cosan

4Q 2013 and 2013 Results Presentation

DISCLAIMER

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

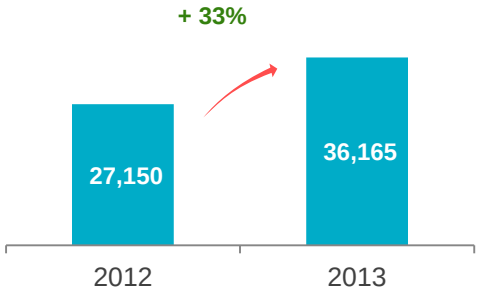
The words “believe”, “may”, “will”, “estimate”, “continue”, “anticipate”, “intend”, “expect” and similar words are intended to identify estimates and forward-looking statements. Estimates and forward-looking statements speak only as of the date they were made and we undertake no obligation to update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

Cosan Consolidated Proforma | Business Units

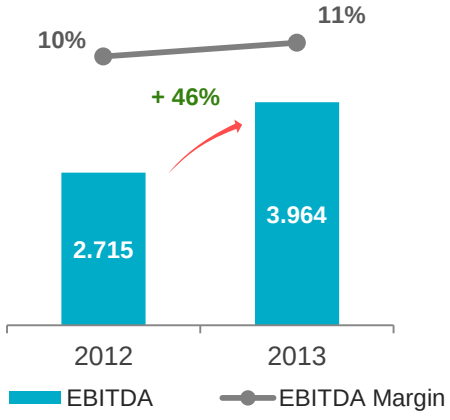
Raízen Combustíveis	Fuels Distribution
Raízen Energia	Sugar, Ethanol and Cogeneration
Comgás	Natural Gas Distribution
Rumo	Logistics Operations
Cosan Lubrificantes	Lubricants, Base Oil and Specialties
Radar	Investments in Agricultural Land
Other Business	Corporate Structure Other Investments

Cosan Consolidated Proforma | Highlights 2013

Net Revenue | (R$ MM)



EBITDA and EBITDA Margin | (R$ MM)



Net Income

R$ 261 million in 2013 impacted by:

- (-) R$ 571 million due to financial expenses on acquisition and consolidation of Comgás
- (-) R$ 142 million due to Cosan Alimentos divestiture in 2012
- (-) Raizen's equity pick-up accounting result in the amount of R$ 407 million
- (-) R$ 219 milhões of income taxes

Net Revenue

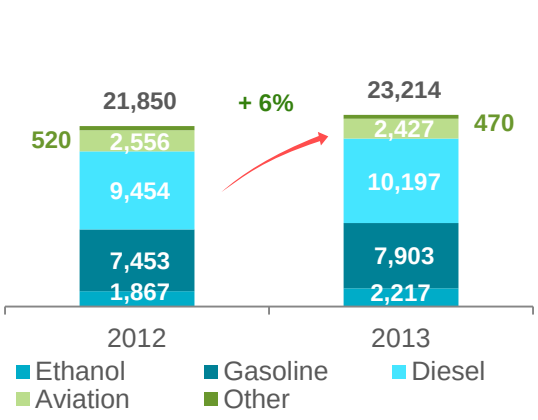
- **R$ 36.2 billion** increase of 33% compared to 2012
- 12 months consolidation of Comgás and Radar results
- 15% increase cosidering annual basis

EBITDA and EBITDA Margin

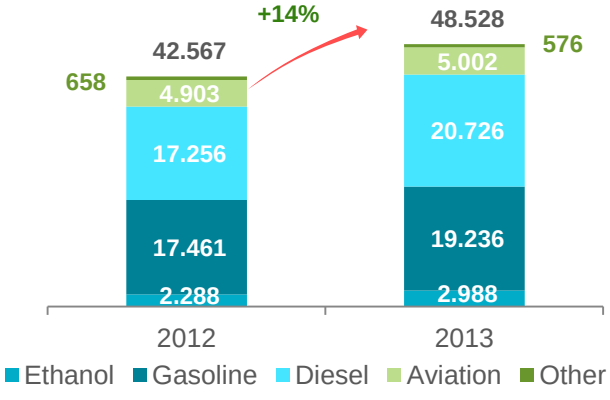
- **R$ 4.0 billion** growth of 46% compared to 2012
- Beginning of consolidation of Comgás and other businesses performance

