118.00	774.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000543	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	RÁDIO TRANSECTOR MOTOROLA MOD. EM-400 VHF 45W	1,118.00	774.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000550	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	RÁDIO TRANSECTOR MOTOROLA MOD. EM-400 VHF 45W	1,118.00	774.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000564	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	RÁDIO TRANSECTOR MOTOROLA MOD. EM-400 VHF 45W	1,118.00	774.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000460	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO CHASSI 9ADD080255S216152	68,207.00	43,328.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000461	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO CHASSI 9ADD080255S216153	68,207.00	43,328.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000462	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO CHASSI 9ADD080255S216154	68,207.00	43,328.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000463	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO CHASSI 9ADD080255S216155	68,207.00	43,328.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000464	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO CHASSI 9ADD080255S216156	68,207.00	43,328.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000465	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO CHASSI 9ADD080255S216157	68,207.00	43,328.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000458	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO CHASSI 9ADD080255S216159	68,207.00	43,328.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000456	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO CHASSI 9ADD080255S216160	68,207.00	43,328.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000454	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO CHASSI 9ADD080255S216161	68,207.00	43,328.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000455	0002-1	04/2005	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO CHASSI 9ADD080255S216162	68,207.00	43,328.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000488	0002-1	12/2006	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO P/ TRANSPORTE DE CANA PICADA	59,822.00	38,002.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000489	0002-1	12/2006	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO P/ TRANSPORTE DE CANA PICADA	59,822.00	38,002.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000490	0002-1	12/2006	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO P/ TRANSPORTE DE CANA PICADA	59,822.00	38,002.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000491	0002-1	12/2006	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO P/ TRANSPORTE DE CANA PICADA	59,822.00	38,002.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000426	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO PLACA DBV - 9762 ANO 2002	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000423	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO PLACA DBV - 9763 ANO 2002	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000429	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO PLACA DBV - 9764 ANO 2002	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000424	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO PLACA DBV - 9781 ANO 2002	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000427	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO PLACA DBV - 9782 ANO 2002	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000430	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO PLACA DBV - 9783 ANO 2002	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000425	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO PLACA DBV - 9784 ANO 2002	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000432	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO PLACA DBV - 9801 ANO 2002	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000428	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO PLACA DBV - 9802 ANO 2002	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000431	0002-1	05/2002	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO PLACA DBV - 9803 ANO 2002	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000518	0002-1	06/2008	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO RODOFORT PLACA DBL-9831	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000517	0002-1	06/2008	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO RODOFORT PLACA DBL-9833	48,843.00	31,027.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000519	0002-1	06/2008	1.0	57.8	10.0	5.5	03/2014	REBOQUE CANAVIEIRO RODOFORT PLACA DBL-9856	48,843.00	31,027.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000437	0002-1	03/2003	1.0	57.8	10.0	5.5	03/2014	REBOQUE RANDON CHASSI 9ADD080233M185698 ANO 2003	29,013.00	18,431.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000404	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	REBOQUE RANDON PLACA BZW-4993 ANO 1996	29,013.00	18,431.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000442	0002-1	03/2003	1.0	57.8	10.0	5.5	03/2014	REBOQUE RANDON PLACA DBV-9901 ANO 2003	29,013.00	18,431.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000439	0002-1	03/2003	1.0	57.8	10.0	5.5	03/2014	REBOQUE RANDON PLACA DBV-9902 ANO 2003	29,013.00	18,431.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000438	0002-1	03/2003	1.0	57.8	10.0	5.5	03/2014	REBOQUE RANDON PLACA DBV-9903 ANO 2003	29,013.00	18,431.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000441	0002-1	03/2003	1.0	57.8	10.0	5.5	03/2014	REBOQUE RANDON PLACA DBV-9905 ANO 2003	29,013.00	18,431.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000440	0002-1	03/2003	1.0	57.8	10.0	5.5	03/2014	REBOQUE RANDON PLACA DBV-9906 ANO 2003	29,013.00	18,431.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000507	0002-1	03/2008	1.0	57.8	10.0	5.5	03/2014	REBOQUE RODOFORT CANAVIEIRO P/ TRANSPORTE DE DE CANA PICADA	66,802.00	42,436.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000508	0002-1	03/2008	1.0	57.8	10.0	5.5	03/2014	REBOQUE RODOFORT CANAVIEIRO P/ TRANSPORTE DE DE CANA PICADA	66,802.00	42,436.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000509	0002-1	03/2008	1.0	57.8	10.0	5.5	03/2014	REBOQUE RODOFORT CANAVIEIRO P/ TRANSPORTE DE DE CANA PICADA	66,802.00	42,436.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000510	0002-1	03/2008	1.0	57.8	10.0	5.5	03/2014	REBOQUE RODOFORT CANAVIEIRO P/ TRANSPORTE DE DE CANA PICADA	66,802.00	42,436.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000511	0002-1	03/2008	1.0	57.8	10.0	5.5	03/2014	REBOQUE RODOFORT CANAVIEIRO P/ TRANSPORTE DE DE CANA PICADA	66,802.00	42,436.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000513	0002-1	03/2008	1.0	57.8	10.0	5.5	03/2014	REBOQUE RODOFORT CANAVIEIRO P/ TRANSPORTE DE DE CANA PICADA	66,802.00	42,436.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000514	0002-1	03/2008	1.0	57.8	10.0	5.5	03/2014	REBOQUE RODOFORT CANAVIEIRO P/ TRANSPORTE DE DE CANA PICADA	66,802.00	42,436.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000515	0002-1	03/2008	1.0	57.8	10.0	5.5	03/2014	REBOQUE RODOFORT CANAVIEIRO P/ TRANSPORTE DE DE CANA PICADA	66,802.00	42,436.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000578	0002-1	09/2012	1.0	63.0	10.0	6.0	03/2014	RESERVATÓRIO P/ TRANSPORTE DE ÁGUA	45,320.00	31,407.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000559	0002-1	06/2012	1.0	63.0	10.0	6.0	03/2014	RFM POLY M220 FLANGED - CÓD. 15442	5,956.00	4,128.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000443	0002-1	10/2003	1.0	57.8	10.0	5.5	03/2014	SEMI-REBOQUE MOD. SR-CT-PL-0330	62,402.00	39,641.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000516	0002-1	04/2008	1.0	63.5	10.0	6.1	03/2014	SEMI-REBOQUE RANDON MOD. PESCOÇO	122,172.00	85,371.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000400	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	SEMI-REBOQUE TECTRA N PLACA BXO-6072	8,065.00	5,123.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000402	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	SEMI-REBOQUE TECTRA N PLACA BXO-6073	8,065.00	5,123.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000403	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	SEMI-REBOQUE TECTRA N PLACA BXO-6074	8,065.00	5,123.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000396	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	SEMI-REBOQUE TECTRA N PLACA BXO-6075	8,065.00	5,123.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000397	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	SEMI-REBOQUE TECTRA N PLACA BXO-6076	8,065.00	5,123.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000398	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	SEMI-REBOQUE TECTRA N PLACA BXO-6077	8,065.00	5,123.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000399	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	SEMI-REBOQUE TECTRA N PLACA BXO-6078	8,065.00	5,123.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000401	0002-1	04/1999	1.0	57.8	10.0	5.5	03/2014	SEMI-REBOQUE TECTRA N PLACA PLACA BXO-6071	8,065.00	5,123.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000506	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	49.00	34.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000536	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	49.00	34.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000544	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	49.00	34.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000551	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	49.00	34.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000566	0002-1	04/2012	1.0	63.0	10.0	6.0	03/2014	SUPORTE DE ANTENA DE CALHA ARS ARTICULADO	49.00	34.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000567	0002-1	05/2012	1.0	63.0	10.0	6.0	03/2014	TANQUE P/ TRANSPORTE ELÍPTICO	30,591.00	21,200.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000395	0002-1	10/1996	1.0	57.8	10.0	5.5	03/2014	TANQUE PIPA CAP. 13.600,0 LTS.	14,708.00	9,344.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000479	0002-1	12/2005	1.0	57.8	10.0	5.5	03/2014	TANQUE PRÓ-CALDA DEFENSE (GASCOM) ACOPLADO	40,898.00	25,981.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000580	0002-1	09/2012	1.0	63.0	10.0	6.0	03/2014	UNIDADE COMBÓIO MÓVEL CAP. 9.000,0 LTS.	79,310.00	54,962.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO	31000558	0002-1	06/2012	1.0	63.0	10.0	6.0	03/2014	VÁLVULA BORBOLETA DE CONTROLE	4,025.00	2,789.00
HEAVY DUTY VEHICLES & TRUCKS	IMPLEMENTOS - HORA	31000444	0002-1	12/2004	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 15180 MWM CHASSI 9BWN72S15R507335	157,487.00	110,048.00
HEAVY DUTY VEHICLES & TRUCKS	MANUTENÇÃO CIVIL	31000573	0002-1	06/2012	1.0	63.0	10.0	6.0	03/2014	REBOQUE AGRÍCOLA FAÇCHINI CAP. 2,5 TON.	4,079.00	2,827.00
HEAVY DUTY VEHICLES & TRUCKS	ÔNIBUS	31000390	0002-1	09/2006	1.0	57.8	10.0	5.5	03/2014	TANQUE EM AÇO INOX ISOTÉRMICO REFRIGERADO CAP. 300,0 LTS.	5,948.00	3,779.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HEAVY DUTY VEHICLES & TRUCKS	ÔNIBUS	31000393	0002-1	05/2006	1.0	57.8	10.0	5.5	03/2014	TANQUE EM AÇO INOX ISOTÉRMICO REFRIGERADO CAP. 300,0 LTS.	5,948.00	3,779.00
HEAVY DUTY VEHICLES &	ÔNIBUS	31000391	0002-1	04/2006	1.0	57.8	10.0	5.5	03/2014	TOLDO DE ENROLAR	922.00	586.00
HEAVY DUTY VEHICLES &	ÔNIBUS	31000392	0002-1	04/2006	1.0	57.8	10.0	5.5	03/2014	TOLDO DE ENROLAR	922.00	586.00
HEAVY DUTY VEHICLES &	ÔNIBUS	31000389	0002-1	08/2006	2.0	57.8	10.0	5.5	03/2014	TOLDO DE ENROLAR C/ BRAÇOS	2,082.00	1,322.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000433	0002-1	12/2007	1.0	57.8	10.0	5.5	03/2014	KIT DE AR CONDICIONADO P/ AMBULÂNCIA	2,379.00	1,511.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000483	0002-1	02/2006	1.0	57.8	10.0	5.5	03/2014	MOTOCICLETA HONDA CHASSI: 9C2KDO3206R007006	7,025.00	4,462.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000482	0002-1	02/2006	1.0	57.8	10.0	5.5	03/2014	MOTOCICLETA HONDA CHASSI: 9C2KDO3306R007149	7,025.00	4,462.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000528	0002-1	05/2009	1.0	57.8	10.0	5.5	03/2014	PIPA BOMBEIRO AGRIBOMBA GASCOM CAP. 15.000,0 LTS.	48,719.00	30,949.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000600	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 CITY C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000602	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 G IV C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000603	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 G IV C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000604	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 G IV C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000605	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 G IV C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000606	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 G IV C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000607	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 G IV C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000608	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 G IV C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000609	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 G IV C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000610	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 G IV C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000611	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 G IV C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000612	0002-1	08/2013	1.0	84.0	10.0	8.0	03/2014	VEÍCULO GOL MOD. 1.0 G IV C/ AR CONDICIONANDO E DIREÇÃO	32,048.00	29,613.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000601	0002-1	08/2013	1.0	92.4	10.0	8.8	03/2014	VEÍCULO MERCEDES BENZ MOD. SPRINTER 415 TIPO AMBULÂNCIA	106,502.00	108,249.00
HEAVY DUTY VEÍCULOS LEVES/	VEÍCULOS LEVES/	31000484	0002-1	05/2006	1.0	57.8	10.0	5.5	03/2014	VEÍCULO VOLKSWAGEN MOD. SAVEIRO TIPO AMBULÂNCIA 1.6 PLACA DBV-5751	42,892.00	27,247.00
HEAVY DUTY VEHICLES &												9,574,781.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	ADMINISTRAÇÃO AGRÍCOLA	20003412	0002-1	01/2014	1.0	99.8	20.0	19.0	03/2014	TERMÔMETRO DE GLOBO DIGITAL MOD. TGD-200	3,643.00	3,997.00
MACHINERY & EQUIPMENT	ADMINISTRAÇÃO AGRÍCOLA	20003413	0002-1	01/2014	1.0	99.8	20.0	19.0	03/2014	TERMÔMETRO DE GLOBO DIGITAL MOD. TGD-200	3,643.00	3,997.00
MACHINERY & EQUIPMENT	ADMINISTRAÇÃO AGRÍCOLA	20003414	0002-1	01/2014	1.0	99.8	20.0	19.0	03/2014	TERMÔMETRO DE GLOBO DIGITAL MOD. TGD-200	3,643.00	3,997.00
MACHINERY & EQUIPMENT	ADMINISTRAÇÃO AGRÍCOLA	20003415	0002-1	01/2014	1.0	99.8	20.0	19.0	03/2014	TERMÔMETRO DE GLOBO DIGITAL MOD. TGD-200	3,643.00	3,997.00
MACHINERY & EQUIPMENT	ADMINISTRAÇÃO AGRÍCOLA	20003416	0002-1	01/2014	1.0	99.8	20.0	19.0	03/2014	TERMÔMETRO DE GLOBO DIGITAL MOD. TGD-200	3,643.00	3,997.00
MACHINERY & EQUIPMENT	ADMINISTRAÇÃO AGRÍCOLA	20003417	0002-1	01/2014	1.0	99.8	20.0	19.0	03/2014	TERMÔMETRO DE GLOBO DIGITAL MOD. TGD-200	3,643.00	3,997.00
MACHINERY & EQUIPMENT	ADMINISTRAÇÃO AGRÍCOLA	20003418	0002-1	01/2014	1.0	99.8	20.0	19.0	03/2014	TERMÔMETRO DE GLOBO DIGITAL MOD. TGD-200	3,643.00	3,997.00
MACHINERY & EQUIPMENT	ADMINISTRAÇÃO	20003423	0002-1	01/2014	1.0	99.8	20.0	19.0	03/2014	DETECTOR DE GÁS PROTEGE MOD. 121111 KIT PUMP SOFT	6,186.00	6,788.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002082	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	ACOPLAMENTO CESTARI MOD. D-40	6,829.00	7,493.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20001993	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	ACOPLAMENTO DE ENGRENAGEM ANTARES MOD. A	12,389.00	13,594.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20001994	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	ACOPLAMENTO DE ENGRENAGEM ANTARES MOD. R	20,779.00	22,800.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002019	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	AMPLIAÇÃO INDUSTRIAL REF. ESTEIRA METÁLICA	98,234.00	107,787.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002338	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	APARELHO P/ FILTRAR OU DEPURAR ÁGUA	1,233.00	997.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002977	0002-1	05/2012	1.0	94.5	20.0	18.0	03/2014	ATUADOR ELETRO-HIDRÁULICO FM MOD. 315/400B	3,297.00	3,427.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002289	0002-1	04/2004	1.0	73.5	20.0	14.0	03/2014	BANCO DE RESISTÊNCIA P/ MOTOR TRIFÁSICO	2,660.00	2,151.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002296	0002-1	11/2004	1.0	73.5	20.0	14.0	03/2014	BOMBA HIDRÁULICA GARRA USINA C/ LULA E ACOPLAMENTO	907.00	734.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20003385	0002-1	11/2004	1.0	73.5	20.0	14.0	03/2014	BOMBA HIDRÁULICA GARRA USINA C/ LULA E ACOPLAMENTO	907.00	734.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002015	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	CARRO P/ ELETROIMÃ 90	11,713.00	12,852.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002016	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	CARRO P/ ELETROIMÃ 90	11,713.00	12,852.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002687	0002-1	09/2007	1.0	73.5	20.0	14.0	03/2014	COMPLEMENTO REF. MATERIAIS UTILIZADOS NA PREPARAÇÃO DE CANA	3,596.00	2,907.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002685	0002-1	09/2007	1.0	73.5	20.0	14.0	03/2014	COMPLEMENTO REF. PREPARO DE CANA DO DESFIBRADOR	14,685.00	11,873.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002641	0002-1	08/2007	1.0	73.5	25.0	17.5	03/2014	COMPLEMENTO REF. RECEPÇÃO DE CANA DA MOENDA NR. 78 -	79,287.00	64,104.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002642	0002-1	09/2007	1.0	73.5	25.0	17.5	03/2014	COMPLEMENTO REF. RECEPÇÃO DE CANA DA MOENDA NR. 78 -	24,412.00	19,737.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002231	0002-1	02/1985	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE PREPARO DE CANA	54,913.00	44,398.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002295	0002-1	11/2004	1.0	73.5	20.0	14.0	03/2014	CONTATOR SÓLIDO TRIFÁSICO MOD. VCT 150 HCR	8,990.00	7,268.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002510	0002-1	12/2005	1.0	73.5	20.0	14.0	03/2014	CONTATOR SÓLIDO TRIFÁSICO MOD. VCT 150 HCR	8,990.00	7,268.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002955	0002-1	12/2011	1.0	89.3	20.0	17.0	03/2014	CONTROLE REMOTO FOX CONTROL MOD. FOX-560A PLUS	3,283.00	3,223.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002948	0002-1	09/2011	1.0	89.3	20.0	17.0	03/2014	CORREIA TRANSPORTADORA MERCÚRIO TIPO 4L-1100	30,435.00	29,880.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002684	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	DESFIBRADOR DE CANA MAXCELL. VII DEDINI	187,285.00	154,665.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002774	0002-1	09/2007	1.0	75.1	20.0	14.3	03/2014	DESFIBRADOR DE CANA MAXCELL. VII DEDINI	187,285.00	154,665.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002677	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	EQUIPAMENTO GL-300 08" WCB CA 15	7,028.00	5,682.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002776	0002-1	09/2007	1.0	73.5	20.0	14.0	03/2014	ROSCA GFH/ 304 + GVT	9,374.00	7,579.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002018	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	ESPALHADOR DE CANA DEDINI	9,374.00	7,579.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002020	0002-1	03/2013	1.0	94.5	20.0	18.0	03/2014	ESTEIRA DE BORRACHA LARGURA MED. 86,00 MM.	385,505.00	422,996.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002672	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	ESTEIRA METÁLICA LARGURA MED. 100,00 MM.	1,491,510.00	1,550,425.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002860	0002-1	05/2010	1.0	84.0	20.0	16.0	03/2014	ESTRUTURA DE SUSTENTAÇÃO P/ ELETROIMÃ	75,947.00	61,403.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002874	0002-1	09/2010	1.0	84.0	20.0	16.0	03/2014	GRADE DE ACOPLAMENTO FALK CÔD. 1160T10	8,234.00	7,608.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002021	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	GRADE DE ACOPLAMENTO FALK CÔD. 1160T10	8,234.00	7,608.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002337	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	HILLO MECÂNICO TOMBADOR DE CANA CAP. 45,0 TON.	454,674.00	498,891.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002842	0002-1	05/2009	1.0	78.8	20.0	15.0	03/2014	INSTALAÇÃO REF. TURBO REDUTOR JOGO DE MARTELOS P/ DESFIBRADOR MAXCELL	44,674.00	36,119.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002297	0002-1	11/2004	1.0	73.5	20.0	14.0	03/2014	LULA 1.1/4" + ACOPLAMENTO P/ BOMBA HIDRÁULICA C/ GARRA	94,086.00	81,502.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002298	0002-1	11/2004	1.0	73.5	20.0	14.0	03/2014	LULA 1.1/4" + ACOPLAMENTO P/ BOMBA HIDRÁULICA C/ GARRA	394.00	319.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002680	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	LULA ACOPLADA P/ ENGRENAGEM DE SAÍDA	394.00	319.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002683	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	MATERIAIS APLICADOS EM SERVIÇO DE PESSOA JURÍDICA	27,352.00	22,114.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002028	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MELHORIAS NO PICADOR DESFIBRADOR MOENDA NR. 78 - INSTALAÇÃO DO	120,711.00	99,686.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002671	0002-1	05/2007	1.0	75.1	25.0	17.9	03/2014	EQUIPAMENTO	719,475.00	789,443.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002686	0002-1	05/2007	1.0	75.1	25.0	17.9	03/2014	MOENDA NR. 78 - INSTALAÇÃO DO EQUIPAMENTO	624,284.00	515,549.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002686	0002-1	05/2007	1.0	75.1	25.0	17.9	03/2014	EQUIPAMENTO	180,274.00	148,875.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA CANA	20002026	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO PICADOR DO QUADRO DISTRIBUIÇÃO	98,607.00	108,197.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002772	0002-1	08/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 125,0 CV 6P	13,155.00	10,636.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002676	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 15,0 CV 1700 RPM 220/380/440V	1,109.00	897.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002675	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 50,0 CV 220/380/440V	3,769.00	3,047.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002288	0002-1	02/2004	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 75,0 CV 1700 RPM	6,072.00	4,909.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002770	0002-1	08/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO TRIFÁSICO MOTOFREDO POT. 2,0 CV 6P 04 TENSÕES	1,261.00	1,019.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002639	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 125,0 CV 1150 RPM 220/380/440V	11,515.00	9,310.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002528	0002-1	02/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 50,0 CV 1150 RPM 220/380/440V	5,852.00	4,732.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002917	0002-1	05/2011	1.0	89.3	20.0	17.0	03/2014	MOTOR ELÉTRICO WEG POT. 50,0 CV 4P 04 TENSÕES	5,354.00	5,256.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002307	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	PAINEL P/ CORREÇÃO DO FATOR DE POTÊNCIA DA DESTILARIA	22,749.00	18,392.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002682	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	PARTE DOS MATERIAIS DO PICADOR DEDINI	1,006.00	814.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002681	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	PICADOR DE CANA DEDINI	428,352.00	353,744.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002775	0002-1	09/2007	1.0	75.1	20.0	14.3	03/2014	PICADOR DE CANA DEDINI	428,352.00	353,744.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002081	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	QUADRO ELÉTRICO DE DISTRIBUIÇÃO E MANOBRA DE MÉDIA TENSÃO	86,784.00	95,223.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002640	0002-1	05/2007	1.0	75.1	25.0	17.9	03/2014	RECEPÇÃO DE CANA DA MOENDA NR. 78 - INSTALAÇÃO	122,149.00	100,873.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002988	0002-1	11/2012	1.0	99.8	20.0	19.0	03/2014	REDUTOR DE VELOCIDADE DE TIPO MPFS100	132,034.00	144,874.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002025	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	REDUTOR IC400N PICADOR	96,019.00	105,356.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002027	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	REDUTOR IC450N PICADOR	96,019.00	105,356.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002014	0002-1	03/2013	3.0	99.8	20.0	19.0	03/2014	SEMÁFARO VERTICAL TIPO LED C/ 03 FOCALIS	6,230.00	6,836.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002017	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SEPARADOR ELETROMÔM BRSS MOD. 90	176,034.00	193,154.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002673	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	SEPARADOR MAGNÉTICO SUSPENSO COMPLETO	100,902.00	81,579.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002023	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA DE LIMPEZA À SECO	608,760.00	667,962.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002496	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	SISTEMA FESTOON P/ PONTE ROLANTE DE CANA	1,701.00	1,375.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002785	0002-1	11/2007	1.0	73.5	20.0	14.0	03/2014	SISTEMA FESTOON P/ TRILHO C/ 20,00 MTS.	1,887.00	1,526.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002674	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	6,486.00	5,244.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002013	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SONDA OBLÍQUA MOTOCANA MOD. SO-4M	350,432.00	384,511.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002284	0002-1	07/2003	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA POT. 150,0 KVA 3F 1.2KV 220/127V	4,421.00	3,574.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002276	0002-1	04/2002	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA POT. 50,0 KVA TRIFÁSICO	994.00	804.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002188	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSMISSOR DE PRESSÃO	4,223.00	4,634.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002669	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	MANOMÉTRICA DE CONTROLE	4,223.00	4,634.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002670	0002-1	05/2007	1.0	94.5	20.0	18.0	03/2014	TRANSPORTADOR DE CORREIA P/ BAGAÇO MED. 20.300,00 MM.	379,736.00	313,596.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002678	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	TRANSPORTADOR TIPO ESTERA DE CANA LINK	1,627,441.00	1,691,725.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002340	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA BORBOLETA 30"	12,900.00	10,429.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002679	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE GAVETA 150 LBS. P/ TURBO DESFIBRADOR	4,640.00	3,752.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO / PREPARO DA	20002339	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE GAVETA VK	15,222.00	12,307.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002890	0002-1	02/2011	1.0	89.3	20.0	17.0	03/2014	VÁLVULA GLOBO 600 LBS. P/ TURBINA DO DESFIBRADOR	9,743.00	7,877.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002779	0002-1	09/2007	1.0	73.5	20.0	14.0	03/2014	ASPRADOR DE PÓ MOD. CR-2	12,827.00	12,593.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002777	0002-1	09/2007	1.0	73.5	20.0	14.0	03/2014	COMPACTO	7,328.00	5,925.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002866	0002-1	05/2010	1.0	84.0	20.0	16.0	03/2014	BALANÇA ELETRÔNICA CAP. 2.500,0 KGS. X 500,0 GRS.	2,010.00	1,625.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002483	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	BALANÇA ELETRÔNICA DE BANCA DA	2,010.00	1,857.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002484	0002-1	10/2005	2.0	73.5	20.0	14.0	03/2014	BALANÇA ELETRÔNICA MICHELETTI TIPO	1,190.00	962.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20001991	0002-1	01/2013	6.0	99.8	20.0	19.0	03/2014	PLATAFORMA CAP. 200,0 KGS.	676.00	546.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002505	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	BOTOEIRA ÓPTICA SOFTWARE SWITCH MOD. M-22	5,099.00	5,594.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002487	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	CÉLULA DE CARGA ALBATROZ CAP. 60,0 KGS.	1,190.00	962.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002596	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE ROSCA S/ FIM P/ ARMAZÉM DE AÇÚCAR	11,849.00	9,580.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002486	0002-1	10/2005	12.0	73.5	20.0	14.0	03/2014	CORREIA TRANSPORTADORA FECHADA TIPO PNEU-TRATOR	24,412.00	19,737.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002501	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	ELEVADOR DE CANEÇAS SILL	167,007.00	135,025.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002485	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	COMPOSTO	22,298.00	18,028.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20003387	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	IMPRESSORA JATO DE TINTA WILLET MOD. 430SI	3,690.00	2,984.00
MACHINERY & EQUIPMENT	ARMAZENAGEM	20002488	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	INDICADOR/ CONTADOR C/ SENSOR ÓPTICO	26,571.00	21,483.00
MACHINERY & EQUIPMENT	ARMAZENAGEM									INSTALAÇÃO REF. ENSAQUE AUTOMÁTICO DE AÇÚCAR	781.00	631.00
MACHINERY & EQUIPMENT	ARMAZENAGEM									KIT DE PRESSURIZAÇÃO C/ CIRCUITO INTERFACE		

