A free translation from Portuguese into English of financial statements in accordance with accounting practices adopted in Brazil

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Company Information / Capital Composition

Number of Shares	Current Quarter
(Units)	09/30/2011
Paid-up Capital	
Common	98,897,500
Preferred	0
Total	98,897,500
Treasury	
Common	1,404,700
Preferred	0
Total	1,404,700

Individual Financial Statements / Balance Sheet – Assets

(In thousands of reais)

Account Code	Account Line	Current Quarter 09/30/2011	Prior Year 12/31/2010
1	Total Assets	2,628,876	2,430,073
1.01	Current Assets	665,083	512,197
1.01.01	Cash and Cash Equivalents	53,713	93,119
1.01.03	Accounts Receivable	110,813	117,188
1.01.03.01	Trade Accounts Receivable	41,837	28,529
1.01.03.02	Other Receivables	68,976	88,659
1.01.03.02.01	Advances to Suppliers	15,394	15,782
1.01.03.02.02	Derivative Operations	20,021	45,225
1.01.03.02.03	Notes and Amounts Receivable	13,065	12,043
1.01.03.02.04	Other Receivables	19,676	1,814
1.01.03.02.05	Dividends Receivable	820	992
1.01.03.02.06	Restricted Investments	0	12,803
1.01.04	Inventories	277,644	147,014
1.01.05	Biological Assets	184,240	119,351
1.01.06	Recoverable Taxes	26,231	28,657
1.01.06.01	Recoverable Current Taxes	26,231	28,657
1.01.07	Prepaid Expenses	12,442	6,868
1.02	Non-current assets	1,963,793	1,917,876
1.02.01	Long-Term Assets	139,358	136,388
1.02.01.03	Accounts Receivable	17,384	32,050
1.02.01.03.02	Other Receivables	17,384	32,050
1.02.01.05	Biological Assets	16,681	17,771
1.02.01.06	Deferred Taxes	63,655	59,400
1.02.01.06.01	Deferred Income and Social Contribution Taxes	63,655	59,400
1.02.01.07	Prepaid Expenses	3,084	4,475
1.02.01.08	Related Parties	9,977	4,512
1.02.01.08.02	Subsidiaries	9,977	4,512
1.02.01.09	Other Non-Current Assets	28,577	18,180
1.02.01.09.03	Advances for Future Capital Increase	28,577	18,180
1.02.02	Investments	1,399,897	1,364,205
1.02.02.01	Investments in Subsidiaries	1,399,897	1,364,205
1.02.02.01.02	Investments in Subsidiaries	1,399,776	1,364,105
1.02.02.01.04	Other Investments	121	100
1.02.03	Property, Plant and Equipment	413,966	406,849
1.02.03.01	Property, Plant and Equipment in Use	399,727	385,617
1.02.03.03	Property, Plant and Equipment in Progress	14,239	21,232
1.02.04	Intangible Assets	10,572	10,434
1.02.04.01	Intangible Assets	10,572	10,434

Individual Financial Statements / Balance Sheet – Liabilities

(In thousands of Reais)

Account Code	Account Line	Current Quarter 09/30/2011	Prior Year 12/31/2010
2	Total Liabilities	2,628,876	2,430,073
2.01	Current Liabilities	319,272	294,530
2.01.01	Social Security and Labor Liabilities	1,721	1,985
2.01.01.01	Social Security Liabilities	1,599	1,985
2.01.01.02	Labor Liabilities	122	-
2.01.02	Trade Accounts Payable	42,969	58,406
2.01.02.01	Trade Accounts Payable – Domestic	42,969	58,406
2.01.03	Taxes Payable	1,361	1,961
2.01.03.01	Federal Taxes Payable	550	1,794
2.01.03.01.01	Income and Social Contribution Taxes Payable	240	1,323
2.01.03.01.02	Taxes, Fees and Sundry Contributions	310	471
2.01.03.02	Fiscal and state obligations	742	120
2.01.03.03	Fiscal and municipal obligations	69	47
2.01.04	Loans and Financing	182,307	153,340
2.01.04.01	Loans and Financing	182,307	153,340
2.01.04.01.01	In Local Currency	182,307	153,340
2.01.05	Other Payables	79,255	71,980
2.01.05.01	Related Parties	5,217	5,350
2.01.05.01.02	Subsidiaries	5,217	5,350
2.01.05.02	Other	74,038	66,630
2.01.05.02.02	Mandatory Minimum Dividends Payable	0	15,592
2.01.05.02.04	Notes Payable	593	2,600
2.01.05.02.05	Advances from Customers	42,062	7,526
2.01.05.02.06	Lease	2,498	0
2.01.05.02.07	Derivative Operations	23,997	35,987
2.01.05.02.08	Other Liabilities	4,888	4,925
2.01.06	Provision	11,932	6,858
2.01.06.01	Provision Pension Tax labor and civil	11,932	6,858
2.01.06.01.01	Tx provisions	160	160
2.01.06.01.02	Unfunded social security and labor	6,220	3,034
2.01.06.01.03	Provisions for employee benefit	5,552	3,664
2.02	Non-Current Liabilities	383,384	260,550
2.02.01	Loans and Financing	223,424	138,784
2.02.01.01	Loans and Financing	223,424	138,784
2.02.01.01.01	In Local Currency	223,424	138,784
2.02.02	Other Payables	20,555	2,133
2.02.02.02	Other	20,555	2,133
2.02.02.02.03	Derivative Operations	20,007	1,585
2.02.02.02.04	Other Liabilities	548	548
2.02.03	Deferred Taxes	139,405	119,633
2.02.03.01	Deferred Income and Social Contribution Taxes	139,405	119,633
2.03	Equity	1,926,220	1,874,993
2.03.01	Paid-up Capital	557,434	557,434
2.03.02	Capital Reserves	172,857	174,015

2.03.02.01	Premium on Issue of Shares	176,483	176,103
2.03.02.04	Options Granted	14,695	9,690
2.03.02.05	Treasury Shares	-18,321	-11,778
2.03.04	Income Reserves	138,672	138,672
2.03.04.01	Legal Reserve	2,851	2,851
2.03.04.05	Profit Retention Reserve	5,628	5,628
2.03.04.10	Expansion Reserve	130,193	130,193
2.03.05	Retained Earnings/Accumulated Losses	126,632	0
2.03.08	Other Comprehensive Income	930,625	1,004,872

Individual Financial Statements / Income Statement

(In thousands of Reais, except per share information)

Account Code	Account Line	Three-month period 07/01/2011 to 09/30/2011	Accumulated for the current fiscal year 01/01/2011 to 09/30/2011	Same quarter of previous year 07/01/2010 to 09/30/2010	Accumulated over the previous year 01/01/2010 to 09/30/2010
3.01	Net operating revenue	183,611	430,208	154,662	370,541
3.02	Cost of Goods Sold and/or Services	-96,993	-240,440	-103,975	-287,084
3.03	Gross Profit	86,618	189,768	50,687	83,457
3.04	Operating Income (Expenses)	-3,615	-13,816	-10,381	-2,789
3.04.01	Selling Expenses	-7,565	-18,246	-10,641	-23,628
3.04.02	General and Administrative Expenses	-12,755	-35,105	-7,091	-20,456
3.04.02.01	General and Administrative	-10,681	-29,277	-6,172	-18,233
3.04.02.02	Management Fees	-2,074	-5,828	-919	-2,223
3.04.04	Other Operating Income	252	529	2,276	3,996
3.04.05	Other Operating Expenses	-2,776	-4,909	0	0
3.04.06	Equity Pickup	19,229	43,915	5,075	37,299
3.05	Income Before Financial Income (Expenses) and Taxes	83,003	175,952	40,306	80,668
3.06	Financial Income (Expenses)	217	-9,586	-5,643	-12,771
3.06.01	Financial Income	13,261	49,682	21,300	44,597
3.06.02	Financial Expenses	-13,044	-59,268	-26,943	-57,368
3.07	Income Before Taxes	83,220	166,366	34,663	67,897
3.08	Income and Social Contribution Taxes	-23,344	-44,905	-14,420	-17,215
3.08.01	Current	-240	-240	0	0
3.08.02	Deferred taxes	-23,104	-44,665	-14,420	-17,215
3.09	Net Income from Continuing Operations	59,876	121,461	20,243	50,682
3.11	Net Income (Loss) for the Period	59,876	121,461	20,243	50,682
3.99	Earnings per Share - (Reais)	0.61416	1.24585	0.20732	0.51906

Individual Financial Statements / Comprehensive Income Statement

(In thousands of reais)

Account Code	Account Line	Three-month period	Accumulated for the current fiscal year	Same quarter of previous year	Accumulated over the previous year
		07/01/2011 to 09/30/2011	01/01/2011 to 09/30/2011	07/01/2010 to 09/30/2010	01/01/2010 to 09/30/2010
4.01	Net Income for the period	59,876	121,461	20,243	50,682
4.02	Other comprehensive income	-90,207	-69,076	15,037	17,041
4.02.01	Derivatives – cash flow hedge	-107,524	-81,456	20,520	24,648
4.02.02	Derivatives – cash flow hedge – subsidiaries	36,558	27,695	-6,977	-8,380
4.02.03	Income and social contribution taxes	-19,241	-15,315	1,494	773
4.03	Comprehensive Income for the Period	-30,331	52,385	35,280	67,723

Individual Financial Statements / Cash Flow Statement – Indirect Method

(In thousands of reais)

Account Code	Account Line	Three-month period	Accumulated over the previous year
		01/01/2011 to 09/30/2011	01/01/2010 to 09/30/2010
6.01	Net Cash From Operating Activities	-13,832	61,659
6.01.01	Cash Flow From Operating Activities	59,028	62,107
6.01.01.01	Net Income (Loss) Before Taxes	166,366	67,897
6.01.01.02	Depreciation	42,878	37,158
6.01.01.03	Permanent Assets Write-off	16,466	5,419
6.01.01.04	Unrealized Gains on Hedge Instruments	-53,761	14,849
6.01.01.05	Equity Pickup	-43,915	-37,128
6.01.01.06	Interest, Exchange Variation and Monetary Restatement	38,343	17,477
6.01.01.09	Deferred Taxes	-44,905	3,498
6.01.01.10	Increase (Decrease) in Biological Assets	-62,444	-47,063
6.01.02	Increase (Decrease) in Assets and Liabilities	-72,860	-448
6.01.02.01	Trade Accounts Receivable	-13,308	-9,125
6.01.02.02	Biological Assets	-131,985	23,370
6.01.02.03	Recoverable Taxes	2,120	-11,498
6.01.02.04	Related Parties	-5,465	3,399
6.01.02.05	Derivative Operations	30,149	-29,234
6.01.02.06	Other Receivables	-16,735	-8,814
6.01.02.07	Financial applications bound	12,803	0
6.01.02.08	Supplier	-15,710	-16,922
6.01.02.09	Taxes Payable and Social Security Liabilities	-3,296	13,353
6.01.02.10	Related Parties	-133	3,151
6.01.02.11	Derivative Operations	6,432	15,283
6.01.02.12	Titles Payable	0	2,600
6.01.02.13	Other Payables	62,268	13,989
6.02	Net Cash Used in Investing Activities	-66,709	-83,878
6.02.01	In Investments	-110	1,248
6.02.02	In Property, Plant and Equipment	-65,861	-84,816
6.02.03	In Intangible Assets	-738	-310
6.03	Net Cash from Financing Activities	41,135	-22,294
6.03.01	Alienation of Shares	2,464	0
6.03.02	Buyback of Shares	-8,626	672
6.03.03	Stock Option Plans	5,004	1,844
6.03.04	Loans and Financing Obtained	310,839	163,689
6.03.05	Repayment of Loans and Financing	-235,575	-191,418
6.03.06	Dividends paid	-15,592	-7,081
6.03.07	Controlled Dividends Received	0	10,000
6.03.08	Controlled Capital Payment	-17,379	0
6.05	Increase (Decrease) in Cash and Cash Equivalents	-39,406	-44,513
6.05.01	Cash and Cash Equivalents – At Beginning of Period	93,119	95,851
6.05.02	Cash and Cash Equivalents – At End of Period	53,713	51,338

Individual Financial Statements / Statement of Changes in Equity from 01/01/2011 to 09/30/2011

(In thousands of reais)

Account Code	Account Line	Paid-up Capital	Capital Reserves, Options Granted and and Treasury Shares	Income Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity
5.01	Initial Balances	557,434	174,015	138,672	0	1,004,872	1,874,993
5.03	Adjusted Initial Balances	557,434	174,015	138,672	0	1,004,872	1,874,993
5.04	Capital Transactions with Shareholders	0	-1,158	0	0	0	-1,158
5.04.03	Recognized Options Granted	0	5,004	0	0	0	5,004
5.04.04	Treasury Obtained	0	-8,626	0	0	0	-8,626
5.04.05	Treasury Shares Sold	0	2,083	0	0	0	2,083
5.04.08	Premium emission shares	0	381	0	0	0	381
5.05	Total Comprehensive Income	0	0	0	126,632	-74,247	52,385
5.05.01	Net Income for the Period	0	0	0	121,461	0	121,461
5.05.02	Other Comprehensive Income	0	0	0	5,171	-74,247	-69,076
5.05.02.01	Adjustments of Financial Instruments	0	0	0	0	-81,456	-81,456
5.05.02.02	Taxes on Adjustments of Financial Instruments	0	0	0	0	27,695	27,695
5.05.02.03	Equity s/ result comprehensive subsidiaries and affiliated companies	0	0	0	0	-15,315	-15,315
5.05.02.06	Realization of Cost attributable to fixed assets	0	0	0	5,171	-5,171	0
5.07	Final Balances	557,434	172,857	138,672	126,632	930,625	1,926,220

Individual Financial Statements / Statement of Changes in Equity from 01/01/2010 to 09/30/2010

(In thousands of reais)

Account Code	Account Line	Paid-up Capital	Capital Reserves, Options Granted and and Treasury Shares	Income Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity
5.01	Initial Balances	557,434	166,782	89,372	0	993,510	1,807,098
5.03	Adjusted Initial Balances	557,434	166,782	89,372	0	993,510	1,807,098
5.04	Capital Transactions with Shareholders	0	2,516	0	0	0	2,516
5.04.03	Recognized Options Granted	0	1,844	0	0	0	1,844
5.04.04	Treasury Obtained	0	573	0	0	0	573
5.04.08	Premium emission shares	0	99	0	0	0	99
5.05	Total Comprehensive Income	0	0	0	51,150	16,573	67,723
5.05.01	Net Income for the Period	0	0	0	50,682	0	50,682
5.05.02	Other Comprehensive Income	0	0	0	468	16,573	17,041
5.05.02.01	Adjustments of Financial Instruments	0	0	0	0	24,648	16,268
5.05.02.02	Taxes on Adjustments of Financial Instruments	0	0	0	0	-8,380	0
5.05.02.03	Equity s/ result comprehensive subsidiaries and affiliated companies	0	0	0	0	773	773
5.05.02.06	Realization of Fair Value Depreciation	0	0	0	468	-468	0
5.07	Final Balances	557,434	169,298	89,372	51,150	1,010,083	1,877,337

Individual Financial Statements / Value Added Statement
(In thousands of reais)

Account Code	Account Line	Three-month period	Prior Year
		01/01/2011 to 09/30/2011	01/01/2010 to 09/30/2010
7.01	Revenues	463,681	425,334
7.01.01	Sales of Products and Services	312,434	310,798
7.01.02	Other Revenues	119,965	80,719
7.01.02.01	Other Revenues	-3,006	4,785
7.01.02.02	Change in Fair Value of Biological Assets	122,971	75,934
7.01.03	Revenues from Construction of Own Assets	31,282	33,817
7.02	Bought-in Materials and Services	-221,654	-256,153
7.02.01	Cost of Goods Sold and/or Services	-1,319	-986
7.02.02	Materials, Electricity, Outsourced Services and Other	-83,083	-107,310
7.02.03	Impairment/Recovery of Assets	-32	1,242
7.02.04	Other	-137,220	-149,099
7.02.04.01	Raw Materials Consumed	-76,692	-120,228
7.02.04.02	Adjustment to Fair Value of Biological Assets	-60,528	-28,871
7.03	Gross Value Added	242,027	169,181
7.04	Retentions	-26,481	-31,153
7.04.01	Depreciation, Amortization and Depletion	-26,481	-31,153
7.05	Net Value Added Produced	215,546	138,028
7.06	Value Added Received in Transfer	112,806	87,938
7.06.01	Equity Pickup	43,915	37,299
7.06.02	Financial Income	68,800	50,551
7.06.03	Other	91	88
7.07	Total Value Added for Distribution	328,352	225,966
7.08	Distribution of Value Added	328,352	225,966
7.08.01	Personnel	45,278	40,965
7.08.01.01	Direct Compensation	24,301	30,008
7.08.01.02	Benefits	19,026	8,874
7.08.01.03	FGTS (Severance Pay Fund)	1,951	2,083
7.08.02	Taxes, Charges and Contributions	89,204	53,763
7.08.02.01	Federal	79,939	42,468
7.08.02.02	State	9,256	11,269
7.08.02.03	Municipal	9	26
7.08.03	Return on Borrowed Capital	72,409	80,556
7.08.03.01	Interest	59,481	57,767
7.08.03.02	Rental	12,928	22,789
7.08.04	Return on Own Capital	121,461	50,682
7.08.04.03	Retained Earnings/Accumulated Losses for the Period	121,461	50,682

Consolidated Financial Statements / Balance Sheet – Assets

(In thousands of reais)

Account Code	Account Line	Current Quarter 09/30/2011	Prior Year 12/31/2010
1	Total Assets	3,427,426	3,116,574
1.01	Current Assets	958,587	737,877
1.01.01	Cash and Cash Equivalents	88,289	110,219
1.01.03	Accounts Receivable	120,831	138,407
1.01.03.01	Trade Accounts Receivable	63,250	45,611
1.01.03.02	Other Receivables	57,581	92,796
1.01.03.02.01	Advances to Suppliers	16,334	16,511
1.01.03.02.02	Derivative Operations	22,586	50,012
1.01.03.02.03	Notes and Amounts Receivable	13,639	12,043
1.01.03.02.04	Other Receivables	5,022	1,427
1.01.03.02.05	Restricted Investments	0	12,803
1.01.04	Inventories	393,397	239,222
1.01.05	Biological Assets	284,812	191,212
1.01.06	Recoverable Taxes	57,340	51,753
1.01.06.01	Current taxes to recover	57,340	51,753
1.01.07	Prepaid Expenses	13,918	7,064
1.02	Non-Current Assets	2,468,839	2,378,697
1.02.01	Long-Term Assets	123,726	128,673
1.02.01.03	Accounts Receivable	19,059	34,453
1.02.01.03.02	Other Accounts Receivable	19,059	34,453
1.02.01.05	Biological Assets	16,681	17,771
1.02.01.06	Deferred Taxes	83,975	71,974
1.02.01.06.01	Deferred Income and Social Contribution Taxes	83,975	71,974
1.02.01.07	Prepaid Expenses	3,084	4,475
1.02.01.08	Receivables from related parties	927	0
1.02.02	Investments	367	488
1.02.02.01	Investments in Subsidiaries	367	488
1.02.02.01.04	Other Investments in Subsidiaries	367	488
1.02.03	Property, Plant and Equipment	2,334,079	2,239,052
1.02.03.01	Property, Plant and Equipment In Use	2,312,937	2,206,981
1.02.03.03	Property, Plant and Equipment In Progress	21,142	32,071
1.02.04	Intangible Assets	10,667	10,484
1.02.04.01	Intangible Assets	10,667	10,484

Consolidated Financial Statements / Balance Sheet –Liabilities

(In thousands of Reais)