Raízen Combustíveis

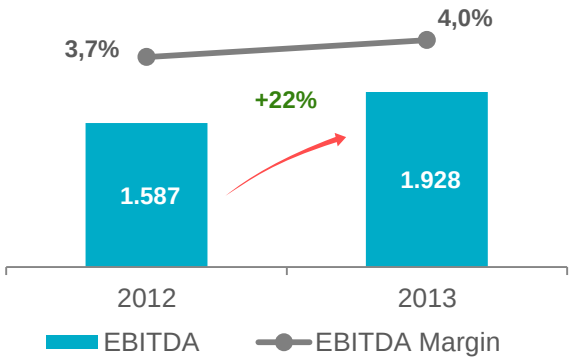
Volume Sold | (Million liters)



Net Revenue | (R$ MM)



EBITDA and EBITDA Margin | (R$ MM)



Volume Sold

- **23.2 billion** liters sold
- Growth as the national fleet in 2013
- Sales increase of 8.6% in the Otto Cycle and 7.9% in Diesel

Net Revenue

- **R$ 48.5 billion,** increase of 14%
- Growth in Shell network and C-Stores
- Sector formalization by the strategy of convertion of white flags stations

EBITDA and EBITDA Margin

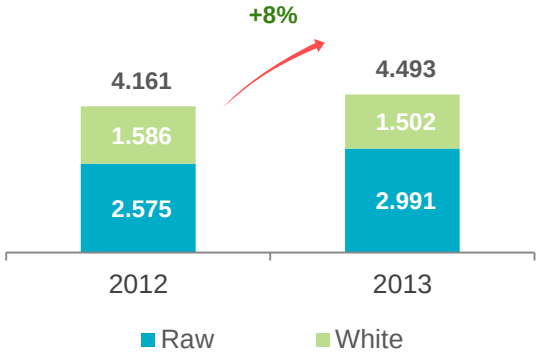
- **R$ 1.93 billion** and growth of 22%
- Better sales mix with 26% of V-Power
- Best prices due to Petrobras price increasing
- **Rebates to dealers according to volume sold totaled** R$ 112 million in 2013 reducing EBITDA

Raízen Energia

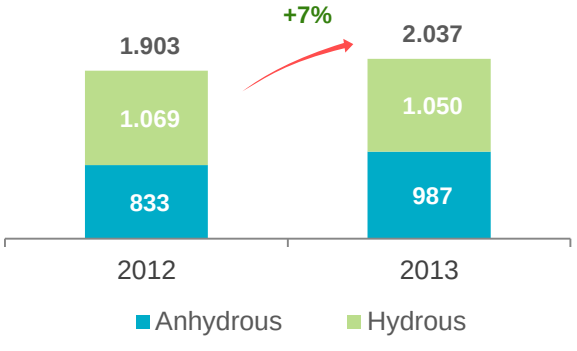
Sugarcane Crushed | (‘000 tons)



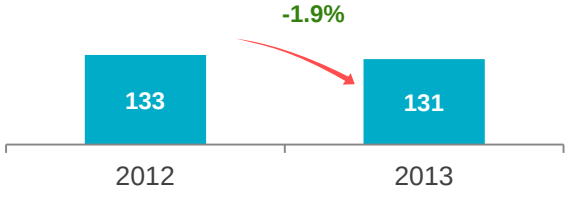
Sugar Production | (‘000 tons)