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002594	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	LAVADOR ADIABATICO DO SISTEMA DE VENTILAÇÃO	21,699.00	17,544.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002781	0002-1	09/2007	1.0	75.1	20.0	14.3	03/2014	MANUSEIO E ENSAQUE DE AÇUCAR	457,155.00	377,530.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002363	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	MÁQUINA INDUSTRIAL DE COSTURA MATISA	6,446.00	5,211.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002506	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	MOEGA P/ DESENSAQUE DE AÇUCAR MOTOR ELÉTRICO CÔD.	2,379.00	1,924.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002575	0002-1	10/2006	3.0	73.5	20.0	14.0	03/2014	04/22862/32130/32132 (LEILÃO) MOTOR ELÉTRICO DE INDUÇÃO	3,132.00	2,532.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002589	0002-1	02/2007	3.0	73.5	20.0	14.0	03/2014	TRIFÁSICO WEG	1,139.00	921.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002986	0002-1	10/2012	1.0	94.5	20.0	18.0	03/2014	MOTOR ELÉTRICO WEG POT. 0.5 CV 4P	432.00	449.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20001990	0002-1	01/2013	1.0	99.8	20.0	19.0	03/2014	04 TENSÕES PAINEL DE COMANDO 9600 C/ SOFTWARE	8,341.00	9,152.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002500	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	PAINEL MÓVEL P/ TOMADAS STECK 32A	2,683.00	2,169.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002780	0002-1	09/2007	1.0	73.5	20.0	14.0	03/2014	PENBRA VIBRATÓRIA ELETROMECÂNICA HORIZONTAL	60,758.00	49,123.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002511	0002-1	12/2005	1.0	73.5	20.0	14.0	03/2014	QUEBRADOR DE TORRÕES DE 610X3900 MM.	21,428.00	17,325.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002504	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	QUEBRADOR DE TORRÕES P/ AÇUCAR ENSACADO	21,428.00	17,325.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002591	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	READEQUAÇÃO REF. SISTEMA DE ENSAQUE DE AÇUCAR	20,461.00	16,543.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002592	0002-1	03/2007	1.0	75.1	20.0	14.3	03/2014	READEQUAÇÃO REF. SISTEMA DE ENSAQUE DE AÇUCAR	112,025.00	92,513.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002576	0002-1	10/2006	6.0	73.5	20.0	14.0	03/2014	REDUTOR DE VELOCIDADE (LEILÃO)	6,267.00	5,066.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002598	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	SEPARADOR MAGNÉTICO AUTOMÁTICO TIPO GRADE MOD. GMR-3030	28,751.00	23,246.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002367	0002-1	08/2005	2.0	73.5	20.0	14.0	03/2014	SEPARADOR MAGNÉTICO TIPO GRADE SILO DE AÇUCAR COMPOSTO DE	20,847.00	16,855.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002268	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	TANQUE SISTEMA DE DOSAGEM ELETRÔNICO P/	81,992.00	66,291.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002365	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	ENSAQUE SISTEMA DE DOSAGEM ELETRÔNICO P/	82,014.00	66,308.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002366	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	ENSAQUE SISTEMA DE DOSAGEM ELETRÔNICO P/	24,955.00	20,176.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002778	0002-1	09/2007	1.0	73.5	20.0	14.0	03/2014	ENSAQUE SISTEMA DE DOSAGEM ELETRÔNICO P/	77,574.00	62,719.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002255	0002-1	02/2001	1.0	73.5	20.0	14.0	03/2014	SISTEMA DE ENCHIMENTO ELETRÔNICO DE SACOS	16,370.00	13,235.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002593	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	SISTEMA DE EXAUSTÃO DO PÓ TIPO FILTRO MANGA	74,693.00	60,389.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002189	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	6,208.00	6,812.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002190	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	1,645.00	1,805.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002599	0002-1	03/2007	2.0	75.1	20.0	14.3	03/2014	TANQUE P/ SISTEMA DE DISSOLUÇÃO DE AÇUCAR	302,756.00	250,024.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002597	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	TOMBADOR DE SACOS C/ RAMPA E ACESSÓRIOS	22,534.00	18,219.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002794	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	TRANSPORTADOR CONTÍNUO HORIZONTAL MED. 4"X24.00 MTS.	107,354.00	86,796.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002364	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE GUILHOTINA S-3000 10" (ENSAQUE AUTOMÁTICO)	1,879.00	1,519.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002218	0002-1	06/1983	1.0	73.5	20.0	14.0	03/2014	DEPÓSITO DE ALCOOL EM CHAPAS DE AÇO CARBONO	45,678.00	36,931.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002234	0002-1	12/1986	1.0	73.5	20.0	14.0	03/2014	DEPÓSITO DE ALCOOL EM CHAPAS DE AÇO CARBONO	88,201.00	71,310.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002964	0002-1	03/2012	1.0	94.5	20.0	18.0	03/2014	IMPLANTAÇÃO P/ DESCARREGAMENTO DE ALCOOL	11,833.00	12,300.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002963	0002-1	03/2012	1.0	94.5	20.0	18.0	03/2014	MONITOR DE ATERRAMENTO CÔD. AWR72/M22	5,369.00	5,581.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002961	0002-1	03/2012	1.0	94.5	20.0	18.0	03/2014	MOTOBOMBA IMBIL TIPO INI 100-250	15,949.00	16,578.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002962	0002-1	03/2012	1.0	94.5	20.0	18.0	03/2014	PAINEL DE PARTIDA DIRETA DO MOTOR TRIFÁSICO POT. 30.0 CV	5,225.00	5,432.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002230	0002-1	08/1984	1.0	73.5	20.0	14.0	03/2014	RESERVATÓRIO DE ALCOOL	47,545.00	38,440.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002251	0002-1	10/1999	1.0	73.5	20.0	14.0	03/2014	RESERVATÓRIO P/ ALCOOL	4,164.00	3,367.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002595	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	SISTEMA DE PREVENÇÃO DE INCÊNDIO DOS TANQUES DE ALCOOL	21,848.00	17,664.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002590	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	SISTEMA DE PREVENÇÃO DE INCÊNDIO DOS TANQUES DE ALCOOL - BASE	17,051.00	13,785.00
MACHINERY & EQUIPMENT	ARMAZENAGE M DE AÇUCAR	20002554	0002-1	08/2006	1.0	73.5	20.0	14.0	03/2014	TANQUE DE CONTENÇÃO P/ ARMAZENAGEM DE ALCOOL - BASE	10,591.00	8,563.00
MACHINERY & EQUIPMENT	COMBOIO	20002207	0002-1	08/2013	1.0	99.8	20.0	19.0	03/2014	BACIA DE CONTENÇÃO DO NOVO	14,871.00	16,317.00
MACHINERY & EQUIPMENT	COMBOIO	20002995	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	BOMBA DE COMBUSTÍVEL SHELL A OPE	3,440.00	3,377.00
MACHINERY & EQUIPMENT	COMBOIO	20002996	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	BOMBA DE COMBUSTÍVEL SHELL A OPE	3,440.00	3,377.00
MACHINERY & EQUIPMENT	COMBOIO	20002993	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	FILTRO P/ BOMBA DE COMBUSTÍVEL	1,156.00	1,135.00
MACHINERY & EQUIPMENT	COMBOIO	20002994	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	FILTRO P/ BOMBA DE COMBUSTÍVEL	1,156.00	1,135.00
MACHINERY & EQUIPMENT	COMBOIO	20002206	0002-1	04/2013	1.0	99.8	20.0	19.0	03/2014	MONTAGEM DA REDE DE ALIMENTAÇÃO DE ENERGIA	16,299.00	17,884.00
MACHINERY & EQUIPMENT	COMBOIO	20002205	0002-1	04/2013	1.0	99.8	20.0	19.0	03/2014	TRANSFORMADOR DE FORÇA POT. 75.0 KVA 13.800KV TRIFÁSICO	4,997.00	5,482.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002333	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	AUTO TRAFÓ PARTIDA POT. 100.0 CV	607.00	490.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002906	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	AUTOMAÇÃO DA DESTILARIA	18,096.00	17,766.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002143	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	BOMBA CENTRÍFUGA TIPO 40-250	71,583.00	78,544.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002144	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	BOMBA CENTRÍFUGA TIPO 50-100	74,491.00	81,735.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002145	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	BOMBA ELÉTRICA WEG TIPO W22 150,0	16,533.00	18,140.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002227	0002-1	07/1984	1.0	73.5	20.0	14.0	03/2014	BOMBA HIDRÁULICA CENTRÍFUGA	329.00	266.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002228	0002-1	07/1984	1.0	73.5	20.0	14.0	03/2014	BOMBA HIDRÁULICA CENTRÍFUGA	329.00	266.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002882	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	BOMBA IMBIL TIPO INI 050-200	7,367.00	7,232.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002001	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	BOMBA IMBIL TIPO ITAP 200-400	32,000.00	35,112.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002002	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	BOMBA IMBIL TIPO ITAP 200-400	32,000.00	35,112.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002300	0002-1	11/2004	1.0	73.5	20.0	14.0	03/2014	CCM DESTILARIA - EQUIPAMENTO	172,982.00	139,856.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002163	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	CENTRÍFUGA WSC MOD. HD-80	607,578.00	666,665.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002898	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	COLUNA "A" DE DESTILAÇÃO DE	93,312.00	91,609.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002240	0002-1	07/1989	1.0	73.5	20.0	14.0	03/2014	COLUNA "A" E "B" DE DESTILAÇÃO DE	17,130.00	13,850.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002896	0002-1	03/2011	1.0	98.2	20.0	18.7	03/2014	COLUNA DE DESTILAÇÃO TIPO A MED.	218,855.00	236,347.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002239	0002-1	05/1988	1.0	73.5	20.0	14.0	03/2014	200.00 MM. C/ 18 BANDEJAS	67,230.00	54,356.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002162	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	COLUNA F/ FLEGMA DE DESTILAÇÃO DE	4,818.00	5,287.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002152	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	CONDICIONADOR DE AR YORK MOD.	7,101.00	7,791.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002242	0002-1	07/1989	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE PAINEL VIEW PLUS	4,162.00	3,365.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002243	0002-1	07/1989	1.0	73.5	20.0	14.0	03/2014	COMPLETO 600 MED. 3.20X2.40 MTS.	4,162.00	3,365.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002341	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	CUBA P/ DEPÓSITO DE VINHO MED. 4,60	147.00	119.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002342	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	CUBA P/ DEPÓSITO DE VINHO MED. 4,60	176,138.00	142,408.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002241	0002-1	08/2007	1.0	73.5	20.0	14.0	03/2014	DESTILARIA PIR - BASE	75,082.00	60,704.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002903	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	DESTILARIA PIR - INSTALAÇÃO	1,749.00	1,717.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002146	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	IMPLEMENTAÇÃO DA COLUNA "A" DA	13,237.00	14,524.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002145	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	INDICADOR DIGITAL DLG Cód. IM-110	13,440.00	14,748.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002009	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	LICENÇA DE USO DE SOFTWARE	1,108.00	1,216.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002010	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	CONTRATO FACTORY RS LINUX	1,108.00	1,216.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002160	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	LICENÇA DE USO DE SOFTWARE	1,288.00	1,413.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002147	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	PROGRAMA RS LOGIX 5000	10,388.00	11,398.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002343	0002-1	06/2005	2.0	73.5	20.0	14.0	03/2014	MÓDULO DE COMUNICAÇÃO DEVICENET	27,649.00	22,354.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002153	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MÓDULO DE COMUNICAÇÃO DEVICENET	19,728.00	21,646.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002607	0002-1	04/2007	1.0	73.5	20.0	14.0	03/2014	05 COD. 1	1,645.00	1,330.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002509	0002-1	12/2005	1.0	73.5	20.0	14.0	03/2014	MÓDULO DE COMUNICAÇÃO P/	8,898.00	7,194.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002605	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	INVERSOR DE FREQUÊNCIA	8,898.00	7,194.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002611	0002-1	04/2007	1.0	73.5	20.0	14.0	03/2014	MÓDULO P/ CONTROLE LOGIX	714.00	577.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002945	0002-1	07/2011	1.0	89.3	20.0	17.0	03/2014	MOTOBOMBA IMBIL Cód. 04/1231	6,072.00	5,961.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002529	0002-1	02/2006	1.0	73.5	20.0	14.0	03/2014	MOTOBOMBA IMBIL TIPO INI 150-250	492.00	398.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002585	0002-1	01/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 10.0 CV	492.00	398.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002150	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 220,0 CV 1700	139,656.00	153,237.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002149	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 220,0 CV 1700	13,408.00	14,711.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002908	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	MOTOR ELÉTRICO POT. 6,0 CV 2P 04	53,899.00	52,915.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002161	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 75,0 CV 1750	30,171.00	33,105.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20001997	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO WEG POT. 3,0 CV	5,640.00	6,189.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002157	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	1750 RPM 220/380V40V	2,837.00	30,544.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002154	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO WEG POT. 3,0 CV	56,246.00	61,716.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002159	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO WEG POT. 3,0 CV	18,535.00	20,337.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002007	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	QUADRO ELÉTRICO DA BOMBA DE	5,793.00	6,356.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002008	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	SEÇÃO DE RESFRIAMENTO T-135	5,793.00	6,356.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002148	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA DE DRENAGEM PRESSÃO 1,5	8,742.00	9,592.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002814	0002-1	07/2008	1.0	73.5	20.0	14.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	6,924.00	5,598.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002840	0002-1	04/2009	1.0	78.8	20.0	15.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	13,382.00	11,592.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002651	0002-1	02/2010	1.0	84.0	20.0	16.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	5,693.00	5,260.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002158	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	4,921.00	5,400.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002336	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	TANQUE AMSTRADOR INDUSTRIAL	54,177.00	43,802.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002335	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	TORRE DE REFRIGERAÇÃO - BASE	484,345.00	391,593.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002142	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	(DESTILAÇÃO/ FERMENTAÇÃO)	83,161.00	91,249.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002334	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	TORRE DE RESFRIAMENTO DE ÁGUA	607.00	490.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002904	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	TORRE DE RESFRIAMENTO DE VINHAÇA	3,010.00	2,955.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002786	0002-1	12/2007	1.0	73.5	20.0	14.0	03/2014	VAZÃO 200,0 M3/H	2,982.00	2,411.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002907	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	TRANSFORMADOR DE FORÇA 440V	5,710.00	5,606.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002905	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	TRANSMISSOR DE NÍVEL FLANGEADO	3,557.00	3,492.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002344	0002-1	06/2005	20.0	73.5	20.0	14.0	03/2014	TRANSMISSOR DE NÍVEL ULTRA SÔNICO	35,617.00	28,797.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002075	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOD. STB-380-1	106,541.00	116,902.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002079	0002-1	03/2013	1.0	99.8	25.0	23.8	03/2014	TRANSMISSOR DE PRESSÃO	294,499.00	323,139.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002164	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSMISSOR DE TEMPERATURA MOD.	87,249.00	95,734.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002617	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	VALVULA BORBOLETA EMAÇO INOX	165,187.00	136,416.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002663	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	ACOPAMENTO Cód. 406-BRR C/ 01	2,271.00	2,492.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002006	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	ACOPAMENTO DE MOENDA 37X78 C/	2,271.00	2,492.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002702	0002-1	05/2007	4.0	73.5	20.0	14.0	03/2014	ESLINGAS DE AÇO	47,735.00	38,594.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002844	0002-1	08/2009	1.0	78.8	20.0	15.0	03/2014	AMPLIAÇÃO INDUSTRIAL REF. PENEIRA	2,113.00	1,830.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002834	0002-1	02/2009	1.0	78.8	20.0	15.0	03/2014	AMPLIAÇÃO INDUSTRIAL REF.	5,231.00	4,532.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002068	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	ATUADOR PNEUMÁTICO BÁSICO SÉRIE	90,006.00	98,759.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002072	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	ATUADOR PNEUMÁTICO BÁSICO SÉRIE	64,688.00	70,979.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002069	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	BALÃO SEPARADOR DE CONDENSADO	23,932.00	26,259.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002071	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SÉRIE 39027 C/ MOTOR ELÉTRICO	408.00	448.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002886	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	BOMBA CENTRÍFUGA CFN TIPO 150-265	11,595.00	11,383.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002663	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	BOMBA IMBIL TIPO INI 125-315	23,909.00	19,331.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002634	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	BOMBA IMBIL TIPO INI 150-400	13,500.00	10,915.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002835	0002-1	03/2009	1.0	78.8	20.0	15.0	03/2014	BOMBA IMBIL TIPO ITAP 200-330	12,124.00	10,503.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002690	0002-1	09/2007	1.0	73.5	20.0	14.0	03/2014	CARTÃO DE ENTRADA ANALÓGICA PLC	2,500.00	2,021.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002716	0002-1	08/2007	1.0	75.1	25.0	17.9	03/2014	COMPLEMENTO REF. MATERIAIS	1,024,823.00	846,325.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002689	0002-1	08/2007	1.0	73.5	25.0	17.5	03/2014	UTILIZADOS NAS BOMBAS	82,695.00	66,8

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	Rem. %	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002827	0002-1	11/2008	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE ROTOR IMBIL TIPO INI 40-250	1,223.00	988.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002074	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	CONJUNTO DE ROTOR TCI MOD. 250390D	11,023.00	12,095.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002947	0002-1	09/2011	1.0	89.3	20.0	17.0	03/2014	CONTROLADOR INDICADOR DIGITAL	1,435.00	1,409.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002829	0002-1	01/2009	1.0	78.8	20.0	15.0	03/2014	MICROPROCESSADO	3,302.00	2,861.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002865	0002-1	05/2010	1.0	84.0	20.0	16.0	03/2014	CONTROLE REMOTO FOX CONTROL	10,441.00	9,648.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002979	0002-1	08/2012	1.0	94.5	20.0	18.0	03/2014	MOD. FOX-560 PLUS	72,517.00	75,382.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002826	0002-1	10/2008	1.0	80.9	25.0	19.3	03/2014	CPU PREMIUM UNITEY N2 ETH 160 KB	144,278.00	128,314.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002873	0002-1	09/2010	1.0	84.0	25.0	20.0	03/2014	EXO EM AÇO FORJADO SAE 1045	100,381.00	92,752.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002953	0002-1	11/2011	1.0	98.2	25.0	23.4	03/2014	EXO INFERIOR DA MOENDA 37X78 SAE	116,419.00	125,724.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002875	0002-1	11/2010	1.0	84.0	25.0	20.0	03/2014	EXO SUPERIOR DA MOENDA 37X78 SAE	19,510.00	18,027.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002707	0002-1	05/2007	1.0	75.1	25.0	17.9	03/2014	EXO SUPERIOR DA MOENDA 42X78 SAE	390,586.00	322,556.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002050	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	EXO TRACÇÃO DA ESTEIRA ENTRE	3,062.00	3,360.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002863	0002-1	05/2010	1.0	84.0	20.0	16.0	03/2014	ESTEIRA INTERMEDIÁRIA P/ MOENDA	2,023.00	1,869.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002987	0002-1	11/2012	1.0	94.5	20.0	18.0	03/2014	FILOGGER IO REMOTO MOD. RS485	2,639.00	2,743.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002183	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	FREIO S/ ACIONADOR (ESTRUTURA)	274,842.00	301,571.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002701	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	INSTALAÇÃO REF. AMPLIAÇÃO DA MOAGEM COOGERAÇÃO DE ENERGIA	48,244.00	39,005.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002662	0002-1	05/2007	1.0	73.5	25.0	17.5	03/2014	INSTALAÇÃO REF. TURBINA 170 CE-R E INTERLIGAÇÕES	22,350.00	18,070.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002852	0002-1	03/2010	1.0	92.4	25.0	22.0	03/2014	LAVADOR ADIABÁTICO MOD. 2-LA-2 COM DA MOENDA	202,241.00	205,557.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002635	0002-1	05/2007	1.0	94.5	20.0	18.0	03/2014	LUVIA A CIP P/ TRANSMISSÃO DE TORQUE DA MOENDA	2,386,914.00	2,481,197.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002052	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MESA ALIMENTADORA 40.º MED.	1,458.00	1,600.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002714	0002-1	05/2007	1.0	94.5	25.0	22.5	03/2014	MÓDULO DE COMUNICAÇÃO WEG MOD.	6,645,385.00	6,907,878.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002688	0002-1	05/2007	1.0	94.5	25.0	22.5	03/2014	MOENDA DEDINI C/ 04 TERNOS	2,706,077.00	2,812,967.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002715	0002-1	05/2007	1.0	94.5	25.0	22.5	03/2014	MOENDA NR. 78 - INSTALAÇÃO DO	4,488,626.00	4,665,926.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002665	0002-1	05/2007	3.0	73.5	20.0	14.0	03/2014	MOENDA NR. 78 - INSTALAÇÃO DO	54,228.00	43,844.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002666	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	MOTOBOMBA TCI TIPO 150-300	26,801.00	21,668.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002664	0002-1	05/2007	2.0	73.5	20.0	14.0	03/2014	MOTOBOMBA TCI TIPO 200-340B	60,227.00	48,694.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002783	0002-1	09/2007	1.0	73.5	20.0	14.0	03/2014	MOTOBOMBA TCI TIPO 250-390	26,593.00	21,500.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002055	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO DO REDUTOR DE VELOCIDADE SBW MOD. KA127/T	17,197.00	18,869.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002061	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 150.0 CV 60 HZ	18,916.00	20,756.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002056	0002-1	03/2013	4.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 40.0/50.0 CV 60	3,769.00	4,135.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002073	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 50.0 CV 60 HZ	3,769.00	4,135.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002799	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 50.0 CV 60 HZ	7,758.00	6,272.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002782	0002-1	09/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 75.0 CV 1150	6,072.00	4,909.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002667	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 75.0 CV 1750	95,729.00	77,397.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002049	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	PAINEL DE AUTOMAÇÃO DA MOENDA	49,577.00	54,398.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002712	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	PAINEL DE CONTROLE DA AUTOMAÇÃO	185,766.00	153,410.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002659	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	DA MOENDA	452,838.00	373,965.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002062	0002-1	03/2013	44.0	99.8	20.0	19.0	03/2014	PENEIRA ROTATIVA A VBROMAQ	16,091.00	17,655.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002035	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	PONTE ROLANTE SISTEMA DEMAG TIPO PRISIONEIRO SAE 1045	78,535.00	86,173.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002036	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	QUADRO ELÉTRICO DE DISTRIBUIÇÃO E MANOBRA DO PAINEL DO TERNO NR. 02	87,957.00	96,511.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002037	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	QUADRO ELÉTRICO DE DISTRIBUIÇÃO E MANOBRA DO PAINEL DO TERNO NR. 03	78,535.00	86,173.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002038	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	QUADRO ELÉTRICO DE DISTRIBUIÇÃO E MANOBRA DO PAINEL DO TERNO NR. 04	78,535.00	86,173.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002034	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	QUADRO ELÉTRICO DE DISTRIBUIÇÃO E MANOBRA DO PAINEL DO TERNO NR. 05	8,734.00	9,584.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002710	0002-1	05/2007	7.0	75.1	20.0	14.3	03/2014	QUADRO ELÉTRICO DE DISTRIBUIÇÃO E MANUTENÇÃO DE PAINEL TERNO NR. 01	1,044,129.00	862,267.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002711	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	REDUTOR RENK C/ ACESSÓRIOS	149,160.00	123,180.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002064	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	REDUTOR RENK C/ ACESSÓRIOS	693,797.00	761,268.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002065	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	REDUTOR XP-23	693,797.00	761,268.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002066	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	REDUTOR XP-23 1 TERNO	693,797.00	761,268.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002067	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	REDUTOR XP-23 2 TERNO	693,797.00	761,268.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002700	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	REDUTOR XP-23 3 TERNO	693,797.00	761,268.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002033	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	REDUTOR XP-23 4 TERNO	557,169.00	460,124.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002708	0002-1	05/2007	6.0	75.1	25.0	17.9	03/2014	REFORMA REF. 04 TURBINAS À VAPOR NG/ DEDINI	22,786.00	25,002.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002871	0002-1	08/2010	1.0	84.0	25.0	20.0	03/2014	RETÍFICA ELÉTRICA CARREGADORA	237,634.00	196,244.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002076	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRISTORIZADO CTL	101,405.00	93,698.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002668	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	RODETE P/ MOENDA DEDINI SÉRIE UL	56,170.00	61,633.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002181	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	RODETE P/ MOENDA MOD. Z-15	3,407.00	2,755.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002044	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	RODETE P/ MOENDA MOD. Z-15	16,061.00	17,623.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002045	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	RODETE P/ MOENDA MOD. Z-15	258,098.00	283,199.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002046	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	RODETE P/ MOENDA MOD. Z-15	239,063.00	262,312.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002047	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	RODETE P/ MOENDA MOD. Z-15	258,166.00	283,273.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002048	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	RODETE P/ MOENDA MOD. Z-15	239,318.00	262,592.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002845	0002-1	09/2009	1.0	78.8	20.0	15.0	03/2014	RODETE P/ MOENDA MOD. Z-15	248,485.00	272,651.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002540	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	RODETE P/ MOENDA MOD. Z-15	3,874.00	3,356.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002879	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	RODETE P/ MOENDA MOD. Z-15	7,138.00	5,771.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002053	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	RODETE P/ MOENDA MOD. Z-15	5,795.00	5,689.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002709	0002-1	05/2007	20.0	94.5	25.0	22.5	03/2014	RODETE P/ MOENDA MOD. Z-15	2,315.00	2,541.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002703	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	RODETE P/ MOENDA MOD. Z-15	3,120,264.00	3,243,515.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002182	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSPORTADOR DE CORREIA P/ BAGAÇO 72" MED. 100.000.00 MM.	607,578.00	501,753.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002039	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSFORMADOR DE FORÇA À SECO	13,517.00	14,831.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002660	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	POT. 750.0 KVA 15.0 KV 220V	80,611.00	88,450.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002661	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA POT. 50.0 KVA 440V TRIFÁSICO	3,440.00	2,781.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002836	0002-1	03/2009	1.0	78.8	20.0	15.0	03/2014	TRANSFORMADOR DE FORÇA POT. 50.0 KVA 440V TRIFÁSICO	52,754.00	42,651.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002837	0002-1	03/2009	1.0	78.8	20.0	15.0	03/2014	TRANSFORMADOR DE FORÇA POT. 50.0 KVA 440V TRIFÁSICO (USADO)	3,010.00	2,607.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002838	0002-1	03/2009	1.0	78.8	20.0	15.0	03/2014	TRANSMISSOR DE NÍVEL	3,010.00	2,607.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002838	0002-1	03/2009	1.0	78.8	20.0	15.0	03/2014	TRANSMISSOR DE NÍVEL	3,010.00	2,607.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002839	0002-1	03/2009	1.0	78.8	20.0	15.0	03/2014	TRANSMISSOR DE NÍVEL	3,010.00	2,607.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002887	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	TRANSMISSOR DE POSIÇÃO HART/4-20MA TIPO 301	3,957.00	3,885.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002000	0002-1	02/2013	12.0	99.8	20.0	19.0	03/2014	TRANSMISSOR DE PRESSÃO	9,223.00	10,120.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002080	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSMISSOR DE VIBRAÇÃO MOD. ST-	9,264.00	10,165.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002638	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	TRANSPORTADOR DE ARRASTE -	24,412.00	19,737.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002637	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	TRANSPORTADOR DE ARRASTE -	87,817.00	71,000.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002636	0002-1	05/2007	1.0	75.1	25.0	17.9	03/2014	TRANSPORTADOR DE ARRASTE ENTRE MOEDAS CAP. 180,0 TON/H	195,293.00	161,278.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002704	0002-1	05/2007	1.0	75.1	25.0	17.9	03/2014	TRANSPORTADOR DE ARRASTE ENTRE MOEDAS CAP. 180,0 TON/H	195,293.00	161,278.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002705	0002-1	05/2007	1.0	75.1	25.0	17.9	03/2014	TRANSPORTADOR DE ARRASTE ENTRE MOEDAS CAP. 180,0 TON/H	195,293.00	161,278.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002828	0002-1	12/2008	1.0	73.5	20.0	14.0	03/2014	TRANSPORTADOR HELICOIDAL P/ BAGAÇO ÚMIDO	60,758.00	49,123.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002706	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	TRANSPORTADOR METÁLICO TIPO CUSH- CUSH VELOCIDADE 20,0 MTS/MIN.	195,293.00	161,278.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002699	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	TURBO REDUTOR DE MULTIPLOS UNIDADE DE LUBRIFICAÇÃO DE	423,137.00	349,437.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002077	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MANCAIS CÔD. 382067	22,305.00	24,474.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002051	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	UNIDADE DE MEDIÇÃO DE CORRENTE WEG MOD. SRW01	3,998.00	4,387.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002063	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	UNIDADE DE REFRIGERAÇÃO PDH CAP. 21,461.00	21,461.00	23,548.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002713	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE GAVETA 14E	13,999.00	11,318.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002078	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	VENTILADOR CENTRÍFUGO MOD. J-25	25,687.00	28,185.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002849	0002-1	11/2009	1.0	86.6	20.0	16.5	03/2014	VOLANDERA DIÂM. 4.030,00X600,00	146,327.00	139,431.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002973	0002-1	04/2012	1.0	94.5	20.0	18.0	03/2014	BOMBA DOSADORA ELETROMECÂNICA	13,924.00	14,474.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002187	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	BOMBA EQUIPE TIPO EQTA 200-33	30,380.00	33,334.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002884	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	VAZÃO 600,0 M3/H	2,340.00	2,297.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002942	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	BOMBA HELICOIDAL MOD. WHD-15 C/ 02	2,340.00	2,297.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002003	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	ESTÁGIOS	6,836.00	7,501.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002878	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	BOMBA IMBIL TIPO INI 032-250	7,367.00	7,232.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002881	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	BOMBA IMBIL TIPO INI 050-200	7,367.00	7,232.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002292	0002-1	09/2004	1.0	73.5	20.0	14.0	03/2014	BOMBA IMBIL TIPO INI 050-315	5,707.00	4,614.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002880	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	BOMBA IMBIL TIPO INI 065-315	14,943.00	14,671.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002900	0002-1	03/2011	3.0	98.2	20.0	18.7	03/2014	BOMBA IMBIL TIPO ITAP 250-400	114,206.00	123,334.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002864	0002-1	05/2010	1.0	84.0	20.0	16.0	03/2014	BOMBA PNEUMÁTICA VALLAIR MOD. V15KYKYTFT	2,461.00	2,274.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002969	0002-1	04/2012	1.0	94.5	20.0	18.0	03/2014	CABECOTE DE LIMPEZA DE BICOS	14,120.00	14,678.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002171	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	ROTATIVOS TYFH	173,594.00	190,476.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002180	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	COLUNA P/ RECUPERAÇÃO DE ÁLCOOL	148,189.00	162,601.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002219	0002-1	09/1983	1.0	73.5	20.0	14.0	03/2014	FERMENTADO CAP. 750,0 M3	64,890.00	52,464.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002220	0002-1	09/1983	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE TROCADOR DE CALOR DORNA DE FERMENTAÇÃO C/ SISTEMA DE REFRIGERAÇÃO	4,155.00	3,359.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002222	0002-1	09/1983	1.0	73.5	20.0	14.0	03/2014	DORNA DE FERMENTAÇÃO C/ SISTEMA DE REFRIGERAÇÃO	4,155.00	3,359.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002223	0002-1	06/1984	1.0	73.5	20.0	14.0	03/2014	DORNA DE FERMENTAÇÃO C/ SISTEMA DE REFRIGERAÇÃO	4,155.00	3,359.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002224	0002-1	06/1984	1.0	73.5	20.0	14.0	03/2014	DORNA DE FERMENTAÇÃO C/ SISTEMA DE REFRIGERAÇÃO	4,155.00	3,359.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002225	0002-1	06/1984	1.0	73.5	20.0	14.0	03/2014	DORNA DE FERMENTAÇÃO C/ SISTEMA DE REFRIGERAÇÃO	4,155.00	3,359.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002229	0002-1	08/1984	1.0	73.5	20.0	14.0	03/2014	DORNA DE FERMENTAÇÃO C/ SISTEMA DE REFRIGERAÇÃO	4,155.00	3,359.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002221	0002-1	09/1983	1.0	73.5	20.0	14.0	03/2014	DORNA DE FERMENTAÇÃO C/ SISTEMA DE REFRIGERAÇÃO	3,920.00	3,169.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002795	0002-1	03/2008	2.0	73.5	20.0	14.0	03/2014	DORNA DE FERMENTAÇÃO CAP. 200,0	40,831.00	33,012.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002797	0002-1	03/2008	2.0	80.9	20.0	15.4	03/2014	DORNA DE FERMENTAÇÃO CAP. 200,0	354,452.00	315,232.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002902	0002-1	03/2011	1.0	99.8	20.0	19.0	03/2014	M3 - EQUIPAMENTO	354,452.00	388,922.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002798	0002-1	03/2008	2.0	73.5	20.0	14.0	03/2014	DORNA DE FERMENTAÇÃO CAP. 200,0	51,464.00	41,609.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002891	0002-1	03/2011	1.0	99.8	20.0	19.0	03/2014	M3 - INSTALAÇÃO	559,432.00	613,837.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002197	0002-1	05/2013	1.0	99.8	20.0	19.0	03/2014	DORNA DE FERMENTAÇÃO CAP. 200,0	1,571.00	1,724.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002166	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	EKO HASTE LAVADOR DE DORNAS TIPO	196,994.00	216,151.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002165	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	INSTALAÇÃO REF. AMPLIAÇÃO DAS CUBAS DE FERMENTO	540,461.00	593,020.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002943	0002-1	07/2011	1.0	89.3	20.0	17.0	03/2014	INSTALAÇÃO REF. TUBULAÇÕES DA FERMENTAÇÃO	16,034.00	15,741.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002176	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	LAVADOR DO TANQUE ROTATIVO ELÉTRICO MOD. A190E	29,637.00	32,519.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002012	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	LAVADOR DO TANQUE ROTATIVO EM AÇO INOX AISI 316	1,108.00	1,216.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002196	0002-1	05/2013	1.0	99.8	20.0	19.0	03/2014	MÓDULO DE COMUNICAÇÃO DEVICENET 05 COD. 1	2,497.00	2,740.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002985	0002-1	10/2012	1.0	94.5	20.0	18.0	03/2014	MOTOR ELÉTRICO DO LAVADOR DE	2,096.00	2,179.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002892	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	MOTOR ELÉTRICO DO LAVADOR	4,247.00	4,169.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002893	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	MOTOR ELÉTRICO POT. 30.0 CV 6P 04	4,247.00	4,169.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002833	0002-1	02/2009	1.0	78.8	20.0	15.0	03/2014	MOTOR ELÉTRICO POT. 50.0 CV 4P	3,769.00	3,265.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002522	0002-1	02/2006	1.0	73.5	20.0	14.0	03/2014	PAINEL DE AUTOMAÇÃO DA MOENDA	27,600.00	22,315.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002249	0002-1	04/1997	1.0	73.5	20.0	14.0	03/2014	DLG 1010/2005 REV2	1,094.00	884.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002203	0002-1	08/2013	1.0	99.8	20.0	19.0	03/2014	PAINEL ELETRÔNICO DIGITAL MOD. JK H-	2,001.00	2,196.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002204	0002-1	08/2013	2.0	99.8	20.0	19.0	03/2014	QUADRO ELÉTRICO DE COMANDO MED. 1900X800X800 MM.	4,445.00	4,878.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002167	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	QUADRO ELÉTRICO DE COMANDO MED. 1900X800X800 MM.	5,212.00	5,719.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002915	0002-1	04/2011	1.0	89.3	20.0	17.0	03/2014	SENSOR DE FLUXO SID TIPO	1,341.00	1,317.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002916	0002-1	04/2011	1.0	89.3	20.0	17.0	03/2014	10ADB100GUS 36V DC	1,341.00	1,317.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002314	0002-1	03/2005	1.0	73.5	20.0	14.0	03/2014	SENSOR DE FLUXO SID TIPO	276,513.00	223,561.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002238	0002-1	11/1987	1.0	73.5	20.0	14.0	03/2014	10ADB100GUS 36V DC	65,607.00	53,043.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002244	0002-1	05/1993	1.0	73.5	20.0	14.0	03/2014	SEPARADOR CENTRÍFUGA ALFA LAVAL	65,607.00	53,043.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002238	0002-1	11/1987	1.0	73.5	20.0	14.0	03/2014	SÉRIE 4125957	276,513.00	223,561.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002244	0002-1	05/1993	1.0	73.5	20.0	14.0	03/2014	SEPARADOR CENTRÍFUGA MAUSA TIPO	65,607.00	53,043.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002244	0002-1	05/1993	1.0	73.5	20.0	14.0	03/2014	SEPARADOR CENTRÍFUGA MAUSA TIPO	65,607.00	53,043.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002217	0002-1	02/1983	1.0	73.5	20.0	14.0	03/2014	SEPARADOR CENTRÍFUGA MAUSA TIPO SQM-DX	26,126.00	21,123.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002226	0002-1	07/1984	1.0	73.5	20.0	14.0	03/2014	SEPARADOR CENTRÍFUGA MAUSA TIPO	26,126.00	21,123.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002523	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	SERVIÇO INDUSTRIAIS DE PESSOA	11,064.00	8,945.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002175	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	SISTEMA DE MEDIÇÃO DE PH	18,216.00	19,987.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002177	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA DE REPLASS P/ RECALQUE E	40,402.00	44,331.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002011	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	9,267.00	10,168.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002286	0002-1	01/2004	1.0	73.5	20.0	14.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	2,467.00	1,994.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002287	0002-1	01/2004	1.0	73.5	20.0	14.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	2,467.00	1,994.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002883	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	4,876.00	4,787.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002168	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	6,856.00	7,522.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002169	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	10,138.00	11,124.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002173	0002-1	03/2013	3.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	18,578.00	20,385.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002184	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	12,305.00	13,502.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002174	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TANQUE CAP. 30.000,0 LTS. P/ ÁCIDO SULFÚRICO VERTICAL	26,172.00	28,718.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002894	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	TERMORESISTÊNCIA MOD. PT-100 1/10	7,067.00	6,938.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002899	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	TORRE DE RESFRIAMENTO DE ÁGUA VAZÃO 150,0 M3/H	33,742.00	33,126.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002897	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	TRANSFORMADOR DE FORÇA À ÓLEO POT. 2.000,0 KVA TRIFÁSICO	65,954.00	64,750.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20001998	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	TRANSMISSOR DE CONCENTRAÇÃO DE FERMENTO	25,364.00	27,830.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002911	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	TRANSMISSOR DE PRESSÃO	769.00	755.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002199	0002-1	06/2013	1.0	99.8	20.0	19.0	03/2014	TRANSMISSOR DE PRESSÃO	9,032.00	9,910.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20001987	0002-1	01/2013	1.0	99.8	20.0	19.0	03/2014	FLANGEADO MOD. LD-301	5,687.00	6,240.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002191	0002-1	04/2013	1.0	99.8	20.0	19.0	03/2014	TRANSMISSOR E INDICADOR DE NÍVEL	5,566.00	6,107.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002909	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	TRANSMISSOR E INDICADOR DE NÍVEL	89,240.00	87,612.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002569	0002-1	09/2006	1.0	73.5	20.0	14.0	03/2014	TROCADOR DE CALOR C/ 108 PLACAS	17,469.00	14,124.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002796	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	TROCADOR DE CALOR MOD. GXO-042	65,098.00	52,632.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002895	0002-1	03/2011	1.0	98.2	20.0	18.7	03/2014	TROCADOR DE CALOR TRANTER MOD. VÁLVULA DE SEGURANÇA 01 PRESSÃO DE AJUSTE 2.5 KGF	185,528.00	200,356.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002792	0002-1	02/2008	1.0	73.5	20.0	14.0	03/2014		2,415.00	1,953.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002653	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	ADEQUAÇÃO DA REDE DE ENTRADA DE ENERGIA (INSTALAÇÃO)	39,239.00	31,725.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002654	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	ADEQUAÇÃO DA REDE DE ENTRADA DE ENERGIA (INSTALAÇÃO)	11,897.00	9,618.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002029	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	BOMBA CENTRÍFUGA TIPO YF-33 P/ CAPTAÇÃO DE ÁGUA	16,104.00	17,670.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002698	0002-1	02/2008	1.0	73.5	20.0	14.0	03/2014	BOMBA DE ÓLEO N.G. VAZÃO 0,14 LTS/RPM	7,610.00	6,152.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002694	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	CPC (CONVERSOR DE SINAL) P/ CONTROLE DE VELOCIDADE	80,956.00	65,453.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002693	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002771	0002-1	08/2007	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002771	0002-1	08/2007	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CPC ATUADOR ELETRO HIDRÁULICO	22,732.00	18,379.00
MACHINERY & EQUIPMENT	GERAÇÃO DE ENERGIA	20002372	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014</			