Account Code	Account Line	Current Quarter 09/30/2011	Prior Year 12/31/2010
2	Total Liabilities	3,427,426	3,116,574
2.01	Current Liabilities	602,977	493,030
2.01.01	Social Security and Labor Liabilities	3,068	2,779
2.01.01.01	Social Security Liabilities	2,840	2,752
2.01.01.02	Labor Liabilities	228	27
2.01.02	Trade Accounts Payable	62,307	94,974
2.01.02.01	Trade Accounts Payable – Domestic	62,307	94,974
2.01.03	Taxes Payable	11,933	4,838
2.01.03.01	Federal Taxes Payable	10,725	4,131
2.01.03.01.01	Income and Social Contribution Taxes Payable	10,282	3,529
2.01.03.01.02	Taxes, Fees and Sundry Contributions	443	602
2.01.03.02	Fiscal and state obligations	1,093	632
2.01.03.03	Fiscal and municipal obligations	115	75
2.01.04	Loans and Financing	330,204	260,117
2.01.04.01	Loans and Financing	330,204	260,117
2.01.04.01.01	In Local Currency	330,204	260,117
2.01.05	Other Payables	178,376	121,816
2.01.05.02	Other	178,376	121,816
2.01.05.02.02	Mandatory Minimum Dividends Payable	0	15,592
2.01.05.02.04	Notes Payable	61,753	50,077
2.01.05.02.05	Advances from Customers	64,868	10,875
2.01.05.02.06	Derivative Operations	36,589	35,987
2.01.05.02.07	Lease	3,168	4,983
2.01.05.02.08	Other Liabilities	11,998	4,302
2.01.06	Provision	17,089	8,506
2.01.06.01	Provision Pension Tax Labor and civil	17,089	8,506
2.01.06.01.01	Tx provisions	160	160
2.01.06.01.02	Unfunded social security and labor	9,214	4,314
2.01.06.01.03	Provisions for employee benefit	7,715	4,032
2.02	Non-Current Liabilities	898,229	748,551
2.02.01	Loans and Financing	262,825	189,476
2.02.01.01	Loans and Financing	262,825	189,476
2.02.01.01.01	In Local Currency	262,825	189,476
2.02.02	Other Payables	102,501	53,730
2.02.02.02	Other	102,501	53,730
2.02.02.02.03	Notes Payable	72,583	51,596
2.02.02.02.04	Derivative Operations	29,370	1,585
2.02.02.02.05	Other Liabilities	548	549
2.02.03	Deferred Taxes	532,903	505,345
2.02.03.01	Deferred Income and Social Contribution Taxes	532,903	505,345
2.03	Consolidated Equity	1,926,220	1,874,993
2.03.01	Paid-Up Capital	557,434	557,434
2.03.02	Capital Reserves	172,857	174,015
2.03.02.01	Premium on Issue of Shares	176,483	176,103
2.03.02.04	Options Granted	14,695	9,690

2.03.02.05	Treasury Shares	-18,321	-11,778
2.03.04	Income Reserves	149,077	154,252
2.03.04.01	Legal Reserve	2,851	2,851
2.03.04.02	Bylaws reserve	140,598	145,773
2.03.04.05	Profit Retention Reserve	5,628	5,628
2.03.05	Retained Earnings/Accumulated Losses	132,161	0
2.03.08	Other Comprehensive Income	914,691	989,292

Consolidated Financial Statements / Income Statement

(In thousands of Reais, except per share information)

Account Code	Account Line	Three-month period	Accumulated for the current fiscal year	Same quarter of previous year	Accumulated over the previous year
		07/01/2011 to 09/30/2011	01/01/2011 to 09/30/2011	07/01/2010 to 09/30/2010	01/01/2010 to 09/30/2010
3.01	Net Operating Revenue	275,682	682,063	219,830	603,435
3.02	Cost of Goods Sold and/or Services	-148,044	-405,461	-141,432	-449,133
3.03	Gross Profit	127,638	276,602	78,398	154,302
3.04	Operating Income (Expenses)	-27,093	-71,107	-24,672	-59,118
3.04.01	Selling Expenses	-11,057	-26,295	-13,378	-34,204
3.04.02	General and Administrative Expenses	-17,294	-44,716	-8,911	-24,946
3.04.02.01	General and Administrative	-15,220	-38,888	-7,994	-22,723
3.04.02.02	Management Fees	-2,074	-5,828	-917	-2,223
3.04.04	Other Operating Income	1,258	-980	-2,383	32
3.04.05	Other Operating Expenses	0	884	0	0
3.05	Income Before Financial Income (Expenses) and Taxes	100,545	205,495	53,726	95,184
3.06	Financial Income (Expenses)	-6,126	-12,542	-24,015	-24,506
3.06.01	Financial Income	18,604	74,013	20,721	66,847
3.06.02	Financial Expenses	-24,730	-86,555	-44,736	-91,353
3.07	Income Before Taxes	94,419	192,953	29,711	70,678
3.08	Income and Social Contribution Taxes	-31,810	-65,964	-11,944	-23,306
3.08.01	Current	-6,086	-11,467	-206	-5,916
3.08.02	Deferred	-25,724	-54,497	-11,738	-17,390
3.09	Net Income from Continuing Operations	62,609	126,989	17,767	47,372
3.11	Consolidated Net Income (Loss) for the Period	62,609	126,989	17,767	47,372
3.11.01	Attributable to Equity Holders of the Parent	62,609	126,989	17,767	47,372
3.99	Earnings per Share - (Reais)	0.64219	1.30255	0.18196	0.48516

Consolidated Financial Statements / Comprehensive Income Statement

(In thousands of reais)

Account Code	Account Line	Three-Month Period	Accumulated for the current fiscal year	Same quarter of previous year	Accumulated over the previous year
		07/01/2011 to 09/30/2011	01/01/2011to 09/30/2011	07/01/2010 to 09/30/2010	01/01/2010 to 09/30/2010
4.01	Consolidated Net Income for the Period	62,609	126,989	17,767	47,374
4.02	Other comprehensive income	-87,765	-69,429	9,550	14,249
4.02.01	Derivatives – cash flow hedge	-132,978	-105,196	14,469	21,589
4.02.02	Income and social contribution taxes	45,213	35,767	-4,919	-7,340
4.03	Consolidated Comprehensive Income for the Period	-25,156	57,560	27,317	61,623
4.03.01	Attributable to Equity Holders of the Parent	-25,156	57,560	27,317	61,623

Consolidated Financial Statements / Cash Flow Statement – Indirect Method (In thousands of reais)

Account Code	Account Line	Three-month period	Accumulated over the
		01/01/2011 to 09/30/2011	01/01/2010 to 09/30/2010
6.01	Net Cash From Operating Activities	67,080	144,743
6.01.01	Cash Flow From Operating Activities	99,143	130,642
6.01.01.01	Net Income (Loss) Before Taxes	192,953	70,678
6.01.01.02	Depreciation	63,663	57,777
6.01.01.03	Permanent Assets Write-Off	11,842	32,977
6.01.01.04	Unrealized Gains on Hedge Instruments	-69,429	20,348
6.01.01.05	Interest, exchange variation and monetary restatement	45,248	28,494
6.01.01.07	Provision for Current Income and Social Contribution Taxes	-11,467	-5,916
6.01.01.08	Deferred Taxes	-54,497	3,988
6.01.01.09	Increase (Decrease) in Biological Assets	-79,170	-77,704
6.01.02	Increase (Decrease) in Assets and Liabilities	-32,063	14,101
6.01.02.01	Accounts receivable	-17,639	-2,772
6.01.02.02	Biological Assets	-167,515	38,712
6.01.02.03	Taxes to recover	-5,404	-12,717
6.01.02.04	Transactions with affiliates and subsidiaries	-927	2
6.01.02.05	Derivative Operations	32,628	-31,915
06.01.02.06	Other accounts receivable	-12,469	-33,909
06.01.02.07	Financial applications bound	12,803	0
6.01.02.08	Suppliers	-32,667	-22,839
6.01.02.09	Fiscal and social obligations	31,322	18,696
6.01.02.11	Derivative Operations	28,387	14,093
6.01.02.12	Titles pay	32,663	15,345
6.01.02.13	Other accounts payable	66,755	31,405
6.02	Net Cash Used in Investing Activities	-170,448	-177,884
6.02.01	In Investments	122	0
6.02.02	In Property, Plant and Equipment	-169,926	-177,488
6.02.03	In Intangible Assets	-644	-396
6.03	Net Cash from Financing Activities	81,438	-24,207
6.03.01	Alienation of shares	2,464	0
6.03.02	Buyback of Shares	-8,626	672
6.03.03	Stock Option Plan	5,004	1,844
6.03.04	Loans and financing taken	444,842	293,116
6.03.05	Loans and financing paid	-346,654	-312,758
06.03.06	Dividends paid	-15,592	-7,081
6.05	Increase (Decrease) in Cash and Cash Equivalents	-21,930	-57,348
6.05.01	Cash and Cash Equivalents – At Beginning of Period	110,219	142,251
6.05.02	Cash and Cash Equivalents – At End of Period	88,289	84,903

Consolidated Financial Statements / Statement of Changes in Equity from 01/01/2011 to 09/30/2011

(In thousands of reais)

Account Code	Account Line	Paid-up Capital	Capital Reserves, Options Granted and and Treasury Shares	Income Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity	Participation of the non-controlling	Equity Consolitdated
5.01	Initial Balances	557,434	174,015	154,252	O	989,292	1,874,993	0	1,874,993
5.03	Adjusted Initial Balances	557,434	174,015	154,252	O	989,292	1,874,993	0	1,874,993
5.04	Capital Transactions with Shareholders	O	-1,158	O	O	0	-1,158	0	-1,158
5.04.03	Recognized Options Granted	O	5,004	O	O	0	5,004	0	5,004
5.04.04	Treasury Obtained	0	-8,626	0	0	0	-8,626	0	-8,626
5.04.05	Treasury Shares Sold	O	2,083	O	O	0	2,083	0	2,083
5.04.07	Interest on Own Capital	0	0	0	0	0	381	0	381
5.04.08	Premium emission shares	0	381	0	0	0	0	0	0
5.05	Total Comprehensive Income	O	0	-5,175	132,161	-74,601	52,385	0	52,385
5.05.01	Net Income for the Period	O	0	O	126,989	0	126,989	0	126,989
5.05.02	Other Comprehensive Income	O	0	-5,175	5,172	-74,601	-74,604	0	-74,604
5.05.02.01	Adjustments of Financial Instruments	O	0	-7,841	0	-105,196	-113,037	0	-113,037
5.05.02.02	Taxes on Adjustments of Financial Instruments	O	0	2,666	0	35,767	38,433	0	38,433
5.05.02.06	Realization of Costs attribute to Fix Assets	O	0	O	5,172	-5,172	0	0	0
5.07	Final Balances	557,434	172,857	149,077	132,161	914,691	1,926,220	0	1,926,220

Consolidated Financial Statements / Statement of Changes in Equity from 01/01/2010 to 09/30/2010
(In thousands of reais)

Account Code	Account Line	Paid-up Capital	Capital Reserves, Options Granted and and Treasury Shares	Income Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity	Participation of the non-controlling	Equity Consolidated
5.01	Initial Balances	557,434	166,782	88,179	O	994,703	1,807,098	0	1,807,098
5.03	Adjusted Initial Balances	557,434	166,782	88,179	O	994,703	1,807,098	0	1,807,098
5.04	Capital Transactions with Shareholders	O	2,516	O	O	0	2,516	0	2,516
5.04.03	Recognized Options Granted	O	1,844	O	O	0	1,844	0	1,844
5.04.04	Treasury Obtained	0	573	0	0	0	573	0	573
5.04.08	Premium emission shares	0	99	0	0	0	99	0	99
5.05	Total Comprehensive Income	O	0	O	47,842	19,881	67,723	0	67,723
5.05.01	Net Income for the Period	O	0	O	47,372	0	47,372	0	47,372
5.05.02	Other Comprehensive Income	O	0	O	470	19,881	20,351	0	20,351
5.05.02.01	Adjustments of Financial Instruments	O	0	O	0	30,835	30,835	0	20.351
5.05.02.02	Taxes on Adjustments of Financial Instruments	O	0	O	0	-10,484	-10,484	0	0
5.05.02.06	Realization of Fair Value Depreciation	O	0	O	470	-470	0	0	0
5.07	Final Balances	557,434	169,298	88,179	47,842	1,014,584	1,877,337	0	1,877,337

Consolidated Financial Statements / Value Added Statement

(In thousands of reais)

Account Code	Account Line	Three-month period 01/01/2011 to 09/30/2011	Prior year 01/01/2010 to 09/30/2010
7.01	Revenues	729,635	670,071
7.01.01	Sales of Products and Services	490,062	496,429
7.01.02	Other Revenues	200,730	130,709
7.01.02.01	Other Revenues	1,875	1,770
7.01.02.02	Change in Fair Value of Biological Assets	198,855	128,939
7.01.03	Revenues from Construction of Own Assets	38,843	42,933
7.02	Bought-in Materials and Services	-373,785	-412,501
7.02.01	Cost of Goods Sold and Services	-1,885	-2,764
7.02.02	Materials, Electricity, Outsourced Services and Other	-113,361	-149,165
7.02.03	Impairment/Recovery of Assets	9	-826
7.02.04	Other	-258,548	-259,746
7.02.04.01	Raw Materials Consumed	-138,864	-208,504
7.02.04.02	Adjustment to Fair Value of Biological Assets	-119,684	-51,232
7.02.04.03	Other	0	-10
7.03	Gross Value Added	355,850	257,570
7.04	Retentions	-43,444	-51,001
7.04.01	Depreciation, Amortization and Depletion	-43,444	-51,001
7.05	Net Value Added Produced	312,406	206,569
7.06	Value Added Received in Transfer	102,739	77,461
7.06.02	Financial Income	102,596	77,322
7.06.03	Other	143	139
7.07	Total Value Added for Distribution	415,145	284,030
7.08	Distribution of Value Added	415,145	284,030
7.08.01	Personnel	64,899	59,204
7.08.01.01	Direct Compensation	36,187	41,717
7.08.01.02	Benefits	25,817	14,341
7.08.01.03	FGTS (Severance Pay Fund)	2,895	3,146
7.08.02	Taxes, Charges and Contributions	129,371	79,178
7.08.02.01	Federal	116,669	63,678
7.08.02.02	State	12,678	15,438
7.08.02.03	Municipal	24	62
7.08.03	Return on Borrowed Capital	93,886	98,276
7.08.03.01	Interest	87,153	91,519
7.08.03.02	Rental	6,733	6,757
7.08.04	Return on Own Capital	126,989	47,372
7.08.04.03	Retained Earnings/Accumulated Losses for the Period	126,989	47,372



Net Income of R$126.9 million in the year, with net margin of 18.6%

Porto Alegre, November 9, 2011 – SLC AGRÍCOLA S.A. (Bovespa: SLCE3; ADR: SLCJY; Bloomberg: SLCE3BZ; Reuters: SLCE3.SA), one of the largest landowners in Brazil and one of the largest agricultural producers in terms of cotton, soybean and corn planted area, discloses today its earnings for the 3Q11. The following financial and operating information are presented in compliance with the international accounting norms (International Financial Reporting Standards – IFRS). Elaborated on a consolidated basis, the information is presented in thousands of Brazilian reais, except when otherwise stated.

3Q11 Highlights

(R$ thousand)	9M10	9M11	AH	3Q10	3Q11	AH
Net revenue	**603,435**	**682,063**	**13.0%**	**219,830**	**275,682**	**25.4%**
Gross income	**154,302**	**276,602**	**79.3%**	**78,398**	**127,638**	**62.8%**
Gross margin	*25.6%*	*40.6%*	*15.0 p.p.*	*35.7%*	*46.3%*	*10.6 p.p.*
Operating income	70,689	192,953	173.0%	29,711	94,419	217.8%
Operating margin	11.7%	28.3%	*16.6 p.p.*	13.5%	34.3%	*20.7 p.p.*
Net Profit	**47,374**	**126,989**	168.1%	**17,767**	**62,609**	252.4%
Net Margin	*7.9%*	*18.6%*	*10.8 p.p.*	*8.1%*	*22.7%*	*14.6 p.p.*
EBITDA	**146,185**	**248,940**	**70.3%**	**72,690**	**118,076**	**63.5%**
EBITDA Margin	**24.2%**	**36.5%**	***12.3 p.p.***	**33.1%**	**43.1%**	***10.1 p.p.***
Net debt	**384,156**	**504,741**	**31.4%**	**384,156**	**504,741**	**31.4%**

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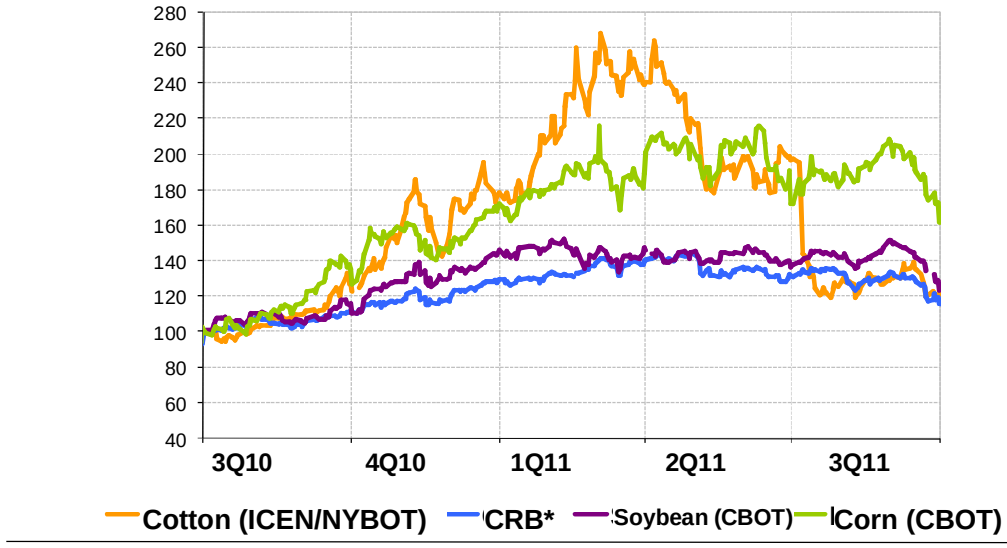
NOTE: 3Q10 and 3Q11 refer to the three-month cumulative period, from July to September, for years 2010 and 2011, respectively. 9M10 and 9M11 refer to the nine-month cumulative period from January to September, for years 2010 and 2011, respectively. AH refers to the horizontal percentage variation between two periods and AV refers to a vertical percentage variation on a given total.

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Market Overview

COMMODITIES PRICE VARIATION

From July 2010 to September 2011 (1st Contract)



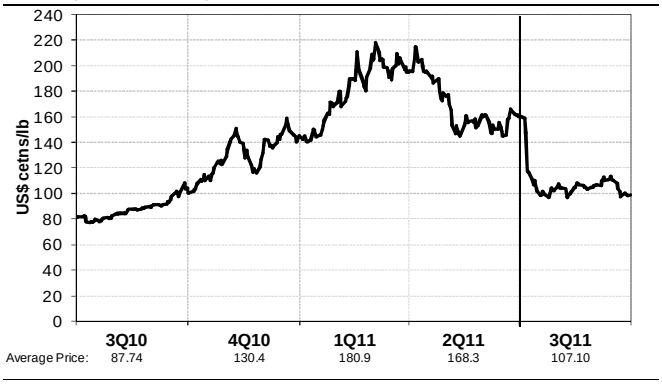
Source: CMA (07/01/2010 = 100) Until 09/30/2011.

* Commodity Research Bureau

Cotton

Cotton Price in the International Market

ICE - (1st Contract)



Source: ICE/CMA

Cotton future prices traded on ICE (ICE Futures U.S) presented an average quotation for the 1st maturity of US¢ 107,1/lb in 3Q11, which represents a 22% increase against 3Q10, however, when compared to 2Q11 the quotation recorded a 36.4% reduction. The price reduction in 3Q11 against the previous quarter was mainly influenced by the consumption reduction caused by the high prices at year-end 2010 and early 2011.