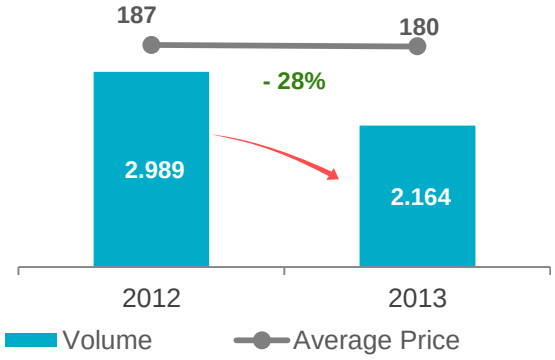
Ethanol Production | (‘000 cbm)



TSR Cane | (kg/ton)



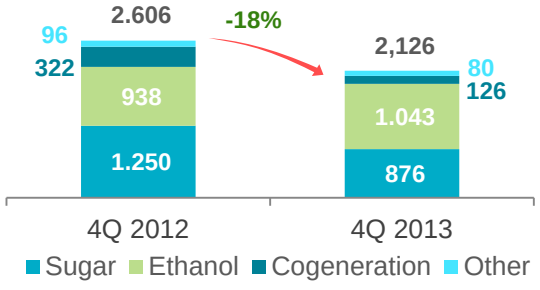
Energy Sold Volume | (‘000 MWh & R$/MWh)



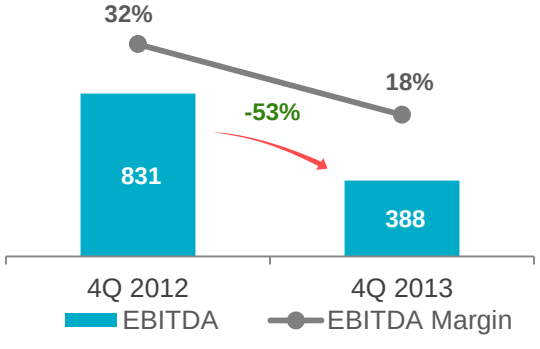
- **Sugarcane Crushed**: 61.4 million tons 9% higher due to properly sugarcane fields renewal
- **TSR:** 1.9% lower due unfavorable climate conditions across 2013
- **Energy (Cogeneration)**: decrease of 28% in volume sold due to harvest earlier beginning and lower resale operations in spot market

Raízen Energia

Net Revenue | (R$ MM)



EBITDA and EBITDA Margin | (R$ MM)



Summary of Hedge Operations in 12/31/2013

Sugar | NY11	2013	2014
Volume (thousand tonnes)	2,998	1,266
Average Price (¢US$/lb)	18.60	18.16

Exchange Rate	2013	2014
Volume (US$ mm)	1,275	526
Average price (R$/US$)	2.19	2.39

Note: The table above refers to crop years ending on 03/31/2014 and 03/31/2015 ,respectively.

Net Revenue

- **R$ 2.1 billion** due to lower sales volumes of sugar and lower prices in the domestic and export market
- Increased in ethanol revenues due to higher demand and competitiveness of hydrous ethanol compared to gasoline
- Increase from 20% to 25% of the mandatory blend of anhydrous ethanol in gasoline

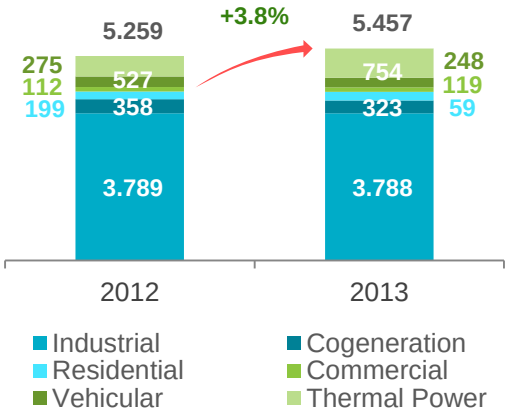
EBITDA and EBITDA Margin

EBITDA Ex-Biological Asset Amounts in R$ MM	2012 (jan - dec)	2013 (jan - dec)	Var. %
EBITDA	**2.482,9**	**2.112,5**	**-14,9%**
(+) Biological Asset Variation	(110,3)	267,4	
EBITDA Ex-Biological Asset	**2.372,6**	**2.379,9**	**0,3%**