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE ENERGIA	20002369	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	TURBINA DO GERADOR DE ENERGIA ELÉTRICA	371,020.00	299,970.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE ENERGIA	20002696	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	TURBO GERADOR TOSHIBA COMPLETO	629,279.00	519,674.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE ENERGIA	20002329	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE GAVETA 14" 1000 PSI/ GERADOR	6,022.00	4,869.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE ENERGIA	20002330	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA GLOBO 300 LBS. 8" (PI/ GERADOR)	4,131.00	3,340.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002246	0002-1	09/2006	1.0	73.5	20.0	14.0	03/2014	AMPLIAÇÃO E OTIMIZAÇÃO REF. CALDERA	1,354,962.00	1,095,487.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002561	0002-1	09/2006	1.0	73.5	20.0	14.0	03/2014	AMPLIAÇÃO E OTIMIZAÇÃO REF. CALDERA	234,637.00	189,704.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002626	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	AMPLIAÇÃO INDUSTRIAL REF. CALDERAS	116,332.00	96,070.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002625	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	BICA DIVERSA EM CHP 3/16 C/ COMPORTA BI-DIRECIONAL	86,104.00	69,615.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002623	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	BOMBA HELICOIDAL WHT TIPO 90/F 6101	17,799.00	14,391.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002279	0002-1	09/2002	1.0	94.5	20.0	18.0	03/2014	CALDERA GERADORA DE VAPOR AQUATUBULAR ZANINI II	1,770,370.00	1,840,300.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002848	0002-1	10/2009	1.0	78.8	20.0	15.0	03/2014	CARCAÇA P/ BOMBA EQUIPE MOD. EQ2A TIPO 125-30	11,302.00	9,791.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002277	0002-1	05/2002	1.0	73.5	20.0	14.0	03/2014	CONDICIONADOR DE AR CONSUL POT. 30.000 BTU'S	1,325.00	1,071.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002877	0002-1	12/2010	1.0	84.0	20.0	16.0	03/2014	CONTROLE REMOTO FOX CONTROL MOD. FOX-560A PLUS	3,283.00	3,033.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002562	0002-1	09/2006	3.0	73.5	20.0	14.0	03/2014	CONVERSOR DISTRIBUIDOR DE SINAIS C/ ISOLAMENTO	4,988.00	4,033.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002564	0002-1	09/2006	1.0	73.5	20.0	14.0	03/2014	DISJUNTOR BEGUIN POT. 1600A (USADO)	9,418.00	7,615.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002269	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	ECONOMIZADOR DA CALDERA - EQUIPAMENTO COMPOSTO	30,585.00	24,728.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002348	0002-1	07/2005	1.0	73.5	20.0	14.0	03/2014	EQUIPAMENTO HIMA 3 P/ INVERSOR DE FREQUÊNCIA	697.00	564.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002717	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	ESTABILIZADOR DE VOLTAGEM NO-BREAK SMS POT. 5.0 KVA BIVOLT SENOIDAL	8,947.00	7,233.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002303	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	LAVADOR ADIABÁTICO DO SISTEMA DE VENTILAÇÃO C/ FILTRAGEM	21,699.00	17,544.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002535	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 15,0 CV 1700 RPM 220/380/440V	1,109.00	897.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002539	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 20,0 CV 1700 RPM	2,713.00	2,193.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002718	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 75,0 CV 1750 RPM	6,072.00	4,909.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002565	0002-1	09/2006	5.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG	41,382.00	33,458.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002624	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 40,0 CV 1700 RPM 220/380/440V	3,507.00	2,836.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002542	0002-1	04/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 50,0 CV 1150 RPM 220/380/440V	5,852.00	4,732.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002315	0002-1	04/2005	1.0	73.5	20.0	14.0	03/2014	PAINEL P/ CORREÇÃO DO FATOR DE POTÊNCIA DA DESTILARIA	23,468.00	18,973.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002946	0002-1	08/2011	1.0	89.3	20.0	17.0	03/2014	ROTOR EM CHAPAS DE AÇO ASTM MOD. A-36	22,242.00	21,836.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002958	0002-1	02/2012	1.0	99.8	20.0	19.0	03/2014	SISTEMA DE LAVADOR DE GASES DA CALDERA	287,966.00	315,971.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002347	0002-1	07/2005	1.0	73.5	20.0	14.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	4,922.00	3,980.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002608	0002-1	04/2007	3.0	73.5	20.0	14.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	5,810.00	4,698.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002868	0002-1	06/2010	1.0	84.0	20.0	16.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	4,351.00	4,020.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002606	0002-1	04/2007	1.0	73.5	20.0	14.0	03/2014	SONDA MULTIPLA P/ MEDIÇÃO DE VAZÃO	10,576.00	8,551.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002563	0002-1	09/2006	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA INTEL POT. 1.500,0 KVA 13,8V TRIFÁSICO	80,621.00	65,182.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002559	0002-1	08/2006	1.0	73.5	20.0	14.0	03/2014	TRANSMISSOR DE PRESSÃO DIFERENCIAL MOD. LDB	1,958.00	1,583.00
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002310	0002-1	02/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE CONTROLE 4" 368 MM.	10,293.00	8,322.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	GERAÇÃO/ DISTRIBUIÇÃO DE VAPOR	20002574	0002-1	10/2006	34.0	73.5	20.0	14.0	03/2014	VÁLVULA DE GAVETA 3/4" P/ SOLDADA (LELÃO)	1,805.00	1,459.00
MACHINERY & EQUIPMENT	LABORATÓRIO INDUSTRIAL	20002202	0002-1	07/2013	1.0	99.8	20.0	19.0	03/2014	AGITADOR MECÂNICO CAP. 1,5 LTS. COMPLETO	1,751.00	1,921.00
MACHINERY & EQUIPMENT	LABORATÓRIO INDUSTRIAL	20002913	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	CALHA MARSHALL DISPOSITIVO P/ MEDIÇÃO	780.00	765.00
MACHINERY & EQUIPMENT	LABORATÓRIO INDUSTRIAL	20002767	0002-1	08/2007	1.0	73.5	20.0	14.0	03/2014	LABORATÓRIO PCTS - BASE	26,675.00	21,567.00
MACHINERY & EQUIPMENT	LABORATÓRIO INDUSTRIAL	20002914	0002-1	04/2011	1.0	89.3	20.0	17.0	03/2014	SACARÍMETRO POLARÍMETRO AUTOMÁTICO	47,110.00	46,250.00
MACHINERY & EQUIPMENT	LABORATÓRIO INDUSTRIAL	20002784	0002-1	10/2007	1.0	73.5	20.0	14.0	03/2014	TRANSDUTOR EMISSOR E RECEPTOR DE ULTRA	2,634.00	2,129.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002216	0002-1	03/1976	1.0	73.5	20.0	14.0	03/2014	BALANÇA MÓVEL LUCAS TIPO	1,419.00	1,148.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002236	0002-1	10/1987	1.0	73.5	20.0	14.0	03/2014	CÂMERA KENTEC MOD. JN-832	739.00	597.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20003384	0002-1	05/2003	1.0	73.5	20.0	14.0	03/2014	CARREGADOR DE BATERIAS RDMA	3,733.00	3,018.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002280	0002-1	02/2003	1.0	73.5	20.0	14.0	03/2014	COMPLEMENTO REF. CENTRÍFUGA	82,690.00	66,855.00
MACHINERY & EQUIPMENT	CIVIL	20002233	0002-1	05/1985	1.0	73.5	20.0	14.0	03/2014	COMPRESSOR DE AR DE 90 PÉS C/ MÓDULO E TANQUE	2,684.00	2,170.00
MACHINERY & EQUIPMENT	MANUTENÇÃO CIVIL	20002245	0002-1	05/1993	1.0	73.5	20.0	14.0	03/2014	COMPRESSOR DE AR SCHULZ MOD. MSW TIPO 60/40	5,428.00	4,389.00
MACHINERY & EQUIPMENT	MANUTENÇÃO CIVIL	20002512	0002-1	12/2005	1.0	73.5	20.0	14.0	03/2014	COMPRESSOR DE AR WORTHINGTON	31,679.00	25,612.00
MACHINERY & EQUIPMENT	MANUTENÇÃO CIVIL	20002247	0002-1	05/1994	1.0	73.5	20.0	14.0	03/2014	CONSTRUÇÃO DE REDE DE VAPOR C/ 27,00 MTS. P/ 26,00 MTS. DIÂM.	41,651.00	33,675.00
MACHINERY & EQUIPMENT	MANUTENÇÃO CIVIL	20002302	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	DISTRIBUIDOR DE AR COMPRIMIDO - EQUIPAMENTO	22,176.00	17,929.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002283	0002-1	07/2003	1.0	73.5	20.0	14.0	03/2014	DOSÍMETRO MOD. DOS-450 DIGITAL	1,752.00	1,417.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002513	0002-1	12/2005	2.0	73.5	20.0	14.0	03/2014	FILTRO COALESCENTE (GMF E GFS 2-10)	4,392.00	3,551.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002235	0002-1	10/1987	1.0	73.5	20.0	14.0	03/2014	LENTE MED. 16,00 MM.	64.00	52.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002558	0002-1	08/2006	1.0	73.5	20.0	14.0	03/2014	POSICIONADOR ELETROPNEUMÁTICO	1,900.00	1,536.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002497	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	POSICIONADOR FOXBORO SÉRIE	2,032.00	1,643.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002498	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	POSICIONADOR FOXBORO SÉRIE	2,032.00	1,643.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002547	0002-1	06/2006	1.0	73.5	20.0	14.0	03/2014	POSICIONADOR FOXBORO SIMPLES	1,560.00	1,262.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002548	0002-1	06/2006	1.0	73.5	20.0	14.0	03/2014	POSICIONADOR FOXBORO SIMPLES	1,560.00	1,262.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002237	0002-1	10/1987	1.0	73.5	20.0	14.0	03/2014	RECEPTOR DE TV PHILCO 12" P&B	113.00	92.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002272	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	SISTEMA DE PULVERIZAÇÃO DOTADOS	169,641.00	137,155.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002215	0002-1	01/1976	1.0	73.5	20.0	14.0	03/2014	TALHA MANUAL CAP. 3.0 TON.	49.00	40.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002975	0002-1	04/2012	1.0	94.5	20.0	18.0	03/2014	TROCADOR DE CALOR MOD. PY-6-10-13	14,276.00	14,840.00
MACHINERY & EQUIPMENT	MANUTENÇÃO	20002252	0002-1	11/1999	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE ALÍVIO DE PRESSÃO E ANALISADOR POWER NET MOD. P-600 3000A	2,107.00	1,704.00
MACHINERY & EQUIPMENT	ELÉTRICA	20002910	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	CALIBRADOR DE PRESSÃO PRESYS Cód. 050944498-Y2	7,537.00	7,399.00
MACHINERY & EQUIPMENT	MANUTENÇÃO ELÉTRICA	20002520	0002-1	01/2006	1.0	73.5	20.0	14.0	03/2014	CALIBRADOR DE PRESSÃO PRESYS Cód. 050944498-Y2	12,298.00	9,943.00
MACHINERY & EQUIPMENT	MANUTENÇÃO ELÉTRICA	20002521	0002-1	01/2006	1.0	73.5	20.0	14.0	03/2014	CALIBRADOR DE PRESSÃO PRESYS Cód. 050944498-Y2	12,298.00	9,943.00
MACHINERY & EQUIPMENT	MANUTENÇÃO ELÉTRICA	20002282	0002-1	07/2003	1.0	73.5	20.0	14.0	03/2014	CALIBRADOR MOD. CAL-1000 NÍVEL 94 E114 DB	1,058.00	855.00
MACHINERY & EQUIPMENT	MANUTENÇÃO ELÉTRICA	20002787	0002-1	12/2007	1.0	73.5	20.0	14.0	03/2014	CONFIGURADOR PORTÁTIL C/ INTERFAÇ	8,148.00	6,588.00
MACHINERY & EQUIPMENT	MANUTENÇÃO ELÉTRICA	20002921	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	CONFIGURADOR PORTÁTIL C/ INTERFAÇ	8,148.00	8,000.00
MACHINERY & EQUIPMENT	MANUTENÇÃO ELÉTRICA	20002519	0002-1	01/2006	1.0	73.5	20.0	14.0	03/2014	ESTAÇÃO DE CALIBRAÇÃO PRESYS MOD. 05094498-Y2	12,963.00	10,480.00
MACHINERY & EQUIPMENT	MANUTENÇÃO ELÉTRICA	20002580	0002-1	11/2006	1.0	73.5	20.0	14.0	03/2014	FURADEIRA ELÉTRICA BOSCH 2.1/2" 220V	538.00	435.00
MACHINERY & EQUIPMENT	MANUTENÇÃO ELÉTRICA	20002610	0002-1	04/2007	1.0	73.5	20.0	14.0	03/2014	MEGÔMETRO DIGITAL FLUKE MOD. 1507	1,996.00	1,614.00
MACHINERY & EQUIPMENT	MANUTENÇÃO ELÉTRICA	20002557	0002-1	08/2006	2.0	73.5	20.0	14.0	03/2014	MORSA DE BANCA DA METALSUL	265.00	214.00
MACHINERY & EQUIPMENT	MANUTENÇÃO ELÉTRICA	20002560	0002-1	08/2006	1.0	73.5	20.0	14.0	03/2014	SERRA ELÉTRICA TICO-TICO BOSCH MOD. GTS 100B 220V	345.00	279.00
MACHINERY & EQUIPMENT	MANUTENÇÃO MECÂNICA	20002545	0002-1	04/2006	1.0	73.5	20.0	14.0	03/2014	CARRINHO TIPO PLATAFORMA DIRESUL CAP. 800,0 KGS.	887.00	717.00
MACHINERY & EQUIPMENT	MANUTENÇÃO MECÂNICA	20002949	0002-1	09/2011	1.0	89.3	20.0	17.0	03/2014	CONTROLE REMOTO FOX CONTROL MOD. FOX-560A PLUS	3,283.00	3,223.00
MACHINERY & EQUIPMENT	MANUTENÇÃO MECÂNICA	20002957	0002-1	01/2012	1.0	94.5	20.0	18.0	03/2014	FRIO DE DUAS SAPATAS C/ ATENUADOR ELÉTRICO HIDRÁULICO	4,230.00	4,397.00
MACHINERY & EQUIPMENT	MANUTENÇÃO MECÂNICA	20002876	0002-1	12/2010	1.0	84.0	20.0	16.0	03/2014	LAVADORA DE ALTA PRESSÃO JACTO MOD. JP 12000 POT. 7,5 CV TRIFÁSICO	5,770.00	5,332.00
MACHINERY & EQUIPMENT	MANUTENÇÃO MECÂNICA	20002974	0002-1	04/2012	1.0	94.5	20.0	18.0	03/2014	TERMÔMETRO DIGITAL C/ LASER RAYTEK MOD. MT-4	830.00	863.00
MACHINERY & EQUIPMENT	PESAGEM/ FATURAMENT	20002769	0002-1	08/2007	1.0	75.1	20.0	14.3	03/2014	BALANÇA ELETRÔNICA TOLEDO	130,130.00	107,465.00
MACHINERY & EQUIPMENT	PESAGEM/ FATURAMENT	20002901	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	BALANÇA ELETRÔNICA TOLEDO MOD. 820	90,846.00	89,188.00
MACHINERY & EQUIPMENT	PESAGEM/ FATURAMENT	20002213	0002-1	02/1988	1.0	73.5	20.0	14.0	03/2014	BALANÇA TIPO RODOVIÁRIA MOD. BAT-05	13,099.00	10,590.00
MACHINERY & EQUIPMENT	PESAGEM/ FATURAMENT	20002214	0002-1	02/1988	1.0	73.5	20.0	14.0	03/2014	COMANDO ELETRÔNICO MOD. ICHARO CRP	7,130.00	5,764.00
MACHINERY & EQUIPMENT	PESAGEM/ FATURAMENT	20002768	0002-1	08/2007	1.0	73.5	20.0	14.0	03/2014	FIBRA ÓPTICA	27,699.00	22,394.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002618	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	ADEQUAÇÃO DO CIRCUITO DE RESFRIAMENTO DE ÁGUA	67,921.00	54,914.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002619	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	ADEQUAÇÃO DO CIRCUITO DE RESFRIAMENTO DE ÁGUA	337,880.00	279,030.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002583	0002-1	12/2006	1.0	73.5	20.0	14.0	03/2014	ALIMENTADOR ELETROMAGNÉTICO MOD. FTO C/ SILO CAP. 60,0 LTS.	2,553.00	2,064.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002428	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	AUTO TRANSFORMADOR TRIFÁSICO MOD. S-220 POT. 120,0 KVA 440V	39,818.00	32,193.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002422	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	BALANÇA DE FLUXO TOLEDO	7,316.00	5,915.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002443	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	BOMBA HELICOIDAL GEREMA MOD. HF-120/2 SÉRIE 6101	56,121.00	45,373.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002445	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	BOMBA HELICOIDAL GEREMA MOD. WHT-32/F	6,259.00	5,061.00
MACHINERY & EQUIPMENT	REFINAÇÃO DE AÇÚCAR	20002888	0002-1	02/2011	1.0	89.3	20.0	17.0	03/2014	BOMBA HELICOIDAL NEMO MOD. NM015BY02S1	3,240.00	3,181.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002386	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	BOMBA HELICOIDAL NETZSCH MOD. NM15BY02S12	5,144.00	4,159.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002444	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	BOMBA HELICOIDAL WHT TIPO 24/L 6101	7,339.00	5,933.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002577	0002-1	10/2006	1.0	73.5	20.0	14.0	03/2014	BOMBA HELICOIDAL WHT TIPO 24/L 6101	7,339.00	5,933.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002442	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	BOMBA HELICOIDAL WHT TIPO 90/F 6101	17,799.00	14,391.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002465	0002-1	09/2005	7.0	73.5	20.0	14.0	03/2014	BOMBA KSB (ZILLO)	2,439.00	1,972.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002387	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	BOMBA SAPO 220V P/ SUÇÃO DE ÁGUA	213.00	172.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002389	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	CABO DE INTERLIGAÇÃO DOS REFRAATÔMETROS	23,443.00	18,954.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002354	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CCM REFINARIA - EQUIPAMENTO	30,169.00	24,391.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002352	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CCM REFINARIA - INSTALAÇÃO	1,126.00	910.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002353	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CCM REFINARIA - INSTALAÇÃO	178.00	144.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002463	0002-1	09/2005	1.0	84.0	20.0	16.0	03/2014	CENTRÍFUGA DE AÇÚCAR AUTOMÁTICA MOD. VK-1250	988,322.00	913,210.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002627	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	CENTRÍFUGA DE AÇÚCAR VETEK MOD. VK-1500 - EQUIPAMENTO	186,445.00	153,971.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002628	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	CENTRÍFUGA DE AÇÚCAR VETEK MOD. VK-1500 - INSTALAÇÃO	51,649.00	41,758.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002461	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	CHAVE DE PARTIDA SOFT STARTER	3,814.00	3,084.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002747	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	CHAVE DE PARTIDA SOFT STARTER	3,814.00	3,084.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002956	0002-1	12/2011	1.0	89.3	20.0	17.0	03/2014	CONJUNTO DE BOMBA E MOTOREDUTOR P/ RETIRADA DE ÁGUA	3,257.00	3,197.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002425	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE VÁLVULA DE ALÍVIO DE AR	953.00	770.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002990	0002-1	12/2012	1.0	94.5	20.0	18.0	03/2014	CONTROLE REMOTO FOX CONTROL MOD. FOX-520 PLUS	4,176.00	4,341.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002960	0002-1	02/2012	1.0	94.5	20.0	18.0	03/2014	CONVERSOR MEDIDOR DE VAZÃO CONAUT MOD. IF	3,987.00	4,145.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002482	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	COZEDOR À VACUO CONVENCIONAL DEDINI MOD. 500-HL	513,713.00	415,337.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002621	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	CREPINA EM AÇO INOX 304 MED. 0,30X60,00X100,00 MM. BSP	25,171.00	20,351.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002454	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	CRISTALIZADOR	480,894.00	388,802.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002441	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	ELEVADOR DE CANECAS C/ CORREIAS E MOTOR ELÉTRICO	65,575.00	53,017.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002449	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	FILTRO DE LEITO PROFUNDO	447,375.00	361,703.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002620	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	FILTRO DE LEITO PROFUNDO SÉRIE 939/06	447,375.00	369,454.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002452	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	FLOTADOR DE CALDO	148,547.00	120,100.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002629	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	FLOTADOR VAZÃO 25,0 M3/H P/ REFINARIA - EQUIPAMENTO	101,213.00	81,831.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002630	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	FLOTADOR VAZÃO 25,0 M3/H P/ REFINARIA - INSTALAÇÃO	4,723.00	3,818.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002516	0002-1	01/2006	1.0	73.5	20.0	14.0	03/2014	INSTALAÇÃO REF. PAINEL DE POTÊNCIA	1,190.00	962.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002466	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	INSTALAÇÃO REF. TUBULAÇÕES DA REFINARIA	116,709.00	94,359.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002448	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	INSTRUMENTOS DE AUTOMAÇÃO DA REFINARIA	62,327.00	50,392.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002433	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	KIT DE AUTOMAÇÃO PNEUMÁTICA MOD. VK-1250	16,366.00	13,232.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002745	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	LAVADORA DE ALTA PRESSÃO JACTO MOD. JP 12000 POT. 7,5 CV TRIFÁSICO	5,770.00	4,665.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002457	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	MICROCOMPUTADOR HP MOD. DC5000 (PLQ)	3,331.00	2,693.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002859	0002-1	05/2010	1.0	84.0	20.0	16.0	03/2014	MICROLOGIX MOD. 1400 C/ 12 ENTRADAS 24VCC	4,820.00	4,454.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002439	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	MISTURADOR ESTÁTICO MOD. ME6/ ME4	32,474.00	26,255.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002858	0002-1	05/2010	1.0	84.0	20.0	16.0	03/2014	MÓDULO C/ 16 SAÍDAS DIGITAIS À RELÉ	713.00	659.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002867	0002-1	05/2010	1.0	84.0	20.0	16.0	03/2014	MÓDULO COMBINADO C/ 02 ENTRADAS ANALÓGICAS	990.00	915.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002440	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	MOEGA EM AÇO INOX C/ ROSCA HELICOIDAL E MOTOR ELÉTRICO	65,641.00	53,071.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002817	0002-1	08/2008	1.0	73.5	20.0	14.0	03/2014	MOTOBOMBA MAXBLOC BOMA X 07/1	2,662.00	2,152.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002847	0002-1	10/2009	1.0	78.8	20.0	15.0	03/2014	POLIPROPILENO	2,662.00	2,306.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002944	0002-1	07/2011	1.0	89.3	20.0	17.0	03/2014	MOTOBOMBA MAXBLOC BOMA X 07/1	2,662.00	2,613.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002391	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	POLIPROPILENO	2,662.00	2,613.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002396	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	MOTOBOMBA P/ ÁGUA DE LAVAGEM DA CENTRÍFUGA	7,644.00	6,180.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002395	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	MOTOBOMBA P/ ÁGUA DE LAVAGEM DOS TACHOS	13,178.00	10,654.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002395	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	MOTOBOMBA P/ ÁGUA DO PROCESSO	14,770.00	11,942.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002392	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	MOTOBOMBA P/ ÁGUA DOCE P/ REFUNDIDOR	10,137.00	8,196.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002394	0002-1	09/2005	4.0	73.5	20.0	14.0	03/2014	MOTOBOMBA P/ ÁGUA QUENTE SPRAY	97,437.00	78,778.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002390	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	MOTOBOMBA P/ LICOR FLP DO FLOTADOR	16,848.00	13,621.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002397	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	MOTOBOMBA P/ LICOR FLP DO TACHO	16,848.00	13,621.00
MACHINERY & EQUIPMENT	REFINADO	20002398	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	MOTOBOMBA P/ LICOR MISTO DO	16,848.00	13,621.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002399	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	FLOTADOR	27,560.00	22,282.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002399	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	MOTOBOMBA P/ MEL DA CENTRÍFUGA	14,526.00	11,744.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002393	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	MOTOBOMBA P/ TANQUE DOSADOR	1,315.00	1,063.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002403	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 12.5 CV	88,057.00	71,194.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002451	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 300.0 CV DA CENTRÍFUGA	483.00	391.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002534	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 5.0 CV 1700 RPM	714.00	577.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002572	0002-1	10/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 6.0 CV 1750 RPM	714.00	577.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002615	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 6.0 CV 1750 RPM	1,059.00	856.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002773	0002-1	08/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 60.0 CV MOD. TENSÕES	5,184.00	4,191.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002404	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	225S/M DO SECADOR DO AÇÚCAR	12,108.00	9,789.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002459	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 150.0 CV 1700 RPM 220/380/440V	5,518.00	4,461.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002458	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 30.0 CV 1100 RPM 220/380/440V	5,518.00	4,461.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002460	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 30.0 CV 1100 RPM 220/380/440V	5,754.00	4,652.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002464	0002-1	09/2005	8.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG/ BUFALO (ZILLO)	119,067.00	98,328.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002656	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	MULTUATOY/ CIRCUITO DAS ÁGUAS - EQUIPAMENTO	116,624.00	125,945.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002950	0002-1	10/2011	1.0	98.2	20.0	18.7	03/2014	PAINEL DE ACONDICIONAMENTO CA/ CC	40,971.00	33,125.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002515	0002-1	01/2006	1.0	73.5	20.0	14.0	03/2014	PAINEL DE CORREÇÃO DO FATOR DE POTÊNCIA DA REFINARIA	16,432.00	13,285.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002502	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	PAINEL DOS COZEDORES MOD. 500-HL	136,899.00	110,683.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002462	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	PAINEL PLC DA REFINARIA C/ 06 MÓDULOS COMPLETOS	7,254.00	5,865.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002429	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	PAINEL RETO P/ ALOJAMENTO DE CONTROLE MOD. CD-600	13,586.00	10,984.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002426	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	PAINEL VIEW 600 DA CENTRÍFUGA DO AÇÚCAR	4,928.00	4,553.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002861	0002-1	05/2010	1.0	84.0	20.0	16.0	03/2014	PAINEL VIEW 600 PLUS COLORIDO TOUCH-SCREEN	39,097.00	31,610.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002456	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	PENEA VIBRATÓRIA	21,417.00	17,315.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002434	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	REDUTOR DE VELOCIDADE TIPO H285-3	333,308.00	269,480.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002384	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	REDUÇÃO 50	500,801.00	404,898.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002385	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	REFINARIA DE AÇÚCAR GRANULADO - BASE	233,329.00	188,646.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002385	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	REFINARIA DE AÇÚCAR GRANULADO - INSTALAÇÃO	6,087.00	4,922.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002383	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	REFINARIA DE AÇÚCAR GRANULADO - INSTALAÇÃO ELÉTRICA	18,096.00	14,631.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002614	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	REFLOTADOR DE ESPUMA DA REFINARIA - BASE	50,348.00	40,707.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002616	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	REFLOTADOR DE ESPUMA DA REFINARIA - INSTALAÇÃO	4,457.00	3,603.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002388	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	REFRA TÔMETRO DO PROCESSO ON-LINE	10,113.00	9,344.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002423	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	RESERVATÓRIO P/ AR COMPRIMIDO C/ VÁLVULAS	17,146.00	13,863.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002872	0002-1	08/2010	1.0	84.0	20.0	16.0	03/2014	ROLLETE C/ EXO P/ SECADOR DE AÇÚCAR	2,975.00	2,405.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002475	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	ROLLETE P/ SECADOR DE AÇÚCAR MOD. SAV-25	1,444,207.00	1,334,448.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002508	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	ROSCA TRANSPORTADORA P/ REFINARIA	4,361.00	4,533.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002474	0002-1	09/2005	1.0	84.0	20.0	16.0	03/2014	SECADOR RESFRIADOR DE AÇÚCAR MOD. SAV-25	4,361.00	4,533.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002992	0002-1	12/2012	1.0	94.5	20.0	18.0	03/2014	SISTEMA DE ELETRIFICAÇÃO P/ TALHA ELÉTRICA	10,364.00	8,379.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002579	0002-1	11/2006	1.0	73.5	20.0	14.0	03/2014	SISTEMA DE MEDIÇÃO METLER MOD. FH-2100	31,659.00	34,738.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002200	0002-1	06/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	31,847.00	34,944.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002201	0002-1	06/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	234,901.00	189,917.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002421	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	1,763.00	1,731.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002920	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	38,183.00	30,871.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002430	0002-1	09/2005	4.0	73.5	20.0	14.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	1,324.00	1,070.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002431	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	4,199.00	3,395.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002432	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	3,854.00	3,116.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002401	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	SOFTWARE STARTER SSW03120 P/ VÁCUO 500-HL	10,707.00	8,656.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002400	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	SOFTWARE STARTER SSW03205 P/ VÁCUO 500-HL	12,156.00	9,828.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002402	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	SOFTWARE STARTER SSW03290 P/ VÁCUO 500-HL	5,718.00	4,623.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002551	0002-1	07/2006	1.0	73.5	20.0	14.0	03/2014	SONDA DE CONCENTRAÇÃO DLG MOD. SD-2000	5,718.00	4,623.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002552	0002-1	07/2006	1.0	73.5	20.0	14.0	03/2014	SONDA DE CONCENTRAÇÃO DLG MOD. SD-2000	595.00	550.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002862	0002-1	05/2010	1.0	84.0	20.0	16.0	03/2014	SWITCH STRATIX MOD. 2000 C/ 05 PORTAS	10,406.00	8,413.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002405	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	TALHA ELÉTRICA	17,414.00	18,102.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002991	0002-1	12/2012	1.0	94.5	20.0	18.0	03/2014	TALHA ELÉTRICA ACOPLADA C/ CARRO TROLE	41,760.00	33,763.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002418	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	TANQUE AERADOR P/ LICOR	131,804.00	106,563.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR	20002480	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	TANQUE DO SISTEMA DE DILUIÇÃO DE AÇÚCAR D1 E D2		