A lower production combined with reduced inventories in the previous crop have limited 2010/11 crop supply and consumption. In view of the lower supply scenario, cotton consumption had to adjust to the new production levels, and, together with restrictions to the exports of cotton lint in India, led prices to reach historical peaks in 2011.

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Cotton Supply and Demand Table								
World		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12*
Area (ha)		34,724	34,562	32,903	30,591	30,134	33,512	36,073
Productivity (kg/ha)		730	767	792	762	733	748	750
Beginning Stocks	millions of bales	60.6	61.8	62.3	60.9	60.7	44.0	44.9
Production	millions of bales	116.4	121.8	119.7	107.1	101.4	115.1	124.2
Imports	millions of bales	44.7	38.1	39.3	30.5	36.3	35.6	36.5
Total Supply	millions of bales	221.7	221.7	221.3	198.4	198.4	194.7	205.6
Exports	millions of bales	44.9	37.5	39.0	30.1	35.5	35.4	36.5
Consumption	millions of bales	116.8	123.8	123.6	110.3	119.1	114.3	114.4
Ending Stocks	millions of bales	61.8	62.3	60.9	60.7	44.0	44.9	54.8
Stocks/Consumption (%)		52.9%	50.3%	49.3%	55.0%	36.9%	39.2%	47.9%

Source: USDA Oct/11 **Projected*

In its supply and demand monthly report, released in October, USDA (United States Department of Agriculture) estimated that the worldwide consumption of 2010/11 cotton crop should reach 114.3 million bales, a 4% reduction against the previous year, and for 2011/12 USDA projects a minimum consumption increase of 0.1%, to 114.4 million bales.

Even higher international prices in the first half of 2011 have also influenced the increase in worldwide cotton area for the 2011/12 crop year. Better cotton prices by the time of crop plantation, as compared to competitive crops, such as soybean and corn, once again favored migration of these commodities to the cotton area. According to USDA the worldwide crop area should increase by 7.6.% in 2011/12.

In the United States (the largest global cotton exporter) the planted area presented a 25% increment in 2011/12 crop, as compared to the previous year-crop. However, the dry weather in a large part of the production region should lead to losses and to a record area abandonment in that country (estimated in 33%), which should limit production to 16.6 million bales, according to USDA, a reduction of 8.3% in production, against the previous.

Even with crop losses in USA, crops in other countries should continuous on the normality, resulting an increase worldwide production to 124.2 million bales, a 7.9% increase against the previous year.

China and India, the largest and second largest cotton producer, respectively, should produce 33.5 and 27.5 million bales, with an increase of 10% and 8%, respectively, in relation to the previous year. The cotton area harvested in China and India should increase by 7% and 12%, to 5.5 million de hectares e 12.5 million de hectares, respectively.

With worldwide production and consumption moving to opposite directions, the different between production and consumption should generate an increment of 9.9 million bales to the final inventories in 2012. According to USDA worldwide inventories should go from 44.9 to 54.8 million bales. Even with inventory recuperation these should be below the levels recorded in the period 2004 to 2010 when they were in the range of 60 million bales.

Cotton Supply and Demand Table								
China		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12*
Area (ha)		5,350	5,950	6,200	6,050	5,300	5,150	5,500
Productivity (kg/ha)		1,156	1,299	1,299	1,321	1,315	1,289	1,326
Beginning Stocks	millions of bales	18.4	22.5	20.5	20.5	22.4	15.2	11.6
Production	millions of bales	28.4	35.5	37.0	36.7	32.0	30.5	33.5
Imports	millions of bales	19.3	10.6	11.5	7.0	10.9	12.0	14.0
Total Supply	millions of bales	66.1	68.6	69.1	64.2	65.3	57.7	59.1
Exports	millions of bales	0.0	0.1	0.1	0.1	0.0	0.1	0.1
Consumption	millions of bales	45.0	50.0	51.0	44.0	50.0	46.0	45.5
Ending Stocks	millions of bales	22.5	20.5	20.5	22.4	15.2	11.6	13.6
Stocks/Consumption (%)		50.1%	41.1%	40.2%	50.8%	30.5%	25.2%	29.8%

Source: USDA Oct/11 **Projected*

China is the largest cotton producer, importer and consumer, worldwide, and its imports have a major impact on cotton market and prices. According to USDA, China should import 14 million bales in 2011/12, a 16.6% increase against the previous year.

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

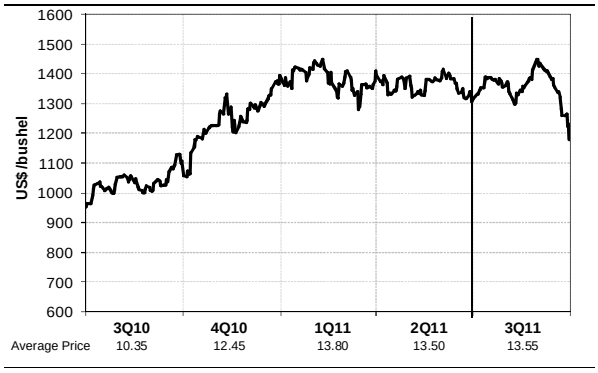
Since 2010 the Chinese government had been selling government inventories in an attempt to curb internal prices and ensure the supply of cotton to the local industry. With the market decline and past the worst squeeze in the availability of cotton, China started in September 2011 its government program of cotton purchases to build up inventories and ensure minimum prices. The initial purchase price is 19,800 yuans per ton, equivalent to approximately U$¢ 140/lb. The government inventory recomposition program in China may help to absorb the excess 2011/12 crop inventories worldwide, which may contribute to support cotton prices.

According to USDA China inventories should increase 2 million bales, to 13.6 million bales, which should be sufficient to meet the demand until the beginning of 2012/13 crop year. Even with the increase in Chinese inventories, these should still be quite lower than those recorded between 2006 and 2009, when inventories were above 20 million bales.

In Brazil, the Conab projects an area to be cultivated with cotton within the Country between 1,359.2 and 1,486.2 thousand hectares in 2011/12, which may vary from a 2.9% reduction to a 6.1% increase against the previous crop. Considering the average point, the area may be increased by 1.6%, from 1,400.3 thousand ha to 1,422.7 thousand ha. As a result of this increase in area, CONAB projects production between 1.9 and 2.1 million tons in 2011/12.

Soybeans

Soybean Prices in the International Market
CBOT - (1st Contract)



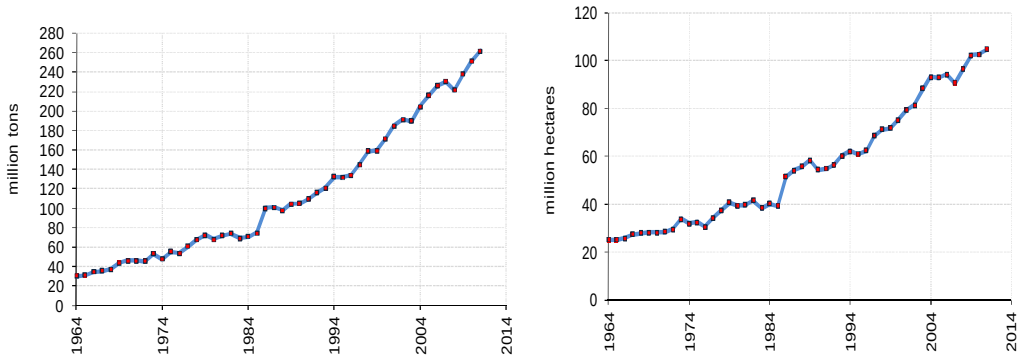
Fonte: CBOT/CMA

Soybean average price for the 1st maturity on CBOT (Chicago Board of Trade) was US$ 13.55/bu in 3Q11, practically stable in relation to the previous quarter and with a 30.9% valuation against 3Q10.

According to USDA, soybean worldwide production is expected to reach 258.6 million tons in 2011/12, a 2.1% reduction against the previous year. On the other hand, soybean global consumption continues showing a robust growth and according to USDA it should increase 4.2% in 2011/12, to 261.7 million tons.

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Soybean Global Consumption and Area



Source: USDA

The increasing demand for foods richer in protein is leading soybean consumption to grow at a pace even faster than productivity. According to USDA, global consumption has grown 4.7% p.a. since 1964, while productivity has grown 1.7% p.a. Thus, to face the increasing demand, the global soybean area has expanded 1.7 million hectares per year in the last 5 decades. For 2011/12, the soybean planted area should increase by 2 million hectares, reaching 104.7 million hectares. According to USDA, in 2011/12 the higher increment should be recorded in Argentina and Brazil, with 1 million and 800 thousand hectares, respectively.

In the United States, according to USDA, the soybean planted area reached 73.7 million acres (29.8 million hectares) in 2011/12, which represents a 3.8% reduction. US producers have migrated from the soybean area to corn due to the more attractive prices in this culture, which area increased 3.1%.

In the 2011/12 crop year, soybean production in USA should be 83.2 million tons, an 8.1% reduction, as compared to the previous year, when the United States harvested 90.9 million tons. In addition to the area reduction, the production decrease was mainly caused by the dry weather impact on the US Midwest in July and August, which should reduce soybean production to 41.5 bushels per acre (2,793 kg/ha), according to USDA.

Soybean Supply and Demand Table

USA	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Area (1000t)	28,834	30,190	25,959	30,222	30,907	31,003	29,816
Productivity (kg/ha)	2,896	2,882	2,807	2,672	2,958	2,922	2,793
Beginning Stocks	6,960	12,229	15,617	5,580	3,761	4,106	5,842
Production	83,507	87,001	72,859	80,749	91,417	90,606	83,272
Imports	92	246	269	361	397	408	408
Total Supply	90,559	99,476	88,745	86,690	95,575	95,120	89,522
Exports	25,579	30,386	31,538	34,817	40,798	40,823	37,421
Consumption	52,751	53,473	51,627	48,112	50,671	48,455	47,750
Ending Stocks	12,229	15,617	5,580	3,761	4,106	5,842	4,351
Stocks/Consumption (%)	15.6%	18.6%	6.7%	4.5%	4.5%	6.5	5.1%

Source: USDA Oct/11 **Projected*

With the soybean production decline in USA, the USDA, in its recent supply and demand reports has reduced its US soybean consumption and export projections in order to maintain a minimum final stock for the end of 2011/12 season.

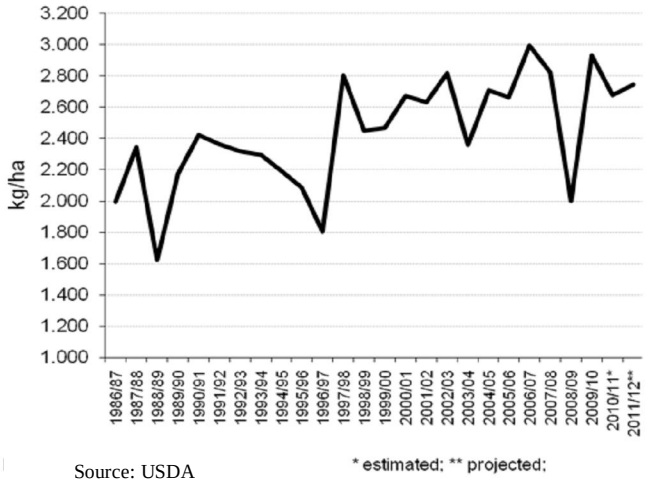
With the harvest in the United States virtually closed and a well-adjusted supply and demand picture for 2011/12 crop year in that Country, South American production becomes very important for the soybean market. According to the first 2011/12 crop year survey published by Conab, it is estimated a 2.0% to 3.5% increase in the Brazilian soybean area. In average, Conab projects an area of 24.8 million hectares, against 24.2

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million hectares in 2010/11 crop year. Production was estimated at 72.7 million tons, with a 3.5% decline as compared to 2010/11 crop year.

As for Argentina, USDA estimates that the soybean area should reach 19.3 million hectares, which represents an increment of 5.5% against the previous season, when 18.3 million hectares were planted in that Country.

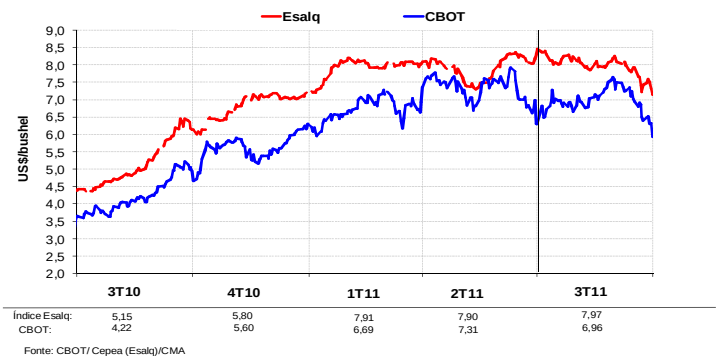
Even with the planting in South America being at its initial phase, Brazil and Argentina production again experience the threat of the climate phenomenon "La Niña", which may bring irregularities and declining rainfalls in these countries, especially in Argentina production region and southern Brazil. The market is very sensitive as to the possibility of a threat on the production, given the recent experiences with “La Niña”, which caused a 29.1% and 8.6% decrease in soybean production in Argentina in 2008/09 and 2010/11 year crops, respectively.



Source: USDA * estimated; ** projected;

Corn

Preços do Milho



Fonte: CBOT/ Cepea (Esalq)/CMA

Corn Prices

Corn average price for the 1st maturity on CBOT was US$ 6.96/bu in 3Q11, representing a 4.8% decrease in relation to the previous quarter, however, a 65% increase against 3Q10. The average corn price in the domestic market, as measured by the ESALQ (*Escola Superior de Agricultura Luiz de Queiroz*) index was US$ 7.97/bu, or stable in relation to the previous quarter and a 54.7% increase against 3Q10.

	3Q10	4Q10	1Q11	2Q11	3Q11
Esalq Index	5.15	5.80	7.91	7.90	7.97
CBOT:	4.22	5.60	6.69	7.31	6.96

Source: CBOT/Cepes (Esalq)/CMA

During the second half of 2011 corn prices recorded a sig[illegible] the international and in the internal market. According to US[illegible] consumption is estimated at 863 million tons, higher than production, which is estimated at 860 million tons.

Price recovery was mainly motivated by the international scenario, with the 2011/12 crop losses in USA and demand recovery in the international market. In its October supply and demand

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monthly report, USDA estimated that corn productivity should be 148.1 bu/acre, against an estimated 158.7 bu/acre in May 2011. Even with an area increase of 3.1% in 2011/12, productivity decline should reduce US corn production to 315 million tons, forcing the United States to restrict corn consumption for feed, ethanol production and exports in view of the projected maintenance of higher corn prices.

Corn Supply and Demand Table

USA	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12*
Area (1000t)	30,399	28,586	35,014	31,796	32,169	32,960	33,968
Productivity (kg/ha)	9,285	9,358	9,458	9,660	10,338	9,592	9,297
Beginning Stocks	53,697	49,968	33,114	41,255	42,504	43,380	28,659
Production	282,263	267,503	331,177	307,142	332,549	316,165	315,810
Imports	224	304	509	344	212	686	381
Total Supply	336,184	317,775	364,800	348,741	375,265	360,231	344,850
Exports	54,201	53,987	61,913	46,965	50,295	46,611	40,642
Consumption	232,015	230,674	261,632	259,272	281,590	284,961	282,207
Ending Stocks	49,968	33,114	41,255	42,504	43,380	28,659	22,001
Stocks/Consumption (%)	17.5%	11.6%	12.8%	13.9%	13.1%	8.6%	6.8%

Source: USDA Oct/11 **Projected*

For a recovery of production and greater availability of inventories it is necessary that the United States increase the corn area in 2012/13, which has caused the rise in cereal quote in the futures market. This pressure on corn also influence soybean, cotton and wheat prices, with which the corn disputes planted area, especially in the United States, which is the largest individual soybean and corn producer and the largest cotton exporter.

In response to higher prices in the international market and the demand for exports, Brazil should increase its corn planted area in the 2011/12 crop year. According to Conab, the estimated corn planted area should reach between 14.2 and 14.5 million hectares in 2011/12, presenting a variation between 2.5% and 4.6%. With basis on this estimate, the area should expand approximately 500 thousand ha against the last crop (13.8 million ha). This expansion is due to the good performance of the product in the market, with prices remaining at remunerating levels for producers. The cultivation forecast for 1st crop corn is estimated between 8.2 and 8.5 million hectares, a percentage gap of 4.2% to 7.2%. For 2nd crop corn, the area to be planted should reach between 5.9 and 6 million hectares, a percentage variation of 0.3% and 1.0% as compared to the previous crop.

With this increase, the Brazilian corn production expected for the 2011/12 crop should reach between 57.3 and 59 million tons, with a -3% and 2.6% variation as compared to the previous crop, when 57.5 million tons were harvested. According to Conab, this estimate is based on a regular crop, and the variations, for more or for less, shall be related to the higher or lower influence of production factors. Still according to Conab, in 2011/12 crop year, domestic consumption should reach 50 million tons, while exports should reach 8.5 million tons.

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Operating Performance

In 3Q11 it was concluded the harvest for cotton 1st crop, cotton 2nd crop, as well as corn 2nd crop for 2010/11 crop year. A new agricultural calendar for 2011/12 crop year started in the last days of September, with the first plantings of soybeans (early and super-early varieties) in the farms which shall plant the 2nd crop.

Cotton 1st crop.
The yield obtained in the 72,451 ha planted in 2010/11 crop was 1,763 kg/ha of cotton lint, 11.4% higher than 2009/10 crop. Cotton ginning until end-September reached around 50% of the total volume of cotton harvested.

For 2011/12 crop year, the farm teams have concluded their activities for soil preparation and correction with fertilizers, being now waiting for the best planting period in November and December.

Cotton 2nd crop.
The yield obtained in the 12,316 ha cultivated in 2010/11 crop was 1,270 kg/ha of cotton lint. The yield was around 5% lower than in 2009/10 crop year, mainly due to reduced rains at the end of the crop cycle in the state of Mato Grosso.

Soybeans.
The planting of super-early and early soybeans varieties, which enables the planting of a 2nd crop (cotton or corn) was started in the last week of September.

Corn 2nd crop.
2nd crop corn harvesting (for which total area was 13,072 ha) was concluded in 3Q11. The average yield obtained was 5,880 kg/ha, 4% higher than in the previous crop.

Yield

Yield (kg/ha)	Estimated 2010/11	Achieved 2010/11(1)	Δ%	Estimated 2011/12
Cotton lint 1st crop	1,646	1,763	7.1	1,679
Cotton lint 2nd crop	1,376	1,270	-7.7	1,369
Cotton Seed	2,185	2,209	1.1	2,143
Soybeans	3,303	3,314	0.3	3,279
Corn 1st crop	10,450	10,993	5.2	10,379
Corn 2nd crop	6,472	5,880	-9.1	5,947

(1) Until 09/30/2011

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Planted Area

Following is an updated table with the planted area target for 2011/12 crop year.

Crop Mix	Achieved 2010/11 ha	Estimated[1] 2011/12 ha	Share %	Absolute Δ ha	Percentage Δ %
Cotton	**84,767**	**96,253**	**38.5**	**11,486**	**13.5**
Cotton 1st crop	*72,451*	*77,030*	*30.8*	*4,579*	*6.3*
Cotton 2nd crop	*12,316*	*19,223*	*7.7*	*6,907*	*56.1*
Soybean	***118,134***	***117,411***	***46.9***	***(723)***	***(0.6)***
Corn	**20,422**	**32,791**	***13.1***	***12,369***	***60.6***
Corn 1st crop	*7,350*	*12,467*	*5.0*	*5,117*	*69.6*
Corn 2nd crop	*13,072*	*20,324*	*8.1*	*7,252*	*55.5*
Others[2]	**3,293**	**3,713**	***1.5***	***420***	***12.7***
Total	**226,616**	**250,168**	**100.0**	**23,552**	***10.4***

Planted Area Mix	ha	ha	%	Ha	%
Physical Area under Control	**199,158**	**208,590**	**83.4**	**9,432**	**4.7**
Own Area	*127,333*	*133,222*	*53.3*	*5,889*	*4.6*
Leased Area	*71,825*	*75,368*	*30.1*	*3,543*	*4.9*
2nd crop area	**27,458**	**41,578**	**16.6**	**14,120**	***51.4***
Total	**226,616**	**250,168**	**100**	**23,552**	***10.4***

[1] The planted area may still be adjusted by the agricultural planning.
[2] Coffee, wheat, corn seed.