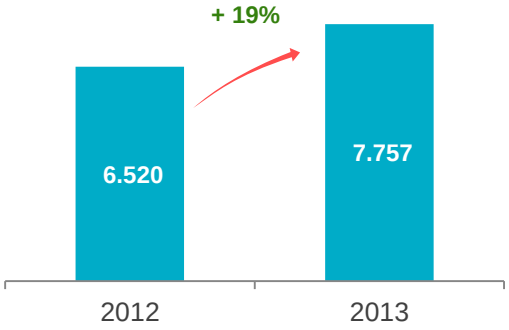
- EBITDA of **R$ 388 million**, down 53.2%
- Harvests 2013/14 started 1 month later than 2012/13
- Strategy of higher inventories of sugar and ethanol in **R$ 151 million** for commercialization in the 1Q14
- Negative impact of **R$ 118 million** due to biological assets fair value

Comgás

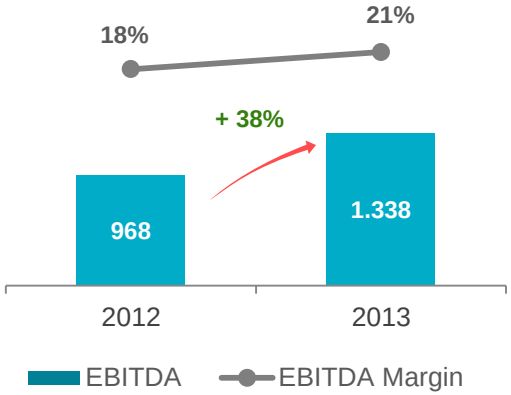
Volume | ('000 cbm)



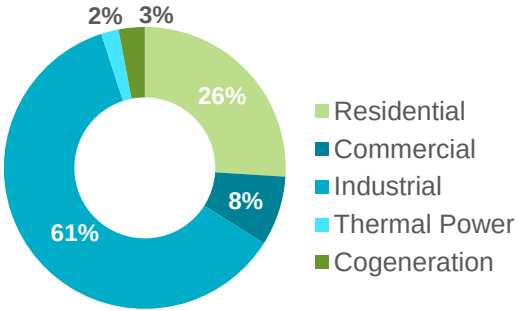
Gross Revenue | (R$ MM)



EBITDA and EBITDA Margin | (R$ MM)



Contribution Margin 4Q 2013



Net Revenue

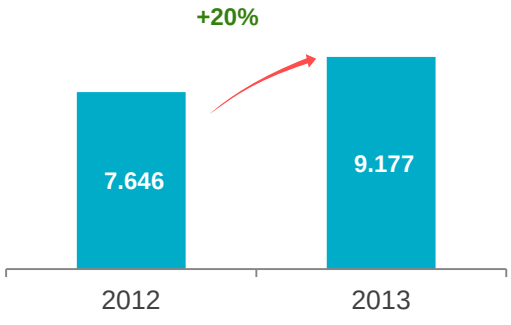
- **R$ 7.8 billion,** 19% growth
- Record of residential customers (over 117 thousand) and commercial customers (over 1000)
- Tariff increase approved by ARSESP