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002478	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	TANQUE EM AÇO INOX	10,113.00	8,176.00
MACHINERY & EQUIPMENT	REFINADO	20002481	0002-1	09/2005	3.0	73.5	20.0	14.0	03/2014	TANQUE EM AÇO INOX CAP. 28.000,0 LTS. P/ LICORES	248,461.00	200,880.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002477	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	TANQUE EM AÇO INOX CAP. 28.000,0 LTS. P/ MEL E ÁGUA	165,639.00	133,919.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002476	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	TANQUE EM AÇO INOX CAP. 60.000,0 LTS. P/ MEL E FILTRADO	82,820.00	66,960.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002479	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	TANQUE EM AÇO INOX CAP. 9.000,0 LTS. P/ ÁGUA DOCE	18,685.00	15,107.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002473	0002-1	09/2005	6.0	73.5	20.0	14.0	03/2014	TANQUE EM AÇO INOX DE INSUMOS	204,465.00	165,310.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002419	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	TANQUE P/ MEL DAS CENTRIFUGAS	38,290.00	30,958.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002450	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	TÉRMINO REF. INSTALAÇÃO DO FILTRO LEITO PROFUNDO	16,670.00	13,477.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002655	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	TORRE DE RESFRIAMENTO DE ÁGUA MOD. H27548	394,965.00	326,172.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002424	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA INTEL. POT. 1.500,0 KVA TRFÁSICO	80,621.00	65,182.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002800	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA POT. 5.000,0 VA 60HZ MONOFÁSICO	848.00	685.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002954	0002-1	12/2011	1.0	89.3	20.0	17.0	03/2014	TRANSMISSOR DE BRX	13,086.00	12,847.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002587	0002-1	01/2007	1.0	73.5	20.0	14.0	03/2014	MICROPROCESSADO	10,160.00	8,214.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002584	0002-1	12/2006	1.0	73.5	20.0	14.0	03/2014	TRANSMISSOR DE CONDENSADO/ DENSIDADE	3,010.00	2,433.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002791	0002-1	02/2008	1.0	73.5	20.0	14.0	03/2014	TRANSMISSOR DE NÍVEL	3,010.00	2,433.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002571	0002-1	09/2006	1.0	73.5	20.0	14.0	03/2014	TRANSMISSOR DE NÍVEL FLANGEADO	4,263.00	3,447.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002543	0002-1	04/2006	1.0	73.5	20.0	14.0	03/2014	TRANSMISSOR DE PH METTLER MOD. PH-2108E	825.00	667.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002544	0002-1	04/2006	1.0	73.5	20.0	14.0	03/2014	TRANSMISSOR DE PRESSÃO S/ INDICADOR C/ 04 SAÍDAS MOD. 20M	825.00	667.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002446	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	TRANSMISSOR DE PRESSÃO S/ INDICADOR C/ 04 SAÍDAS MOD. 20M	9,375.00	7,580.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002447	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	TROCADOR DE CALOR MFM MOD. M-10	34,651.00	28,016.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002766	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	TROCADOR DE CALOR MFM MOD. M-10	4,390.00	3,549.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002438	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	VÁLVULA BORBOLETA 12" O ATUADOR	3,364.00	2,720.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002437	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	VÁLVULA BORBOLETA 16" P/ BOMBAMENTO DE ÁGUA	4,211.00	3,404.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002467	0002-1	09/2005	18.0	73.5	20.0	14.0	03/2014	VÁLVULA BORBOLETA 18" P/ BOMBAMENTO DE ÁGUA	16,284.00	13,166.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002550	0002-1	09/2006	1.0	73.5	20.0	14.0	03/2014	VÁLVULA BORBOLETA 4" + AT + FR	6,207.00	5,018.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002472	0002-1	09/2005	22.0	73.5	20.0	14.0	03/2014	VÁLVULA BORBOLETA COD. 16PT600DA	41,505.00	33,557.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002427	0002-1	09/2005	12.0	73.5	20.0	14.0	03/2014	VÁLVULA BORBOLETA DOS COZEDORES	837.00	677.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002503	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE AGULHA 1/2" P/ CENTRIFUGA	4,166.00	3,368.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002414	0002-1	09/2005	88.0	73.5	20.0	14.0	03/2014	VÁLVULA DE ESFERA 2" TRIPARTIDA	10,316.00	8,341.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002417	0002-1	09/2005	87.0	73.5	20.0	14.0	03/2014	VÁLVULA DE ESFERA P/ ÁGUA DO PROCESSO	6,361.00	5,143.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002499	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE ESFERA P/ REFINARIA	4,166.00	3,368.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002415	0002-1	09/2005	10.0	73.5	20.0	14.0	03/2014	VÁLVULA DE ESFERA TRI-PARTIDA 2"	595.00	481.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002435	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	VÁLVULA DE LÍQUOR	4,510.00	3,647.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002453	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	VÁLVULA DE GULHOTINA SÉRIE 3000	4,510.00	3,647.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002436	0002-1	09/2005	3.0	73.5	20.0	14.0	03/2014	VÁLVULA DE GULHOTINA SÉRIE 3000	2,019.00	1,632.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002822	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE RETORNO 10" FERRO	2,931.00	2,370.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002409	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	FUNDOO CF 8M BRUTO EPDM	599.00	485.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002410	0002-1	09/2005	4.0	73.5	20.0	14.0	03/2014	VÁLVULA EM AÇO INOX 10" P/ TANQUE DE LICOR	3,014.00	2,437.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002412	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	VÁLVULA EM AÇO INOX 12" P/ TANQUE DE LICOR	3,534.00	2,857.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002413	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	VÁLVULA EM AÇO INOX 16" P/ ÁGUA	4,781.00	3,866.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002411	0002-1	09/2005	4.0	73.5	20.0	14.0	03/2014	VÁLVULA EM AÇO INOX 18" P/ ÁGUA	11,237.00	9,085.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002406	0002-1	09/2005	45.0	73.5	20.0	14.0	03/2014	VÁLVULA EM AÇO INOX 20" P/ TANQUE DE LICOR	5,639.00	4,559.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002407	0002-1	09/2005	35.0	73.5	20.0	14.0	03/2014	VÁLVULA EM AÇO INOX 6" P/ TANQUE DE LICOR	6,449.00	5,214.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002408	0002-1	09/2005	9.0	73.5	20.0	14.0	03/2014	VÁLVULA EM AÇO INOX 8" P/ TANQUE DE LICOR	4,170.00	3,372.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002470	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	VÁLVULA EM AÇO INOX EPDM 24	25,085.00	20,281.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002416	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	AT.DA+POS+FR	1,497.00	1,210.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002468	0002-1	09/2005	2.0	73.5	20.0	14.0	03/2014	VÁLVULA GLOBO 2" P/ SECADOR DE AÇUCAR	1,341.00	1,084.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002469	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA P/ CENTRIFUGA E REFINO	835.00	675.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002471	0002-1	09/2005	6.0	73.5	20.0	14.0	03/2014	VÁLVULA P/ FLUTADOR DE CALDO	4,668.00	3,774.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002420	0002-1	09/2005	97.0	73.5	20.0	14.0	03/2014	VÁLVULA P/ SISTEMA DE DILUIÇÃO DE AÇUCAR	5,275.00	4,265.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002455	0002-1	09/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA P/ TANQUE DE INSUMOS	2,880.00	2,328.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002951	0002-1	11/2011	1.0	89.3	20.0	17.0	03/2014	VIBRADOR ELETROMECÂNICO MOD. BR-150 POT. 1.5 CV	2,880.00	2,827.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR	20002952	0002-1	11/2011	1.0	89.3	20.0	17.0	03/2014	VIBRADOR ELETROMECÂNICO MOD. BR-150 POT. 1.5 CV	2,880.00	2,827.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002360	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	VIBRADOR ELETROMECÂNICO MOD. BR-150 POT. 1.5 CV	139,419.00	112,720.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002361	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	AGITADOR DO COZEDOR A VÁCUO	139,419.00	112,720.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002651	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	AGITADOR DO COZEDOR A VÁCUO	139,419.00	112,720.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002764	0002-1	07/2007	1.0	75.1	20.0	14.3	03/2014	SANTIM MOD. 500-HL	55,613.00	44,963.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002765	0002-1	08/2007	1.0	73.5	20.0	14.0	03/2014	AMPLIAÇÃO INDUSTRIAL REF. FÁBRICA DE AÇUCAR	870,587.00	718,952.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002652	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	AMPLIAÇÃO INDUSTRIAL REF. FÁBRICA DE AÇUCAR	32,779.00	26,502.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002281	0002-1	07/2003	1.0	73.5	20.0	14.0	03/2014	AMPLIAÇÃO INDUSTRIAL REF. FÁBRICA DE AÇUCAR	633,357.00	523,042.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002818	0002-1	08/2008	1.0	73.5	20.0	14.0	03/2014	AUTOMAÇÃO DO COZIMENTO (FÁBRICA DE AÇUCAR)	53,426.00	43,195.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002517	0002-1	01/2006	1.0	73.5	20.0	14.0	03/2014	BOMBA MBIL TIPO INI 032-200	6,836.00	5,527.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002518	0002-1	01/2006	1.0	73.5	20.0	14.0	03/2014	BOMBA MBIL TIPO ITAP 250-330	35,333.00	28,567.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002546	0002-1	05/2006	1.0	73.5	20.0	14.0	03/2014	BOMBA MBIL TIPO ITAP 250-330	35,333.00	28,567.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002357	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	BOMBA MBIL TIPO R-4 C/ ROTOR EM BRONZE	2,298.00	1,858.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇUCAR VHP	20002357	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	BOMBA P/ FÁBRICA DE AÇUCAR	141,973.00	114,785.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002978	0002-1	06/2012	1.0	94.5	20.0	18.0	03/2014	CARREGADOR MÚLTIPLO P/ 06 BATERIAS MOD. EP-450	1,129.00	1,173.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002358	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CCM FÁBRICA DE AÇÚCAR - EQUIPAMENTO	136,831.00	110,628.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002278	0002-1	06/2002	1.0	73.5	20.0	14.0	03/2014	CENTRÍFUGA AUTOMÁTICA FIVES CAIL	268,621.00	217,180.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002356	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CENTRÍFUGA CONTÍNUA MASSA "B" CENTRÍFUGA FCB MOD. D-412 MADE IN	220,595.00	178,351.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002273	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	FRANÇA CESTO P/ CENTRÍFUGA VETEK MOD. VK-1500	7,181.00	5,806.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002185	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	CHAVE 150CVSSW03.205/220-440/2 SÉRIE 886822	71,700.00	78,673.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002755	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	CHAVE 361A - CONTROLADOR DE MOTOR	4,239.00	3,428.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002532	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	CHAVE 361A - CONTROLADOR DE MOTOR	9,859.00	7,971.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002533	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR	9,859.00	7,971.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002857	0002-1	04/2010	1.0	84.0	20.0	16.0	03/2014	CHAVE DE PARTIDA SOFT STARTER	3,814.00	3,524.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002267	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	COLUNA DE SULFITAÇÃO EM AÇO INOX	32,294.00	26,109.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002760	0002-1	07/2007	2.0	73.5	20.0	14.0	03/2014	CONDENSADOR BAROMÉTRICO SÉRIE 575/2006	65,098.00	52,632.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002260	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	CONDENSADOR P/ COZIMENTO MOD. 250HL	5,931.00	4,795.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002259	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	CONDENSADOR P/ COZIMENTO MOD. 500HL	16,870.00	13,640.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002258	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	CONDENSADOR P/ EVAPORAÇÃO CONFIGURADOR PORTÁTIL C/ INTERFACE	7,934.00	6,415.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002720	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE AQUECEDORES TUBULARES VERTICAIS	8,148.00	6,588.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002265	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE BOMBA P/ ASPERÇÃO VAZÃO 690,0 LTS/H	300,585.00	243,023.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002853	0002-1	04/2010	1.0	84.0	20.0	16.0	03/2014	CONJUNTO DE MOTOBOMBA IMBL TIPO INI	6,329.00	5,848.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002752	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE MOTOBOMBA IMBL TIPO INI	74,650.00	60,355.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002649	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE VÁLVULA BORBOLETA 16 + ACIONAMENTO PNEUMÁTICO	7,812.00	6,316.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002194	0002-1	05/2013	1.0	99.8	20.0	19.0	03/2014	CONTROLADOR INDICADOR DIGITAL MICROPROCESSADO	1,435.00	1,574.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002195	0002-1	05/2013	1.0	99.8	20.0	19.0	03/2014	CONTROLADOR INDICADOR DIGITAL MICROPROCESSADO	1,435.00	1,574.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002918	0002-1	05/2011	1.0	89.3	20.0	17.0	03/2014	CONTROLADOR INDICADOR DIGITAL MICROPROCESSADO	1,435.00	1,409.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002299	0002-1	11/2004	1.0	73.5	20.0	14.0	03/2014	CONTROLADOR PLC TIPO 02 40MR 24E 16S SÉRIE 35250	1,453.00	1,175.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002644	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	CONVERSOR DE FREQUÊNCIA P/ TENSÃO WEG	144,681.00	119,481.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002647	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	CONVERSOR ESTÁTICO REGENTE MONTADO EM PAINEL	144,738.00	119,528.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002648	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	CONVERSOR ESTÁTICO REGENTE MONTADO EM PAINEL	144,738.00	119,528.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002359	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	COZEDOR À VÁCUO (V2) - FÁBRICA DE AÇÚCAR	12,813.00	10,359.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002304	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	COZEDOR À VÁCUO CONVENCIONAL DEDINI MOD. 600-HL	555,487.00	449,111.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002305	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	COZEDOR À VÁCUO CONVENCIONAL DEDINI MOD. 600-HL	555,487.00	449,111.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002351	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	COZEDOR À VÁCUO CONVENCIONAL DEDINI MOD. 600-HL	616,455.00	498,404.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002762	0002-1	07/2007	2.0	75.1	20.0	14.3	03/2014	COZEDOR À VÁCUO CONVENCIONAL DEDINI MOD. 600-HL	616,455.00	509,084.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002761	0002-1	07/2007	2.0	75.1	20.0	14.3	03/2014	CRISTALIZADOR CAP. UNITÁRIO 800,0 HL SÉRIE 0572	400,689.00	330,899.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002306	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	CRISTALIZADOR DE MASSA "A" - EQUIPAMENTO	86,556.00	69,981.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002270	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	CRISTALIZADOR INSTALADO NA FÁBRICA DE AÇÚCAR	317,328.00	256,559.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002257	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	DECANTADOR CAP. VOLUMÉTRICA 250,0 M3	124,088.00	100,325.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002266	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	DOSAGEM - ÁREA RESERVADA (ESTRUTURA METÁLICA)	290,605.00	234,954.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002256	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	EQUIPAMENTO COZEDOR CAP. 250,0 M3 HECTOLITROS C/ VASO	10,662.00	8,620.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002984	0002-1	10/2012	1.0	94.5	20.0	18.0	03/2014	ESTABILIZADOR DE VOLTAGEM NO-BREAK SMS POT. 5,0 KVA BIVOLT	13,937.00	14,487.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002570	0002-1	09/2006	1.0	73.5	20.0	14.0	03/2014	FILTRO CUNO 4DC2TP P/ ÁGUA	5,365.00	4,338.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002285	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	CONDENSADA FLOTADOR DE XAROPE C/ FINALIDADE DE SEPARAÇÃO	53,979.00	43,642.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002362	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	FLOTADOR DE XAROPE P/ FÁBRICA DE AÇÚCAR	100,823.00	81,515.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002489	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	FUSÍVEL 700A 600V CÓD. ABB58424021	1,190.00	962.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002490	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	FUSÍVEL 700A 600V CÓD. ABB58424021	1,190.00	962.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002491	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	FUSÍVEL 700A 600V CÓD. ABB58424021	1,190.00	962.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002753	0002-1	07/2007	9.0	73.5	20.0	14.0	03/2014	HÉLICE P/ ROSCA DE AÇÚCAR UMDO	12,676.00	10,249.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002763	0002-1	07/2007	1.0	75.1	20.0	14.3	03/2014	INSTALAÇÃO REF. COZEDORES CSC MICROCOMPUTADOR INTEL CORE 2 DUO 2.0	345,948.00	285,693.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002758	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	MÓDULO IGBT P/ CENTRÍFUGA FIVES AUTOMÁTICA 035	3,331.00	2,693.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002566	0002-1	09/2006	1.0	73.5	20.0	14.0	03/2014	MÓDULO IGBT P/ CENTRÍFUGA FIVES AUTOMÁTICA 035	13,847.00	11,196.00
MACHINERY & EQUIPMENT	PRODUÇÃO DE AÇÚCAR VHP	20002567	0002-1	09/2006	1.0	73.5	20.0	14.0	03/2014	MÓDULO IGBT P/ CENTRÍFUGA FIVES AUTOMÁTICA 035	13,847.00	11,196.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)	
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002568	0002-1	09/2006	1.0	73.5	20.0	14.0	03/2014	MÓDULO IGBT PI CENTRÍFUGA FIVES AUTOMÁTICA 035	13.847,00	11.196,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002965	0002-1	03/2012	1.0	94.5	20.0	18.0	03/2014	MÓDULO SEPARADOR DE ARRASTE DO COZEDOR	15.958,00	16.588,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002968	0002-1	03/2012	1.0	94.5	20.0	18.0	03/2014	MÓDULO SEPARADOR DE ARRASTE DO COZEDOR	10.115,00	10.514,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002290	0002-1	06/2004	1.0	73.5	20.0	14.0	03/2014	MOTOR A VÁCUO C/ CHICOTE MED. 4.00 MTS. SÉRIE GH06418	1.925,00	1.556,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002646	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO 60 HZ	47.249,00	38.201,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002816	0002-1	08/2008	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO DA BOMBA MONOBLOCO POT. 15.0 CV	1.407,00	1.138,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002919	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	MOTOR ELÉTRICO POT. 0.5 CV MONOFÁSICO 220V	530,00	521,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20003388	0002-1	02/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 10.0 CV	1.645,00	1.330,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002317	0002-1	05/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 15.0 CV MOD. 132M	1.109,00	897,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002537	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 20.0 CV 1700 RPM	2.713,00	2.193,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002538	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 20.0 CV 1700 RPM	2.713,00	2.193,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002192	0002-1	04/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 20.0 CV MOD. 160M	2.713,00	2.977,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002526	0002-1	02/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 200.0 CV 1750 RPM	13.191,00	10.665,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002527	0002-1	02/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 200.0 CV 1750 RPM	13.191,00	10.665,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002885	0002-1	01/2011	1.0	89.3	20.0	17.0	03/2014	MOTOR ELÉTRICO POT. 30.0 CV 8P 04 TENSÕES	4.247,00	4.169,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002643	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 350.0 CV 60 HZ	47.314,00	38.253,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002645	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 350.0 CV 60 HZ	47.037,00	38.029,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002754	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 5.0 CV 6P04 TENSÕES	2.205,00	1.783,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002756	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG MOD. 100L	1.032,00	834,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002972	0002-1	04/2012	1.0	94.5	20.0	18.0	03/2014	MOTOR ELÉTRICO WEG POT. 1.5 CV 4P 04 TENSÕES	882,00	917,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002355	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 150.0 CV 1700 RPM 220/380/440V	12.108,00	9.789,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002813	0002-1	06/2008	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 30.0 CV 1100 RPM 220/380/440V	5.518,00	4.461,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20003386	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	PAINEL CPD CÔD. 1988 COMPLETO DA CENTRÍFUGA	7.998,00	6.466,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002586	0002-1	01/2007	1.0	73.5	20.0	14.0	03/2014	PAINEL DE TRANSFERÊNCIA DA FÁBRICA/ REFINARIA	13.266,00	10.726,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002856	0002-1	04/2010	1.0	84.0	20.0	16.0	03/2014	PAINEL ELÉTRICO C/ CAIXA E DESJUNTORES	1.372,00	1.268,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002854	0002-1	04/2010	1.0	84.0	20.0	16.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	94,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002922	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002923	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002924	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002925	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002926	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002927	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002928	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002929	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002930	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002931	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002932	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002933	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002934	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002935	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002936	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002937	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002938	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002939	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002940	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002941	0002-1	06/2011	1.0	89.3	20.0	17.0	03/2014	REDE DE ASPERÇÃO C/ CONECTORES E A SPERSOR	102,00	100,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002198	0002-1	06/2013	1.0	99.8	20.0	19.0	03/2014	REDUTOR DE VELOCIDADE SUMITOMO MOD. CY CLO	16.299,00	17.884,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002507	0002-1	11/2005	1.0	73.5	20.0	14.0	03/2014	ROSCA TRANSPORTADORA FI FÁBRICA DE AÇUCAR	4.164,00	3.367,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002271	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	SECADOR RESFRIADOR DE AÇUCAR	335.597,00	271.330,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002274	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	SEÇÃO DE COZIMENTO	52.974,00	42.829,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002275	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	SEÇÃO DE DECANTAÇÃO	20.231,00	16.357,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002748	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	SEÇÃO DE RESFRIAMENTO M-010	18.962,00	15.331,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002751	0002-1	07/2007	2.0	73.5	20.0	14.0	03/2014	SEPARADOR DE ARRASTE T3JA	83.541,00	67.543,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002263	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	SISTEMA DE PENEIRA COMPOSTO DE 02 PENEIRAS	9.407,00	7.606,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002250	0002-1	04/1998	1.0	73.5	20.0	14.0	03/2014	SISTEMA DE VENTILAÇÃO C/ FILTRAGEM	8.259,00	6.677,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002264	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	SISTEMA EVAPORATIVO FALLING FILM	864.301,00	698.787,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20001988	0002-1	01/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	2.676,00	2.936,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20001989	0002-1	01/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	5.512,00	6.048,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002757	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	22.369,00	18.085,00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇUCAR VHP	20002759	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	SONDA DE CONCENTRAÇÃO DLG MOD. SD-2000	5.718,00	4.623,00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)	
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002261	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	TANQUE DE PASSAGEM E ACONDICIONAMENTO	21,969.00	17,762.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002262	0002-1	10/2001	1.0	73.5	20.0	14.0	03/2014	TANQUE DE PASSAGEM E ACONDICIONAMENTO	21,969.00	17,762.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002578	0002-1	11/2006	1.0	73.5	20.0	14.0	03/2014	TANQUE EMAÇO INOX MISTURADOR	10,707.00	8,656.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002750	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	TANQUE EMAÇO INOX SUCA TEADO (NO ESTADO)	65,431.00	52,901.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002332	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA INTEL POT. 1.500.0 KVA TRIFÁSICO	80,621.00	65,182.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002815	0002-1	08/2008	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA POT. 1.500.0 KVA 440/254V TRIFÁSICO	52,345.00	42,321.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002850	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA SIEMENS POT. 220.0 KVA 440/254V TRIFÁSICO	55,047.00	44,506.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002749	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	TRANSMISSOR DE PRESSÃO SMAR	48,827.00	39,477.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002309	0002-1	02/2005	1.0	73.5	20.0	14.0	03/2014	TROCADOR DE CALOR MOD. GCP-026	16,975.00	13,725.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002328	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	VÁCUO DE AÇÚCAR MASSA "B" PR-INSTALAÇÃO	407,723.00	329,644.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20003389	0002-1	10/2006	1.0	73.5	20.0	14.0	03/2014	VÁLVULA BORBOLETA 4" GULHOTINA (ELBÃO)	671.00	542.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002855	0002-1	04/2010	1.0	84.0	20.0	16.0	03/2014	VENTILADOR SPRAY MOD. TURBO 1000 SUSPENSO	3,841.00	3,549.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002494	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	VIBRADOR ELETROMECÂNICO MOD. BR-200 POT. 1.5 CV	2,744.00	2,218.00
MACHINERY & EQUIPMENT		PRODUÇÃO DE AÇÚCAR VHP	20002495	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	VIBRADOR ELETROMECÂNICO MOD. BR-200 POT. 1.5 CV	2,744.00	2,218.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002803	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	ACIONADOR ELÉTRICO FLEXUBO POT. 3.0 CV SU-ER-35	763.00	617.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002804	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	ACIONADOR ELÉTRICO FLEXUBO POT. 3.0 CV SU-ER-35	763.00	617.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002805	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	ACIONADOR ELÉTRICO FLEXUBO POT. 3.0 CV SU-ER-35	763.00	617.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002806	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	ACIONADOR ELÉTRICO FLEXUBO POT. 3.0 CV SU-ER-35	763.00	617.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002807	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	ACIONADOR ELÉTRICO FLEXUBO POT. 3.0 CV SU-ER-35	763.00	617.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002808	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	ACIONADOR ELÉTRICO FLEXUBO POT. 3.0 CV SU-ER-35	763.00	617.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002809	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	ACIONADOR ELÉTRICO FLEXUBO POT. 3.0 CV SU-ER-35	763.00	617.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002810	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	ACIONADOR ELÉTRICO FLEXUBO POT. 3.0 CV SU-ER-35	763.00	617.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002811	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	ACIONADOR ELÉTRICO FLEXUBO POT. 3.0 CV SU-ER-35	763.00	617.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002812	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	ACIONADOR ELÉTRICO FLEXUBO POT. 3.0 CV SU-ER-35	763.00	617.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002609	0002-1	04/2007	1.0	73.5	20.0	14.0	03/2014	ALIMENTADOR ELETROMAGNÉTICO MOD. F-010 220V	1,946.00	1,573.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002581	0002-1	12/2006	1.0	73.5	20.0	14.0	03/2014	ALIMENTADOR ELETROMAGNÉTICO MOD. FTO O SILO CAP. 60.0 LTS.	2,553.00	2,064.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002582	0002-1	12/2006	1.0	73.5	20.0	14.0	03/2014	ALIMENTADOR ELETROMAGNÉTICO MOD. FTO O SILO CAP. 60.0 LTS.	2,553.00	2,064.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002349	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	ANALISADOR DE CONDUTIVIDADE MICROPROCESSADO	3,364.00	2,720.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002291	0002-1	09/2004	1.0	73.5	20.0	14.0	03/2014	ANÁLISADOR DE PH PROCESSADO	3,068.00	2,481.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002743	0002-1	06/2007	1.0	75.1	20.0	14.3	03/2014	AQUECEDOR DE CALDO CSJ SÉRIE 574/2006	277,750.00	229,373.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002089	0002-1	03/2013	3.0	99.8	20.0	19.0	03/2014	AQUECEDOR VERTICAL CAP. 400.0 M2 (TROCADOR DE CALOR)	317,612.00	348,500.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002722	0002-1	07/2007	1.0	73.5	20.0	14.0	03/2014	BASE P/ PRE-RACKS DA EVAPORAÇÃO	1,998.00	1,616.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002085	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	BICO EJECTOR CONFORME DESENHO	3,426.00	3,759.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002869	0002-1	07/2010	1.0	84.0	20.0	16.0	03/2014	BOMBA DOSADORA DIAPHRAGMA MOD. DOM 45-08	10,158.00	9,386.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002129	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	BOMBA HELICODAL GEREMA MOD. HF-1202	28,060.00	30,789.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002530	0002-1	02/2006	1.0	73.5	20.0	14.0	03/2014	BOMBA HELICODAL NEMO MOD. NM0158Y0253	3,240.00	2,620.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002536	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	BOMBA HELICODAL WHT TIPO 32/F 6101	3,291.00	2,661.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002731	0002-1	06/2007	2.0	73.5	20.0	14.0	03/2014	BOMBA HELICODAL WHT TIPO 90/F 6101	35,599.00	28,782.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002912	0002-1	03/2011	1.0	89.3	20.0	17.0	03/2014	BOMBA MILIT. TIPO ITAP 065-260	6,063.00	5,952.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002373	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	BOMBA P/ SISTEMA DE EVAPORAÇÃO QUINTUPLO EFETO	132,799.00	107,368.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002350	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CÉLULA DE CONDUTIVIDADE DIGIMED MOD. TX-01W	2,863.00	2,315.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002293	0002-1	10/2004	1.0	73.5	20.0	14.0	03/2014	CHAVE DE PARTIDA SOFT STARTER	3,814.00	3,084.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002790	0002-1	02/2008	1.0	73.5	20.0	14.0	03/2014	CHAVE DE PARTIDA SOFT STARTER	3,814.00	3,084.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002832	0002-1	02/2009	1.0	78.8	20.0	15.0	03/2014	CHAVE DE PARTIDA SOFT STARTER	3,814.00	3,304.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002376	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	CHAVE DE PARTIDA SOFT STARTER	3,814.00	3,304.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002820	0002-1	09/2008	1.0	73.5	20.0	14.0	03/2014	REF. SISTEMA DE EVAPORAÇÃO CHICOTE COMPLETO P/ LIMPEZA DE EVAPORADORES 8M	6,705.00	5,470.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002821	0002-1	09/2008	1.0	73.5	20.0	14.0	03/2014	CHICOTE COMPLETO P/ LIMPEZA DE EVAPORADORES 8M	775.00	626.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002822	0002-1	09/2008	1.0	73.5	20.0	14.0	03/2014	CHICOTE COMPLETO P/ LIMPEZA DE EVAPORADORES 8M	775.00	626.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002823	0002-1	09/2008	1.0	73.5	20.0	14.0	03/2014	CHICOTE COMPLETO P/ LIMPEZA DE EVAPORADORES 8M	775.00	626.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002824	0002-1	09/2008	1.0	73.5	20.0	14.0	03/2014	CHICOTE COMPLETO P/ LIMPEZA DE EVAPORADORES 8M	775.00	626.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002186	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	CLONE SEPARADOR DE ALTA EFICIÊNCIA CAF	28,036.00	30,762.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002127	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	CLASSIFICADOR DE BAGAÇILHO COMPLEMENTO REF. TRATAMENTO DE CALDO - AMPLAÇÃO INDUSTRIAL	36,260.00	39,786.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002658	0002-1	08/2007	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE CALDO - AMPLAÇÃO INDUSTRIAL	94,827.00	76,668.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002967	0002-1	03/2012	1.0	94.5	20.0	18.0	03/2014	CONJUNTO COMPACTO G/ SISTEMA DE DRENAGEM DO PURGADOR	6,907.00	7,180.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002889	0002-1	02/2011	1.0	89.3	20.0	17.0	03/2014	CONJUNTO DE BOMBA ITAP TIPO 150-510	49,908.00	48,997.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002134	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	CONJUNTO DE BOMBAS HELICODAL	38,296.00	42,021.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002846	0002-1	09/2009	1.0	78.8	20.0	15.0	03/2014	CONJUNTO DE CARCAÇA TIPO NI 050-200	3,262.00	2,826.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002130	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	CONJUNTO DE CLONE P/ BAGAÇILHO DIÁM. 850.00 MM.	24,955.00	27,382.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002734	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE ROTOR IMBIL TIPO NI 80-600	4,391.00	3,550.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002138	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	CONJUNTO DE SISTEMA AG. TORMMK MOD. TMR. POLÍMERO	47,576.00	52,202.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002737	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	CONJUNTO DE TAMPA DE SUÇÃO ITAP TIPO 150/260	2,168.00	1,753.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002738	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	CONTROLADOR MOD. CD-600 E	14,985.00	12,116.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002531	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	MEIXADOR DE DENSIDADE CONTROLADOR SLC TIPO 5/05 G/ 28K	13,477.00	10,895.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002850	0002-1	01/2010	1.0	84.0	20.0	16.0	03/2014	ETHERNET RS	4,176.00	3,858.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002959	0002-1	02/2012	1.0	94.5	20.0	18.0	03/2014	CONTROLE REMOTO FOX CONTROL MOD. FOX-520 PLUS	4,176.00	4,341.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002132	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	CONTROLE REMOTO FOX CONTROL MOD. FOX-520 PLUS	4,176.00	4,341.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002841	0002-1	05/2009	1.0	78.8	20.0	15.0	03/2014	CONVERSOR DE FREQUÊNCIA CPW-11	17,388.00	19,079.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002744	0002-1	06/2007	1.0	75.1	20.0	14.3	03/2014	CONVERSOR DE SINAL MOD. FC 300C 110/220V	5,933.00	5,139.00
MACHINERY & EQUIPMENT		TRATAMENTO DE CALDO	20002966	0002-1	03/2012	1.0	94.5	20.0	18.0	03/2014	DECANTADOR SRI CAP		