Property Portfolio

As of September 30, 2011 our portfolio of properties under control was as follows:

2011/12 (ha) Areas Farm	State	Own	Leased	Under control	Planted[1]
		---------- ha ----------			
Pamplona	GO	17,384	3,941	21,325	17,905
Planalto	MS	17,437	1,657	19,094	17,416
Planorte	MT	23,794	367	24,161	24,287
Paiaguás	MT	30,878	2,360	33,238	35,619
Parnaíba	MA	39,334	7,456	46,790	34,090
Planeste	MA	22,787	10,858	33,645	32,472
Panorama	BA	12,982	12,312	25,294	21,811
Piratini	BA	25,355	5,000	30,355	12,374
Palmares	BA	18,448	20,306	38,754	34,379
Parnaguá	PI	23,742	-	23,742	-
Pejuçara	MT	3,379	8,711	12,090	16,124
Paineira	PI	12,756	-	12,756	3,691
Total		**248,276**	**72,969**	**321,245**	**250,168**

[1] Estimate of SLC Agrícola; planted area may still be adjusted by the agricultural planning.

Machinery and Storage Capacity

As of September 30, 2011 we had the following:

Machinery	Quantity
Tractors	**429**
Grain Combiners	**168**
Cotton Pickers	**97**
Planters	**147**
Self-propelled sprayers	**93**

2011/12 Storage Capacity	Grains	Cotton
Tons	470,140	93,144
% Production[1]	74%	59.8%

[1] Estimate of SLC Agrícola based on planted area and yields estimated for 2011/12 crop year.

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Financial Analysis

EBITDA

(R$ thousand)	9M10	9M11	AH	3Q10	3Q11	AH
Net Revenue	**603,435**	**682,063**	**13.0%**	**219,830**	**275,682**	**25.4%**
(-) Cost of Goods Sold	**(449,133)**	**(405,461)**	**-9.7%**	**(141,432)**	**(148,044)**	**4.7%**
Gross Profit	**154,302**	**276,602**	**79.3%**	**78,398**	**127,638**	**62.8%**
(-)Selling expenses	(34,204)	(26,295)	-23.1%	(13,378)	(11,057)	-17.4%
(-)General and administrative	(22,723)	(38,888)	71.1%	(7,994)	(15,220)	90.4%
(-)Management fees	(2,223)	(5,828)	162.2%	(917)	(2,074)	125.9%
(-) Other operating revenues	32	(96)	n.m.	(2,383)	1,258	n.m.
(=) Income from Activity	**95,184**	**205,495**	**115.9%**	**53,726**	**100,545**	**87.1%**
(+) Depreciation and amortization	51,001	43,444	-14.8%	18,965	18,331	-3.3%
EBITDA	**146,185**	**248,940**	**70.3%**	**72,690**	**118,876**	**63.5%**
EBITDA Margin	**24.2%**	**36.5%**	**12.3 p.p**	**33.1%**	**43.1%**	**10.1p.p**

EBITDA for 3Q11 was R$118,876 thousand, an increase of 63.5% against the R$72,690 thousand in 3Q10. The main variations between quarters and which impacted EBITDA were the price increase in products invoiced (in line with the higher price of commodities in the period), and, also, the increase in appropriation of biological assets on the net revenue.

Net Revenue

(R$ thousand)	9M10	9M11	AH	3Q10	3Q11	AH
Net Revenue	**603,435**	**682,063**	**13.0%**	**219,830**	**275,682**	**25.4%**
Cotton lint invoiced	197,729	185,676	-6.1%	57,092	66,319	16.2%
Cotton seed invoiced	26,930	26,350	-2.2%	22,066	21,339	-3.3%
Soybean invoiced	157,773	195,521	23.9%	27,577	65,077	136.0%
Corn invoiced	37,923	37,765	-0.4%	25,161	17,942	-28.7%
Coffee invoiced	5,765	3,344	-42.0%	553	21	-96.2%
Others (invoiced)	38,774	5,970	-84.6%	9,427	2,397	-74.6%
Hedge income	9,601	28,583	197.7%	6,082	9,610	58.0%
Biological Assets	128,939	198,855	54.2%	71,872	92,978	29.4%

(Tons)	9M10	9M11	AH	3Q10	3Q11	AH
Volume Invoiced	**599,928**	**576,005**	**-4.0%**	**231,063**	**243,464**	**5.4%**
Cotton lint	70,311	47,985	-9.6%	20,551	20,242	-1.5%
Cotton seed	93,329	89,594	-4.0%	75,129	76,843	2.3%
Soybean	297,062	319,161	7.4%	47,644	94,768	98.9%
Corn	127,590	92,543	-27.5%	85,955	49,817	-42.0%
Coffee	2,802	634	-77.4%	101	6	-94.1%
Others	8,834	10,537	19.3%	1,683	1,788	6.2%

Our net revenue increased 25.4% in 3Q11 against 3Q10, closing the period at R$275,682 thousand, as compared to R$219,830 thousand of 3Q10, mainly due to increased biological assets allocation to net revenue (29.4%) and higher soybeans volume invoiced (98.9%).

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

(R$ thousand)	9M10	9M11	AH	3Q10	3Q11	AH
Effect of Biological Asset on Net Revenue	**128,939**	**198,855**	**54.2%**	**71,872**	**92,978**	**29.4%**
Cotton lint	133,162	120,191	-9.7%	64,230	82,488	28.4%
Cotton seed	16,843	26,016	54.5%	7,938	9,056	14.1%
Soybean	(24,816)	47,771	n.m.	100	-	n.m.
Corn	841	4,021	378.1%	(2,825)	1,434	n.m.
Coffee	1,861	-	n.m.	1,861	-	n.m.
Others	1,048	856	-18.3%	558	-	n.m.

Calculation of biological assets is performed as follows: selling price at the harvest period, net of taxes and marketing expenses (freight), subtracted of cost incurred.

Biological assets allocation value increased 29.4% in 3Q11 against 3Q10, since most of the cotton was harvested (73%) during 3Q11, differently from the situation in 3Q10, when only 37% of the cotton still to be harvested.

Cotton Invoiced		9M10	9M11	AH	3Q10	3Q11	AH
Cotton lint invoiced							
Volume invoiced	Ton	70,311	47,985	-9.6%	20,551	20,242	-1.5%
Net revenue	R$ thousand	197,729	185,676	-6.1%	57,092	66,319	16.2%
Unit Price	R$ thousand / Ton	2,81	3,87	3.9%	2,78	3,28	18.0%
Cotton Seed Invoiced							
Volume invoiced	Ton	93,329	89,594	-4.0%	75,129	76,843	2.3%
Net revenue	R$ thousand	26,930	26,350	-2.2%	22,066	21,339	-3.3%
Unit Price	R$ thousand / Ton	0.29	0.29	-	0.29	0.28	-3.4%

Cotton lint invoiced in 3Q11 refers to 2010/11 crop year production. Our net revenue from cotton lint increased 16.2% in 3Q11 against 3Q10, mainly due to increased unit price invoiced.

Soybeans Invoiced		9M10	9M11	AH	3Q10	3Q11	AH
Volume Invoiced	Ton	297,062	319,161	7.4%	47,644	94,768	98.9%
Net revenue	R$ thousand	157,773	195,521	23.9%	27,577	65,077	136.0%
Unit Price	R$ thousand / Ton	0.53	0.61	15.1%	0.58	0.69	19.0%

Soybeans invoiced in 3Q11 refers to 2010/11 crop year production. Our net revenue from soybeans increased 136.0% in 3Q11 against 3Q10, in view of the increased volume invoiced (98.9%) and the 19.0% unit price increase.

Corn Invoiced		9M10	9M11	AH	3Q10	3Q11	AH
Volume Invoiced	Ton	127,590	81,951	-35.8%	85,955	49,817	-42.0%
Net Revenue	R$ thousand	37,923	37,765	-0.4%	25,161	17,942	-28.7%
Unit Price	R$ thousand / Ton	0.30	0.46	53.3%	0.29	0.36	23.0%

Corn invoiced in 3Q11 refers to 2010/11 crop year. Our net revenue from corn declined 28.7% in 3Q11, mainly due to the lower volume invoiced, partially offset by the 23.0% unit price increase.

Other revenues (excluding the effect of Biological Assets). Our net revenue regarding other revenues declined 25.1% in 3Q11 against 3Q10, to R$12,028 thousand as compared to R$16,062 thousand in 3Q10. The major impacts were:

- absence of revenues deriving from the government minimum price guarantee, against R$8,846 thousand in 3Q10;
- partially offset by the increase in the result of FX hedge, of R$3,528 thousand.

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Cost of Goods Sold

(R$ thousand)	9M10	9M11	AH	3Q10	3Q11	AH
Cost of Goods Sold	**(449,133)**	**(405,461)**	**-9.7%**	**(141,432)**	**(148,044)**	**4.7%**
Cotton lint	(163,009)	(94,549)	-42.0%	(47,128)	(37,866)	-19.7%
Cotton seed	(22,971)	(17,896)	-22.1%	(18,186)	(14,555)	-20.0%
Soybean	(169,912)	(148,823)	-12.4%	(36,776)	(41,921)	14.0%
Corn	(32,809)	(19,613)	-40.2%	(19,823)	(10,790)	-45.6%
Coffee	(5,919)	(1,962)	-66.9%	(331)	11	96,7%
Others	(3,278)	(2,933)	-10.5%	(501)	(808)	61.3%
Biological Assets Allocated at Cost	(51,235)	(119,685)	133.6%	(18,687)	(42,093)	125.3%

(R$ thousand)	9M10	9M11	AH	3Q10	3Q11	AH
Biological Assets Allocated at Cost	**(51,235)**	**(119,685)**	**133.6%**	**(18,687)**	**(42,093)**	**125.3%**
Cotton lint	(52,055)	(50,831)	-2.4%	(15,648)	(18,863)	20.5%
Cotton seed	(11,281)	(5,799)	-48.6%	(9,135)	(4,583)	-49.8%
Soybean	13,840	(59,411)	n.m.	2,604	(19,030)	n.m.
Corn	4,632	(1,203)	n.m.	3,765	383	-89.8%
Coffee	(5,595)	(170)	-97.0%	(201)	-	n.m.
Others	(776)	(2,271)	192.7%	(72)	-	n.m.

In 3Q11, the cost of products sold increased 4.7% as compared to 3Q10. Such variation was mainly due to biological assets allocation to cost, mainly in soybeans culture, since in 2011 soybeans presented positive margins (recorded in 1Q11 biological assets), while in 2010 the biological assets allocation was negative in soybeans.

Cotton lint. In 3Q11, cotton lint invoiced was relative to the 2010/11 crop. The cost of cotton lint in 3Q11 showed a 19.7% reduction against the 3Q10. The main impact was the 18.4% reduction in unit cost.

Soybeans. In 3Q11, the soybean invoiced was relative to the 2010/11 crop. Soybeans cost in 3Q11 was 14.0% higher than in 3Q10. The main impacts were:

- 98.9% increase in the volume invoiced;
- 42.7% reduction in unit cost, due to the improved productivity of the crop year 2010/11 comparing to 2009/10 crop year, and also a increase of productivity during 2010/11 crop year.

Corn. In 3Q11, the corn invoiced was relative to 2010/11 crop. Corn cost in 3Q11 was 45.6% lower than that recorded in 3Q10. The main impacts were:

- 42.0% reduction in the volume invoiced;
- 6.1% reduction in unit cost, due to the improved productivity of the corn 1st crop at the crop year 2010/11 comparing to previous crop year.

Other products. The cost of other products was practically stable in relation to 3Q10 (1.6% decline), basically reflecting the lower volume of coffee (higher cost crop) invoiced, in the comparison between periods.

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Production Cost

The composition of our total production cost is as follows:

	Cotton[(1)]	Soybeans[(1)]	Corn[(1)]	Avg. 2011/12 [(1)]	Avg. 2010/11	Avg. 2009/10
Variable Costs	**73%**	**63%**	**75%**	**70%**	**69%**	**73%**
Seeds	3%	7%	15%	5%	4%	5%
Fertilizers	22%	23%	34%	24%	20%	24%
Defensives	22%	15%	7%	19%	19%	19%
Air Spraying	2%	1%	1%	2%	2%	2%
Fuels and lubricants	5%	5%	5%	5%	5%	5%
Labor	1%	1%	1%	1%	2%	2%
Ginning	8%	3%	6%	6%	7%	6%
Maintenance of machines and instruments	4%	5%	3%	4%	6%	6%
Others	6%	3%	3%	4%	4%	4%
Fixed Costs	**27%**	**37%**	**25%**	**30%**	**31%**	**27%**
Labor	10%	10%	7%	10%	10%	9%
Depreciations and amortizations	11%	20%	13%	13%	13%	11%
Leasings	2%	3%	3%	3%	3%	3%
Others	4%	4%	2%	4%	5%	4%

Our estimated total production cost per hectare in 2011/12 crop year is:

Total Production Cost (R$/ha)	2010/11	2011/12[(1)]	Δ%
Cotton 1st crop	4,227	4,764	12.7
Cotton 2nd crop	3,130	3,432	9.6
Soybeans	1,501	1,661	10.7
Corn 1st crop	2,307	2,585	12.1
Corn 2nd crop	1,171	1,349	15.2

(1) Amounts estimated by SLC Agrícola, as per position as of September 30, 2011, so as to allow previous evaluation of crops.

For 2011/12, we estimate that Company's total production cost per hectare should increase by 12%, as compared to 2010/11 crop year. Such variation should be mainly influenced by higher fertilizers, defensive and seed costs.

Gross Income

Our total gross income was R$127,638 thousand in 3Q11, a nominal increase of R$49,240 thousand as compared to 3Q10. Gross income in 3Q11 was mainly impacted by increased net revenue from soybeans and cotton, and also by an increase in biological assets allocation to the net revenue.

Selling Expenses

(R$ thousand)	9M10	9M11	AH	3Q10	3Q11	AH
Freight	23,586	13,792	-41.5%	9,694	7,352	-24.2%
Storage	5,096	6,295	23.5%	1,554	1,940	24.8%
Commissions	1,704	1,387	-18.6%	457	97	-78.8%
Classification of Goods	467	477	2.1%	(270)	439	-262.6%
Others	3,351	4,343	29.6%	1,943	1,229	-36.8%
Total	**34,204**	**26,295**	**-23.1%**	**13,378**	**11,057**	**-17.4%**
% Net Revenue	**5.7%**	**3.9%**		**6.1%**	**4.0%**	

Our selling expenses in 3Q11 showed a reduction of 17.4% against 3Q10. Such variation was mainly due to a reduction in the corn and cotton lint volume invoiced, which freights are our responsibility.

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

General and Administrative Expenses

(R$ thousand)	9M10	9M11	AH	3Q10	3Q11	AH
Expenses with personnel	10,445	13,906	33.1%	3,956	4,652	17.6%
Provision for profit share program	1,415	7,963	462,8%	247	3,289	n.m.
Fees	2,628	2,877	9.5%	728	854	17.3%
Depreciations	791	1,083	36.9%	152	505	232.2%
Expenses with Travels	1,088	1,465	34.7%	374	454	21.4%
Software maintenance	1,599	1,609	0.6%	451	477	5.8%
Marketing/Advertisement	741	901	21.6%	63	76	20.6%
Expenses with Communications	679	949	39.8%	223	423	89.7%
Rentals	252	313	24.2%	81	96	18.5%
Others	3,085	7,822	153.5%	1,719	4,394	155.6%
Total	**22,723**	**38,888**	**71.1%**	**7,994**	**15,220**	**90.4%**
% Net Revenue	**3.8%**	**5.7%**	**1.9 p.p**	**3.6%**	**5.5%**	**1.9 p.p**

Our general and administrative expenses increased by 90.4% in 3Q11 as compared to 3Q10, mainly due to increased expenses with personnel (impacted by the increase in the provision of profit sharing) and the appropriation rural property tax (ITR), of R$ 1,510 thousand, allocated at others account.

Net Financial Income

(R$ thousand)	9M10	9M11	AH	3Q10	3Q11	AH
Revenues (expenses) with derivatives	(14,341)	(8,375)	41.6%	(16,117)	2,740	n.m.
Interest	(13,023)	(8,991)	31.0%	(2,990)	(1,808)	-39.5%
Monetary Variation	3,170	(1,150)	n.m.	(7,980)	(7,549)	-5.4%
FX Variation	(150)	8,086	n.m.	3,571	(701)	n.m.
Other financial revenues (expenses)	(161)	(2,112)	n.m.	(499)	1,192	-3.2%
Total	**(24,506)**	**(12,542)**	**48.8%**	**(24,015)**	**(6,126)**	**-74.5%**
% Net Revenue	**-4.1%**	**-1.8%**	**2.2 p.p**	**-10.9%**	**-2.2%**	**8.7 p.p**

Our net financial income was (R$6,126) thousand in 3Q11, against (R$24,015) thousand in the previous year. Such variation was mainly influenced by a positive mark-to-market of commodities derivative operations, of R$5,564 thousand in 3Q11, against (R$ 18,176) in 3Q10, partially offset by the portion of FX hedge result not classified under the hedge accounting methodology.

Net Income

Our net income of R$62,609 thousand in 3Q11 represented a nominal increase of R$44,842 thousand as compared to R$17,767 thousand recorded in 3Q10, mainly impacted by the increment in gross income, partially offset by the increase in general and administrative expenses.

In 3Q11 the net margin was 22.7%, against a net margin of 8.1% in 3Q10.

FX and Agricultural Commodities Hedges

Company's sales revenues are mainly generated by the trading of agricultural commodities such as cotton, soybeans and corn; products which are quoted in US Dollar in international stock exchanges as the *Chicago Board of Trade* - CBOT and *Intercontinental Exchange Futures US* – ICE. Therefore, we are actively exposed to FX variation and to the prices of these commodities. For the purpose of protection against FX rate variation, financial derivative instruments are used, the portfolio of which basically comprises Non Deliverable Forward - NDF and Option agreements.

In line with Company's Risk Management Policy – which purpose is to obtain a pre-established EBITDA margin with a combination of factors such as Price, FX and Cost – most of the instruments for protection against commodity price variation are accomplished through advanced sales directly with our clients (forward contracts). Furthermore, futures and options contracts are used, traded within a stock exchange environment, and swap and options financial transactions with financial institutions. Future, swaps and options operations have their mark-to-market registered under financial income.

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Following is our position in commodities hedge (in relation to the total sales volume) and FX hedges (in relation to total revenue in US Dollar) – open into commercial hedge and financial hedge – in 3Q11:

Commercial (Physical Sales) and FX Hedge

	FX rate		Soybeans		Cotton	
Civil Year	%	R$ / US$	%	US$ / bushel[1] [2] [3]	%	US¢ / lb[1] [2]
2011	77.7	1.91	94.7	12.5	100	104,8
2012	53.4	1.83	46.5	13.8	48	107,8
2013	5.2	1.82				

[1] FOB Port.
[2] Prices in our production units are still influenced by transportation expenses.
[3] The percentage hedged includes pledges with payments of properties and leasing that correspond to 14.2% and 17.8% of crop productions in 2010/11 and 2011/12, respectively.

