

# 4Q13 and 2013
# RESULTS PRESENTATION

SLC Agrícola

***2013 Highlights***
***Market Outlook***
***Operating Results***
***Financial Information***

# 2013 Highlights



# 2013 Highlights

✓**2013/14 Crop Year**
***344,000*** *planted hectares, 22% of expansion in planted area;*

✓ **8,5% increase in volume**
*Over **1 milion** tons invoiced;*

✓**Net revenue**
*Growth of **5.6%** compared to 2012;*

✓**Net income**
***96.6*** *milion increase of **151%;***

✓**Creation of two new joint ventures**
*With groups **Soares Penido and Mitsui & Co Ltd.;***

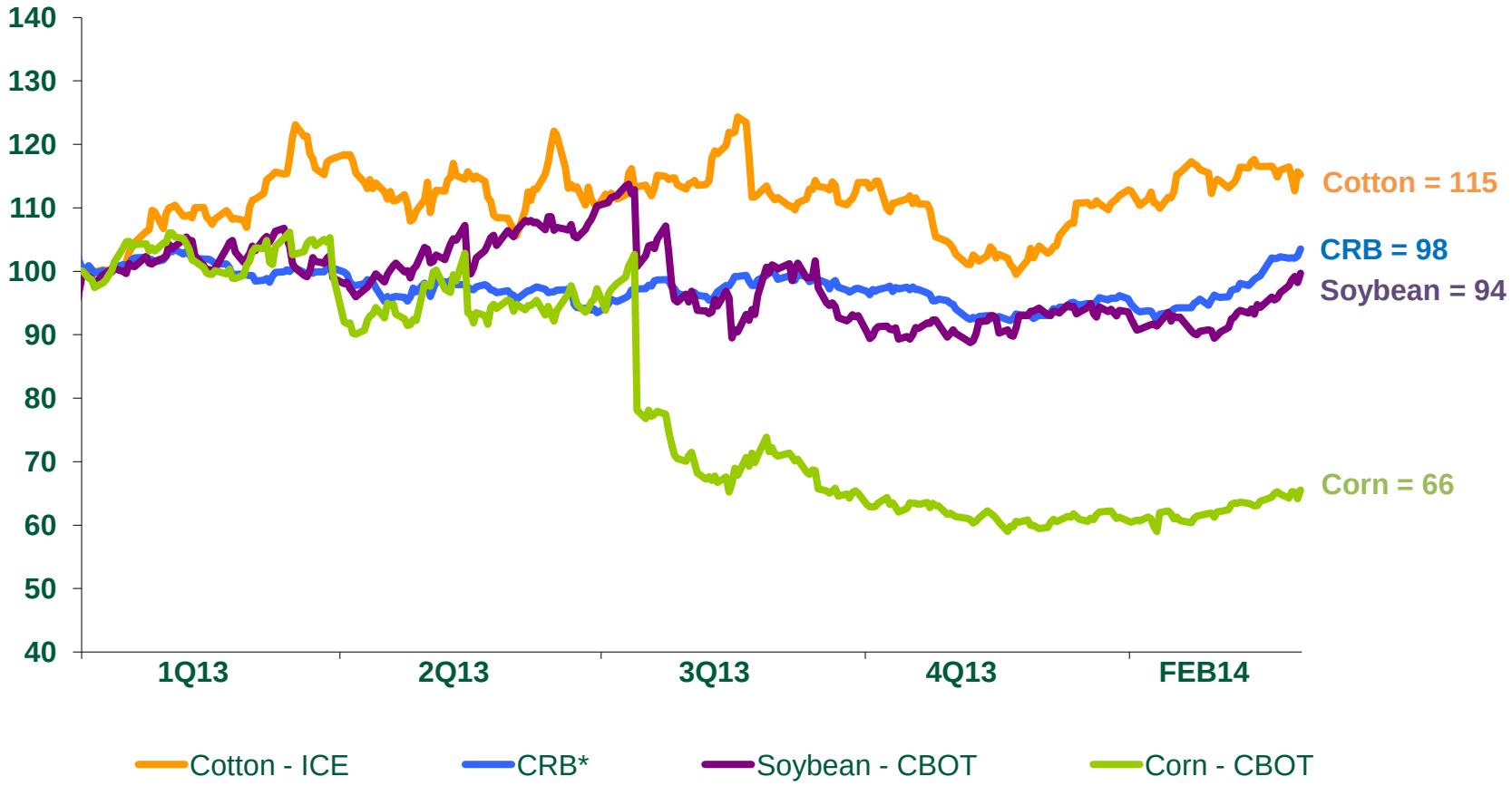
✓**First acquisitions by SLC LandCo**
***13,692*** *hectares acquired for investiment of **R$52 milion.***