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002253	0002-1	08/2000	1.0	73.5	20.0	14.0	03/2014	EVAPORADOR DE PELÍCULA DESCENDENTE	160,767.00	129,980.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002301	0002-1	12/2004	1.0	73.5	20.0	14.0	03/2014	FILTRO ROTATIVO - EQUIPAMENTO	77,026.00	62,276.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002742	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	FILTRO ROTATIVO - INSTALAÇÃO	46,701.00	37,758.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002741	0002-1	06/2007	1.0	75.1	20.0	14.3	03/2014	FILTRO ROTATIVO À VÁCUO 10X20 V.L.C.	446,833.00	369,005.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002121	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	FILTRO ROTATIVO DE CALDO MOD. FC-12000 CAP. 370,00 M3	211,567.00	232,142.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002120	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	FILTRO VACUUM PRESS MOD. VPA-240	507,007.00	556,314.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002573	0002-1	10/2006	1.0	73.5	20.0	14.0	03/2014	FONTE DE ALIMENTAÇÃO 132 VCA	3,680.00	2,975.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002319	0002-1	06/2005	2.0	73.5	20.0	14.0	03/2014	FORNO DE SULFITAÇÃO	13,533.00	10,942.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002374	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	INSTALAÇÃO REF. BOMBA DO SISTEMA DE EVAPORAÇÃO QUINTUPO EFEITO	11,527.00	9,319.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002377	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	INSTALAÇÃO REF. MOTOR ELÉTRICO TRIFÁSICO DO SISTEMA	12,232.00	9,890.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002379	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	INSTALAÇÃO REF. VÁLVULAS DO SISTEMA DE EVAPORAÇÃO	34,976.00	28,278.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20003390	0002-1	04/2008	1.0	73.5	20.0	14.0	03/2014	MATERIAIS E INSTALAÇÃO PI MONTAGEM	26,172.00	21,160.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002318	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	MODIFICAÇÃO REF. CALANDRA E EVAPORADOR	225,941.00	182,673.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002976	0002-1	04/2012	1.0	94.5	20.0	18.0	03/2014	MÓDULO SEPARADOR DE ARRASTE MOD. TSS/3-25	9,216.00	9,580.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002735	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	MOTOBOMBA MBIL TIPO INI 100-315	20,002.00	16,171.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002733	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	MOTOBOMBA MBIL TIPO INI 125-400	60,386.00	48,822.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002375	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO DO SISTEMA DE EVAPORAÇÃO QUINTUPO	11,114.00	8,985.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002981	0002-1	08/2012	1.0	94.5	20.0	18.0	03/2014	MOTOR ELÉTRICO DREMOD. 100M4/FG POT. 3.0 KW	1,397.00	1,452.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002983	0002-1	08/2012	1.0	94.5	20.0	18.0	03/2014	MOTOR ELÉTRICO DREMOD. 112M4/FG POT. 4.5 KW	1,800.00	1,872.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002982	0002-1	08/2012	1.0	94.5	20.0	18.0	03/2014	MOTOR ELÉTRICO DREMOD. 112M6/FG POT. 2.2 KW	2,153.00	2,238.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002980	0002-1	08/2012	1.0	94.5	20.0	18.0	03/2014	MOTOR ELÉTRICO DREMOD. 132S4/FG POT. 5.5 KW	2,222.00	2,309.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002124	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 12,5 CV MOD. 100L	1,315.00	1,443.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002092	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 125,0 CV 6P	13,155.00	14,434.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002093	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 150,0 CV 6P	17,197.00	18,869.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002123	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 20,0 CV MOD. 160L	2,713.00	2,977.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002326	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 3,0 CV 3500 RPM	323.00	261.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002122	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 30,0 CV MOD. 180M	4,247.00	4,660.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002346	0002-1	07/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 30,0 CV MOD. 180M	4,247.00	3,433.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002091	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 50,0 CV 4P	3,769.00	4,135.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002524	0002-1	02/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 6,0 CV 1750 RPM	714.00	577.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002525	0002-1	02/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 6,0 CV 1750 RPM	714.00	577.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002740	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 7,5 CV 1700 RPM 220/440V	1,537.00	1,242.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002801	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 75,0 CV 1700 RPM	6,072.00	4,909.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002746	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO POT. 75,0 CV 1750 RPM	6,072.00	4,909.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002492	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 10,0 CV 1700 RPM	885.00	715.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002493	0002-1	10/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 10,0 CV 1700 RPM	885.00	715.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002728	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 30,0 CV 1100 RPM 220/380/440V	5,518.00	4,461.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002345	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 40,0 CV 1700 RPM 220/380/440V	3,507.00	2,836.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002549	0002-1	06/2006	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 40,0 CV 1700 RPM 220/380/440V	3,507.00	2,836.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002321	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO WEG POT. 6,0 CV 220/760V	680.00	550.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002311	0002-1	03/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO.POT. 25,0 CV 1150 RPM 440V	2,689.00	2,174.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002312	0002-1	03/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO.POT. 50,0 CV 1150 RPM 440V	5,253.00	4,247.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002313	0002-1	03/2005	1.0	73.5	20.0	14.0	03/2014	MOTOR ELÉTRICO.POT. 75,0 CV 1750 RPM 440V	5,200.00	4,205.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002128	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	PAINEL CÔD. 01217B CCM INTELIGENTE DA FERMENTAÇÃO/ DESTILAÇÃO	415,762.00	456,194.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002133	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	PAINEL CÔD. 11021 CCM INTELIGENTE	62,814.00	68,922.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002308	0002-1	01/2005	1.0	73.5	20.0	14.0	03/2014	PAINEL PI CORREÇÃO DO FATOR DE POTÊNCIA DA DESTILARIA	22,867.00	18,488.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002381	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	PASSARELA DO SISTEMA DE EVAPORAÇÃO QUINTUPO	134,499.00	108,743.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002254	0002-1	12/2000	1.0	73.5	20.0	14.0	03/2014	PERNEIRA ROTATIVA PI CALDO MISTO	27,868.00	22,531.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002633	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	PRÉ-EVAPORADOR - AMPLIAÇÃO INDUSTRIAL E INSTALAÇÃO	640,949.00	529,312.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002632	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	PRÉ-EVAPORADOR CAP. 3.500,0 M2 SÉRIE 571/2006	1,057,819.00	873,574.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002382	0002-1	08/2005	2.0	94.5	20.0	18.0	03/2014	PRÉ-EVAPORADOR DE CALDO MOD. ED78	3,288,575.00	3,418,473.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002603	0002-1	03/2007	1.0	75.1	20.0	14.3	03/2014	READEQUAÇÃO REF. BALANÇO MASSICO ENERGIA - INSTALAÇÃO	517,945.00	427,732.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002004	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	REDUTOR DE EIXOS PARALELOS SEW TIPO RH87AG	4,731.00	5,191.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002989	0002-1	11/2012	1.0	94.5	20.0	18.0	03/2014	REDUTOR DE EIXOS PARALELOS SEW TIPO RH87AG	7,206.00	7,491.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002088	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	RESERVATÓRIO P/ CONDENSADO MED. 1.20 M2	8,133.00	8,924.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002136	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SECADOR RESFRIADOR DE AÇUCAR WIDEGAP MOD. 2005	43,541.00	47,776.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002135	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SECADOR RESFRIADOR DE AÇUCAR WIDEGAP MOD. 350S	111,019.00	121,815.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002090	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SEÇÃO DE RESFRIAMENTO T-020 SEPARADOR DE ARRASTE P/	60,811.00	66,725.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002556	0002-1	08/2006	1.0	73.5	20.0	14.0	03/2014	EVAPORAÇÃO	43,654.00	35,295.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002555	0002-1	08/2006	1.0	73.5	20.0	14.0	03/2014	SEPARADOR DE ARRASTE P/ EVAPORAÇÃO FALLING FILM	44,746.00	36,177.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002612	0002-1	05/2007	2.0	73.5	20.0	14.0	03/2014	SEPARADOR DE ARRASTE P/ EVAPORAÇÃO FALLING FILM	60,943.00	49,272.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002613	0002-1	05/2007	2.0	73.5	20.0	14.0	03/2014	SEPARADOR DE ARRASTE TJA	83,541.00	67,543.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002139	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA DE MEDIÇÃO DE CONDUTIVIDADE	19,022.00	20,872.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002131	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA DE MEDIÇÃO DE PH Cód. SPFH21000199	12,040.00	13,211.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002793	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	SISTEMA DE CAPTAÇÃO E DOSAGEM BAGACILHO - INSTALAÇÃO	565.00	457.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002825	0002-1	09/2008	1.0	73.5	20.0	14.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	2,276.00	1,840.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002830	0002-1	01/2009	1.0	78.8	20.0	15.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	1,843.00	1,596.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002843	0002-1	06/2009	1.0	78.8	20.0	15.0	03/2014	SISTEMA INVERSOR DE FREQUÊNCIA	1,869.00	1,619.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20001995	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	1,309.00	1,436.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20001996	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	1,413.00	1,551.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002084	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	6,999.00	7,679.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002086	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	3,388.00	3,717.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002094	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	9,258.00	10,158.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002102	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	10,951.00	12,016.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002125	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	8,023.00	8,803.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002126	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	8,906.00	9,773.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002719	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	11,873.00	9,599.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002727	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	17,007.00	13,750.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002970	0002-1	04/2012	1.0	94.5	20.0	18.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	3,388.00	3,521.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002971	0002-1	04/2012	1.0	94.5	20.0	18.0	03/2014	SISTEMA MEDIDOR DE VAZÃO	6,557.00	6,816.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002103	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TANQUE DE PROCESSO CAP. 1,23 M3 ASTM	8,898.00	9,764.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002101	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TANQUE HORIZONTAL DE CONDENSADO CAP. 20.0 M3	31,407.00	34,461.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002108	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TANQUE VERTICAL PRÉ-EVAPORADOR CAP. 25.0 M3	37,070.00	40,675.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002802	0002-1	03/2008	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA À ÓLEO POT. 100,0 KVA TRIFÁSICO	7,014.00	5,671.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002107	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSFORMADOR DE FORÇA À SECO POT. 2.500,0 KVA 13800V 440V	76,424.00	83,856.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002514	0002-1	01/2006	1.0	73.5	20.0	14.0	03/2014	TRANSFORMADOR DE FORÇA TRAFOT. 2.000,0 KKV TRIFÁSICO	51,607.00	41,724.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002104	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSMISSOR CONCENTRADO MOD. DT-3011	12,674.00	13,907.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002831	0002-1	02/2009	1.0	78.8	20.0	15.0	03/2014	TRANSMISSOR DE NÍVEL	3,010.00	2,607.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002087	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSMISSOR DE PRESSÃO FLANGEADO MOD. LD-301	9,032.00	9,910.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002105	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSMISSOR DE PRESSÃO FLANGEADO MOD. LD-301	9,032.00	9,910.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002106	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSMISSOR DE PRESSÃO FLANGEADO MOD. LD-301	9,032.00	9,910.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002118	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSPORTADOR HELICOIDAL MED. 10,40 MTS. RT-04	45,787.00	50,239.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002115	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSPORTADOR HELICOIDAL MED. 7,20 MTS. RT-03	32,487.00	35,647.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002116	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSPORTADOR HELICOIDAL MED. 8,00 MTS. RT-01	32,875.00	36,072.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002117	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSPORTADOR HELICOIDAL MED. 8,00 MTS. RT-02	32,875.00	36,072.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002721	0002-1	06/2007	1.0	75.1	20.0	14.3	03/2014	TRATAMENTO DE CALDO REF. AMPLIAÇÃO INDUSTRIAL - BASE	131,077.00	108,246.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002723	0002-1	08/2007	1.0	73.5	20.0	14.0	03/2014	TRATAMENTO DE CALDO REF. AMPLIAÇÃO INDUSTRIAL - BASE	1,998.00	1,616.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002725	0002-1	10/2007	1.0	73.5	20.0	14.0	03/2014	TRATAMENTO DE CALDO REF. AMPLIAÇÃO INDUSTRIAL - BASE	1,998.00	1,616.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002327	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	TRATAMENTO DE CALDO REF. AMPLIAÇÃO INDUSTRIAL - INSTALAÇÃO	123,966.00	100,226.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002657	0002-1	05/2007	1.0	75.1	20.0	14.3	03/2014	TRATAMENTO DE CALDO REF. AMPLIAÇÃO INDUSTRIAL - INSTALAÇÃO	1,397,112.00	1,153,770.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002724	0002-1	09/2007	1.0	73.5	20.0	14.0	03/2014	TRATAMENTO DE CALDO REF. COMPLEMENTO DE MATERIAIS	1,998.00	1,616.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002601	0002-1	03/2007	1.0	75.1	20.0	14.3	03/2014	TROCADOR DE CALOR ALFA LAVAL	170,311.00	140,647.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002137	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TROCADOR DE CALOR MOD. 200S	117,181.00	128,577.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002726	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	TROCADOR DE CALOR MOD. GFP-187	73,778.00	59,649.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002172	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TROCADOR DE CALOR MOD. T-20	16,655.00	18,275.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002095	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TROCADOR DE CALOR MOD. TL-35	106,869.00	117,262.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002096	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TROCADOR DE CALOR MOD. TL-35	106,869.00	117,262.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002097	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TROCADOR DE CALOR MOD. TL-35	106,869.00	117,262.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002380	0002-1	08/2005	1.0	73.5	20.0	14.0	03/2014	TUBULAÇÃO P/ SISTEMA DE EVAPORAÇÃO QUINTUPLO	296,340.00	239,591.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002193	0002-1	05/2013	1.0	99.8	20.0	19.0	03/2014	TURBO VENTILADOR GERADOR DE VÁCUO	35,690.00	39,160.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002294	0002-1	10/2004	1.0	73.5	20.0	14.0	03/2014	UNIDADE DE CONTROLE BIVOLT	3,517.00	2,844.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002119	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	UNIDADE HIDRÁULICA MÓVEL COMPLETA	484.00	531.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002631	0002-1	05/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA ANGULAR CÔD. 40T	50,519.00	40,845.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002113	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	VÁLVULA ANGULAR DE ALÍVIO 32 P/ PRÉ-EVAPORADOR	31,407.00	34,461.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002111	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	VÁLVULA ANGULAR DE ALÍVIO 40 P/ PRÉ-EVAPORADOR	24,078.00	26,420.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002112	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	VÁLVULA ANGULAR DE ALÍVIO 46 P/ PRÉ-EVAPORADOR	30,360.00	33,313.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002099	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	VÁLVULA ANGULAR DE ALÍVIO VA-40	24,916.00	27,339.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002739	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA BORBOLETA 14"	4,440.00	3,590.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002541	0002-1	03/2006	1.0	73.5	20.0	14.0	03/2014	VÁLVULA BORBOLETA 4"	4,872.00	3,939.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002100	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	VÁLVULA BORBOLETA BI-EXCÊNTRICA DN-8	18,961.00	20,805.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20001999	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	VÁLVULA BORBOLETA BRAY S-30	5,641.00	6,190.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002732	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA BORBOLETA DE CONTROLE 14"	11,897.00	9,618.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002602	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE 02 VIAS 12" C/ VOLANTE ANSI B165 EM AÇO INOX	32,121.00	25,969.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002322	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE 02 VIAS VAPOR SÉRIE 1704A5	59,395.00	48,021.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002098	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	VÁLVULA DE ALÍVIO ANGULAR WB2511	30,531.00	33,500.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002730	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE CALDO 12" 04 VIAS T.J.A.	30,050.00	24,296.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002588	0002-1	01/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE CONTROLE 6"	7,911.00	6,396.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002736	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DE GAVETA EM AÇO INOX 304 CL. 150 14"	30,442.00	24,612.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002729	0002-1	06/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DESSUPERA QUECEDORA DHM	9,604.00	7,765.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002316	0002-1	04/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA DESSUPERA QUECEDORA SÉRIE 812	13,906.00	11,243.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002378	0002-1	08/2005	29.0	73.5	20.0	14.0	03/2014	VÁLVULA EM AÇO INOX DO SISTEMA DE EVAPORAÇÃO QUINTUPLO	83,640.00	67,623.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002553	0002-1	07/2006	1.0	73.5	20.0	14.0	03/2014	VÁLVULA GLOBO 4" FLANGEADA	6,046.00	4,888.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002600	0002-1	03/2007	1.0	73.5	20.0	14.0	03/2014	VÁLVULA GLOBO C/ VOLANTE	12,353.00	9,987.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002320	0002-1	06/2005	2.0	73.5	20.0	14.0	03/2014	VÁLVULA MULTIVIA SÉRIE 1699AR E 1700AR	99,798.00	80,686.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002324	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA MULTIVIA VAPOR SÉRIE 1701AR	49,898.00	40,343.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002325	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA MULTIVIA VAPOR SÉRIE 1702AR	49,898.00	40,343.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002323	0002-1	06/2005	1.0	73.5	20.0	14.0	03/2014	VÁLVULA MULTIVIA VAPOR SÉRIE 1703	54,022.00	43,677.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20001992	0002-1	02/2013	1.0	99.8	20.0	19.0	03/2014	VENTILADOR CENTRÍFUGO EXAUSTOR TIPO 220900	45,742.00	50,191.00
MACHINERY & EQUIPMENT Total											89,030,326.00	