Commodities Financial Hedge

	Cotton		
Civil Year	%	US¢ / lb	Base Price for MTM as of 09/30/2011
2012	14	110,9	95.54

NOTA: Unlike FX hedge operations, financial hedge operations for commodities, due to their nature, were not classified in hedge accounting methodology; therefore, they pass through the income statement even before their due date. The mark-to- market for such operations (which was based on the closing quotation prices of 09/30/2011 - 95.54 US¢/lb for cotton) is shown under Financial Income, in Gains and Losses with Derivatives. For projections of results related to these operations, it is important to stress that any additional price fluctuation will be recognized in financial income (gain or loss), offset in equal proportion, but in reverse, in net revenue (increase or decrease), that in this case will reflect the physical sale of the product at issue.

Property, Plant and Equipment / Intangible

CAPEX (R$ thousand)	9M11	AV	3Q11	AV
Machinery, implements and equipment	20,487	12.1%	2,205	2.2%
Land acquisition	83,885	50.8%	65,658	65.2%
Soil Correction	23,107	13.6%	15,193	15.1%
Buildings and facilities	21,252	12.5%	7,582	7.5%
Cotton ginning plant	5,500	3.2%	2,350	2.3%
Soil cleaning	4,109	2.4%	2,268	2.3%
Others	6,455	3.8%	1,333	1.3%
Advances to suppliers	5,131	1.5%	4,037	4.0%
	169,927		**100,626**	

The main investments in 3Q11 were:

- Acquisition of land at the amount of R$65,658 thousand, relative of 12,756 hectares, which formed a new production unit (Paineira Farm);
- Soil correction (Maintenance CAPEX) in the amount of R$15,193 thousand.

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Net Debt

(R$ thousand)	Currency	% p.a.	2Q11	3Q11	AH	AV
Constitutional Funds [1]	R$	7.27%	261,538	227,186	-13.13%	38.31%
Rural Credit	R$	6.75%	118,158	120,998	2.40%	20.40%
BNDES	R$	6.26%	46,576	51,107	9.73%	8.62%
Working Capital	R$	0.00%	2,510	-	n.m.	n.m.
		6.98%	**428,782**	**399,291**	**-6.88%**	**67.33%**
Trade Finance	US$	3.00%	110,650	174,877	58.05%	29.49%
BNDES	US$	6.44%	515	569	10.49%	0.10%
ACC	US$	3.30%	-	18,293	n.m.	3.08%
		3.04%	**111,165**	**193,739**	**74.28%**	**32.67%**
Total Indebtedness		**5.69%**	**539,947**	**593,030**	**9.83%**	**100.00%**
(-) Cash			**119,997**	**88,289**	**-26.42%**	
(=) Net Debt			**419,950**	**504,741**	**20.19%**	
Net Debt/EBITDA			**1.6x**	**1.6x**	**-**	

[1] For calculation of the average cost of Constitutional Funds, we consider a discount of 15% regarding the performance bonus applicable to these operations.

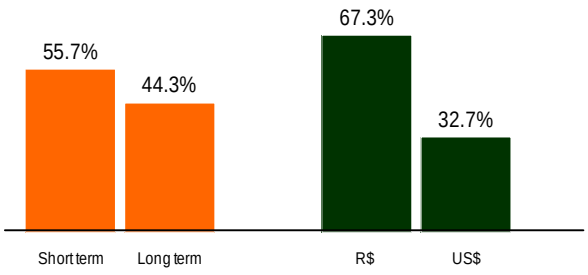
Net indebtedness increased by 20.2% in 3Q11, since the cash generated in the period was not sufficient to offset disbursements for investments and acquisition of agricultural supplies during the quarter. Consequently, net indebtedness increased to R$504,741 thousand in 3Q11 as compared to R$419,950 thousand at the closing of second quarter 2011.

In general, funding increased by 9.8% during this quarter. The balances of Constitutional Funds loans showed a decline as compared to 2Q11 due to amortizations and partial releases from refinancings. In the third quarter there was an increase in Trade Finance lines to support Company expansion and for debt lengthening.

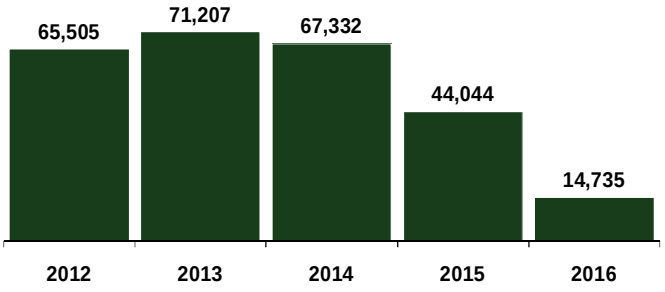
The exchange rate on Trade Finance operations were framed in the methodology for hedge accounting.

The net debt/EBITDA ratio remained stable in 3Q11 (against 2Q11), at 1.6 times.

3Q11 Debt Profile (%)



3Q11 Long-term Debt Schedule (R$ thousand)



COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Indicators

Return on Equity (Adjusted)

(R$ thousand)	2008	2009	2010
Net Profit	45	9	59
Net Land Appreciation[1]	228	3	207
Subtotal	273	12	**266**
Net shareholders' equity	1,712	1,807	1,874
Return	**15.9%**	**0.7%**	**14.1%**

[1] Considering Deloitte's appraisal for 2011, net of income tax.

The Company believes that the calculation of Return on Equity for its business should consider, in addition to the earnings of the period, also net annual appreciation (based on the report of an independent auditor held every year) of the value of the land portfolio, as below.

Net Asset Value

(R$ milhões)	3Q11
Land	1.756.150
Aquisitions after Deloitte's Appraisal	83.885
Infrastructure (excl. land)	698.500
Inventories	393.397
Biological Assets	284.812
Cash	88.289
Subtotal	3.305.033
	-
Suppliers	62.307
Gross Debt	593.029
Outstanding debt related to land acquisitons	134.336
Subtotal	789.672
	-
Net Asset Value	**2.515.361**
Net Asset Value per Share	**25,4**

*Deloitte's 2011 land appraisal

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Indicators

Changes in Working Capital

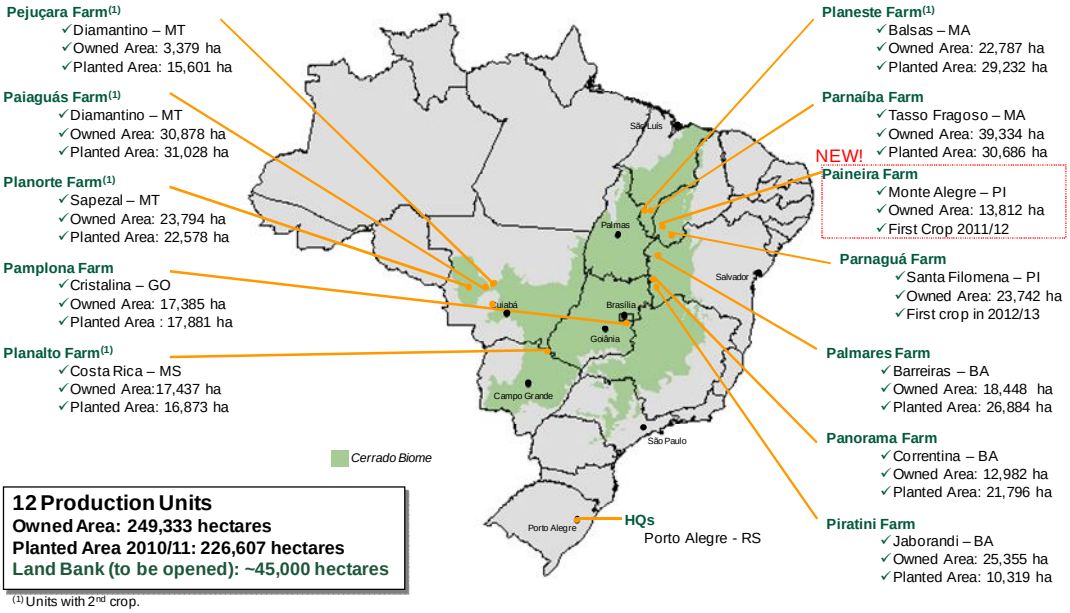
Changes in Working Capital	2009	2010	1Q11	2Q11	3Q11
Assets					
Trade accounts receivable	74.256	138.406	133.660	118.636	120.830
Hedge Accounting (non-cash)	*(16.570)*	*(50.012)*	*(55.666)*	*(65.647)*	*(22.586)*
Inventories	239.671	239.222	135.649	247.081	393.397
Biological Assets (non-cash)	*8.860*	*(19.552)*	*(2.418)*	*(7.734)*	*(34.838)*
Recoverable Taxes	40.380	51.753	49.604	50.947	57.340
Biological Assets	201.789	191.212	333.754	338.149	284.812
Biological Assets (non-cash)	*(12.275)*	*(15.808)*	*(24.070)*	*(41.214)*	*(87.603)*
Expenses incurred in advance	3.221	7.064	6.782	12.567	13.918
Subtotal	**539.332**	**542.285**	**577.295**	**652.785**	**725.270**
Liabilities					
Suppliers	63.104	94.974	27.035	43.042	62.307
Tax and Social Obligations	9.061	11.237	17.850	16.211	15.001
Others	75.604	121.816	195.134	140.837	178.376
Hedge Accounting (Não-Caixa)	(3.954)	(35.987)	(35.988)	(1.265)	(36.589)
Provisions	-	4.886	2.496	5.048	17.089
Subtotal	**143.815**	**196.926**	**206.527**	**203.873**	**236.184**
Total	**395.517**	**345.359**	**370.768**	**448.912**	**489.086**
Change in WC		**-50.158**	**25.409**	**78.144**	**40.174**

In 3Q11 we reached the moment of highest working capital needs for the year (R$ 143.7 million in the year), since the vast majority of fertilizers and chemicals for the next crop has already been acquired and we still have 85% of cotton, 18% soybeans and 48% corn harvested in 2010/11 crop to be invoiced (the sum of the accounts “Inventories” and “Biological Assets” reached R$ 672.4 million, against R $ 430.4 million at the end of 2010).

The need for working capital should present a reduction in 4Q11 with the invoicing of products in inventories.

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Location of Production Units



(1) Units with 2nd crop.

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Adherence to Arbitration Chamber

The Company is bound to arbitration with Arbitration Chamber of New Market, in compliance with arbitration clause in Company's By-laws.

COMMENTS ON CONSOLIDA TED PERFORMANCE FOR THE QUARTER

Agricultural weights and measures

1 ton	1.000 kg
1 kg	2.20462 lb
1 lb	0.45359 kg
1 acre	0.40469 hectares
1 acre	0.1840 bushel
1 hectare (ha)	2.47105 acres
1 hectare (ha)	10.000 m²
1 bushel	5.4363 acres

Soybeans and Wheat

1 bushel of soybean	60 lb	27.2155 kg
1 bag of soybean	60 kg	2.20462 bushels
1 bushel/acre	67.25 kg/ha	
1.00 US$/bushel	2.2046 US$/saca	

Corn

1 bushel of corn	56 lb	25.4012 kg
1 bag of corn	60 kg	2.36210 bushels
1 bushel/acre	62.77 kg/ha	
1.00 US$/bushel	2.3621 US$/bag	

Cotton

1 bale	480 lb	217.72 kg
1 arroba	14.68 kg*	

Coffee

1 bag of coffee	60 kg	132.28 lb
1.00 US¢/lb	1.3228 US$/bag	

* The market and our Company consider 15.00Kg.

ITR – Quarterly Information – 09/30/2011 - SLC AGRICOLA SA
Notes do Financial Statements

1. Operations

The corporate objective of SLC Agrícola S.A., founded in 1977 (hereinafter referred to as "parent company", "SLC", or the "Company") and its subsidiaries involves agriculture and livestock activities; the production and sale of seeds and seedlings; the processing and sale of their products, also importing and exporting goods for their own use; the supply of primary agricultural and livestock commodities and products in general; the provision of services involving handling, cleaning, drying and storing third party's cereal grains; the supply of services involving agricultural machinery and tools to third parties; the sale, import and export of agricultural products; agribusiness activities involving the processing of sugar cane, ethanol and its by-products; equity interest in other companies.

Company is headquartered in the city of Porto Alegre, state of Rio Grande do Sul.

During 2010/2011 crop, which started on September 1, 2010, the Company operated eleven production units extending over a total planted area of 226.6 thousand acres, among own and leased areas located in five Brazilian states: Mato Grosso, Mato Grosso do Sul, Goiás, Bahia and Maranhão. Among the main crops, the Company is cultivating 118.1 thousand acres of soybean, 84.8 thousand acres of cotton and 20.4 thousand acres of corn. At September 30, 2011, soybean and corn harvest was completed and cotton processing was under way.

On September 1, 2011, the Company started growing its 2011/2012 crop, operating twelve production units over a total planted area of 250.2 thousand acres, among its own and leased areas located in six Brazilian states: Mato Grosso, Mato Grosso do Sul, Goiás, Bahia, Piauí and Maranhão. Among the main crops, the Company is cultivating 117.4 thousand acres of soybean, 96.3 thousand acres of cotton, 32.8 thousand acres of corn.

This quarterly information was approved by the executive board on November 07, 2011.

ITR – Quarterly Information – 09/30/2011 - SLC AGRICOLA SA
Notes do Financial Statements

2. Summary of significant accounting practices

2.1 Basis of preparation and presentation of the quarterly financial statements

The quarterly information was prepared in accordance with the accounting practices adopted in Brazil and the standards of the Brazilian Securities and Exchange Commission (CVM), in light of accounting pronouncements, constructions and guidelines issued by the Brazilian FASB (CPC), especially CPC 21 – Interim Financial Reporting.

The consolidated financial statements were also prepared according to the IFRS, issued by the International Accounting Standards Board IASB, including IAS 34 – Interim Financial Reporting.

IAS 34, interim information.

The practices and calculation methods applied to this quarterly information are the same as for the preparation of the financial statements for the year ended December 31, 2010, as described in notes 2.2 to 2.25 to those financial statements. There are no changes in Company's operations, unusual items, changes in estimates, change in Company's shareholding or other event that would require special disclosure.

3. Significant judgments, estimates and assumptions

Judgments

Preparation of this quarterly information requires Company management to make judgments and estimates, as well as adopt assumptions that affect the amounts of revenues, expenses, assets and liabilities, as well as the contingent liabilities at financial statements base date. However, the uncertainty related to these assumptions and estimates may lead to results requiring material adjustments to the book value of assets or liabilities affected in future periods.

Estimates and assumptions

The main assumptions related to sources of uncertainties in future estimates and other significant sources of uncertainties in estimates at balance sheet date, which may lead to material adjustments to assets and liabilities book value in the next fiscal year are presented below.

a) Impairment of non-financial assets;
b) Definition and review of useful life of fixed and intangible assets;
c) Fair value of biological assets;
d) Fair value of financial instruments, including hedge accounting;
e) Share-based payment transactions;
f) Provision for tax, civil and labor risks.

ITR – Quarterly Information – 09/30/2011 - SLC AGRICOLA SA
Notes do Financial Statements

3. Significant judgments, estimates and assumptions (Continued)

Estimates and assumptions (Continued)

Following are our comments on the main estimates:

Share-based payment transactions

The Company measures the cost of transactions with employees – settled with shares – based on fair value of the equity instruments on the date they are granted. To estimate the fair value of share-based payments, it is necessary to determine the most adequate valuation model for granting equity instruments, which depends on the granting terms and conditions. It is also necessary to determine the most adequate data for the valuation model, including the estimate life of the stock option plans, volatility and profitability of dividends and corresponding assumptions. The assumptions and models used to estimate the fair value of share-based payments are presented in Note 23.

Taxation

There are uncertainties in relation to the construction of complex tax rules, as well as to the amount and time of future taxable profits. Given the comprehensive aspect of the international business relations, as well as the long-term nature and complexity of the existing contracts, differences between actual P&L and assumptions adopted or future changes in these assumptions, would require future adjustments in tax gains and losses already recorded. Company has set up provisions based on the applicable estimates for possible auditing consequences caused by tax authorities from the respective jurisdictions in which they operate. The amount of these provisions is based on various factors, such as previous fiscal audits and different constructions of the tax legislation by the taxable entity and by the responsible tax authority. These different constructions may arise from a wide range of subjects, depending on the effective conditions at the Company's and its branches' and subsidiaries' domicile.

Deferred tax assets are recognized for all unused tax losses to the extent it is probable that there is taxable profit enabling the use of these losses. A significant judgment by Company management is necessary to determine the deferred tax assets which can be recognized based on probable term and level of future taxable profits, together with future strategies of tax planning.

ITR – Quarterly Information – 09/30/2011 - SLC AGRICOLA SA
Notes do Financial Statements

3. Significant judgments, estimates and assumptions (Continued)

Estimates and assumptions (Continued)

Fair value of financial instruments

When the fair value of financial assets and liabilities presented in the balance sheets cannot be obtained from active markets, it is determined by means of valuation techniques, including the discounted cash flow method. The data used for these methods is based on market conditions, whenever possible. However, in case it is not viable, a certain judgment level is required to determine the fair value. Judgment comprises considerations of the data used, such as liquidity risk, credit risk and volatility risk. Changes in the assumptions related to these factors would affect the fair value of the financial instruments.

Fair value of biological assets

The fair value of the biological assets presented in the balance sheets was determined by means of valuation techniques, including the discounted cash flow method. The data used for these methods is based on market conditions, whenever possible. However, in case it is not viable, a certain judgment level is required to determine the fair value. Judgment comprises considerations on price, production capacity, as well as planting and production costs. Changes in the assumptions related to these factors would affect the fair value of the biological assets.

4. Consolidated quarterly information

The consolidated quarterly information includes the operations of the Company and the following subsidiaries, whose percentage share at balance sheet date is as follows:

Companies	Direct subsidiaries %	Indirect subsidiaries %	Core activities	Location
Fazenda Planorte Ltda. Empreendimentos Agrícolas Ltda.	100.00	-	Cotton, soybean and corn.	Mato Grosso – MT
Fazenda Paiaguás Ltda. Empreendimentos Agrícolas Ltda.	100.00	-	Cotton, soybean and corn.	Mato Grosso – MT
Fazenda Parnaíba Ltda. Empreendimentos Agrícolas Ltda.	100.00	-	Cotton, soybean and corn.	Maranhão – MA
SLC Empreendimentos e Agricultura Ltda.	85.91	14.09	Lease of plantation fields.	Rio Grande do Sul – RS
SLC Agrícola Pejuçara Ltda.	76.59	23.41	Cotton, soybean and corn.	Mato Grosso – MT
SLC LandCo Empreendimentos Agrícolas Ltda.	-	100.00	Purchase and sale, lease, construction and administration of properties.	Rio Grande do Sul – RS
Fazenda Planeste Empreendimentos Agrícolas Ltda.	-	100.00	Purchase and sale, lease, construction and administration of properties.	Rio Grande do Sul – RS
Fazenda Piratini Empreendimentos Agrícolas Ltda.	-	100.00	Purchase and sale, lease, construction and administration of properties.	Rio Grande do Sul – RS
Fazenda Panorama Empreendimentos Agrícolas Ltda.	-	100.00	Purchase and sale, lease, construction and administration of properties.	Rio Grande do Sul – RS

The subsidiaries' quarterly information period coincides with the Company's period and the accounting practices were uniformly applied to the consolidated companies and are consistent with those used in the previous year.

ITR – Quarterly Information – 09/30/2011 - SLC AGRICOLA SA
Notes do Financial Statements

4. Consolidated quarterly information (Continued)

Main procedures for consolidation:

- Elimination of intercompany accounts;
- Elimination of interests in capital, reserves and retained earnings of consolidated companies;
- Elimination of balances and unrealized profits from intercompany transactions;
- Determination of taxes on unrealized profits, included as deferred taxes in the consolidated balance sheet.