EBITDA and EBITDA Margin

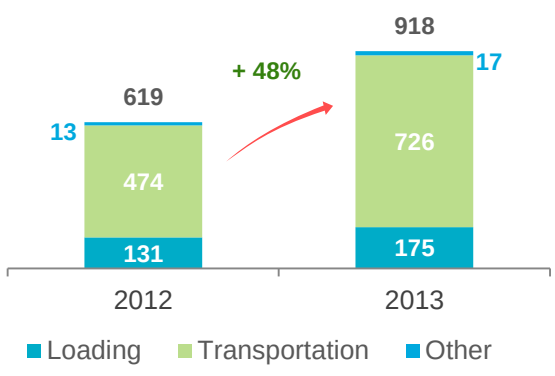
- **R$ 1.3 billion** and margin of 21%
- Recovery of only R$ 33 million from regulatory account compared to R$ 314 million forecasted

Rumo

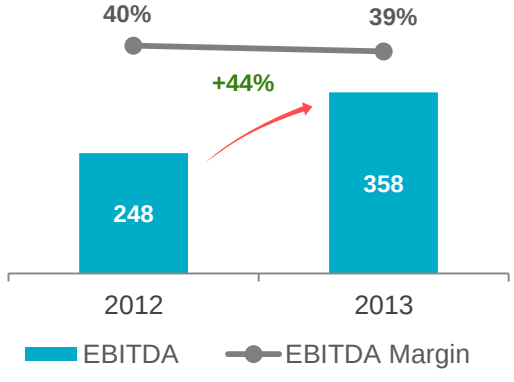
Volume Loaded at the Port | ('000 tons)



Net Revenue | (R$ MM)



EBITDA and EBITDA Margin | (R$ MM)



Volume Loaded

- **9.2 million** tons of sugar loaded in 2013, growth of 20%
- New contracts signed in the period.
- Increase market share in raising the bulk sugar in the port of Santos reaching 52%

Net Revenue

R$ 918 million in 2013, driven by**:**

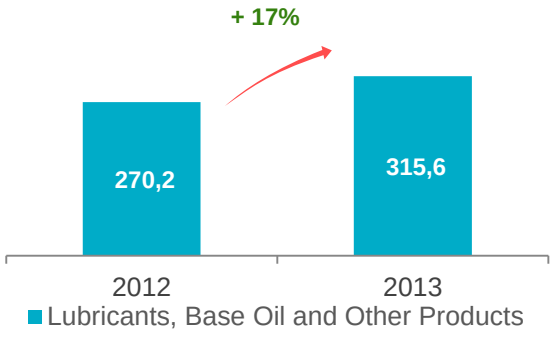
- Increase in sugar volumes transported
- Reimbursement for road transportation additional costs

EBITDA and EBITDA Margin

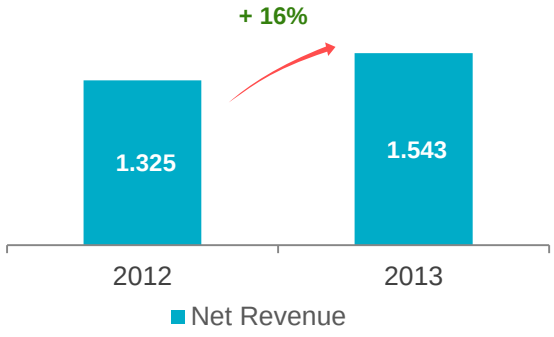
- **R$ 358 million** in 2013, increase of 44%
- **R$ 392 million** would have been Rumo's EBITDA without the effects of revenues not recognized and provision for doubtful allowance totaling R$ 34.4 million (ALL)

Cosan Lubricants

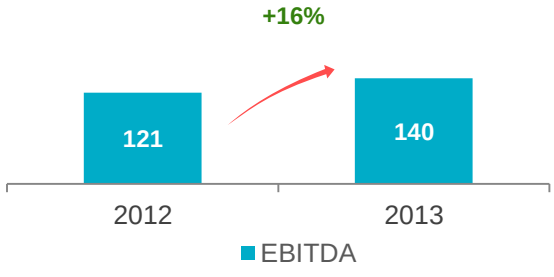
Total Volume Sold | (million liters)



Net Revenue | (R$ MM)