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
TOOLS & ACCESSORIES	APOIO	32001356	0002-1	06/2006	1.0	73.5	10.0	7.0	03/2014	APARELHO GPS ETREX MOD. LEGEND	518.00	419.00
TOOLS & ACCESSORIES	APOIO	32001357	0002-1	06/2006	1.0	73.5	10.0	7.0	03/2014	APARELHO GPS ETREX MOD. LEGEND	518.00	419.00
TOOLS & ACCESSORIES	APOIO	32001354	0002-1	04/2005	1.0	73.5	10.0	7.0	03/2014	APARELHO GPS GARMIN SÉRIE	1,038.00	839.00
TOOLS & ACCESSORIES	APOIO	32001349	0002-1	03/1991	1.0	73.5	10.0	7.0	03/2014	MÁQUINA CEFADERA DE GRAMA	318.00	257.00
TOOLS & ACCESSORIES	APOIO	32001352	0002-1	01/1999	1.0	73.5	10.0	7.0	03/2014	MOTOSERRA HUSQVARNA MOD. 268	1,594.00	1,289.00
TOOLS & ACCESSORIES	APOIO	32001353	0002-1	07/2003	1.0	73.5	10.0	7.0	03/2014	MOTOSERRA HUSQVARNA MOD. 268	1,594.00	1,289.00
TOOLS & ACCESSORIES	APOIO	32001359	0002-1	07/2007	1.0	73.5	10.0	7.0	03/2014	MOTOSERRA HUSQVARNA MOD. 288XP	2,189.00	1,770.00
TOOLS & ACCESSORIES	APOIO	32001350	0002-1	10/1992	1.0	73.5	10.0	7.0	03/2014	NÍVEL MERCER WILD MOD. NA-20 NR.	1,795.00	1,451.00
TOOLS & ACCESSORIES	APOIO	32001355	0002-1	12/2005	1.0	73.5	10.0	7.0	03/2014	PERFURADOR DE SOLO BRISTOL C/	1,551.00	1,254.00
TOOLS & ACCESSORIES	APOIO	32001360	0002-1	08/2010	1.0	73.5	10.0	7.0	03/2014	BROCA MED. 200,00 MM.	80,896.00	65,405.00
TOOLS & ACCESSORIES	APOIO	32001361	0002-1	03/2011	1.0	73.5	10.0	7.0	03/2014	POLICIANA 2L P/ ACOPLAMENTO EM	80,896.00	65,405.00
TOOLS & ACCESSORIES	APOIO	32001362	0002-1	04/2011	1.0	73.5	10.0	7.0	03/2014	POLICIANA 2L P/ ACOPLAMENTO EM	80,896.00	65,405.00
TOOLS & ACCESSORIES	APOIO	32001351	0002-1	11/1992	1.0	73.5	10.0	7.0	03/2014	TRIPÊ EM ALUMÍNIO MIRA TEC	469.00	379.00
TOOLS & ACCESSORIES	ARMAZENAGEM	32001348	0002-1	10/2012	1.0	73.5	10.0	7.0	03/2014	IMPRESSORA INKJET VIDEOJET MOD.	15,028.00	12,150.00
TOOLS & ACCESSORIES	ARMAZENAGEM	32001292	0002-1	07/2005	1.0	73.5	10.0	7.0	03/2014	1520 INDICADOR P/ TERMÔMETRO	358.00	290.00
TOOLS & ACCESSORIES	ARMAZENAGEM	32001308	0002-1	09/2008	1.0	73.5	10.0	7.0	03/2014	INFRAVERMELHO	786.00	635.00
TOOLS & ACCESSORIES	ARMAZENAGEM	32001291	0002-1	07/2005	1.0	73.5	10.0	7.0	03/2014	LAVADORA DE ALTA PRESSÃO	2,483.00	2,008.00
TOOLS & ACCESSORIES	ARMAZENAGEM	32001157	0002-1	04/2005	1.0	73.5	10.0	7.0	03/2014	TERMÔMETRO INFRA-VERMELHO MOD. RAYMID	2,497.00	2,019.00
TOOLS & ACCESSORIES	CAMINHÃO	32001370	0002-1	08/2013	5.0	84.0	10.0	8.0	03/2014	BOMBA ELÉTRICA LUMAGI C/	1,733.00	1,602.00
TOOLS & ACCESSORIES	CAMINHÃO	32001371	0002-1	08/2013	5.0	84.0	10.0	8.0	03/2014	REGISTRADOR MOD. 3-LT	1,733.00	1,602.00
TOOLS & ACCESSORIES	CAMINHÃO	32001376	0002-1	08/2013	5.0	84.0	10.0	8.0	03/2014	PLACA DE SINALIZAÇÃO TIPO	1,733.00	1,602.00
TOOLS & ACCESSORIES	CAMINHÃO	32001377	0002-1	08/2013	5.0	84.0	10.0	8.0	03/2014	PLACA DE SINALIZAÇÃO TIPO	1,733.00	1,602.00
TOOLS & ACCESSORIES	CAMINHÃO	32001116	0002-1	03/1998	1.0	73.5	10.0	7.0	03/2014	CAVALETE	277.00	224.00
TOOLS & ACCESSORIES	COMBOIO	32001117	0002-1	03/1998	1.0	73.5	10.0	7.0	03/2014	PLACA DE SINALIZAÇÃO TIPO	277.00	224.00
TOOLS & ACCESSORIES	COMBOIO	32001118	0002-1	03/1998	1.0	73.5	10.0	7.0	03/2014	BOMBA CENTRÍFUGA	2,418.00	1,955.00
TOOLS & ACCESSORIES	COMBOIO	32001152	0002-1	07/2004	1.0	73.5	10.0	7.0	03/2014	BOMBA DE LAVAGEM PROFISSIONAL	627.00	507.00
TOOLS & ACCESSORIES	COMBOIO	32001156	0002-1	03/2005	1.0	73.5	10.0	7.0	03/2014	BOMBA MARK MONOSTÁTICA	480.00	388.00
TOOLS & ACCESSORIES	COMBOIO	32001123	0002-1	08/2000	1.0	73.5	10.0	7.0	03/2014	MONOFÁSICA SÉRIE 02093063	515.00	416.00
TOOLS & ACCESSORIES	COMBOIO	32001115	0002-1	01/1998	1.0	73.5	10.0	7.0	03/2014	EXAUSTOR C/ MOTOR ELÉTRICO WEG	1,547.00	1,251.00
TOOLS & ACCESSORIES	COMBOIO	32001120	0002-1	05/2000	1.0	73.5	10.0	7.0	03/2014	NBR 7094 SÉRIE FK-36429	1,547.00	1,251.00
TOOLS & ACCESSORIES	COMBOIO	32001121	0002-1	05/2000	1.0	73.5	10.0	7.0	03/2014	FILTRO PRENSA	658.00	532.00
TOOLS & ACCESSORIES	COMBOIO	32001122	0002-1	08/2000	1.0	73.5	10.0	7.0	03/2014	GERADOR GERAMAC MOD. 53000M	2,958.00	2,392.00
TOOLS & ACCESSORIES	COMBOIO	32001119	0002-1	02/2000	1.0	73.5	10.0	7.0	03/2014	GERADOR GERAMAC MOD. 53000M	555.00	449.00
TOOLS & ACCESSORIES	COMBOIO	32001114	0002-1	01/1998	1.0	73.5	10.0	7.0	03/2014	MOTOBOMBA CENTRÍFUGA MARK MOD.	25,578.00	20,680.00
TOOLS & ACCESSORIES	COMBOIO	32001363	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	DFGC POT. 2.0 CV MONOFÁSICA	593.00	480.00
TOOLS & ACCESSORIES	COMBOIO	32001319	0002-1	11/2009	1.0	73.5	10.0	7.0	03/2014	PROPULSORA PNEUMÁTICA C/ 06	654.00	529.00
TOOLS & ACCESSORIES	COMBOIO	32001328	0002-1	01/2010	1.0	73.5	10.0	7.0	03/2014	SADAS P/ ÓLEO	41,876.00	33,856.00
TOOLS & ACCESSORIES	COMBOIO	32001300	0002-1	07/2007	1.0	73.5	10.0	7.0	03/2014	TANQUE CAP. 15,000.0 LTS.	593.00	480.00
TOOLS & ACCESSORIES	COMBOIO	32001322	0002-1	12/2009	1.0	73.5	10.0	7.0	03/2014	MOD. GWS	654.00	529.00
TOOLS & ACCESSORIES	COMBOIO	32001298	0002-1	07/2007	1.0	73.5	10.0	7.0	03/2014	CONJUNTO DE HINCOL SACA RODETE	943.00	763.00
TOOLS & ACCESSORIES	COMBOIO	32001321	0002-1	12/2009	1.0	73.5	10.0	7.0	03/2014	ESMERILHADERA ANGULAR BOSCH 7"	943.00	763.00
TOOLS & ACCESSORIES	COMBOIO	32001325	0002-1	01/2010	1.0	73.5	10.0	7.0	03/2014	MOD. GWS	5,354.00	4,329.00
TOOLS & ACCESSORIES	COMBOIO	32001305	0002-1	06/2006	1.0	73.5	10.0	7.0	03/2014	FURADORA DE COLUNA KONE MOD. KM-	538.00	435.00
TOOLS & ACCESSORIES	COMBOIO	32001333	0002-1	03/2010	1.0	73.5	10.0	7.0	03/2014	EXTRAÇÃO 2.1/2"	668.00	540.00
TOOLS & ACCESSORIES	COMBOIO	32001326	0002-1	01/2010	1.0	73.5	10.0	7.0	03/2014	KIT DE ADAPTAÇÃO UG25+	4,233.00	3,423.00
TOOLS & ACCESSORIES	COMBOIO	32001315	0002-1	08/2009	1.0	73.5	10.0	7.0	03/2014	LÂMPADA ESTROBOSCÓPICA STROBE	1,993.00	1,611.00
TOOLS & ACCESSORIES	COMBOIO	32001347	0002-1	10/2012	1.0	73.5	10.0	7.0	03/2014	MOD. DBX PLUS	1,993.00	1,611.00
TOOLS & ACCESSORIES	COMBOIO	32001246	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	MARTELETE PNEUMÁTICO FUJI MOD. FC	80.00	65.00
TOOLS & ACCESSORIES	COMBOIO	32001346	0002-1	02/2012	1.0	73.5	10.0	7.0	03/2014	MARTELETE PNEUMÁTICO FUJI MOD. FC	1,069.00	864.00
TOOLS & ACCESSORIES	COMBOIO	32001338	0002-1	09/2010	1.0	73.5	10.0	7.0	03/2014	MORSA DE BANCADA NR. 07	2,961.00	2,394.00
TOOLS & ACCESSORIES	COMBOIO	32001335	0002-1	03/2010	1.0	73.5	10.0	7.0	03/2014	NÍVEL AUTOMÁTICO FALCON MOD.	20,214.00	16,343.00
TOOLS & ACCESSORIES	COMBOIO	32001299	0002-1	07/2007	1.0	73.5	10.0	7.0	03/2014	PARAFUSADERA PNEUMÁTICA	625.00	505.00
TOOLS & ACCESSORIES	COMBOIO	32001324	0002-1	12/2009	1.0	73.5	10.0	7.0	03/2014	CHICAGO MOD. CP	625.00	505.00
TOOLS & ACCESSORIES	COMBOIO	32001342	0002-1	03/2011	1.0	73.5	10.0	7.0	03/2014	REGULADOR DE VELOCIDADE	625.00	505.00
TOOLS & ACCESSORIES	COMBOIO	32001332	0002-1	03/2010	1.0	73.5	10.0	7.0	03/2014	ELÉTRICO HIDRÁULICO	2,395.00	1,936.00
TOOLS & ACCESSORIES	COMBOIO	32001341	0002-1	01/2011	1.0	73.5	10.0	7.0	03/2014	RETIFICA ELÉTRICA BOSCH MOD. GGS-	654.00	529.00
TOOLS & ACCESSORIES	COMBOIO	32001224	0002-1	05/2001	1.0	73.5	10.0	7.0	03/2014	271 500W 2700 RPM	415.00	336.00
TOOLS & ACCESSORIES	COMBOIO	32001216	0002-1	11/1998	1.0	73.5	10.0	7.0	03/2014	RETIFICA ELÉTRICA BOSCH MOD. GGS-	85.00	69.00
TOOLS & ACCESSORIES	COMBOIO	32001217	0002-1	11/1998	1.0	73.5	10.0	7.0	03/2014	271 500W 2700 RPM	138.00	112.00
TOOLS & ACCESSORIES	COMBOIO	32001225	0002-1	05/2005	1.0	73.5	10.0	7.0	03/2014	RETIFICA ELÉTRICA BOSCH MOD. GGS-	6,587.00	5,325.00
TOOLS & ACCESSORIES	COMBOIO	32001226	0002-1	06/2005	1.0	73.5	10.0	7.0	03/2014	271 500W 2700 RPM	1,396.00	1,128.00
TOOLS & ACCESSORIES	COMBOIO	32001221	0002-1	11/1998	1.0	73.5	10.0	7.0	03/2014	SENSOR DE VELOCIDADE MPU LONGO	47.00	38.00
TOOLS & ACCESSORIES	COMBOIO	32001364	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	ESMERILHADERA ANGULAR BOSCH 7"	1,785.00	1,443.00
TOOLS & ACCESSORIES	COMBOIO	32001220	0002-1	11/1998	1.0	73.5	10.0	7.0	03/2014	MOD. GWS	390.00	316.00
TOOLS & ACCESSORIES	COMBOIO	32001365	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	AGITADOR MAGNÉTICO C/ AQUECEDOR	30,931.00	25,008.00
TOOLS & ACCESSORIES	COMBOIO	32001366	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	MOD. 753-A	30,931.00	25,008.00
TOOLS & ACCESSORIES	COMBOIO	32001215	0002-1	11/1998	1.0	73.5	10.0	7.0	03/2014	AQUECEDOR DE CHAPA TIPO	722.00	584.00
TOOLS & ACCESSORIES	COMBOIO	32001222	0002-1	12/1999	1.0	73.5	10.0	7.0	03/2014	PLATAFORMA REDONDA EM ALUMÍNIO	1,073.00	868.00
TOOLS & ACCESSORIES	COMBOIO	32001223	0002-1	12/2000	1.0	73.5	10.0	7.0	03/2014	AQUECEDOR DE MANTA CAP. 500,0 ML.	195.00	157.00
TOOLS & ACCESSORIES	COMBOIO	32001218	0002-1	11/1998	1.0	73.5	10.0	7.0	03/2014	220V	158.00	127.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
TOOLS & ACESSORIES	LAVAGEM/ LUBRIFICAÇÃO	32001219	0002-1	11/1998	1.0	73.5	10.0	7.0	03/2014	VISCOSÍMETRO MOD. 02	158.00	127.00
TOOLS & MANUTENÇÃO		32001257	0002-1	01/1989	1.0	73.5	10.0	7.0	03/2014	ALFABETO EM AÇO	37.00	30.00
TOOLS & MANUTENÇÃO		32001258	0002-1	01/1989	1.0	73.5	10.0	7.0	03/2014	ALICATE BELZER Cód. 14.650	31.00	25.00
TOOLS & MANUTENÇÃO		32001230	0002-1	03/1982	1.0	73.5	10.0	7.0	03/2014	APARELHO DE JATO DE AREIA	462.00	374.00
TOOLS & MANUTENÇÃO		32001276	0002-1	11/2003	1.0	73.5	10.0	7.0	03/2014	AQUECEDOR INDUTIVO NSK MOD. EH-40	3,620.00	2,927.00
TOOLS & MANUTENÇÃO		32001261	0002-1	10/1989	1.0	73.5	10.0	7.0	03/2014	BALANÇIN INDIV/DUAL C/ 40,00 MTS. DE BETONEIRA CAP. 400,0 LTS. C/ MOTOR	438.00	354.00
ACESSORIES	CIVIL	32001290	0002-1	04/2005	1.0	73.5	10.0	7.0	03/2014	ELÉTRICO TRIFÁSICO	1,605.00	1,297.00
TOOLS & MANUTENÇÃO		32001237	0002-1	08/1985	1.0	73.5	10.0	7.0	03/2014	BETONEIRA IRBS CAP. 150,0 LTS.	404.00	326.00
TOOLS & MANUTENÇÃO		32001238	0002-1	06/1986	1.0	73.5	10.0	7.0	03/2014	BETONEIRA IRBS CAP. 150,0 LTS.	404.00	326.00
TOOLS & MANUTENÇÃO		32001233	0002-1	07/1984	1.0	73.5	10.0	7.0	03/2014	CALANDRA P/ ARCAR CHAPAS DE AÇO	1,800.00	1,456.00
TOOLS & MANUTENÇÃO		32001273	0002-1	01/2003	1.0	73.5	10.0	7.0	03/2014	CONJUNTO DE PINTURA COMPOSTO DE ENGRAXADEIRA AUTOMÁTICA	2,415.00	1,953.00
ACESSORIES	CIVIL	32001228	0002-1	04/1981	1.0	73.5	10.0	7.0	03/2014	FRIEDWAL MOD. FWE2M	130.00	105.00
TOOLS & MANUTENÇÃO		32001229	0002-1	02/1982	1.0	73.5	10.0	7.0	03/2014	EQUIPAMENTO DE LIMPEZA INDUSTRIAL	1,042.00	843.00
TOOLS & MANUTENÇÃO		32001234	0002-1	09/1984	1.0	73.5	10.0	7.0	03/2014	ESGUICHO TIPO CANHÃO REGULÁVEL	250.00	202.00
ACESSORIES	CIVIL	32001277	0002-1	04/2004	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 7" MOD. GWS	654.00	529.00
TOOLS & MANUTENÇÃO												
ACESSORIES	CIVIL	32001385	0002-1	11/1984	1.0	73.5	10.0	7.0	03/2014	FURADEIRA ELÉTRICA BLACK & DECKER 1/2" 220V	100.00	81.00
TOOLS & MANUTENÇÃO												
ACESSORIES	CIVIL	32001265	0002-1	04/1997	1.0	73.5	10.0	7.0	03/2014	LAVADOR DO TANQUE C/ MOTOR ROTATIVO C/ BICO WH	8,134.00	6,576.00
TOOLS & MANUTENÇÃO												
ACESSORIES	CIVIL	32001295	0002-1	01/2006	1.0	73.5	10.0	7.0	03/2014	LAVADORA DE ALTA PRESSÃO KARCHER HD 1200 220V	4,259.00	3,443.00
TOOLS & MANUTENÇÃO												
ACESSORIES	CIVIL	32001241	0002-1	01/1987	1.0	73.5	10.0	7.0	03/2014	LIXADEIRA OSCILANTE INDUSTRIAL BOSCH MOD. 3245 110V	90.00	72.00
TOOLS & MANUTENÇÃO												
ACESSORIES	CIVIL	32001240	0002-1	09/1986	1.0	73.5	10.0	7.0	03/2014	MACACO HIDRÁULICO TIPO GARRAFA CAP. 32,0 TON.	1,428.00	1,154.00
TOOLS & MANUTENÇÃO		32001253	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	MAÇARICO DE CORTE MOD. C-531	124.00	100.00
TOOLS & MANUTENÇÃO		32001254	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	MAÇARICO DE CORTE MOD. C-531	124.00	100.00
TOOLS & MANUTENÇÃO		32001255	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	MAÇARICO DE CORTE MOD. C-531	124.00	100.00
TOOLS & MANUTENÇÃO		32001268	0002-1	06/2001	1.0	73.5	10.0	7.0	03/2014	MÁQUINA INDUSTRIAL DE COSTURA	6,446.00	5,211.00
TOOLS & MANUTENÇÃO		32001232	0002-1	02/1984	1.0	73.5	10.0	7.0	03/2014	MISTURADOR DE CONCRETO MOD.	797.00	645.00
TOOLS & MANUTENÇÃO		32001243	0002-1	06/1988	1.0	73.5	10.0	7.0	03/2014	MORSA FORJASUL Cód. 3610/07	115.00	93.00
TOOLS & MANUTENÇÃO		32001244	0002-1	06/1988	1.0	73.5	10.0	7.0	03/2014	MORSA FORJASUL Cód. 3610/07	115.00	93.00
TOOLS & MANUTENÇÃO		32001266	0002-1	10/1997	1.0	73.5	10.0	7.0	03/2014	MOTOR ELÉTRICO MOFLEX POT. 3,0 CV	798.00	645.00
TOOLS & MANUTENÇÃO		32001267	0002-1	11/1997	1.0	73.5	10.0	7.0	03/2014	MOTOR ELÉTRICO MOFLEX POT. 3,0 CV	798.00	645.00
TOOLS & MANUTENÇÃO		32001274	0002-1	09/2003	1.0	73.5	10.0	7.0	03/2014	MOTOSERRA MOD. MS-210	938.00	759.00
TOOLS & MANUTENÇÃO		32001272	0002-1	12/2002	1.0	73.5	10.0	7.0	03/2014	PLAINA GRANDE MAP	3,946.00	3,190.00
TOOLS & MANUTENÇÃO		32001231	0002-1	08/1983	1.0	73.5	10.0	7.0	03/2014	PRENSA HIDRÁULICA SCHULZ CAP. 60,0	983.00	794.00
TOOLS & MANUTENÇÃO		32001249	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	REGULADOR R-39 GN-GLP HIDRÓGENIO	117.00	95.00
TOOLS & MANUTENÇÃO		32001250	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	REGULADOR R-39 GN-GLP HIDRÓGENIO	117.00	95.00
TOOLS & MANUTENÇÃO		32001251	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	REGULADOR R-39 GN-GLP HIDRÓGENIO	117.00	95.00
TOOLS & MANUTENÇÃO		32001252	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	REGULADOR R-39 GN-GLP HIDRÓGENIO	117.00	95.00
TOOLS & MANUTENÇÃO		32001247	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	REGULADOR R-82 OXIGÊNIO	143.00	116.00
TOOLS & MANUTENÇÃO		32001248	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	REGULADOR R-82 OXIGÊNIO	143.00	116.00
TOOLS & MANUTENÇÃO		32001235	0002-1	09/1984	1.0	73.5	10.0	7.0	03/2014	RETÍFICA ELÉTRICA CARL SONS MOD. EF-	169.00	137.00
TOOLS & MANUTENÇÃO		32001256	0002-1	01/1989	1.0	73.5	10.0	7.0	03/2014	SERRA ELÉTRICA CIRCULAR P/ MADEIRA	321.00	260.00
TOOLS & MANUTENÇÃO		32001386	0002-1	01/1989	1.0	73.5	10.0	7.0	03/2014	SERRA ELÉTRICA CIRCULAR P/ MADEIRA	321.00	260.00
TOOLS & MANUTENÇÃO												
ACESSORIES	CIVIL	32001271	0002-1	09/2002	1.0	73.5	10.0	7.0	03/2014	220V 380W	345.00	279.00
TOOLS & MANUTENÇÃO		32001269	0002-1	04/2002	1.0	73.5	10.0	7.0	03/2014	SISTEMA DE COMPRESSORES	15,012.00	12,137.00
TOOLS & MANUTENÇÃO		32001236	0002-1	10/1984	1.0	73.5	10.0	7.0	03/2014	TALHA ELÉTRICA CAP. 5,0 TON.	1,107.00	895.00
TOOLS & MANUTENÇÃO		32001227	0002-1	04/1979	1.0	73.5	10.0	7.0	03/2014	TALHA ELÉTRICA CAP. 8,0 TON.	3,612.00	2,920.00
TOOLS & MANUTENÇÃO		32001260	0002-1	10/1989	1.0	73.5	10.0	7.0	03/2014	TRAVA-QUEDAS GULIN C/ 40,00 MTS. DE	222.00	180.00
TOOLS & MANUTENÇÃO		32001367	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	VÁLVULA DE 4" P/ PONTA DE MANGOTE	892.00	721.00
ACESSORIES	ELÉTRICA	32001327	0002-1	01/2010	1.0	73.5	10.0	7.0	03/2014	ALICATE HIDRÁULICO MOD. JAH-400	5,884.00	4,758.00
TOOLS & MANUTENÇÃO												
ACESSORIES	ELÉTRICA	32001309	0002-1	09/2008	1.0	73.5	10.0	7.0	03/2014	CALIBRADOR DE PROCESSO DE MEDIÇÃO DE CORRENTE	2,881.00	2,329.00
ACESSORIES	ELÉTRICA	32001323	0002-1	12/2009	1.0	73.5	10.0	7.0	03/2014	FURADEIRA ELÉTRICA BOSCH 3/8" 220V	643.00	520.00
TOOLS & MANUTENÇÃO												
ACESSORIES	ELÉTRICA	32001239	0002-1	08/1986	1.0	73.5	10.0	7.0	03/2014	LAVADORA DE ALTA PRESSÃO KARCHER HD 1200 220V	4,259.00	3,443.00
TOOLS & MANUTENÇÃO												
ACESSORIES	ELÉTRICA	32001314	0002-1	02/2009	1.0	73.5	10.0	7.0	03/2014	MEGÔMETRO DIGITAL MICROPROCESSADO	5,496.00	4,444.00
TOOLS & MANUTENÇÃO												
ACESSORIES	ELÉTRICA	32001289	0002-1	02/2005	1.0	73.5	10.0	7.0	03/2014	MEGÔMETRO DIGITAL MOD. M-2551	718.00	580.00
TOOLS & MANUTENÇÃO												
ACESSORIES	ELÉTRICA	32001270	0002-1	04/2002	1.0	73.5	10.0	7.0	03/2014	MULTICALIBRADOR ISOCAL MOD. MCS-10	3,239.00	2,619.00
TOOLS & MANUTENÇÃO												
ACESSORIES	ELÉTRICA	32001329	0002-1	01/2010	1.0	73.5	10.0	7.0	03/2014	PARAFUSADEIRA/ FURADEIRA BOSCH	655.00	530.00
TOOLS & MANUTENÇÃO												
ACESSORIES	MECÂNICA	32001330	0002-1	02/2010	1.0	73.5	10.0	7.0	03/2014	BETONEIRA CAP. 200,0 LTS. C/ MOTOR ELÉTRICO MONOFÁSICO	1,773.00	1,433.00
TOOLS & MANUTENÇÃO												
ACESSORIES	MECÂNICA	32001336	0002-1	07/2010	1.0	73.5	10.0	7.0	03/2014	COMPRESSOR DE AR CHIAPERINI MOD. MC-8.5	630.00	510.00
TOOLS & MANUTENÇÃO												
ACESSORIES	MECÂNICA	32001278	0002-1	09/2004	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 4.1/2" 220V	593.00	480.00
TOOLS & MANUTENÇÃO												
ACESSORIES	MECÂNICA	32001281	0002-1	09/2004	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 4.1/2" 220V	593.00	480.00
TOOLS & MANUTENÇÃO												
ACESSORIES	MECÂNICA	32001311	0002-1	09/2008	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 4.1/2" 220V	593.00	480.00
TOOLS & MANUTENÇÃO												
ACESSORIES	MECÂNICA	32001312	0002-1	09/2008	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 4.1/2" 220V	593.00	480.00
TOOLS & MANUTENÇÃO												
ACESSORIES	MECÂNICA	32001340	0002-1	01/2011	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 4.1/2" 220V	593.00	480.00
TOOLS & MANUTENÇÃO												
ACESSORIES	MECÂNICA	32001259	0002-1	03/1989	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 7" MOD. GWS	654.00	529.00
TOOLS & MANUTENÇÃO												
ACESSORIES	MECÂNICA	32001263	0002-1	11/1994	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 7" MOD. GWS	654.00	529.00
TOOLS & MANUTENÇÃO												
ACESSORIES	MECÂNICA	32001264	0002-1	11/1994	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 7" MOD. GWS	654.00	529.00
TOOLS & MANUTENÇÃO												
ACESSORIES	MECÂNICA	32001293	0002-1	08/2005	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 7" MOD. GWS	654.00	529.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001294	0002-1	08/2005	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 7"	654.00	529.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001296	0002-1	03/2007	1.0	73.5	10.0	7.0	03/2014	MOD. GWS	654.00	529.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001297	0002-1	03/2007	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 7"	654.00	529.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001303	0002-1	01/2008	1.0	73.5	10.0	7.0	03/2014	MOD. GWS	654.00	529.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001304	0002-1	01/2008	3.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA ANGULAR BOSCH 7"	654.00	529.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001310	0002-1	09/2008	1.0	73.5	10.0	7.0	03/2014	MOD. GWS	654.00	529.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001282	0002-1	10/2004	1.0	73.5	10.0	7.0	03/2014	ESMERILHADEIRA RETIFICA DORA RETA PNEUMÁTICA SÉRIE 18758	1,285.00	1,039.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001384	0002-1	05/1983	1.0	73.5	10.0	7.0	03/2014	FURADEIRA DE COLUNA YADOYA	5,354.00	4,329.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001301	0002-1	07/2007	1.0	73.5	10.0	7.0	03/2014	FURADEIRA ELÉTRICA BOSCH 1/2" 220V	467.00	377.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001302	0002-1	07/2007	1.0	73.5	10.0	7.0	03/2014	FURADEIRA ELÉTRICA BOSCH 1/2" 220V	467.00	377.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001287	0002-1	01/2005	1.0	73.5	10.0	7.0	03/2014	FURADEIRA ELÉTRICA BOSCH 2.1/2" 220V	538.00	435.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001387	0002-1	11/1994	1.0	73.5	10.0	7.0	03/2014	FURADEIRA ELÉTRICA BOSCH 2.1/2" 220V	538.00	435.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001344	0002-1	11/2011	1.0	73.5	10.0	7.0	03/2014	MARTELO DEMOLIDOR MAKITA MOD. HM-1304B CAP. 16.0 KGS.	3,642.00	2,945.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001339	0002-1	10/2010	1.0	73.5	10.0	7.0	03/2014	MARTELO ROTATIVO MAKITA MOD. HR-2470	595.00	481.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001279	0002-1	09/2004	1.0	73.5	10.0	7.0	03/2014	MICRÔMETRO EXTERNO MITUTOYO 125-150 MM.	561.00	454.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001245	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	MORSA DE BANCADA NR. 07	80.00	65.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001306	0002-1	06/2008	1.0	73.5	10.0	7.0	03/2014	PARAFUSADERA ELÉTRICA BOSCH MOD. 1440390 220V	605.00	489.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001320	0002-1	11/2009	1.0	73.5	10.0	7.0	03/2014	PLACA UNIVERSAL DIÂM. 255,00 MM.	2,663.00	2,153.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001280	0002-1	09/2004	1.0	73.5	10.0	7.0	03/2014	PLASMA MANUAL MOD. SMART CUT 47	5,580.00	4,511.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001307	0002-1	08/2008	1.0	73.5	10.0	7.0	03/2014	PRENSA HIDRÁULICA MPH CAP. 30.0 TON.	1,152.00	931.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001284	0002-1	01/2005	1.0	73.5	10.0	7.0	03/2014	REBOQUE AGRÍCOLA FACCHINI TIPO CARRETA C/ 02 EXOS SÉRIE 1151/10	4,381.00	3,542.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001313	0002-1	02/2009	1.0	73.5	10.0	7.0	03/2014	RETIFICA ELÉTRICA BOSCH MOD. GGS-271 500W 2700 RPM	625.00	505.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001318	0002-1	11/2009	1.0	73.5	10.0	7.0	03/2014	RETIFICA ELÉTRICA BOSCH MOD. GGS-271 500W 2700 RPM	625.00	505.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001285	0002-1	01/2005	1.0	73.5	10.0	7.0	03/2014	RETIFICA PNEUMÁTICA SÉRIE 18760	1,186.00	959.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001331	0002-1	02/2010	1.0	73.5	10.0	7.0	03/2014	SACA POLIA HIDRÁULICO GEDORE CAP. 15,0 TON.	6,387.00	5,164.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001337	0002-1	07/2010	1.0	73.5	10.0	7.0	03/2014	SERRA ELÉTRICA CIRCULAR MAKITA MOD. 5902B	868.00	702.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001242	0002-1	04/1987	1.0	73.5	10.0	7.0	03/2014	SERRA ELÉTRICA CIRCULAR MOD. 4100NB 220V P/ MARMORE	299.00	241.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001262	0002-1	05/1992	1.0	73.5	10.0	7.0	03/2014	SERRA ELÉTRICA DE FITA RONEMAC MOD. M-200	3,049.00	2,465.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001275	0002-1	11/2003	1.0	73.5	10.0	7.0	03/2014	SOLDADORA GERA DORA TNG SÉRIE 3744	1,963.00	1,587.00
TOOLS & ACCESSORIES	MANUTENÇÃO MECÂNICA	32001283	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	TORNO MECÂNICO SÉRIE DEB-DIP-01718	85,307.00	68,970.00
TOOLS & ACCESSORIES	MECÂNICOS	32001148	0002-1	06/2003	1.0	73.5	10.0	7.0	03/2014	ANALISADOR VOLTÍMETRO	338.00	273.00
TOOLS & ACCESSORIES	MECÂNICOS	32001110	0002-1	08/1994	1.0	73.5	10.0	7.0	03/2014	AMPERÍMETRO DIGITAL LUFF SÉRIE 1	734.00	594.00
TOOLS & ACCESSORIES	MECÂNICOS	32001107	0002-1	03/1991	1.0	73.5	10.0	7.0	03/2014	ASPIRADOR DE PÓ ASPO C/ MOTOR	178.00	144.00
TOOLS & ACCESSORIES	MECÂNICOS	32001150	0002-1	08/2003	1.0	73.5	10.0	7.0	03/2014	ASPIRADOR DE PÓ WAP MOD. TURBO	535.00	432.00
TOOLS & ACCESSORIES	MECÂNICOS	32001147	0002-1	06/2003	1.0	73.5	10.0	7.0	03/2014	BALANÇA ELETRÔNICA MOD.	1,228.00	993.00
TOOLS & ACCESSORIES	MECÂNICOS	32001088	0002-1	03/1988	1.0	73.5	10.0	7.0	03/2014	BANCADEA DE TESTE ECB-120A C/	238.00	192.00
TOOLS & ACCESSORIES	MECÂNICOS	32001151	0002-1	10/2003	1.0	73.5	10.0	7.0	03/2014	BIGORNA SOMAR CAP. 80,0 KGS.	644.00	520.00
TOOLS & ACCESSORIES	MECÂNICOS	32001158	0002-1	04/2005	1.0	73.5	10.0	7.0	03/2014	BOMBA DE GRAXA CAP. 30,0 KGS.	1,167.00	944.00
TOOLS & ACCESSORIES	MECÂNICOS	32001214	0002-1	09/2012	1.0	73.5	10.0	7.0	03/2014	BOMBA DE VÁCUO TIPO 6CFM CÔD. RC500142 SÉRIE 92795	2,617.00	2,116.00
TOOLS & ACCESSORIES	MECÂNICOS	32001209	0002-1	06/2012	4.0	73.5	10.0	7.0	03/2014	BOMBA HIDROMAR C/ PISTÃO DE	4,759.00	3,847.00
TOOLS & ACCESSORIES	MECÂNICOS	32001372	0002-1	08/2013	3.0	84.0	10.0	8.0	03/2014	BOMBA PNEUMÁTICA DE GRAXA 12020Z CAP. 200,0 KGS.	4,759.00	4,397.00
TOOLS & ACCESSORIES	MECÂNICOS	32001378	0002-1	08/2013	3.0	84.0	10.0	8.0	03/2014	BOMBA PNEUMÁTICA DE GRAXA 12020Z CAP. 200,0 KGS.	4,759.00	4,397.00
TOOLS & ACCESSORIES	MECÂNICOS	32001103	0002-1	08/1989	1.0	73.5	10.0	7.0	03/2014	BOMBA PROPULSORA DE GRAXA B	1,534.00	1,240.00
TOOLS & ACCESSORIES	MECÂNICOS	32001106	0002-1	07/1990	1.0	73.5	10.0	7.0	03/2014	BOMBA PROPULSORA DE GRAXA B	1,534.00	1,240.00
TOOLS & ACCESSORIES	MECÂNICOS	32001172	0002-1	06/2006	1.0	73.5	10.0	7.0	03/2014	CAIXA SEPARADORA DE ÁGUA E ÓLEO MOD. ZP-2000	2,815.00	2,276.00
TOOLS & ACCESSORIES	MECÂNICOS	32001144	0002-1	09/2002	1.0	73.5	10.0	7.0	03/2014	CALIBRADOR ELETRÔNICO P/	905.00	732.00
TOOLS & ACCESSORIES	MECÂNICOS	32001145	0002-1	09/2002	1.0	73.5	10.0	7.0	03/2014	CALIBRADOR ELETRÔNICO P/	905.00	732.00
TOOLS & ACCESSORIES	MECÂNICOS	32001189	0002-1	04/2009	1.0	73.5	10.0	7.0	03/2014	CALIBRADOR ELETRÔNICO P/	905.00	732.00
TOOLS & ACCESSORIES	MECÂNICOS	32001383	0002-1	07/2002	1.0	73.5	10.0	7.0	03/2014	CARREGADOR DE BATERIAS KITA MOD.	157.00	127.00
TOOLS & ACCESSORIES	MECÂNICOS	32001179	0002-1	10/2006	1.0	73.5	10.0	7.0	03/2014	CARREGADOR DE BATERIAS RÁPIDO/ LENTO 12V E 24V	1,156.00	934.00
TOOLS & ACCESSORIES	MECÂNICOS	32001185	0002-1	09/2008	1.0	73.5	10.0	7.0	03/2014	CARRINHO P/ RETIRAR CÂMBIO MOD. CC ANO 2005	2,998.00	2,424.00
TOOLS & ACCESSORIES	MECÂNICOS	32001173	0002-1	07/2006	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO 1" CURTA P/ REVERSÃO PNEUMÁTICA	1,679.00	1,357.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
TOOLS & ACCESSORIES	MECÂNICOS	32001165	0002-1	09/2005	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO CAMPBELL	2,261.00	1,828.00
TOOLS & ACCESSORIES	MECÂNICOS	32001213	0002-1	07/2012	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO CHICAGO MOD. CP-CHAVE DE IMPACTO PNEUMÁTICA (PARAFUSADEIRA)	1,836.00	1,485.00
TOOLS & ACCESSORIES	MECÂNICOS	32001164	0002-1	07/2005	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO PNEUMÁTICA	1,758.00	1,422.00
TOOLS & ACCESSORIES	MECÂNICOS	32001190	0002-1	05/2009	1.0	73.5	10.0	7.0	03/2014	PISTOLA 1/2" FG	1,384.00	1,119.00
TOOLS & ACCESSORIES	MECÂNICOS	32001196	0002-1	05/2010	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO PNEUMÁTICA	1,384.00	1,119.00
TOOLS & ACCESSORIES	MECÂNICOS	32001207	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	PISTOLA 1/2" FG	1,384.00	1,119.00
TOOLS & ACCESSORIES	MECÂNICOS	32001199	0002-1	07/2010	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO PNEUMÁTICA	1,023.00	827.00
TOOLS & ACCESSORIES	MECÂNICOS	32001201	0002-1	04/2011	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO PNEUMÁTICA	1,023.00	827.00
TOOLS & ACCESSORIES	MECÂNICOS	32001204	0002-1	04/2011	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO PNEUMÁTICA	1,023.00	827.00
TOOLS & ACCESSORIES	MECÂNICOS	32001205	0002-1	04/2011	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO PNEUMÁTICA	1,023.00	827.00
TOOLS & ACCESSORIES	MECÂNICOS	32001210	0002-1	07/2012	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO PNEUMÁTICA	1,023.00	827.00
TOOLS & ACCESSORIES	MECÂNICOS	32001211	0002-1	07/2012	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO PNEUMÁTICA	1,023.00	827.00
TOOLS & ACCESSORIES	MECÂNICOS	32001212	0002-1	07/2012	1.0	73.5	10.0	7.0	03/2014	CHAVE DE IMPACTO PNEUMÁTICA	1,023.00	827.00
TOOLS & ACCESSORIES	MECÂNICOS	32001135	0002-1	06/2001	1.0	73.5	10.0	7.0	03/2014	COMPRESSOR DE AR SCHULZ MOD. MSW 120/460 POT. 30,0 CV	12,747.00	10,306.00
TOOLS & ACCESSORIES	MECÂNICOS	32001380	0002-1	07/1988	1.0	73.5	10.0	7.0	03/2014	COMPRESSOR DE AR SCHULZ MOD. MSW TIPO 60/400H 600 RPM	3,011.00	2,434.00
TOOLS & ACCESSORIES	MECÂNICOS	32001183	0002-1	11/2007	1.0	73.5	10.0	7.0	03/2014	COMPRESSOR DE AR SULLAIR MOD. LS-COMPRESSOR DE LINHA FORT	26,172.00	21,160.00
TOOLS & ACCESSORIES	MECÂNICOS	32001128	0002-1	02/2001	1.0	73.5	10.0	7.0	03/2014	INDUSTRIAL C/ 02 ESTÁGIOS	2,669.00	2,158.00
TOOLS & ACCESSORIES	MECÂNICOS	32001131	0002-1	05/2001	1.0	73.5	10.0	7.0	03/2014	CONJUNTO DE MAÇARICO DE ACETILENO E OXIGÊNIO	156.00	126.00
TOOLS & ACCESSORIES	MECÂNICOS	32001155	0002-1	03/2005	1.0	73.5	10.0	7.0	03/2014	DESMONTADOR ELÉTRICO P/ PNEUS	293.00	237.00
TOOLS & ACCESSORIES	MECÂNICOS	32001163	0002-1	06/2005	1.0	73.5	10.0	7.0	03/2014	ELEVADOR ELETROMECÂNICO	6,797.00	5,495.00
TOOLS & ACCESSORIES	MECÂNICOS	32001108	0002-1	10/1992	1.0	73.5	10.0	7.0	03/2014	ELEVADOR HIDRÁULICO C/ 02 PISTÕES	10,065.00	8,138.00
TOOLS & ACCESSORIES	MECÂNICOS	32001170	0002-1	03/2006	1.0	73.5	10.0	7.0	03/2014	ESMERILHADORA ANGULAR BOSCH	593.00	480.00
TOOLS & ACCESSORIES	MECÂNICOS	32001186	0002-1	03/2009	1.0	73.5	10.0	7.0	03/2014	ESMERILHADORA ANGULAR BOSCH	593.00	480.00
TOOLS & ACCESSORIES	MECÂNICOS	32001187	0002-1	03/2009	1.0	73.5	10.0	7.0	03/2014	ESMERILHADORA ANGULAR BOSCH 7" MOD. GWS	654.00	529.00
TOOLS & ACCESSORIES	MECÂNICOS	32001197	0002-1	06/2010	1.0	73.5	10.0	7.0	03/2014	ESMERILHADORA ANGULAR BOSCH 9" MOD. GWS	943.00	763.00
TOOLS & ACCESSORIES	MECÂNICOS	32001175	0002-1	08/2006	1.0	73.5	10.0	7.0	03/2014	ESMERILHADORA BOSCH MOD. ESMERILHADORA DE COLUMNA	657.00	531.00
TOOLS & ACCESSORIES	MECÂNICOS	32001086	0002-1	01/1988	1.0	73.5	10.0	7.0	03/2014	BAMBOZZI POT. 1,5 CV	332.00	268.00
TOOLS & ACCESSORIES	MECÂNICOS	32001094	0002-1	07/1988	1.0	73.5	10.0	7.0	03/2014	EXTRATOR DE ROLAMENTOS RAVEN	85.00	69.00
TOOLS & ACCESSORIES	MECÂNICOS	32001188	0002-1	03/2009	1.0	73.5	10.0	7.0	03/2014	FURADERA ELÉTRICA BOSCH 1/2" 220V	467.00	377.00
TOOLS & ACCESSORIES	MECÂNICOS	32001194	0002-1	11/2009	1.0	73.5	10.0	7.0	03/2014	FURADERA ELÉTRICA BOSCH 3/8" 220V	643.00	520.00
TOOLS & ACCESSORIES	MECÂNICOS	32001192	0002-1	11/2009	1.0	73.5	10.0	7.0	03/2014	FURADERA ELÉTRICA BOSCH 5/8" 220V	1,348.00	1,090.00
TOOLS & ACCESSORIES	MECÂNICOS	32001203	0002-1	04/2011	1.0	73.5	10.0	7.0	03/2014	FURADERA ELÉTRICA BOSCH 5/8" 220V	1,348.00	1,090.00
TOOLS & ACCESSORIES	MECÂNICOS	32001206	0002-1	04/2011	1.0	73.5	10.0	7.0	03/2014	FURADERA ELÉTRICA BOSCH 5/8" 220V	1,348.00	1,090.00
TOOLS & ACCESSORIES	MECÂNICOS	32001168	0002-1	12/2005	1.0	73.5	10.0	7.0	03/2014	FURADERA ELÉTRICA BOSCH MOD. GBM	464.00	375.00
TOOLS & ACCESSORIES	MECÂNICOS	32001099	0002-1	04/1989	1.0	73.5	10.0	7.0	03/2014	GUINCHO HIDRÁULICO C/ ALONGAMENTO REFORÇADO	867.00	701.00
TOOLS & ACCESSORIES	MECÂNICOS	32001136	0002-1	08/2001	1.0	73.5	10.0	7.0	03/2014	GUINCHO MÓVEL C/ TALHA	1,127.00	911.00
TOOLS & ACCESSORIES	MECÂNICOS	32001111	0002-1	10/1996	1.0	73.5	10.0	7.0	03/2014	LAVADORA DE ALTA PRESSÃO INTER PUMP MOD. CL	440.00	356.00
TOOLS & ACCESSORIES	MECÂNICOS	32001171	0002-1	05/2006	1.0	73.5	10.0	7.0	03/2014	LAVADORA DE ALTA PRESSÃO JACTO MOD. JP 12000 POT. 7,5 CV TRIFÁSICO	5,770.00	4,665.00
TOOLS & ACCESSORIES	MECÂNICOS	32001109	0002-1	08/1994	1.0	73.5	10.0	7.0	03/2014	LAVADORA DE ALTA PRESSÃO WAYNE MOD. LU-6402	2,735.00	2,211.00
TOOLS & ACCESSORIES	MECÂNICOS	32001096	0002-1	04/1989	1.0	73.5	10.0	7.0	03/2014	LAVADORA UNIVERSAL WAYNE/ LIXADEIRA ELÉTRICA BOSCH MOD. GWS	1,615.00	1,306.00
TOOLS & ACCESSORIES	MECÂNICOS	32001198	0002-1	06/2010	2.0	73.5	10.0	7.0	03/2014	21230 220V	928.00	750.00
TOOLS & ACCESSORIES	MECÂNICOS	32001202	0002-1	04/2011	1.0	73.5	10.0	7.0	03/2014	LIXADEIRA ELÉTRICA BOSCH MOD. GWS	928.00	750.00
TOOLS & ACCESSORIES	MECÂNICOS	32001316	0002-1	10/2009	1.0	73.5	10.0	7.0	03/2014	21230 220V	928.00	750.00
TOOLS & ACCESSORIES	MECÂNICOS	32001100	0002-1	04/1989	1.0	73.5	10.0	7.0	03/2014	LIXADEIRA OSCILANTE INDUSTRIAL	619.00	500.00
TOOLS & ACCESSORIES	MECÂNICOS	32001112	0002-1	06/1997	1.0	73.5	10.0	7.0	03/2014	MACACO DE TRANSMISSÃO CAP. 1,0	143.00	116.00
TOOLS & ACCESSORIES	MECÂNICOS	32001104	0002-1	08/1989	1.0	73.5	10.0	7.0	03/2014	MACACO HIDRÁULICO TIPO GARRAFA CAP. 32,0 TON.	1,428.00	1,154.00
TOOLS & ACCESSORIES	MECÂNICOS	32001105	0002-1	08/1989	1.0	73.5	10.0	7.0	03/2014	MACACO HIDRÁULICO TIPO GARRAFA CAP. 32,0 TON.	1,428.00	1,154.00
TOOLS & ACCESSORIES	MECÂNICOS	32001159	0002-1	04/2005	1.0	73.5	10.0	7.0	03/2014	MACACO PNEUMÁTICO CAP. 30,0 TON.	939.00	759.00
TOOLS & ACCESSORIES	MECÂNICOS	32001160	0002-1	04/2005	1.0	73.5	10.0	7.0	03/2014	MACACO PNEUMÁTICO CAP. 30,0 TON.	939.00	759.00
TOOLS & ACCESSORIES	MECÂNICOS	32001134	0002-1	07/2001	1.0	73.5	10.0	7.0	03/2014	MANÔMETRO DIFERENCIAL DIGITAL	134.00	108.00
TOOLS & ACCESSORIES	MECÂNICOS	32001149	0002-1	08/2003	1.0	73.5	10.0	7.0	03/2014	MANÔMETRO MOD. R134A C/	259.00	209.00
TOOLS & ACCESSORIES	MECÂNICOS	32001141	0002-1	05/2002	1.0	73.5	10.0	7.0	03/2014	MÁQUINA DE SERRA OU SECCIONAR	513.00	415.00
TOOLS & ACCESSORIES	MECÂNICOS	32001133	0002-1	06/2001	1.0	73.5	10.0	7.0	03/2014	MÁQUINA P/ LIMPEZA DE FILTROS DE AR	1,175.00	950.00
TOOLS & ACCESSORIES	MECÂNICOS	32001167	0002-1	10/2005	1.0	73.5	10.0	7.0	03/2014	MÁQUINA P/ RESSULCAR PNEUS	540.00	436.00
TOOLS & ACCESSORIES	MECÂNICOS	32001095	0002-1	11/1988	1.0	73.5	10.0	7.0	03/2014	MÁQUINA P/ TESTAR BICOS DE BOMBA	524.00	424.00
TOOLS & ACCESSORIES	MECÂNICOS	32001169	0002-1	02/2006	1.0	73.5	10.0	7.0	03/2014	MICROMETRO EXTERNO MITUTOYO O 125-	561.00	454.00
TOOLS & ACCESSORIES	MECÂNICOS	32001091	0002-1	05/1988	1.0	73.5	10.0	7.0	03/2014	MORSA DE BANCADA NR. 04	45.00	37.00
TOOLS & ACCESSORIES	MECÂNICOS	32001097	0002-1	04/1989	1.0	73.5	10.0	7.0	03/2014	MORSA DE BANCADA NR. 04	40.00	32.00
TOOLS & ACCESSORIES	MECÂNICOS	32001101	0002-1	04/1989	1.0	73.5	10.0	7.0	03/2014	MORSA FORJASUL Cód. 3610/07	115.00	93.00
TOOLS & ACCESSORIES	MECÂNICOS	32001102	0002-1	04/1989	1.0	73.5	10.0	7.0	03/2014	MORSA FORJASUL Cód. 3610/07	115.00	93.00
TOOLS & ACCESSORIES	MECÂNICOS	32001113	0002-1	04/1989	1.0	73.5	10.0	7.0	03/2014	MORSA FORJASUL Cód. 3610/07	115.00	93.00
TOOLS & ACCESSORIES	MECÂNICOS	32001139	0002-1	04/2002	1.0	73.5	10.0	7.0	03/2014	MOTOBOMBA SCHNEIDER MOD. 2230	452.00	366.00
TOOLS & ACCESSORIES	MECÂNICOS	32001085	0002-1	06/1984	1.0	73.5	10.0	7.0	03/2014	MOTOESMERIL C/ MOTOR ELÉTRICO POT.	82.00	67.00
TOOLS & ACCESSORIES	MECÂNICOS	32001092	0002-1	06/1988	1.0	73.5	10.0	7.0	03/2014	MOTOESMERIL C/ MOTOR ELÉTRICO POT.	82.00	67.00
TOOLS & ACCESSORIES	MECÂNICOS	32001143	0002-1	08/2002	1.0	73.5	10.0	7.0	03/2014	ORÇINA VOLANTE - SOS 4 BM.1	16,500.00	13,340.00
TOOLS & ACCESSORIES	MECÂNICOS	32001090	0002-1	03/1988	1.0	73.5	10.0	7.0	03/2014	PAQUÍMETRO MITUTOYO TIPO 530-114	150.00	122.00
TOOLS & ACCESSORIES	MECÂNICOS	32001130	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	PISTOLA DE PONTO BOSCH 12V	490.00	396.00