Reconciliation of net income for the period (Company and Consolidated) is as follows:

	09/30/2011	09/30/2010
Net income for the period – Company	121,461	50,682
Unrealized gains (losses) on hedge instruments, net of tax effects	5,528	(3,310)
Net income for the period – Consolidated	126,989	47,372

The transactions that generate differences between Company net income and consolidated net income refer to unrealized gains or losses on hedge operations made by the Company or subsidiaries, in order to protect the consolidated operations and not necessarily the company that hired the instrument. In this situation, the result of ineffectiveness is launched against the net income of the contractor Company, however when analyzed on a consolidated basis, the operation is configured as hedge accounting, and its effects are recorded in ”Equity Valuation Adjustments” in the consolidated shareholders´ equity. The instruments contracted are NDF’s (Non Deliverable Forwards), qualified as “Cash Flow Hedge” for the purpose of hedging future consolidated sales. These operations are made based on future consolidated sales forecasts with effectiveness between 80% and 125% and were recorded under the caption “Fair Value Adjustments” in consolidated equity.

5. Changes in accounting practices

Certain new IASB accounting practices and IFRIC interpretations were released and/or reviewed, and their adoption is mandatory or elective for the year starting on or after January 1, 2011. The Company management does measure, conclude that the adoption of these pronouncements and interpretation did not have a material impact on the interim financial statements.

Additionally, there are new accounting procedures for their adoption optional or mandatory for the exercises to begin on January 1st, 2013. The Company has no early adopted any of these regulations. Following is the Company’s evaluation on the impacts of these new practices and interpretations:

● IFRS 10 Consolidated Financial Statements – It introduces a new definition of control, which is used to determine which entities are consolidated and describes the consolidation procedures. This standard does not modify the consolidation method, but introduces a new definition of control and, consequently, which investments shall be consolidated depending on new evaluation criteria (for instance control on relevant activity). This standard is not applicable to the Company.

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● IFRS 11 Joint Arrangements – It describes the accounting of investments with common control; proportional consolidation is not allowed to joint ventures. Currently, the IFRS allow proportional consolidation – line by line – of joint ventures or their record by the equity method. The proportional consolidation will no longer be allowed with the IFRS 11 adoption. This change is not applicable to the Company.

● IFRS 12 Disclosures of Investments in Other Entities: It introduces new disclosure requirements related to investments in subsidiaries, joint-ventures, associated and "structured entities". This standard will not impact the record or measurement of the investments, but the Company expects that certain additional disclosures may be necessary in order to fully meet the disclosure requirements of this standard.

● IFRS 13 Fair Value Measurement: It provides a new guideline as to how to measure the fair value. This standard does not modify the current measurement requirements at fair value present in the IFRS, but introduces new disclosure requirements, guidelines as to the method of measuring assets and liabilities at fair value when permitted or required by the current IFRS. The management will evaluate the impact of this new IFRS in its fair value measurement and disclosure procedures and policies.

There are no other interpretations or norms under study by the IASB that are likely to have some impact at the interim statements of the Company.

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5. Cash and cash equivalents and short-term investments

a. Cash and cash equivalents

Type	Interest	Company		Consolidated	
		09/30/2011	**12/31/2010**	**09/30/2011**	**12/31/2010**
Cash and cash equivalents	-	**114**	537	**200**	725
Trading securities:					
CDB-DI	**100.84% of CDI***	**3,303**	61,366	**28,336**	67,368
Repurchase and resale agreements	**101.25% of CDI***	**49,274**	30,956	**58,605**	41,747
Short-term investment fund	**98,20% of CDI***	**747**	-	**747**	-
Other	-	**275**	260	**401**	379
		53,713	93,119	**88,289**	110,219

* Average interest at September 30, 2011.

b. Short-term investments

Short-term investments are represented by Bank Deposit Certificates (CDB), repurchase and resale agreements (debentures) and Agribusiness Bills of Exchange at market prices and rates, restated at interest earned through September 30, 2011, not exceeding trading value.

7. Trade accounts receivable

	Company		Consolidated	
	09/30/2011	**12/31/2010**	**09/30/2011**	**12/31/2010**
Domestic market	**17,750**	11,635	**25,056**	14,288
Foreign market	**24,087**	16,894	**38,194**	31,323
Total	**41,837**	28,529	**63,250**	45,611

At September 30, 2011 and December 31, 2010, the Company and its subsidiaries had no overdue notes receivable.

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8. Inventories

	Company		Consolidated	
	09/30/2011	**12/31/2010**	**09/30/2011**	**12/31/2010**
Agricultural products	**141,143**	53,809	**186,016**	82,536
Seeds, manure, fertilizers and pesticides	**111,332**	78,946	**169,932**	132,819
Advances to suppliers	**12,930**	6,224	**20,739**	13,110
Other inventories	**12,522**	8,035	**17,301**	10,757
Provision for write-down to net realizable value	**(283)**	-	**(591)**	-
	277,644	147,014	**393,397**	239,222

At September 30, 2011, the Company recorded a provision for write-down to net realizable value in the amount of R$ 283 (R$ 591 – consolidated), and the transaction is as follows:

Company	
Balance at December 31, 2010	-
Recognition of provision	**(3,717)**
(-) Reversal of provision	3,434
Balance at September 30, 2011	**(283)**

Consolidated	
Balance at December 31, 2010	-
Recognition of provision	(5,302)
(-) Reversal of provision	4,711
Balance at September 30, 2011	**(591)**

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9. Biological assets

	COMPANY							
	Current							Non-current
	Soybean	Cotton	Corn	Corn seed	Coffee	Other	Total	Coffee
Balances at December 31, 2010	44,678	59,490	12,703	550	1,552	378	119,351	17,771
Crop expenses	41,260	186,134	10,615	1003	3,573	4,482	247,067	69
Fair value variation	25,926	91,566	4,623	856	-	-	122,971	(1,159)
Harvest	(104,104)	(168,021)	(25,068)	(1,475)	(2,590)	(3,891)	(305,149)	-
Balances at September 30, 2011	**7,760**	**169,169**	**2,873**	**934**	**2,535**	**969**	**184,240**	**16,681**

	CONSOLIDATED							
	Current							Non-current
	Soybean	Cotton	Corn	Corn seed	Coffee	Other	Total	Coffee
Balances at December 31, 2010	101,259	74,306	13,358	505	1,455	329	191,212	17,771
Crop expenses	75,631	290,330	19,903	1003	3,561	4,457	394,885	69
Fair value variation	47,771	146,207	4,021	856	-	-	198,855	(1,159)
Harvest	(209,142)	(249,126)	(34,025)	(1,430)	(2,573)	(3,844)	(500,140)	-
Balances at September 30, 2011	15,519	216,717	3,257	934	2,443	942	284,812	16,681

Crop in formation expenses are substantially represented by expenses with: seeds, fertilizers, pesticides, depreciation and work force.

Soybean, corn and cotton crops usually take place during the following periods:

		Crop		
Unit	**Location**	**Soybean**	**Cotton**	**Corn**
Planalto farm	Costa Rica-MS	10/01 to 03/20	12/05 to 08/15	01/25 to 07/10
Paiaguás farm	Diamantino-MT	09/20 to 03/15	12/10 to 08/15	01/25 to 07/10
Pejuçara farm	Diamantino-MT	09/20 to 03/15	12/10 to 08/15	01/25 to 07/10
Planorte farm	Sapezal –MT	09/20 to 03/10	12/15 to 08/15	01/25 to 07/10
Pamplona farm	Cristalina – GO	10/25 to 04/15	11/05 to 08/15	10/20 to 04/30
Parnaíba farm	Tasso Fragoso – MA	10/25 to 04/05	12/15 to 08/10	12/01 to 05/15
Planeste farm	Balsas – MA	10/15 to 03/30	12/20 to 08/15	12/10 to 07/10
Panorana farm	Correntina-BA	11/01 to 04/25	No plantation	No plantation
Piratini farm	Jaborandi-BA	11/01 to 04/25	11/20 to 08/10	No plantation
Palmares farm	Barreiras-BA	11/01 to 04/25	11/20 to 08/10	No plantation
Parceiro farm	Coaceral –BA	11/01 to 04/25	No plantation	No plantation

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10. Recoverable taxes

	Company		Consolidated	
	09/30/2011	**12/31/2010**	**09/30/2011**	**12/31/2010**
Income tax	**9,535**	14,855	**20,808**	23,206
Social contribution tax	**28**	17	**4,749**	2,324
ICMS	**14,188**	12,808	**19,512**	17,539
COFINS	**2,966**	2,063	**11,468**	8,784
PIS	**644**	291	**2,836**	2,096
Withholding income tax (IRRF)	**1,903**	1,711	**2,219**	2,595
Other	**410**	49	**474**	118
	29,674	31,794	**62,066**	56,662
(-) Current	**(26,231)**	(28,657)	**(57,340)**	(51,753)
Non-current*	**3,443**	3,137	**4,726**	4,909

* Recoverable tax in a period longer than 12 months is classified to the item “other accounts receivable” in the non-current assets.

Income and social contribution taxes

These refer to income and social contribution tax prepayments that are realized through offset against federal taxes and contributions due.

ICMS, PIS and COFINS to be offset / to recover

These refer to credits generated in the normal course of operations of the Company and its subsidiaries, which may be offset against taxes of the same nature. The Company’s management expects that the balances existing on September 30, 2011 will be realized in the normal course of business with no losses.

Recoverable IRRF

This refers to withholding income tax on short-term investments. These credits are realizable through offset against federal taxes and contributions due.

11. Investments

	Company		Consolidated	
	09/30/2011	**12/31/2010**	**09/30/2011**	**12/31/2010**
Investments in subsidiaries	**1,399,766**	1,364,105	**-**	-
Other investments	**121**	100	**367**	488
	1,399,897	1,364,205	**367**	488

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11. **Investments** (Continued)

Significant investments in subsidiaries, valued by the equity method, are shown in the table below:

	Fazenda Parnaíba S.A.	**Fazenda Planorte S.A.**	**Fazenda Paiaguás S.A.**	**SLC Agrícola Pejuçara Ltda.** (3)	**SLC Empreendimentos e Agricultura Ltda.** (1) and (2)	**09/30/2011**	**12/31/2010**
Capital	45,650	57,050	40,010	14,896	215,474		
Equity	207,258	201,622	195,001	29,830	896,495		
Net income for the period	20,190	8,484	7,471	3,946	5,084		
Common shares (thousand)	5,353	11,506	44,517	46,542	-		
Equity interest percentage (%)	100%	100%	100%	86.25%	85.91%		
Opening balances	**191,156**	**196,511**	**198,187**	**12,453**	**765,798**	**1,364,105**	**1,294,221**
Unrealized losses on hedge instruments	-	-	-	-	-	-	(640)
Payment of capital				10,252		10,252	40,470
Unrealized gains on hedge instruments	(4,088)	(3,053)	(7,601)	(573)	-	(15,315)	1,311
Capital gains on investments	-	(320)	(3,055)	194	-	(3,181)	1,398
Equity pickup	20,190	8,484	7,470	3,403	4,368	43,915	37,345
Dividends received	-	-	-	-	-	-	(10,000)
Ending balances	**207,258**	**201,622**	**195,001**	**25,729**	**770,166**	**1,399,776**	**1,364,105**

(1) The equity was adjusted by R$13,033 and net income by R$3,983, relating to intercompany unrealized profits, net of tax effects.
(2) The company controls 100% of Empreendimentos e Agricultura Ltda.'s stock through subsidiary Fazenda Paiaguás S.A.

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12. Property, plant and equipment

Company

Gross cost of property, plant and equipment	Balance at 12/31/2010	Acquisitions	Write-offs	Transfers	Balance at 09/30/2011
Arable land	13,000	-	-	-	**13,000**
Soil development	148,023	19,535	(16)	-	**167,542**
Buildings and improvements	52,950	294	(35)	11,264	**64,473**
Agricultural equipment and industrial facilities	300,040	19,279	(12,562)	5,110	**311,867**
Vehicles	14,605	2,840	(978)	(238)	**16,229**
Furniture and fixtures	6,673	482	(1)	103	**7,257**
Office equipment and facilities	2,665	959	(121)	(2)	**3,501**
Permanent crops	-	35	(1)	109	**143**
Advances to suppliers	9,527	4,663	(2,152)	-	**12,038**
Work in progress	21,232	17,774	(8,421)	(16,346)	**14,239**
Total	568,715	65,861	(24,287)	-	**610,289**

Depreciation	Balance at 12/31/2010	Depreciation	Write-offs	Transfers	Balance at 09/30/2011
Soil development	60,239	21,868	(538)	-	**81,569**
Buildings and improvements	992	(767)	(70)	-	**155**
Agricultural equipment and industrial facilities	91,933	19,454	(6,615)	-	**104,772**
Vehicles	5,956	1,283	(569)	-	**6,670**
Furniture and fixtures	1,519	134	-	-	**1,653**
Office equipment and facilities	1,227	306	(29)	-	**1,504**
Total	161,866	42,278	(7,821)	-	**196,323**

Net residual value	Balance at 12/31/2010	Balance at 09/30/2011
Arable land	13,000	**13,000**
Soil development	87,784	**85,973**
Buildings and improvements	51,958	**64,318**
Agricultural equipment and industrial facilities	208,107	**207,095**
Vehicles	8,649	**9,559**
Furniture and fixtures	5,154	**5,604**
Office equipment and facilities	1,438	**1,997**
Permanent crops	-	**143**
Advances to suppliers	9,527	**12,038**
Work in progress	21,232	**14,239**
Total	406,849	**413,966**

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12. Property, plant and equipment (Continued)

Consolidated

Gross cost of property, plant and equipment	Balance at 12/31/2010	Acquisitions	Write-offs	Transfers	Balance at 09/30/2011
Arable land	1,551,694	83,885	-	-	1,635,579
Soil development	225,592	27,217	(16)	-	252,793
Buildings and improvements	160,524	294	(35)	22,683	183,466
Agricultural equipment and industrial facilities	505,172	21,494	(9,181)	8,537	526,022
Vehicles	23,062	4,725	(1,209)	(238)	26,340
Furniture and fixtures	7,995	624	(1)	122	8,740
Office equipment and facilities	7,671	1,087	(128)	(2)	8,628
Permanent crops	4,255	43	(51)	110	4,357
Advances to suppliers	12,102	5,131	(2,670)	-	14,563
Work in progress	32,071	25,426	(5,143)	(31,212)	21,142
Total	2,530,138	169,926	(18,434)	-	2,681,630

Depreciation	Balance at 12/31/2010	Depreciation	Write-offs	Transfers	Balance at 09/30/2011
Soil development	101,466	30,256	-	-	131,722
Buildings and improvements	22,309	1,167	(43)	-	23,433
Agricultural equipment and industrial facilities	151,209	28,270	(5,666)	-	173,813
Vehicles	8,968	1,969	(828)	-	10,109
Furniture and fixtures	2,296	243	(1)	-	2,538
Office equipment and facilities	2,264	571	(52)	-	2,783
Permanent crops	2,574	579	-	-	3,153
Total	291,086	63,055	(6,590)	-	347,551

Net residual value	Balance at 12/31/2010	Balance at 09/30/2011
Arable land	1,551,694	1,635,579
Soil development	124,126	121,071
Buildings and improvements	138,215	160,033
Agricultural equipment and industrial facilities	353,963	352,209
Vehicles	14,094	16,231
Furniture and fixtures	5,699	6,202
Office equipment and facilities	5,407	5,845
Permanent crops	1,681	1,204
Advances to suppliers	12,102	14,563
Work in progress	32,071	21,142
Total	2,239,052	2,334,079

At September 30, 2011, work and fixed assets in progress were substantially represented by construction and refurbishment of warehouses at Planeste, Piratini and Planorte farms, construction of pesticide deposits at Planeste, Panorama, Piratini, Palmares, Parceiro, Planorte and Parnaíba farms, infrastructure works (improvements and construction of roads, etc.), refurbishment of the irrigation system (supply channel and center pivots), improvements of the cotton processing unit at Palmares farm and improvements (decontamination areas). All of these efforts are expected to be completed within the next 12 months. The amount of interest that was capitalized to construction in progress during the nine months ended September 30, 2011 was R$ 1,401 (R$ 1,337 on September 30, 2010).

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13. Transactions with related parties

a) Balances of transactions with related parties

	Fazenda Planorte S.A	Fazenda Parnaíba S.A.	Fazenda Paiaguás S.A.	SLC Empreendimentos e Agricultura Ltda.	Fazenda Pejucara S.A.	SLC LandCo Ltda.	Fazenda Piratini Emp. Agrico Ltda.	Fazenda Planeste Emp. Agrico Ltda.	SLC Emp. Panorama Ltda.	Ferramentas Gerais Com. Imp. S.A.	09/30/2011	12/31/2010
ASSETS:												
Current assets:												
Receivables from subsidiaries	371	1,992	433	12,432	150	-	-	-	-	2	**15,380**	**1,164**
Non-current assets:												
Receivables from subsidiaries	9,134	312	452	-	5	73	-	-	1	-	**9,977**	**4,512**
Advance for future capital Increase	-	-	-	28,577	-	-	-	-	-	-	**28,577** **-**	**18,180** **-**
											53,114	**23,856**
LIABILITIES:												
Current liabilities:												
Payables to subsidiaries (loans)	-	-	312	-	-	-	-	-	-	70	**392**	**-**
Lease transaction payable	-	-	-	711	-	-	131	2,473	1,510	-	**4,825**	**5,350**
											5,217	**5,350**

INCOME											**09/30/2011**	**09/30/2010**
SALES:												
Goods	37	869	-	-	-	-	-	-	-	-	**906**	**-**
Lease transactions	-	-	-	-	-	-	-	-	-	-	**-**	**-**
COSTS:												
Lease transactions	81	13	351	17,873	-	-	-	-	-	-	**18,318**	**19,128**
PURCHASES:												
Goods	-	1,034	-	-	-	-	-	-	-	-	**1,034**	**329**
FINANCIAL INCOME												
Interest	22	-	-	-	-	-	-	-	-	-	**22**	**400**
FINANCIAL EXPENSES												
Interest	184	28	407	-	-	3	-	-	-	-	**622**	**557**

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13. Transactions with related parties (Continued)

a) Balances of transactions with related parties

The Company and its subsidiaries have loan agreements represented by current accounts, indexed to 99% of the CDI-OVER rate nominal variation, maturing in indeterminate periods.

SLC Participações S.A. is the parent of the Company. There is no transaction held with the parent, except for payment of dividends.

b) Lease agreement

The Company has a rural lease agreement entered into on January 1, 2007, with subsidiary SLC Empreendimentos e Agricultura Ltda. and its subsidiaries effective for a period of 10 years maturing on December 31, 2016, which may be reviewed at any time in the event market changes take place that render it unfeasible to achieve balance and encumber excessively any of the parties thereto.

This agreement provides for the delivery of land, facilities and other assets by the lessor that allows the lessee to perform its agricultural activities by planting cotton, soybean, corn, sorghum, coffee, beans and peas in consideration for an amount in the form of lease payments. At September 30, 2011, the lease amount is as follows:

	Total acres leased	Annual lease amount(a)	Soybean bag quotation in the region (b)	Value
Planalto farm	12,991.56	8.0	45.00	4,677
Pamplona farm	12,423.32	7.0	46.00	4,000
Planeste farm	13,305.57	8.0	43.00	4,577
Panorama farm	9,672.00	9.5	43.50	3,997
Paiaguás farm	21,267.70	6.0	41.50	5,296
Piratini farm (c)	7,473.22	4.9	43.50	1,593
Palmares farm	13,338.00	8.0	44.00	4,695

(a) Equivalent in soybean bags per arable hectare per crop year.
(b) Average price per soybean bag prevailing in the region of each farm, obtained at September 30, 2011, in Reais.
(c) As contractually provided for, lease costs will be incurred as from crop year 2011/2012.

The leasing price will be paid annually based on the over-the-counter (OTC) price of the soybean sack for each region on the payment date, to be established by the lessor at least 15 days before maturity, with no provision for agreement resetting.

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13. Transactions with related parties (Continued)

c) Management fees

The Company considers that senior management comprises non-remunerated board members, remunerated independent board members and executive board members (whether statutory or non-statutory).