EBITDA | (R$ MM)



Net Revenue

- **R$ 1.5 billion** in 2013, up 16% due to the 17% increase in volumes sold, mainly impacted by base oils

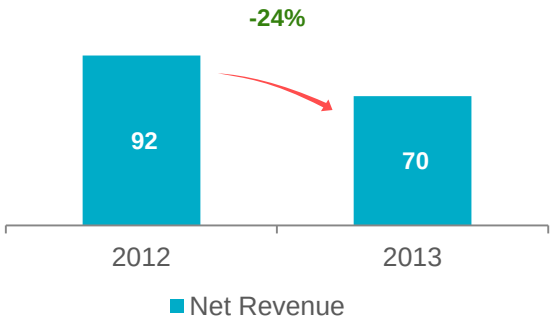
EBITDA

- **R$ 140 million** in 2013 with 9.1% margin. Up to 16% due to increase in volumes sold in the period.

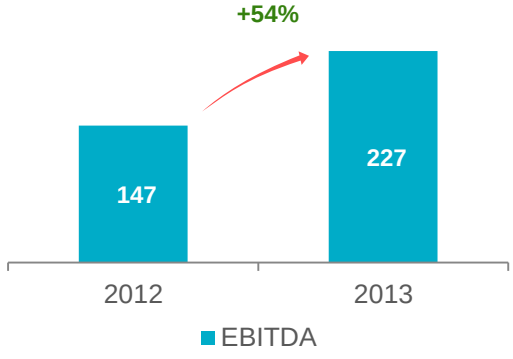
Note: For comparability purposes the Financial and Operational Performance of 4Q 2012 includes the results of the international operations .

Radar

Net Revenue | (R$ MM)



EBITDA | (R$ MM)



Net Revenue

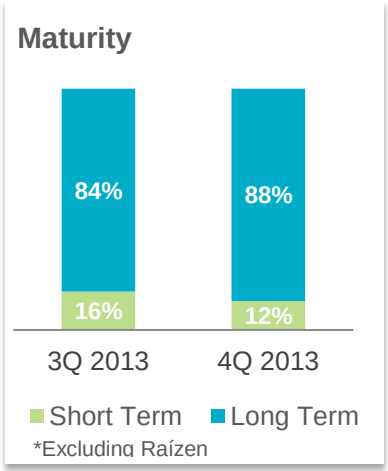
- **R$ 70 million** in 2013 reduction of 20% compared to 2012 , mainly impacted by lower sales of land, and the reduction in leasing prices.

EBITDA

- **R$ 228 million** in 2013, increase of 55% compared to 2012 impacted by the valuation of 7.2% of its land portfolio based on an independent appraisal.

Net Debt

	4Q 2013 (apr-dec)	3Q 2013 (jul-sep)	Chg. %
Comgás	2,632	2,608	0.9%
Rumo	706	730	-3.3%
Lubricants and Specialties	210	197	6.3%
Other Business	5,098	4,954	2.9%
Total Debt - Cosan	8,645	8,489	1.8%
Cash and Cash Equivalents and Securities	(1,563)	(1,308)	19,5%
Net Debt - Cosan	7,082	7,181	-1.4%
Debt - Raízen (50%)	3,930	3,511	11.9%
Cash and Cash Equivalents and Securities - Raízen	(694)	(801)	-13.3%
Net Debt Raízen	3.236	2,711	17.8%
Pro forma Debt - Cosan (including Raízen)	12,575	12,001	**4.8%**
Cash and Cash Equivalents and Securities - Cosan (including Raízen)	(2,256)	(2,108)	**7.2%**
Pro forma Net Debt - Cosan (including Raízen)	10,319	9,892	**4.3%**



Net Debt

Net debt, totaled R$ 8.6 billion, mainly due to:

- Funding of nearly R$553.4 million through the issue of debentures at Comgás.
- Provision for interest, foreign exchange variation, and derivatives fair value result, in the amount of R$269 million in the period.
- Amortization of principal and interest in the amount of R$666 million,mainly at Comgás.