# Market Outlook



# Market Outlook

## Commodities Prices Variation
From Jan 2013 to Feb 2014 (1st Contract)




Source: CMA (12/31/2012 = 100)
*Commodity Research Bureau
Up to 02/28/2014.

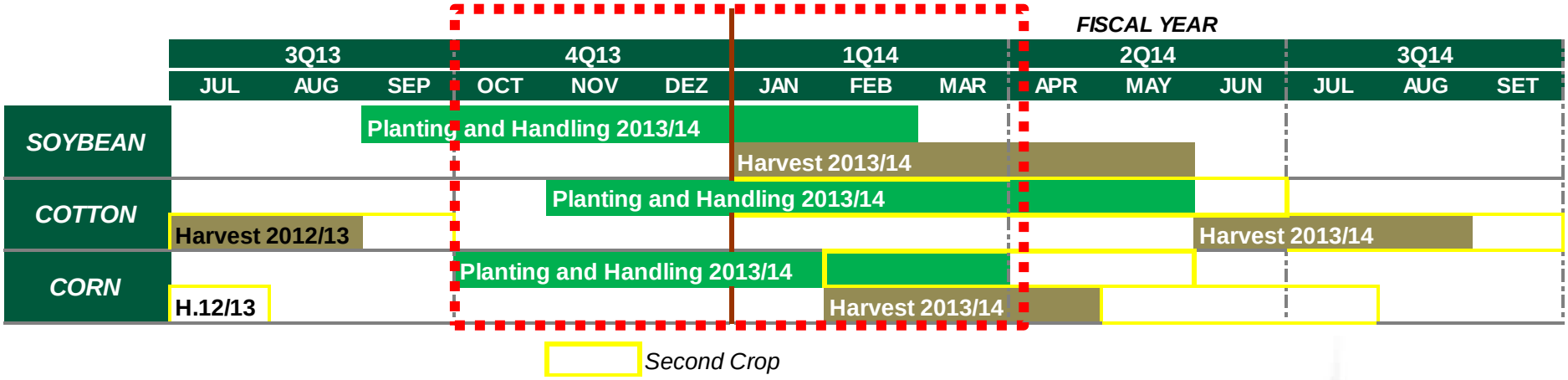
# Operating Results



# Operational Performance

## Achieved 2012/13 crop year and e Estimated 2013/14 crop year

| Yields (kg/ha) | Achieved 2012/13 | Estimated 2013/14 | Δ% |
|---|---|---|---|
| Cotton lint 1st crop | 1,558 | 1,684 | 8.1% |
| Cotton lint 2nd crop | 1,285 | 1,479 | 15.1% |
| Cotton Seed | 1,976 | 2,222 | 12.4% |
| Soybean | 2,640 | 3,240 | 22.7% |
| Corn 1st crop | 7,385 | 10,774 | 45.9% |
| Corn 2nd crop | 6,857 | 6,536 | -4.7% |