Management members receive compensation in the form of fees and salaries through payroll. Total management compensation, including bonus and other benefits, is stated in a specific statement of income account, and is summarized as follows:

	Company and Consolidated	
	09/30/2011	**09/30/2010**
Fees	**1,902**	1,482
Stock option plan – recognized in the period	**3,926**	1,325
Stock option plan – reversed in the period	**-**	(584)
	5,828	2,223

The Company does not offer post-employment, labor contract termination or other long-term benefits to its management.

14. Loans and financing

		Average annual interest rates (%)		Company		Consolidated	
	Index	**09/30/2011**	**12/31/2010**	**09/30/2011**	**12/31/2010**	**09/30/2011**	**12/31/2010**
Used in property, plant and equipment							
Finame – BNDES	Prefixed and TJLP*	6.26%	6.53%	**32,443**	29,579	**51,676**	47,943
Constitutional funds**	-	7.27%	7.31%	**64,973**	141,237	**101,590**	187,792
Used in working capital							
Rural credit	-	6.75%	6.75%	**17,958**	35,762	**120,998**	125,852
Constitutional funds**	-	7.27%	7.23%	**97,188**	-	**125,596**	2,460
Working capital - NCE	-	-	11.70%	**-**	17,575	**-**	17,575
Foreign loans	US$, Libor + Prefixed	3.02%	4.23%	**193,169**	67,971	**193,169**	67,971
				405,731	292,124	**593,029**	449,593
(-) par Current liabilities				**(182,307)**	(153,340)	**(330,204)**	(260,117)
Par Non-current liabilities				**223,424**	138,784	**262,825**	189,476

* Long-term interest rate (TJLP)

** Calculation of Constitutional Funds average cost considers a 15% discount relating to non-default bonus.

***Libor (London interbank Offer Rate): Interest Rate charged by the London banks, used as a reference. For the majority of the loans of the international financing system.

Finame - BNDES – Guaranteed by a statutory lien and pledges on financed assets by the Company or SLC Participações S.A. Amounts are amortized on a monthly, quarterly, semiannual or annual basis, with maturity dates between October 17, 2011 and August 15, 2016.

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14. Loans and financing (Continued)

Constitutional Funds – Guaranteed by sureties by the Company or SLC Participações S.A. and, in some operations, by pledge and mortgage on land. Amounts are amortized annually or semiannually, with maturities between October 27, 2011 and June 25, 2015.

Rural Credit – Guaranteed by sureties by the Company or SLC Participações S.A., and, in some transactions, by pledge on the crops. Amortization takes place on a monthly basis, with maturities between October 20, 2011 and September 21, 2012.

Financing to Export – Funds taken out through NCE – Export Credit Bill to finance long-term exports, with final maturity on 01/15/2016, backed by collateral of the Company or SLC Participações S.A. and mortgage or "clean". This agreement sets forth the fulfillment of certain covenants approved by SLC Agrícola (Current Liquidity, Equity Capital of Third Parties, Net Financial Debt on Ebitda and Cash Liquidity).

The aging list of long-term loans and financing is as follows:

	Company		Consolidated	
Maturity	**09/30/2011**	**12/31/2010**	**09/30/2011**	**12/31/2010**
2012	55,354	34,419	65,505	50,930
2013	59,511	30,476	71,207	45,927
2014	57,037	27,456	67,333	39,792
2015	37,866	21,549	44,045	27,510
After 2015	13,656	24,884	14,735	25,317
	223,424	**138,784**	**262,825**	**189,476**

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15. Provision for contingencies

At September 30, 2011, the Company recorded a provision for labor and fiscal contingencies in the amount of R$ 764 (R$ 1,240 – consolidated), R$762 at December 31, 2010 (R$854 – consolidated), referring to legal claims filed by former employees, with respect to which an unfavorable outcome has been assessed as probable by the Company's legal advisors. The provision for contingencies is recorded under other liabilities account in current liabilities. The Company recorded the amount of R$ 604 (R$ 1,080 – consolidated) relating to labor claims whose likelihood of an unfavorable outcome was rated as possible by its legal advisors and, as a result, no provision was recorded for such claims.

The Company also identifies environmental claims whose likelihood of an unfavorable outcome was rated as possible by its legal advisors in the amount of R$ 13,000. Such proceedings relate to claims filed by The Brazilian Institute of the Environment and Natural Renewable Resources (IBAMA) and by Environment Military Police, Cassilândia City, Mato Grosso do Sul State.

Company

	Tax	Labor	Total
Balance at December 31, 2010	160	602	762
New proceedings/complements and monetary restatements	-	527	527
(-) Reversals	-	(525)	(525)
Balance at September 30, 2011	160	604	764

Consolidated

	Tax	Labor	Total
Balance at December 31, 2010	160	694	854
New proceedings/complements and monetary restatements	-	911	911
(-) Reversals	-	(525)	(525)
Balance at September 30, 2011	160	1,080	1,240

The Company respects and seeks to comply with all environmental matters, whether statutory or not, and makes respect for the environment, employees and other stakeholders one of the key commitments to the Company's work, combining the use of cutting-edge agricultural techniques with the adoption of sustainability-oriented practices. The proportion of such actions is greater than simply complying with legislation, and reinforced by the current implementation process of an Integrated Management System (SGI), pursuant to standards ISO 14001:2004 (Environmental Management), OHSAS 18001:2007 (Occupational Safety and Health Management) and NBR 16001:2004 (Social Responsibility Management).

In accordance with applicable legislation in Brazil, the federal, state and local taxes as well as social security contributions are subject to review by tax authorities for periods varying from 5 to 30 years.

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16. Deferred income and social contribution taxes

Deferred income and social contribution taxes were recognized as follows:

Company

	09/30/2011			12/31/2010		
Description	**Income Tax**	**Social Contribution**	**Total**	**Income Tax**	**Social Contribution**	**Total**
Assets:						
Temporary differences:						
Taxes of activity without incentive	**138**	**-**	**138**	138	-	138
Provision for inventory adjustment	**71**	**26**	**97**	916	330	1,246
Provision for Profit Sharing	**1,388**	**500**	**1,888**	20	7	27
Operations with derivatives	**21,788**	**7,844**	**29,632**	12,644	4,552	17,196
Others	**590**	**211**	**801**	400	144	544
Tax losses and negative basis	**22,717**	**8,382**	**31,099**	29,517	10,732	40,249
	46,692	**16,963**	**63,655**	43,635	15,765	59,400
Liabilities:						
Depreciation with incentive of rural activity*	**40,447**	**14,561**	**55,008**	31,787	11,443	43,230
Bargain gain in acquisition of shares	**5,539**	**1,994**	**7,533**	5,539	1,994	7,533
Cost attributed to property, plant and equipment	**29,272**	**10,538**	**39,810**	31,449	11,322	42,771
Fair value of biological assets	**20,939**	**7,538**	**28,477**	5,328	1,918	7,246
Capitalization of interest on loans	**1,041**	**375**	**1,416**	696	250	946
Deferred capital gain	**307**	**-**	**307**	844	-	844
Operations with derivatives	**5,040**	**1,814**	**6,854**	12,546	4,517	17,063
	102,585	**36,820**	**139,405**	88,189	31,444	119,633

Consolidated

	09/30/2011			12/31/2010		
Description	**Income Tax**	**Social Contribution**	**Total**	**Income Tax**	**Social Contribution**	**Total**
Assets:						
Temporary differences:						
Taxes of activity without incentive	**138**	**-**	**138**	138	-	138
Provision for inventory adjustment	**148**	**54**	**202**	1,071	386	1,457
Provision for Profit Sharing	**1,929**	**695**	**2,624**	20	7	27
Operations with derivatives	**33,531**	**12,072**	**45,603**	19,044	6,855	25,899
Others	**2,844**	**1,023**	**3,867**	450	162	612
Tax losses and negative basis	**23,042**	**8,499**	**31,541**	32,157	11,684	43,841
	61,632	**22,343**	**83,975**	**52,880**	**19,094**	**71,974**
Liabilities:						
Depreciation with incentive of rural activity*	**65,933**	**23,601**	**89,534**	57,567	20,575	78,142
Bargain gain in acquisition of shares	**5,647**	**2,033**	**7,680**	5,647	2,033	7,680
Cost attributed to property, plant and equipment	**279,311**	**101,406**	**380,717**	281,432	102,246	383,678
Fair value of biological assets	**31,645**	**11,391**	**43,036**	10,947	3,941	14,888
Capitalization of interest on loans	**1,247**	**448**	**1,695**	901	324	1,225
Deferred capital gain	**307**	**-**	**307**	844	-	844
Others	**1,576**	**568**	**2,144**	81	29	110
Operations with derivatives	**5,728**	**2,062**	**7,790**	13,807	4,971	18,778
	391,394	**141,509**	**532,903**	**371,226**	**134,119**	**505,345**

* according to tax legislation, companies with agricultural activity can be benefitted from the accelerated depreciation with incentive of its investments in the agricultural activity.

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16. Deferred income and social contribution taxes (Continued)

Under CVM Rule No. 371/02, the Company and its subsidiaries, based on expected generation of future taxable profits, determined in a technical study approved by management, recognized tax credits on income and social contribution tax losses and temporary differences, which may be carried forward indefinitely. The book value of deferred tax assets is reviewed annually by the Company and the resulting adjustments have not been significant in relation to the initial management forecast. The technical study takes into consideration investments and the 75% income tax reduction incentive on profit from tax incentive operations of the farms located in regions benefitting from the incentives.

Based on expected generation of future taxable income, Company estimates recover tax credits as follows:

	Company		Consolidated	
	09/30/2011	12/31/2010	09/30/2011	12/31/2010
2011	35,126	47,449	46,582	51,234
2012	28,529	11,951	37,393	20,740
	63,655	59,400	83,975	71,974

Tax credit recovery estimates were based on projected taxable profits taking into consideration several financial and business assumptions. Consequently, these estimates may not materialize in the future due to uncertainty involved in these forecasts.

Reconciliation of tax expenses at official rates

Reconciliation of the amount that results from applying nominal tax rates with the amount recorded as income and social contribution tax expenses is as follows:

Reconciliation of tax expenses at official rates – Company:

	09/30/2011		09/30/2010	
	Income Tax	Social contribution tax	Income Tax	Social contribution tax
Income before taxes	**166,366**	**166,366**	67,897	67,897
Income and social contribution taxes at nominal rate of 25% and 9%, respectively	**(41,592)**	**(14,973)**	(16,974)	(6,111)
Adjustments to derive the effective rate				
Equity pickup	**10,979**	**3,952**	9,325	3,357
Permanent additions	**(1,622)**	**(584)**	(641)	(231)
Others	**(777)**	**(288)**	(4,368)	(1,572)
Amount recorded in P&L	**(33,012)**	**(11,893)**	**(12,658)**	**(4,557)**
Total income and social contribution taxes		**(44,905)**		**(17,215)**
Deferred taxes		**(44,665)**		**-**
Current taxes		**(240)**		**(17,215)**

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16. Deferred income and social contribution taxes (Continued)

Reconciliation of tax expenses at official rates – Consolidated:

	09/30/2011		09/30/2010	
	Income tax	Social contribution tax	Income tax	Social contribution tax
Income before taxes	**192,953**	**192,953**	70,678	70,678
Income and social contribution taxes at nominal rate of 25% and 9%, respectively	**(48,238)**	**(17,366)**	(17,670)	(6,361)
Adjustments to derive the effective rate				
Permanent exclusions	**782**	**282**	6,021	2,157
Permanent additions	**(1,765)**	**(635)**	(719)	(259)
Subsidiaries' tax incentives	**1,773**	**-**	-	-
Other	**(560)**	**(237)**	(4,769)	(1,706)
Amount recorded in P&L	**(48,008)**	**(17,956)**	(17,137)	(6,169)
Total income and social contribution taxes		**(65,964)**		**(23,306)**
Deferred taxes		**(54,497)**		**(17,390)**
Current taxes		**(11,467)**		**(5,916)**

Reconciliation of variation in deferred income and social contribution taxes

Income and social contribution taxes recorded in the consolidated financial statements as assets and liabilities are reconciled as follows:

	12/31/2010	09/30/2011	Variation
Deferred tax assets	71,974	83,975	12,001
Deferred tax liabilities	(505,345)	(532,903)	(27,558)
			(15,557)
Taxes on fair value recorded in equity			(27,406)
Reversal of taxes recorded under equity			(1,582)
Unrealized profits stock			(1,666)
Hedging prepayment			(8,286)
Deferred taxes recorded in net income for the year			(54,497)

17. Notes payable – Consolidated

	09/30/2011	12/31/2010
Agropecuária Vale do Juruena Ltda. and Others (a)	**38,491**	53,288
Agropecuária Veloso de Araujo Ltda. and Others (b)	**8,110**	11,671
Solo Sagrado Colonizadora e Negócios Ltda.(c)	**9,910**	10,394
Espolio de Francisco Veloso de Araujo (d)	**5,196**	5,215
Jaques Valori Lima (e)	**1,349**	2,399
Victorio Mitsukaso obata and Others (f)	**8,286**	8,708
Agropecuária Tapera Ltda (g)	**407**	-
Zelir Antônio Maggioni and Others(h)	**27,545**	-
ARB Construções e Agropecuária Ltda (i)	**30,301**	-
Others	**4,741**	9,998
	134,336	101,673
(-) Current portion	**(61,753)**	(50,077)
Non-current portion	**72,583**	51,596

The material balances at September 30, 2011 are composed of the following:

(a) Corresponds to purchase of 10,635 acres of arable land in the city of Campos de Julio, Mato Grosso State, adjoining the arable land of subsidiary Fazenda Planorte S.A., for the amount of R$82,950, equivalent to 2,370 thousand soybean bags. The balance at September 30, 2011 refers to 3 remaining installments of R$38,491, equivalent to 990 thousand soybean bags, restated by soybean sack price variation, the installments mature annually between May 2012 and May 2014.

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17. Notes payable – Consolidated (Continued)

(b) Corresponds to purchase of 3,406.62 acres of arable land in the city of Tasso Fragoso, Maranhão State, adjoining the arable land of subsidiary Fazenda Parnaíba S.A., for R$14,000, equivalent to 350 thousand soybean bags. The balance at September 30, 2011, in the amount of R$8,110, refers to an initial installment referring to 2,015 soybean bags, with maturity extended for the creditor's interest, and 11 remaining annual installments with maturities from May 2012 to May 2022, totaling 192,015 soybean bags.

(c) Corresponds to purchase of 26,598 acres of arable land in the city of Santa Filomena, Piauí State, named Fazenda Parnaguá, by subsidiary SLC Empreendimentos e Agricultura Ltda., for R$34,969. The balance at September 30, 2011, in the amount of R$9,910 refers equivalent to 101,539 soybean bags, payable in December 2011.

(d) Corresponds to purchase of 1,237.74 acres of arable land in the city of Tasso Fragoso, Maranhão State, adjoining the arable land of subsidiary Fazenda Parnaíba S.A., for R$4,800, equivalent to 137,142 soybean bags. The balance at September 30, 2011, in the amount of R$5,196, refers to: R$2,700 payable upon deed transfer to the Company; and 4 remaining annual installments, maturing from July 2010 to May 2013, equivalent to 12 thousand soybean bags each, totaling 60 thousand soybean bags. The installments with maturity in the period from July 2010 to May 2011 had their maturity extended for the creditor's interest.

(e) Corresponds to purchase of 2,718 acres of arable land in the city of Correntina, Bahia State, denominated Fazenda Panorama, by subsidiary SLC Empreendimentos e Agricultura Ltda., in the amount of R$8,857, equivalent to US$4,447. The balance of R$1,349 at September 30, 2011, equivalent to US$720, restated by reference to US dollar variation, will be paid on May 31, 2012.

(f) Corresponds to the acquisition of 4,094 acres of arable land in the city of Barreiras, Bahia State, adjoining arable land of Fazenda Palmares, in the amount of R$30,318. The balance of at September 30, 2011, amount of R$8,286, refers to parcel that they will be paid upon deed transfer to the Company.

(g) Corresponds to purchase of 1,499.2183 hectares of arable land in the city of Formosa do Rio Preto, Bahia, adjoining arable land of Fazenda Palmares, in the amount of R$15,450. The balance at September 30, 2011, in the amount of R$470 refers to remaining balance that will be paid upon deed transfer to the Company.

(h) Corresponds to purchase of 5,418.604 hectares of arable land in the city of Gilbués/Piauí, adjoining arable land of Fazenda Paineira, in the amount of 784,582 soybean bags. The balance at September 30, 2011, in the amount of R$ 27,545 refers to six installments with maturities from October 31, 2011 to April 30, 2016.

(i) Corresponds to purchase of 7,337.637 hectares of arable land in the city of Monte Alegre do Piauí/Piauí, adjoining arable land of Fazenda Paineira, in the amount of 824,790 soybean bags. The balance at September 30, 2011, in the amount of R$ 30,301 refers to seven installments with maturities from October 30, 2011 to November 30, 2017.

18. Equity

a) Capital

At September 30, 2011, subscribed capital, in the amount of R$557,434, comprises 98,897,500 registered common shares with no par value, held as follows:

	Number of shares	
Shareholder	**09/30/2011**	**12/31/2010**
SLC Participações S.A.	28,948,586	28,948,586
Evaux Participações S.A.	21,520,787	21,520,787
Board of Directors	5	5
Treasury shares	1,404,700	987,700
Other	47,023,422	47,440,422
Total paid-up shares	98,897,500	98,897,500
(-) Treasury shares	(1,404,700)	(987,700)
Total outstanding shares	97,492,800	97,909,800

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18. Equity (Continued)

b) Capital reserve – premium on issue of shares

Corresponds to premium received in public share offerings in June 2007 and June 2008, as well as premium on sale of treasury shares in connection with stock option plans, less share issue costs (commissions, fees and other expenses), net of tax effects, in conformity with CPC 10, in the amount of R$ 24,604.

c) Treasury shares

The Company bought back its shares to keep them in treasury, aiming a later stock option plan (Note 23), according the decision made in Board of Directors' meeting held on October 29, 2008.

The balance of treasury shares at September 30, 2011, totaling R$ 18,321, comprises 1,404,700 shares (987,700 at December 31, 2010).

d) Legal reserve

The legal reserve is set based on 5% of net income for the year up to 20% of share capital. According to article 35, line a, of the Company's Bylaws, when the amount derived from sum of the legal reserve plus capital reserves, as defined in paragraph 1, article 182, of the Brazilian Corporate Law, exceeds share capital by 30% (thirty percent), no part of the net income for the year must be allocated to the legal reserve.

e) Expansion reserve

In accordance with the provisions of article 194 of Law No. 6404/76 and of article 35 of the Company's Bylaws, an expansion reserve will be set up based on the remaining net income for the year after the deductions set forth by relevant legal requirements and Bylaws. This reserve is intended to be used for investments in operating assets, and cannot exceed share capital.

At December 31, 2010, a proposal was made to allocate R$ 42,299 to the Expansion Reserve, which was approved by the General Shareholders' Meeting on April 27, 2011.

f) Profit retention reserve

The balance at September 30, 2011 refers to the remaining balance of accumulated earnings for year 2007, which has been retained and recorded under profit retention reserve, to be applied for new investments established in capital budget, according to article 196 of the Brazilian Corporate Law.

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18. Equity (Continued)

g) Dividends

The General Shareholder's Meeting held on April 27, 2011 approved the payment of dividends in the total amount of R$ 15,592, equivalent to 25% of the adjusted net income, corresponding to R$0.15896471 per common share, considering the total number of shares (98,897,500), less treasury shares (813,000). Dividends paid on May 6, 2011.

According to the Company's Bylaws, mandatory minimum dividends are established based on 25% of remaining net income for the year, after recognition of statutory reserves.