Cash Equivalents

- All debts denominated in foreign currency hedged except for the main Perpetual (US$ 500 mm), issued by Cosan SA in 2010
- R$ 2.3 billion in Cash and Cash Equivalents and Marketable Securities

Leverage

Using the EBITDA Proforma (LTM) for the period ended December 31, 2013 (R$ 4.0 billion):

Net Debt / EBITDA = **2.6x**

Guidance 2014

		2013 (jan/2013 - dec/2013)	2013 (jan/2013 - dec/2013)		2014 (jan/2014 - dec/2014)
Cosan Consolidado	EBITDA Proforma (R$MM)	3,950 ≤ Δ ≤ 4,350	3,964	✓	4.150 ≤ Δ ≤ 4.650
	CAPEX Proforma (R$MM)	2,800 ≤ Δ ≤ 3,000	2,895	✓	2.500 ≤ Δ ≤ 2.800
Raízen Combustíveis	EBITDA (R$MM)	1,600 ≤ Δ ≤ 1,800	1,928	✓	2.000 ≤ Δ ≤ 2.200
	CAPEX (R$MM)	n/a	835	-	750 ≤ Δ ≤ 850
Raízen Energia	Volume of Sugar Cane Crushed (thousand tonnes)	59,000 ≤ Δ ≤ 62,000	61,441	-	61.000 ≤ Δ ≤ 63.000
	Volume of Sugar Sold (thousand tonnes)	4,300 ≤ Δ ≤ 4,600	4,470	-	4.400 ≤ Δ ≤ 4.700
	Volume of Ethanol Sold (million liters)	2,100 ≤ Δ ≤ 2,300	2,475	-	2.300 ≤ Δ ≤ 2.600
	Volume of Energy Sold (thousand of MWh)	1,900 ≤ Δ ≤ 2,100	2,165	-	2.000 ≤ Δ ≤ 2.200
	EBITDA (R$MM)	2,400 ≤ Δ ≤ 2,700	2,112	-	2.300 ≤ Δ ≤ 2.700
	CAPEX (R$MM)	n/a	2,531	-	2.000 ≤ Δ ≤ 2.200
Rumo	Volume of Loading (thousand tonnes)	8,500 ≤ Δ ≤ 10,500	9,177	✓	10.500 ≤ Δ ≤ 12.500
	EBITDA (R$MM)	330 ≤ Δ ≤ 370	358	✓	400 ≤ Δ ≤ 450
	CAPEX (R$MM)	n/a	255	-	250 ≤ Δ ≤ 300
Radar	EBITDA (R$MM)	140 ≤ Δ ≤ 160	228	✓	170 ≤ Δ ≤ 200
					2013
Cosan Lubrificantes	Total Volume Sold (million Liters)	270 ≤ Δ ≤ 310	316	✓	270 ≤ Δ ≤ 310
	EBITDA (R$MM)	140 ≤ Δ ≤ 170	140	✓	140 ≤ Δ ≤ 170
Comgás	Number of Clients (thousand)	1,320 ≤ Δ ≤ 1,330	1,334	✓	1.420 ≤ Δ ≤ 1.450
	Total Volume of Gas Sold (thousand cbm)	5,200 ≤ Δ ≤ 5,700	5,457	✓	5.200 ≤ Δ ≤ 5.700
	EBITDA IFRS (R$MM)	1,350 ≤ Δ ≤ 1,550	1,338	X	1.300 ≤ Δ ≤ 1.550
	CAPEX (R$MM)	n/a	852	-	680 ≤ Δ ≤ 780

Nota: (1) Raízen figures for 2014 are preliminary and subject to revision after its budget process conclusion

(2) Raízen Energia will have have its guidance finalized by the end of crop season 2013/14

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