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
TOOLS & ACCESSORIES	MECÂNICOS	32001129	0002-1	04/2001	1.0	73.5	10.0	7.0	03/2014	PISTOLA DE SOLDA ELÉTRICA BOSCH MOD. OS-0603263	119.00	97.00
TOOLS & ACCESSORIES	MECÂNICOS	32001368	0002-1	03/2013	1.0	84.0	10.0	8.0	03/2014	PLACA DE SINALIZAÇÃO TIPO	1,733.00	1,602.00
TOOLS & ACCESSORIES	MECÂNICOS	32001369	0002-1	03/2013	1.0	84.0	10.0	8.0	03/2014	PLACA DE SINALIZAÇÃO TIPO	1,733.00	1,602.00
TOOLS & ACCESSORIES	MECÂNICOS	32001374	0002-1	03/2013	1.0	84.0	10.0	8.0	03/2014	PLACA DE SINALIZAÇÃO TIPO	1,733.00	1,602.00
TOOLS & ACCESSORIES	MECÂNICOS	32001375	0002-1	03/2013	1.0	84.0	10.0	8.0	03/2014	PLACA DE SINALIZAÇÃO TIPO	1,733.00	1,602.00
TOOLS & ACCESSORIES	MECÂNICOS	32001089	0002-1	03/1988	1.0	73.5	10.0	7.0	03/2014	PRENSA HIDRÁULICA CAP. 15,0 TON.	186.00	151.00
TOOLS & ACCESSORIES	MECÂNICOS	32001176	0002-1	08/2006	1.0	73.5	10.0	7.0	03/2014	PRENSA HIDRÁULICA RITEC	1,125.00	909.00
TOOLS & ACCESSORIES	MECÂNICOS	32001140	0002-1	05/2002	1.0	73.5	10.0	7.0	03/2014	PRENSA PÓS-MOLDAGEM POR	1,756.00	1,420.00
TOOLS & ACCESSORIES	MECÂNICOS	32001161	0002-1	05/2005	1.0	73.5	10.0	7.0	03/2014	PROPULSORA PNEUMÁTICA C/	1,155.00	934.00
TOOLS & ACCESSORIES	MECÂNICOS	32001137	0002-1	08/2001	1.0	73.5	10.0	7.0	03/2014	PROPULSORA PNEUMÁTICA DE GRAXA	1,368.00	1,106.00
TOOLS & ACCESSORIES	MECÂNICOS	32001162	0002-1	05/2005	1.0	73.5	10.0	7.0	03/2014	PROPULSORA PNEUMÁTICA DE GRAXA	1,368.00	1,106.00
TOOLS & ACCESSORIES	MECÂNICOS	32001166	0002-1	10/2005	1.0	73.5	10.0	7.0	03/2014	REBITADEIRA DE LONAS DE FREIOS	2,332.00	1,885.00
TOOLS & ACCESSORIES	MECÂNICOS	32001093	0002-1	07/1988	1.0	73.5	10.0	7.0	03/2014	REBITADEIRA PNEUMÁTICA MOD. 404/S	1,279.00	1,034.00
TOOLS & ACCESSORIES	MECÂNICOS	32001184	0002-1	02/2008	1.0	73.5	10.0	7.0	03/2014	RETÍFICA ELÉTRICA 500W 27.000 RPM	783.00	633.00
TOOLS & ACCESSORIES	MECÂNICOS	32001142	0002-1	06/2002	1.0	73.5	10.0	7.0	03/2014	RETÍFICA ELÉTRICA BOSCH MOD. 1215	201.00	162.00
TOOLS & ACCESSORIES	MECÂNICOS	32001146	0002-1	03/2003	1.0	73.5	10.0	7.0	03/2014	RETÍFICA ELÉTRICA BOSCH MOD. GGS-271 500W 2700 RPM	625.00	505.00
TOOLS & ACCESSORIES	MECÂNICOS	32001191	0002-1	05/2009	1.0	73.5	10.0	7.0	03/2014	RETÍFICA ELÉTRICA BOSCH MOD. GGS-271 500W 2700 RPM	625.00	505.00
TOOLS & ACCESSORIES	MECÂNICOS	32001193	0002-1	11/2009	1.0	73.5	10.0	7.0	03/2014	RETÍFICA ELÉTRICA BOSCH MOD. GGS-271 500W 2700 RPM	625.00	505.00
TOOLS & ACCESSORIES	MECÂNICOS	32001182	0002-1	06/2007	1.0	73.5	10.0	7.0	03/2014	RETÍFICA ELÉTRICA DE SOLDA BALMER	2,662.00	2,152.00
TOOLS & ACCESSORIES	MECÂNICOS	32001125	0002-1	01/2001	1.0	73.5	10.0	7.0	03/2014	RETÍFICA ELÉTRICA DE SOLDA	559.00	452.00
TOOLS & ACCESSORIES	MECÂNICOS	32001181	0002-1	02/2007	1.0	73.5	10.0	7.0	03/2014	RETÍFICA ELÉTRICA DE SOLDA	4,319.00	3,492.00
TOOLS & ACCESSORIES	MECÂNICOS	32001126	0002-1	01/2001	1.0	73.5	10.0	7.0	03/2014	BAMBOZZI MOD. TRR-2600S	559.00	452.00
TOOLS & ACCESSORIES	MECÂNICOS	32001174	0002-1	08/2006	1.0	73.5	10.0	7.0	03/2014	RETÍFICA ELÉTRICA DE SOLDA WHITE	549.00	444.00
TOOLS & ACCESSORIES	MECÂNICOS	32001195	0002-1	04/2010	1.0	73.5	10.0	7.0	03/2014	RETÍFICA PNEUMÁTICA BOSCH 220V	611.00	494.00
TOOLS & ACCESSORIES	MECÂNICOS	32001124	0002-1	12/2000	1.0	73.5	10.0	7.0	03/2014	RETÍFICA PNEUMÁTICA TIPO CA-273	275.00	222.00
TOOLS & ACCESSORIES	MECÂNICOS	32001098	0002-1	04/1989	1.0	73.5	10.0	7.0	03/2014	RETÍFICA RETA MOD. GGS 27L 220V	239.00	193.00
TOOLS & ACCESSORIES	MECÂNICOS	32001208	0002-1	06/2012	5.0	73.5	10.0	7.0	03/2014	REVOLVER DE PINTURA DEVILBISS	4,164.00	3,367.00
TOOLS & ACCESSORIES	MECÂNICOS	32001200	0002-1	10/2010	1.0	73.5	10.0	7.0	03/2014	REVOLVER DIGITAL CONTADOR DE SERRA ELÉTRICA TICO-TICO BOSCH	345.00	279.00
TOOLS & ACCESSORIES	MECÂNICOS	32001153	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	MOD. GTS 100B 220V	1,549.00	1,252.00
TOOLS & ACCESSORIES	MECÂNICOS	32001154	0002-1	12/2004	1.0	73.5	10.0	7.0	03/2014	SOLDADORA GERADORA BAMBOZZI	1,549.00	1,252.00
TOOLS & ACCESSORIES	MECÂNICOS	32001177	0002-1	09/2006	1.0	73.5	10.0	7.0	03/2014	SOLDADORA GERADORA BAMBOZZI	4,699.00	3,799.00
TOOLS & ACCESSORIES	MECÂNICOS	32001132	0002-1	05/2001	1.0	73.5	10.0	7.0	03/2014	SOLDADORA RETIFICADORA BAMBOZZI	60.00	48.00
TOOLS & ACCESSORIES	MECÂNICOS	32001138	0002-1	11/2001	1.0	73.5	10.0	7.0	03/2014	SOLDADORA SUPER BANTAN MOD.	2,140.00	1,730.00
TOOLS & ACCESSORIES	MECÂNICOS	32001087	0002-1	01/1988	1.0	73.5	10.0	7.0	03/2014	SUPORTE P/ TALHA BERG STEEL CAP.	66.00	53.00
TOOLS & ACCESSORIES	MECÂNICOS	32001381	0002-1	07/1990	1.0	73.5	10.0	7.0	03/2014	TESOURA MEC P/ CORTAR CHAPA NR.	69.00	56.00
TOOLS & ACCESSORIES	MECÂNICOS	32001127	0002-1	02/2001	1.0	73.5	10.0	7.0	03/2014	TORNO FIXO DE BANCA DA F.F. NR. 03	10,072.00	8,144.00
TOOLS & ACCESSORIES	MECÂNICOS	32001382	0002-1	01/2001	1.0	73.5	10.0	7.0	03/2014	TORNO NARDINI MED. 325X2200 MM. NR.	308.00	249.00
TOOLS & ACCESSORIES	MECÂNICOS	32001178	0002-1	09/2006	1.0	73.5	10.0	7.0	03/2014	D9-DAM-452	7,224.00	5,841.00
TOOLS & ACCESSORIES	MECÂNICOS	32001180	0002-1	10/2006	1.0	73.5	10.0	7.0	03/2014	TORQUÍMETRO DE ESTALO	4,262.00	3,446.00
TOOLS & ACCESSORIES	MECÂNICOS	32001334	0002-1	03/2010	1.0	73.5	10.0	7.0	03/2014	TRANSFORMADOR DE FORÇA TRAFOT. 150,0 KVA 13.8KV TRIFÁSICO	38,604.00	31,212.00
TOOLS & ACCESSORIES	MECÂNICOS	32001358	0002-1	12/2006	1.0	73.5	10.0	7.0	03/2014	UNIDADE DE FILTRAGEM MOD. FU5HB		
TOOLS & ACCESSORIES	MECÂNICOS	32001345	0002-1	11/2011	1.0	73.5	10.0	7.0	03/2014	LAVADOR DE AR MOD. POLY VENT SÉRIE ELG-1		
TOOLS & ACCESSORIES	MECÂNICOS	32001286	0002-1	01/2005	1.0	73.5	10.0	7.0	03/2014	SEMT -		
TOOLS & ACCESSORIES	MECÂNICOS	32001288	0002-1	02/2005	1.0	73.5	10.0	7.0	03/2014	SERVICO		
TOOLS & ACCESSORIES	MECÂNICOS	32001343	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	MÉDICO DO		
TOOLS & ACCESSORIES	MECÂNICOS	32001373	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	TRATAMENTO		
TOOLS & ACCESSORIES	MECÂNICOS	32001379	0002-1	05/2013	1.0	84.0	10.0	8.0	03/2014	DE CALDO		