# Financial Results



# Summary of Results

| (R$ thd) | 2012 | 2013 | AH | 4Q12 | 4Q13 | AH |
|---|---|---|---|---|---|---|
| **Net revenue** | **1,118,743** | **1,181,520** | **5.6%** | **298,893** | **338,694** | **13.3%** |
| **(-) Cost of goods sold** | **(864,956)** | **(920,234)** | **6.4%** | **(225,679)** | **(302,247)** | **33.9%** |
| **Gross income** | **253,787** | **261,286** | **3.0%** | **73,214** | **36,447** | **-50.2%** |
| (-) Sales expenses | (67,849) | (63,991) | -5.7% | (23,927) | (20,509) | -14.3% |
| (-) General and administrative expenses | (38,124) | (39,272) | 3.0% | (8,131) | (11,818) | 45.3% |
| (-) Management compensation | (8,067) | (8,457) | 4.8% | (3,258) | (2,264) | -30.5% |
| (-) Other operating revenues | 5,374 | 913 | -83.0% | 1,148 | 449 | -60.9% |
| **Adjusted EBITDA** (1) | **290,308** | **233,730** | **-19.5%** | **79,082** | **74,695** | **-5.5%** |
| ***Adjusted EBITDA margin*** (2) | **29.5%** | **22.6%** | ***-6.9 p.p.*** | **28.1%** | **23.3%** | ***-4.8 p.p*** |
| **Net financial result** | **(72,590)** | **(24,895)** | **-65.7%** | **25,504** | **(9,977)** | **n.m** |
| **Income (loss) before income taxes** | **72,531** | **125,584** | **73.1%** | **64,550** | **(7,672)** | **n.m** |
| ***Income (loss) before income taxes margin*** | ***6.5%*** | ***10.6%*** | ***4.1 p.p*** | ***21,6%*** | ***-2.3%*** | ***-23.9 p.p*** |
| **Income and social contribution taxes** | **34,101** | **(28,981)** | **73,1%** | **(13,704)** | **5,946** | **n.m** |
| **Net profit** | **38,430** | **96,603** | **151.4%** | **50,846** | **(1,726)** | **n.m** |
| ***Net margin*** | **3.4%** | **8.2%** | ***4.8 p.p*** | ***17,0%*** | ***-0.5%*** | ***-17.5 p.p*** |
| **Net Debt** | **653,614** | **777,312** | **18.9%** | **653,614** | **777,312** | **18.9%** |

*(1) Excludes the effects from Biological Assets, since they are noncash.*

*(2) As a ratio of Net Revenue excluding the effects from Biological Assets.*

***NOTE:*** *4Q12 and 4Q13 refer to the cumulative three-month periods from October to December of fiscal years 2012 and 2013, respectively. 2012 and 2013 refer to the cumulative 12-month periods from January to December of fiscal years 2012 and 2013, respectively. AH refers to the horizontal percentage variation between two periods .*

# Net Debt

| (R$ thd) | Currency | Annual Average Interest Rat (%) 12/31/2013 | Annual Average Interest Rat (%) 12/31/2012 | Consolidated 12/31/2013 | Consolidated 12/31/2012 |
|---|---|---|---|---|---|
| **Applied in Fixed Assets** | | | | | |
| Finame – BNDES | Pré and TJLP | **5.42%** | 6.31% | **123,880** | 37,026 |
| Constitutional Funds (1) | Pré | **7.38%** | 7.29% | **56,776** | 90,984 |
| Financing Investments | US$ + Libor | **5.54%** | 5.74% | **18,961** | 21,276 |
| | | | | **199,617** | 149,286 |
| **Applied in Working Capital** | | | | | |
| Rural Credit | Pré | **6.99%** | 6.11% | **307,311** | 174,743 |
| Constitutional Funds (1) | Pré | **7.23%** | 7.23% | **136,981** | 29,198 |
| Working Capital | Pré | **12.16%** | 8.31% | **65,738** | 90,162 |
| External Loans | CDI | **10.77%** | - | **100,085** | - |
| External Loans | US$, Libor+Pré | **3.92%** | 4.05% | **360,557** | 367,471 |
| | | **6.51%** | 5.59% | **970,672** | 661,574 |
| **Total Indebtedness** | | | | **1,170,289** | 810,860 |
| **(-) Cash** | | | | **392,977** | 157,246 |
| **(=) Net Debt** | | | | **777,312** | 653,614 |
| **Net Debt/ Adjusted EBITDA** | | | | **3.33x** | 2.25x |
| **Net Debt/NAV** | | | | **25.3%** | **24.4%** |

(1) To calculate the average cost of the Constitutional Funds, we considered a discount of 15% relative to the performance bonus applicable to these operations.

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