VI. SURVEY CARD

SUPPLIER	AC	PHONE #	CITY	ST	CONTACT
QUOTATIONS CARRIED OUT BY APPRAISAL AVALIAÇÕES E ENGENHARIA LIMITADA.	011	3168-8033	SÃO PAULO	SP	-
ALFA LAVAL EQUIPAMENTOS LTDA.	11	5188-6000	SÃO PAULO	SP	CONTRATO ENG. LUIZ EDUARDO
MAUSA S/A. EQUIPAMENTOS INDÚSTRIAS	19	3417-5532	PIRACICABA	SP	REGINALDO LUIZ
MOTOCANA S/A. MÁQUINAS E IMPLEMENTOS AGRÍCOLAS	19	8139-3092	PIRACICABA	SP	FERNANDO
MANNESMANN DEMAG MOVICARGA LTDA.	11	9249-9966	SÃO PAULO	SP	RENATO
TOLEDO DO BRASIL INDÚSTRIA DE BALANÇAS LTDA.	11	4356-9404	SÃO PAULO	SP	JOSÉ CARLOS
DEDINI LTDA. INDÚSTRIA DE BASE	19	3403-3304	CAMPINAS	SP	VALOCI
SIMISA - SIMIONI METALÚRGICA LTDA.	16	3946-1200	SETÃOZINHO	SP	SITE
OESP	-	-	-	-	JORGE
VETEK ELETROMECÂNICA LTDA.	19	3425-5064	CAMPINAS	SP	DANIELA
GENERAL CHAINS	19	3417-2800	SÃO PAULO	SP	FABIANO F. RUIZ
JW INDÚSTRIA E COMÉRCIO DE EQUIP. AÇO INOXIDÁVEL LTDA.	16	3513-2000	SÃO PAULO	SP	VENDAS
ASCENT	31	3333-0622	-	-	VENDAS
BOMBAS IMBIL LTDA.	19	3843-9833	ITAPIRA	SP	SITE
GUIA DE USADOS E SERVIÇOS	-	-	-	-	SITE
MF RURAL	-	-	-	-	SITE
RENK ZANINI MÁQUINAS LTDA.	16	3518-9000	OURINHOS	SP	VENDAS

APPRAISAL REPORT

REQUESTED BY : TONON BIOENERGIA S/A.

OWNER : TONON BIOENERGIA S/A. – USINA PARAÍSO BIOENERGIA

LOCATION OF ASSETS : RODOVIA BROTAS/ TORRINHA, KM 7,5, S/N.º, FAZENDA PARAÍSO,
ZONA RURAL

COUNTY : BROTAS

STATE : SÃO PAULO

TYPE OF ASSETS : HAVERTERS, TRACTORS AND LOADERS, TOOLS & ACESSORIES,
FACILITIES, MACHINERY & EQUIPMENT, HEAVY DUTY VEHICLES &
TRUCKS

PURPOSE OF APPRAISAL : TO DETERMINE THE USE VALUE

APPRAISAL # : M-3.543/10 – P/12.665/1/14

BASE DATE : MARCH 26, 2014

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I. APPRAISAL METHODOLOGY

1. FOREWORD

An appraisal is based on rules, standards and publications of ABNT – Brazilian Association of Technical Standards, IBAPE – Brazilian Institute of Appraisals and Engineering Inspections and CVM – Securities Commission, besides own **APPRAISAL** methodology based on generally accepted principles.

The steps to carry out an appraisal are as follows:

- Inspection of machinery, equipment and facilities;
- Calculation of the replacement cost;
- Total useful life;
- Remaining useful life;
- Calculation of market value, use, insurance and liquidation;

2. INSPECTION OF MACHINERY, EQUIPMENT AND FACILITIES

After checking both the layout and production flow chart, we carry out a local inspection to ascertain the following:

- If the asset matches its description and features;
- Maintenance;
- Maintenance & repair conditions;
- Work conditions.

Each asset is individually inspected and we take into consideration all parts required to operate such asset, as it is the case of panels, engine, devices, platform, etc., provided they are directly related to such asset.

Equipment or parts that is hard to inspect due to difficult access or process, such as small valves, relays, wiring, parts of a reactor, etc., are deemed as inspected upon inspection of the area where they are located.

Check of information or assuming that the lack of such part would hamper the performance of the equipment substantiates this. Additional information on equipment features, power supply and piping are taken from drawings provided by the Engineering Department of the company.

As per Law 11.638/07, we do not appraise assets that are about to be removed from production, because they are no longer able to generate funds for the company.

Based on information provided by Maintenance and Production and gathered during inspection, we develop the Inspection Report rating preventive/corrective maintenance and conditions (excellent, good, acceptable, poor and very poor).

3. CALCULATION OF REPLACEMENT COST

Replacement cost is the actual cost to replace a given asset with the same features, taking into consideration the direct and indirect costs to install/erect the equipment.

Based on quotations, catalogues or price lists requested from suppliers, we ascertain the worth of a new machine or equipment plus the corresponding IPI (Excise Tax), if any. If a given machine or equipment is no longer manufactured, we use a similar one as a basis.

With respect to imported machines/equipment for which there are similar ones manufactured in Brazil, we use the local machines/equipment as a basis.

If no similar machine/equipment is manufactured in Brazil, we ascertain the FOB value in the country of origin or based on a copy of the import license. The CIF amount encompasses cost, insurance, freight and custom duties. Based on TAB (Brazilian Custom Tariff), we add the corresponding import duty and IPI (Excise Tax). We arrive at the ICMS (Value-added Tax) amount by adding CIF, import duty and IPI.

As far as incentive areas are concerned, we take into consideration the lower taxes applicable to each asset.

Due to the fact that APPRAISAL has been rendering services to major industrial companies, it was able to set up an outstanding magnetic file that encompasses prices of a myriad of machines and equipment. Such prices are updated on the date of appraisal, based on their respective Brazilian price index published by the “Conjuntura Econômica” magazine of the Getúlio Vargas Foundation. It is worth mentioning that all information gathered during the appraisal process is confidential and filed in our offices. Such information is only made available to the company by means of a written request and delivered to a duly authorized individual appointed by the company.

Once the price of a new machine/equipment is determined, we arrive at the corresponding replacement value by taking into consideration the direct and indirect costs to be incurred with the setup/erection of the machine/equipment.

The above-mentioned costs are translated into a percentage of the new machine/equipment, thus reflecting freight, insurance, materials, erection, engineering, etc. required to install the machine/equipment.

We do not take into consideration the setup/installation costs, in the event the appraisal is required for alienation, sale or realization of assets.

4. ASCERTAINING OF TOTAL USEFUL LIFE

The useful life of machines and equipment is estimated based on technical, physical, economic and obsolescence factors, as follows:

- Table IV – “Useful Life for Calculation of Technical Depreciation” published in the book “Engenharia de Avaliações” (Appraisal Engineering), Editora Pini. Such table was originally published in the book “Perry Chemical Handbook”, 3rd edition, page 1822.
- Table V – “Classification of Assets and Depreciation (Useful Life)” published in the book “Engenharia de Avaliações” (Appraisal Engineering). Such table was originally published in the book “Asset Guideline Classes, and Periods, Asset Depreciation Range” - T.I.R., 1088 of June 1971.
- The table “Useful Life of Machines and Equipment” presented by Mr. Victor Carlos Fillinger at the IX Pan-American Congress of Appraisals held in São Paulo in August, 1979.

Besides the above-mentioned procedures to determine the useful life of machines and equipment, APPRAISAL will also estimate the useful life of those machines and equipment that do not fit into the aforementioned tables.

5. ASCERTAINING OF REMAINING USEFUL LIFE

The remaining useful life is the estimated number of years that a given asset will generate funds for the company.

The total useful life of an asset also contemplates the obsolescence degree over the year. The remaining useful life is estimated by subtracting the total useful life from the number of years of use.

As a rule of thumb, we do not use any index to offset the natural tear and wear of machines and equipment if, during local inspection, we find that they are in good maintenance/repair and work conditions. If this is not the case, the unsatisfactory condition is translated into a percentage of the total useful life, thus resulting in the remaining useful life (% rem).

This ratio is not a straight-line one, i.e. taking into consideration the number of years and total useful life of an asset, but it will depend on the conditions of such asset.

Overhauls and modifications aiming at increasing productivity such as replacement of parts are examples that the useful life of a given asset can be extended. On the other hand, excessive tear and wear and poor maintenance will result in a shorter useful life.

6. CALCULATION OF INSURANCE, MARKET & USE VALUE

IBRACON sets forth that an appraisal aims at appraising assets based on their use value or their use value in their present conditions. Therefore, the opening value shall be the current replacement cost, taking into consideration the physical and technical tear and wear of the asset, as well as its use value for the company.

In order to arrive at the use value, the “physical tear and wear” is taken into consideration in the “Remaining Useful Life”, while the “technical wear”, i.e. obsolescence, is taken into consideration in the “Total Useful Life”. The “current replacement cost” is determined in “Calculation of Replacement Value”.

The remaining useful life/total useful life quotient multiplied by the replacement value will result in the use value.

This concept is adequate for insurance purposes, because in this case the assets will not be sold. Therefore, the amount to be insured is the use value of a given asset, taking into consideration the risk area where the asset is located.

In appraisals aiming at selling or alienating a company, we take into consideration all of its assets. The market value of the asset results from the corresponding use value.

If the purpose of the appraisal is the market value for sale or alienation of individual assets, we use the aforementioned methodology, but we do not include in the replacement value the costs to be incurred to install an asset. For each asset to be appraised, we carry out a market survey and weigh the average based on the outcome of the local inspection.

7. WRAP UP

Local inspection carried out by **APPRAISAL** showed that assets are in excellent maintenance & repair and work conditions and can be easily marketed. Remaining useful life of each asset was calculated based on apparent age and/or acquisition.

III. SUMMARY OF VALUES

LOCATION	USE VALUE (R\$)
HAVERTERS, TRACTORS AND LOADERS Total	11,046,553.00
HEAVY DUTY VEHICLES & TRUCKS Total	1,887,373.00
MACHINERY & EQUIPMENT Total	15,315,740.00
Total Geral:	28,249,666.00

1. USE VALUE

It is the price of a given asset owned by a company, taking into consideration the remaining useful life, market value and replacement cost in the present conditions of such asset.

1. USE VALUE OF ASSETS

Assets owned by **TONON BIOENERGIA S/A – USINA PARAÍSO BIOENERGIA**, located at Rodovia Brotas/ Torrinha, Km 7,5, s/n.º, Fazenda Paraíso, Rural Zone, County of Brotas, State of São Paulo, are herein appraisal at a Use Value of R\$ 28.249.666,00 (Twenty-eight million, two hundred and forty-nine thousand, six hundred and sixty-six).

VII. APPRAISAL REPORT

Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful	Rem. Useful	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
							Life (years)	Life (years)				
H VERTERS, TRACTORS AND LOADERS	CAMINHÃO O CANA VIEIRO	10000841	0002-1	02/2011	1.0	73.5	10.0	7.0	03/2014	CAMINHÃO O VOLKSWAGEN MOD. 15180 CONSTELATION C/ CLIMA TIZADOR	165,361.00	133,695.00
H VERTERS, TRACTORS AND LOADERS	CAMINHÃO O CANA VIEIRO	10000849	0002-1	02/2011	1.0	73.5	10.0	7.0	03/2014	CAMINHÃO O VOLKSWAGEN MOD. 15180 CONSTELATION C/ CLIMA TIZADOR	165,361.00	133,695.00
H VERTERS, TRACTORS AND LOADERS	CAMINHÃO O CANA VIEIRO	10000850	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	IMPLEMENTO REF. COMBOIO IMPACTO CAP. 7.000,0 LTS.	68,353.00	55,263.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000821	0002-1	04/2009	2.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000822	0002-1	04/2009	2.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000823	0002-1	04/2009	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000824	0002-1	04/2009	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000825	0002-1	04/2009	2.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000826	0002-1	04/2009	2.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000827	0002-1	05/2009	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000828	0002-1	05/2009	2.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000830	0002-1	05/2009	2.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000946	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000947	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000948	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000949	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000950	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000951	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000952	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000953	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000954	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000956	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000957	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000959	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000960	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	CARRETA TRANSBORDO	10000962	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	COLHEITADERA	10000840	0002-1	02/2011	1.0	73.5	10.0	7.0	03/2014	COLHEITADERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00
H VERTERS, TRACTORS AND LOADERS	COLHEITADERA	10000844	0002-1	02/2011	1.0	73.5	10.0	7.0	03/2014	COLHEITADERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00
H VERTERS, TRACTORS AND LOADERS	COLHEITADERA	10000846	0002-1	02/2011	1.0	73.5	10.0	7.0	03/2014	COLHEITADERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00
H VERTERS, TRACTORS AND LOADERS	COLHEITADERA	10000847	0002-1	02/2011	1.0	73.5	10.0	7.0	03/2014	COLHEITADERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00
H VERTERS, TRACTORS AND LOADERS	COLHEITADERA	10000848	0002-1	02/2011	1.0	73.5	10.0	7.0	03/2014	COLHEITADERA DE CANA CASE MOD. A-8800	940,905.00	760,722.00
H VERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000932	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	IMPLEMENTO REF. CALDA PRONTA COSTAL COAGRIL	48,636.00	39,322.00
H VERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000935	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	IMPLEMENTO REF. CALDA PRONTA COSTAL COAGRIL	43,702.00	35,333.00
H VERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000937	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	IMPLEMENTO REF. CALDA PRONTA COSTAL COAGRIL	43,702.00	35,333.00
H VERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000939	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	IMPLEMENTO REF. CALDA PRONTA COSTAL COAGRIL	48,636.00	39,322.00
H VERTERS, TRACTORS AND LOADERS	IMPLEMENTOS - HORA	10000929	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	SEMI-REBOQUE RANDON REBOQUE RODOFORT CANA VIEIRO P/ TRANSPORTE DE DE CANA PICADA	125,470.00	101,443.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000928	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	REBOQUE RODOFORT CANA VIEIRO P/ TRANSPORTE DE DE CANA PICADA	70,142.00	56,710.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000930	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	REBOQUE RODOFORT CANA VIEIRO P/ TRANSPORTE DE DE CANA PICADA	70,142.00	56,710.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000931	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	REBOQUE RODOFORT CANA VIEIRO P/ TRANSPORTE DE DE CANA PICADA	70,142.00	56,710.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000933	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	REBOQUE RODOFORT CANA VIEIRO P/ TRANSPORTE DE DE CANA PICADA	70,142.00	56,710.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000934	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	REBOQUE RODOFORT CANA VIEIRO P/ TRANSPORTE DE DE CANA PICADA	70,142.00	56,710.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000936	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	REBOQUE RODOFORT CANA VIEIRO P/ TRANSPORTE DE DE CANA PICADA	70,142.00	56,710.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000938	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	REBOQUE RODOFORT CANA VIEIRO P/ TRANSPORTE DE DE CANA PICADA	70,142.00	56,710.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000940	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	REBOQUE RODOFORT CANA VIEIRO P/ TRANSPORTE DE DE CANA PICADA	70,142.00	56,710.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000941	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	REBOQUE RODOFORT CANA VIEIRO P/ TRANSPORTE DE DE CANA PICADA	70,142.00	56,710.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000942	0002-1	05/2011	1.0	73.5	10.0	7.0	03/2014	REBOQUE RODOFORT CANA VIEIRO P/ TRANSPORTE DE DE CANA PICADA	70,142.00	56,710.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000955	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00
H VERTERS, TRACTORS AND LOADERS	TRATOR GRANDE	10000961	0002-1	06/2011	1.0	73.5	10.0	7.0	03/2014	TRANSBORDO P/ CANA PICADA ANTONIO MOD. SI-10500E	81,113.00	65,579.00

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Class	Cost C.	Asset	Supplier	Acquis. Date	Qty	% Rem.	Total Useful Line (years)	Rem. Useful Life (years)	Info Date	Description of Asset	Repl. Cost (R\$)	Use Value (R\$)
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000523	0002-1	04/2009	1.0	57.8	10.0	5.5	03/2014	BAÚ OFICINA IMPACTO	67,299.00	42,752.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000538	0002-1	03/2011	1.0	57.8	10.0	5.5	03/2014	CAÇAMBA BASCULANTE	22,732.00	14,441.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000540	0002-1	04/2011	1.0	57.8	10.0	5.5	03/2014	CAÇAMBA BASCULANTE	22,732.00	14,441.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000542	0002-1	05/2011	1.0	57.8	10.0	5.5	03/2014	CAÇAMBA BASCULANTE	22,732.00	14,441.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000546	0002-1	05/2011	1.0	57.8	10.0	5.5	03/2014	CAÇAMBA BASCULANTE	22,732.00	14,441.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000527	0002-1	04/2009	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 15180 CONSTELATION C/ CLIMATIZADOR	157,487.00	110,048.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000537	0002-1	02/2011	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 26220 C/ CLIMATIZADOR	237,930.00	166,260.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000539	0002-1	02/2011	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 26220 C/ CLIMATIZADOR	237,930.00	166,260.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000541	0002-1	02/2011	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 26220 C/ CLIMATIZADOR	237,930.00	166,260.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000545	0002-1	02/2011	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 26220 C/ CLIMATIZADOR	237,930.00	166,260.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000526	0002-1	04/2009	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 31260	228,322.00	159,546.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000533	0002-1	02/2011	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 31320	237,884.00	166,227.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000552	0002-1	04/2012	1.0	69.3	10.0	6.6	03/2014	CAMINHÃO VOLKSWAGEN MOD. 31320	237,884.00	181,339.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000549	0002-1	06/2011	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 31370	305,910.00	213,762.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000525	0002-1	04/2009	1.0	57.8	10.0	5.5	03/2014	COMBOIO DE IMPACTO CAP. 9.000,0 LTS.	83,636.00	53,130.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000534	0002-1	03/2011	1.0	57.8	10.0	5.5	03/2014	IMPLEMENTO REF. PIPA IMPACTO CAP. 15.000,0 LTS.	43,398.00	27,569.00
HEAVY DUTY VEHICLES & TRUCKS	CAMINHÃO CANAVIEIRO	31000582	0002-1	09/2012	1.0	63.0	10.0	6.0	03/2014	OFICINA VOLANTE - IMPACTO CARAJÁS ANO 2012	63,448.00	43,969.00
HEAVY DUTY VEHICLES & TRUCKS	VEÍCULOS LEVES/ UTILITÁRIOS	31000524	0002-1	04/2009	1.0	63.5	10.0	6.1	03/2014	CAMINHÃO VOLKSWAGEN MOD. 31320	237,884.00	166,227.00
HEAVY DUTY VEHICLES & TRUCKS Total												1,887,373.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO/ PREPARO DA CANA	20002024	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 4.200,0 CV	1,001,522.00	1,098,919.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO/ PREPARO DA CANA	20002032	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	FENERA ROTATIVA MOD. FC-10000 SÉRIE VB02/12	332,292.00	364,608.00
MACHINERY & EQUIPMENT	ALIMENTAÇÃO/ PREPARO DA CANA	20002022	0002-1	03/2013	1.0	94.5	20.0	18.0	03/2014	SISTEMA DE LIMPEZA À SECO COMPLETO	3,287,312.00	3,417,161.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002156	0002-1	03/2013	1.0	94.5	20.0	18.0	03/2014	A PARELHO P/ DESTILAÇÃO DE ALCÓOL CAP. 400,0 M3	4,111,818.00	4,274,234.00
MACHINERY & EQUIPMENT	DESTILAÇÃO	20002155	0002-1	03/2013	3.0	99.8	20.0	19.0	03/2014	TORRE DE RESFRIAMENTO DE ÁGUA VTF MOD. 1230/35/PRBTO3	927,927.00	1,018,168.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002070	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	BOMBA CENTRÍFUGA BCM TIPO 125-300 SÉRIE 39024 C/ MOTOR ELÉTRICO	15,890.00	17,435.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002054	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	CLIMATIZADOR ADIABÁTICO MOD. UFA-16SV	54,248.00	59,524.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002058	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 1.500,0 CV 60 HZ	128,394.00	140,880.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002060	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 1.500,0 CV 60 HZ	256,786.00	281,759.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002057	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 1.850,0 CV 60 HZ	168,279.00	184,645.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002059	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOR ELÉTRICO POT. 1.850,0 CV 60 HZ	168,279.00	184,645.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002042	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	TRANSFORMADOR DE FORÇA À SECO POT. 1.500,0 KVA	232,326.00	254,919.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002040	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSFORMADOR DE FORÇA À SECO POT. 1.500,0 KVA	131,584.00	144,380.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002041	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSFORMADOR DE FORÇA À SECO POT. 1.750,0 KVA	189,801.00	208,259.00
MACHINERY & EQUIPMENT	EXTRAÇÃO	20002043	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	TRANSFORMADOR DE FORÇA À SECO POT. 1.750,0 KVA	189,801.00	208,259.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002170	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	DORNA DE FERMENTAÇÃO CAP. 800,0 M3 - EQUIPAMENTO	862,496.00	946,374.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002178	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOBOMBA ITAP TIPO A T25CIC	13,411.00	14,715.00
MACHINERY & EQUIPMENT	FERMENTAÇÃO	20002179	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOBOMBA TCI TIPO 250-320A	64,924.00	71,238.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002109	0002-1	03/2013	3.0	99.8	20.0	19.0	03/2014	BOMBA CENTRÍFUGA SÉRIE BRF-SE-09-S	8,508.00	9,335.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002114	0002-1	03/2013	4.0	99.8	20.0	19.0	03/2014	BOMBA CENTRÍFUGA SÉRIE BQ-150-50	49,908.00	54,761.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002110	0002-1	03/2013	2.0	99.8	20.0	19.0	03/2014	BOMBA CENTRÍFUGA SÉRIE BQ-BA-P-A-40/3	16,433.00	18,031.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002140	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	DECANADOR SEMI-RÁPIDO DE CALDO CAP. 400,0 M3	750,669.00	823,672.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002083	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	MOTOBOMBA ITAP TIPO 280SM POT. 150,0 CV	59,846.00	65,666.00
MACHINERY & EQUIPMENT	TRATAMENTO DE CALDO	20002141	0002-1	03/2013	1.0	99.8	20.0	19.0	03/2014	PRÉ-EVAPORADOR CAP. 5.000,0 M2	1,325,270.00	1,454,153.00
MACHINERY & EQUIPMENT Total												15,315,740.00
Total Geral:												28,249,666.00

VIII. SURVEY CARD

SUPPLIER	AC	PHONE #	CITY	ST	CONTACT
QUOTATIONS CARRIED OUT BY APPRAISAL					
AVALIAÇÕES E ENGENHARIA LIMITADA.	011	3168-8033	SÃO PAULO	SP	-
ALFA LAVAL EQUIPAMENTOS LTDA.	11	5188-6000	SÃO PAULO	SP	CONTRATO
MAUSA S/A. EQUIPAMENTOS INDÚSTRIAS	19	3417-5532	PIRACICABA	SP	ENG. LUIZ EDUARDO
MOTOCANA S/A. MÁQUINAS E IMPLEMENTOS AGRÍCOLAS	19	8139-3092	PIRACICABA	SP	REGINALDO
MANNESMANN DEMAG MOVICARGA LTDA.	11	9249-9966	SÃO PAULO	SP	LUIZ FERNANDO
TOLEDO DO BRASIL INDÚSTRIA DE BALANÇAS LTDA.	11	4356-9404	SÃO PAULO	SP	RENATO
DEDINI LTDA. INDÚSTRIA DE BASE	19	3403-3304	CAMPINAS	SP	JOSÉ CARLOS
SIMISA - SIMIONI METALÚRGICA LTDA.	16	3946-1200	SETÃOZINHO	SP	VALOCI
OESP	-	-	-	-	SITE
VETEK ELETROMECAÂNICA LTDA.	19	3425-5064	CAMPINAS	SP	JORGE
GENERAL CHAINS	19	3417-2800	SÃO PAULO	SP	DANIELA
JW INDÚSTRIA E COMÉRCIO DE EQUIP. AÇO INOXIDÁVEL LTDA.	16	3513-2000	SÃO PAULO	SP	FABIANO F. RUIZ
ASCENT	31	3333-0622	-	-	VENDAS
BOMBAS IMBIL LTDA.	19	3843-9833	ITAPIRA	SP	VENDAS
GUIA DE USADOS E SERVIÇOS	-	-	-	-	SITE
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