19. Financial income (expenses)

	Company		Consolidated	
	09/30/2011	09/30/2010	09/30/2011	09/30/2010
Financial expenses:				
Interest payable	(16,690)	(17,581)	(22,985)	(26,810)
Foreign exchange variation	(6,706)	(12,460)	(8,446)	(15,480)
Monetary restatement	(3,920)	(856)	(21,032)	(20,766)
Loss on derivative transactions	(31,006)	(25,746)	(31,392)	(27,030)
Other	(946)	(725)	(2,700)	(1,267)
	(59,268)	**(57,368)**	**(86,555)**	**(91,353)**
Financial income:				
Short-term investments income	10,794	7,627	13,994	11,883
Foreign exchange variation	14,960	12,758	16,532	15,330
Monetary restatement	318	4,890	19,882	23,936
Gain on derivative transactions	23,483	16,557	23,017	12,691
Other	127	2,765	588	3,007
	49,682	**44,597**	**74,013**	**66,847**
Financial income (expenses)	**(9,586)**	**(12,771)**	**(12,542)**	**(24,506)**

20. Commitments

20.1. Non-deliverable forward contracts

The Company and its subsidiaries have entered into NDF contracts with some customers, as follows:

		Company			
Commodity	Delivery date	Volume	No. of Contracts	Unit	Unit Price - US$
2010/2011 crop					
Cotton lint	Jul-Dec	51,944	12	Ton	2,109,58
Cotton lint	Jul-Dec	2,514	02	Ton	To define
Soybean	May	1,833,992	29	Sack	21,24
Cotton seed	Jul-Dec	87,400	13	Ton	156,01
Corn	Jan-Aug	607,922	20	Sack	18,33
2011/2012 crop					
Soybean	Feb-Mar	375,000	02	Sack	23,20
Cotton lint	Aug-Dec	10,570	07	Ton	2,391,61
Cotton lint	Aug-Dec	6,076	04	Ton	To define

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20. Commitments (Continued)

20.1. Non-deliverable forward contracts (Continued)

		Consolidated			
Commodity	**Delivery date**	**Volume**	**No. of Contracts**	**Unit**	**Unit Price - US$**
2010/2011 crop					
Cotton lint	Jul-Dec	92,758	22	Ton	2,109,58
Cotton lint	Jul-Dec	4,489	04	Ton	To define
Soybean	May	4,220,820	53	Sack	21,22
Cotton seed	Jul-Dec	127,900	21	Ton	162,59
Corn	Jan-Aug	107,922	24	Sack	14,73
2011/2012 crop					
Soybean	Feb-Mar	750,000	04	Sack	23,20
Cotton lint	Aug-Dec	18,875	12	Ton	2,391,61
Cotton lint	Aug-Dec	10,850	07	Ton	To define

20.2 Lease

At September 30, 2011, the Company and its subsidiaries have 84,468 acres of leased land, distributed as follows:

Farm/Unit	Location	Total acres leased	Maturity	Amount (in soybean bags/hectare/year)	Type of lease
Pamplona	Cristalina-GO	3,942	2011 to 2013	5 to 12	Operating
Planalto	Costa Rica-MS	1,654	2010 *	12	Operating
Planeste	Balsas-MA	10,860	2011 to 2023	3 to 8.9	Operating
Panorama	Correntina-BA	12,138	2015	8.1	Operating
Piratini	Jaborandi-BA	5,000	2021	1.7 **	Operating
Palmares	Barreiras-BA	14,878	2015	9 to 10.1	Operating
Parnaíba	Tasso Fragoso-MA	7,456	2023	3 to 4	Operating
Planorte	Sapezal-MT	367	2013	8	Operating
Paiaguás	Diamantino-MT	2,360	2011 and 2020	8.5	Operating
Pejuçara	Diamantino-MT	20,385	2020	8 to 8.5	Operating
Parceiro	Formosa do Rio Preto-BA	5,428	2020	2 to 7	Operating
Total		84,468			

* Annual renewal. The Company has leased this area since 1999.

** Beginning 2010/11 year-crop a payment will be made for 2,861 acres, the remaining shall be paid starting from 2011/12 year-crop.

The future commitments relating to these contracts are set forth based on the average soybean sack prices in the region of each production unit on the respective payment date.

In addition to plantation land leasing, the Company has operating leasing of cotton processing unit located at Palmares farm, in the city of Barreiras, state of Bahia, for R$ 1,500 per year, up to 2015.

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20. Commitments – (Continued)

20.2 Lease – (Continued)

Minimum future payments of the Company's operating lease contracts are as follows:

	Company	Consolidated
Payments with 1 year	11,026	16,661
Payments from 1 to 5 years	38,595	60,639
Payments over 5 years	18,291	47,604
Total minimum future lease payments	**67,912**	**124,904**

The Company's lease agreements with third parties are indexed by soybean sack prices in the region of each production unit. For this reason, minimum future amounts will be usually estimated considering the quantity of soybean bags, translated into Reais using the soybean price of each region, at the balance sheet date. The above minimum payments are subject to significant changes until the moment of the payment due to changes in soybean market value.

As for lease agreements with third parties it should also be noted that: (i) they do not contain contingent payment clauses; (ii) they do not have renewal or purchase option terms, except the agreement involving 1,657ha in Fazenda Planalto, which has annual renewal; (iii) our agreements are indexed to the variation of the soybean sack price, as referred to above, and there are no other adjustment clauses; (iv) there are no restrictions imposed, such as those related to dividends and interest on equity capital, additional debt or any other requiring additional disclosure.

21. Risk management and financial instruments

Revenue from sales of the Company and its subsidiaries is mainly generated by sale of agricultural commodities such as cotton, soybean and corn, and by sale of products that are quoted in US dollars on the Chicago Board of Trade (CBOT) and the Intercontinental Exchange Futures US (ICE). As such, volatility in international commodity price and exchange rates is a market risk to which the Company and its subsidiaries are exposed.

In addition, the Company and its subsidiaries contract financing operations in the financial market at fixed or floating interest rates. Accordingly, the Company is subject to the risk of fluctuation in interest rates applicable to loans contracted at variable rates.

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21. Risk management and financial instruments (Continued)

a) Utilization policy, objectives and strategies

The objective of the Company and its subsidiaries in using derivative financial instruments is to provide operating margin (EBITDA) hedge. The Company created an Executive Risk Management Committee in July 2008 and approved the Risk Management Policy in the Board of Directors' Meeting held on October 29, 2008. The Executive Risk Management Committee is the body linking the Company's Board of Directors and Executive Board. Its mission involves providing support for routine Executive Board decisions, monitoring compliance with risk limits established, and the preliminary analysis and evaluation of proposed adjustments or review of risk policies or limits for subsequently submitting it to the Board of Directors.

Derivative operations are carried out with prime financial institutions (national institutions assigned at least A rating level from at least one of the three major international rating agencies, to wit Moody's, S&P and/or Fitch), observing limits and exposures to the exchange rate, commodities and interest rate risks of counterparties on a regular basis.

b) Gain (losses) on non-derivative financial instruments in equity of Company and consolidated

Non-deliverable forward operations (NDFs) and the Trade Finance operations (PPE/NCE/ACC) are carried out to provide hedge against exposure of future sales in US dollars. These operations are documented for registration purposes through hedge accounting method, pursuant to CPC 38, approved by CVM Resolution 604/09. The Company records in a specific equity account the unrealized effects from these instruments, which are entered into for the purpose of hedging its own operations or, on a consolidated basis, to hedge future sales.

Commodity operations, although also hedge instruments, are not recorded as hedge accounting, therefore their effects are recorded in the statement of income as financial income (expenses).

c) Foreign exchange risk

Contracting these derivative financial instruments has the objective of hedging the sales revenues of Company and its subsidiaries subject to currency volatility. The portfolio of these instruments is represented, basically, by currency futures contracts, through non-deliverable forwards (NDFs), and option contracts.

These over-the-counter (OTC) transactions are carried out directly with financial institutions, there being no need for margin calls. The impact on the cash flow of Company and its subsidiaries occurs at the contract settlement date. Yet, the settlement of these financial transactions is associated with receipt of sales, which are likewise associated with currency fluctuation, therefore offsetting gains or losses, if any, on the hedging derivative instruments due to foreign exchange rate fluctuation.

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21. Risk management and financial instruments (Continued)

c) Foreign exchange risk - (Continued)

To analyze the currency risk exposure, the Business Plan is constantly updated, considering the following assumptions: (i) planted area forecast; (ii) expected productivity; (iii) commodity prices, quoted in dollar, considering the volume-weighted average of prices for the sales made, and the market prices of the volume to be sold; and (iv) the sales distribution over the periods under analysis. After the Business Plan definition and measurement of the items previously mentioned, we obtain the total currency exposure.

Based on the cost already built up with anticipated purchase of main inputs (fertilizers, agrochemicals and seeds) and the fixed cost estimate, the expected operating margin is arrived at. Thus, the risk management committee will apply the parameters specified in the Risk Management Policy, with a view to reducing the standard deviation from the target operating margin.

The table below sets out the positions of Company and its subsidiaries, at nominal and fair values of each instrument contracted:

Description	Notional Value			Fair Value (MTM)			Accumulated Effect		
	Currency	09/30/11	12/31/2010	Currency	09/30/2011	12/31/2010	Currency	09/30/2011	12/31/2010
Maturing in 2011									
Forward contracts (NDF):									
Short Position									
Foreign Currency	**USD**	**135,503**	155,355	**R$**	**(2,612)**	41,296	**R$**	**3,784**	42,081
Subtotal – Maturing in 2011	**USD**	**135,503**	155,355	**R$**	**(2,612)**	41,296	**R$**	**3,784**	42,081
Maturing in 2012									
Forward contracts (NDF):									
Short Position									
Foreign Currency	**USD**	**260,742**	26,500	**R$**	**(41,033)**	5,202	**R$**	**(26,763)**	4,779
Subtotal – Maturing in 2012	**USD**	**260,742**	26,500	**R$**	**(41,033)**	5,202	**R$**	**(26,763)**	4,779
Maturing in 2013									
Forward contracts (NDF):									
Short Position									
Foreign Currency	**USD**	**24,202**	-	**R$**	**(4,935)**	-	**R$**	**(4,626)**	-
Subtotal – Maturing in 2013	**USD**	**24,202**	-	**R$**	**(4,935)**	-	**R$**	**(4,626)**	-
TOTAL	**USD**	**420,447**	181,855	**R$**	**(48,580)**	46,498	**R$**	**(27,605)**	46,860

The table below sets out the debt description in foreign currency (US$) indexed to Libor:

Counterparty	Description	Notional US$	Fair Value 06/30/11	Fair Value 09/30/11	FX Variation[1]
Itaú BBA	NCE	40,000	(62,920)	(73,164)	(10,244)
Citibank	NCE	30,000	(47,190)	(54,873)	(7,683)
Bradesco	PPE	25,000	(39,283)	(45,728)	(6,445)
Total		**95,000**	**(149,393)**	**(173,765)**	**(24,372)**

[1] Differed value in equity (hedge accounting")

The table bellow set out the detailed maturity schedule of operations that are framed in the methodology of "hedge accounting":

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Maturity	Currency	NDF	PPE	NCE	Total
Until 12/31/2011	USD	(610)	-	-	(610)
Until 03/31/2012	USD	(8,111)	-	-	(8,111)
Until 06/30/2012	USD	(2,252)	-	-	(2,252)
Until 09/30/2012	USD	(30,231)	-	-	(30,231)
Until 03/31/2013	USD	(4,932)	-	-	(4,932)
Until 06/30/2014	USD	-	-	(7,683)	(7,683)
Until 12/31/2015	USD	-	(6,445)	-	(6,445)
Until 03/31/2016	USD	-	-	(10,244)	(10,244)
TOTAL	**USD**	**(46,136)**	**(6,445)**	**(17,927)**	**(70,508)**

The table below sets out the breakdown of currency derivatives per counterparty (of Company and its subsidiaries):

Description	Notional Value			Fair Value		
	Currency	09/30/2011	12/31/2010	Currency	09/30/2011	12/31/2010
Banco Itaú BBA	**USD**	**94,382**	60,291	**R$**	**(7,134)**	15,762
Citibank	**USD**	**61,292**	40,401	**R$**	**(4,274)**	10,422
Deutsche Bank	**USD**	**34,795**	22,579	**R$**	**(5,771)**	6,406
HSBC Bank	**USD**	**71,427**	22,165	**R$**	**(10,453)**	4,711
Banco Bradesco	**USD**	**60,290**	16,960	**R$**	**(7,357)**	4,031
Votorantim	**USD**	**68,251**	16,983	**R$**	**(7,236)**	4,592
Morgan Stanley S/A	**USD**	**24,360**	-		**(4,985)**	
Santander Brasil	**USD**	**5,650**	2,476	**R$**	**(1,370)**	574
Total	**USD**	**420,447**	181,855	**R$**	**(48,580)**	46,498

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21. Risk management and financial instruments (Continued)

c) Foreign exchange risk - (Continued)

The following criteria were used to determine the fair value of these operations:

- Non-deliverable forwards (NDF) – the future dollar curve published by the Brazilian Mercantile and Futures Exchange (BM&F) (www.bmf.com.br) at each year end was taken into consideration. Based on this information, the forecast adjustment at the maturity of each transaction is discounted at the interest curve between Ptax at year end and future quote at the maturity of the derivative published by the BM&F.
- Options contracts – the fair value of transactions for issuing call options is equivalent to the market value of reversal of such transactions confirmed by the financial institutions with which the Company has entered into these transactions.

d) Price risk

Commodity price volatility is mostly hedged through advance sales made directly with our customers (forward contracts). In addition, there is also use of futures and option contracts, traded on exchanges, and financial transactions under swap and option contracts, traded with financial institutions on OTC market. These transactions are negotiated based on the commodity prices on the futures market. All transactions are related to the net exposure of the production of Company and its subsidiaries, so that every transaction is backed by a physical commodity. Exchange-traded transactions require available initial margin funds and daily adjustments are made according to changes in notional prices. In turn, initial margin funds are not required for transactions performed with financial institutions, since these transactions are backed by a credit limit previously approved by the financial institutions.

The table below shows the derivative transactions contracted to hedge against commodities price volatility:

Description	Reference (notional) value			Fair value			Accumulated effect (current period)		
	Currency	09/30/2011	12/31/2010	Currency	09/30/2011	12/31/2010	Currency	Value receivable/ (received)	Value payable/ (paid)
With Maturity in 2011									
Financial Operations									
Commodities – Cotton	**US$**	-	19,460	**R$**	-	(16,627)	**R$**	-	-
Commodities – Soybean	**US$**	-	40,072	**R$**	-	(9,302)	**R$**	-	-
Subtotal – Maturities in 2011	**US$**	-	59,532	**R$**	-	(25,929)	**R$**	-	-
With Maturity in 2012									
Financial Operations									
Commodities – Cotton	**US$**	**48,777**	-	**R$**	**8,051**		**R$**	**8,051**	-
Commodities – Soybean	**US$**	-	-	**R$**	-	-	**R$**	-	-
Subtotal – Maturities in 2012	**US$**	**48,777**	-	**R$**	**8,051**	-	**R$**	**8,051**	-
General total	**US$**	**48,777**	**59,532**	**R$**	**8,051**	**(25,929)**	**R$**	**8,051**	-

21. Risk management and financial instruments (Continued)

All operations with agricultural commodities were traded in the OTC market and the counterparties are Cargill Financial Service International Inc, Macquarie Group Limited, Goldman Sachs and Barclays Capital. The fair value of these operations was provided by the financial institution.

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e) Interest rate risk

A portion of the Company's debt is subject to floating interest rates. Such floating interest rates are the TJLP (Long-Term Interest Rate) on BNDES financing and Libor (London Interbank Offered Rate) on international loans.

In order to hedge against changes in interest rates, the Company carries out interest rate swap operations with prime financial institutions. These operations involve floating-for-fixed rate swap where the Company receives a floating rate (TJLP or Libor) and pays a fixed rate. The notional principal amount and maturities of the swap operation are identical to the hedged debt amount. Thus, the risk of fluctuation in floating interest rate on the debt is eliminated.

Information on the swap operation (interest rate x Libor indexed debt) is set out below:

			Swap Balance (Contract Curve)		Swap Balance (MTM)		Adjustment
Counterparty	Hedge Instrument	Hedged item	Asset	Liability	Asset	Liability	Financial Income (expense)
Santander	Swap contract of USD34,667 (Asset- Libor 6 months +2%p.a. / Liability 4.68%pa.)	Debt of USD40,000 - Libor 6 months + 2.8%p.a.	63,736	64,044	54,347	57,191	(2,844)
Total			**63,736**	**64,044**	**54,347**	**57,191**	**(2,844)**

Below are the Company's consolidated derivative instruments that are disclosed in balance sheet accounts:

	Notional Value			Fair value recorded in assets			Fair value recorded in liabilities	
Description	Currency	09/30/2011	12/31/2010	Currency	09/30/2011	12/31/2010	09/30/2011	12/31/2010
Foreign exchange hedge operations								
NDF (*Non Deliverable Forwards*) contracts	**USD**	**420,447**	181,855	**R$**	**14,535**	46,498	**63,115**	-
Subtotal	**USD**	**420,447**	181,855	**R$**	**14,535**	46,498	**63,115**	-
Commodity hedge operations								
Cotton – Financial Operations	**USD**	**48,777**	19,460	**R$**	**8,051**	286	**-**	16,913
Soybean – Financial Operations	**USD**	**-**	40,072	**R$**	**-**	8,430	**-**	17,732
Subtotal	**USD**	**48,777**	59,532	**R$**	**8,051**	8,716	**-**	34,645
Interest rate hedge operations								
Swap Libor vs. Fixed Rate	**USD**	**34,667**	40,000	**R$**	**-**	-	**2,844**	2,927
Subtotal	**USD**	**34,667**	40,000	**R$**	**-**	-	**2,844**	2,927
Total	**USD**	**503,891**	281,387	**R$**	**22,586**	55,214	**65,959**	37,572
(-) Current portion	**USD**			**R$**	**(22,586)**	(50,012)	**(36,589)**	(35,987)
Non-current portion	**USD**			**R$**	**-**	5,202	**29,370**	1,585

**os valores classificados no não circulante estão alocados na linha outras contas a receber.*

Below is the fair value of consolidated gains or losses for the period, segregated by the main risk categories:

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21. Risk management and financial instruments (Continued)

f) Interest rate

		Gains and losses recorded in P&L					
		Allocated to Gross Revenue at		Allocated to Financial Income (expenses) at		Gains and losses recorded in equity*	
Description	Currency	09/30/2011	09/30/2010	09/30/2011	09/30/2010	09/30/2011	19/31/2010
Foreign exchange rate hedge operations							
NDF (Non Deliverable Forwards) contracts	**R$**	**28,583**	9,601	**(2,124)**	3,981	**(46,136)**	44,728
Trade Finance contracts	**R$**	**-**	-	**-**	-	(24,372)	-
Option contracts	**R$**	**-**	-	**-**	1,190	-	-
Sub-total	**R$**	**28,583**	9,601	**(2,124)**	5,171	**(70,508)**	44,728
Commodity hedge operations							
Agricultural commodity swap							
Cotton	**R$**	-	-	**(11,169)**	(8,534)	-	-
Soybean	**R$**	-	-	**6,161**	(5,093)	-	-
Coffee	**R$**	-	-	**-**	(1,432)	-	-
Fertilizers Swap							
Urea	**R$**	-	-	**-**	1,005	-	-
PUT – Mercantile contract		-	-	**-**	**(680)**	**-**	**-**
Corn	**R$**	**-**	**-**				
				(5,008)	**(14,734)**		
Swap Libor vs. Fixed Rate	**R$**	-	-	**(1,243)**	(4,776)	-	-
Sub-total	**R$**	-	-	**(1,243)**	(4,776)		
TOTAL	**R$**	**28,583**	9,601	**(8,375)**	(14,339)	**(70,508)**	44,728

The effect on foreign exchange, commodities and interest hedge operations totaled (R$ 8,375).

g) **Credit risk**

A significant portion of sales of the Company and its subsidiaries is made to a selected group of prime clients, i.e. trading companies, weaving companies etc., which usually acquire large volumes to guarantee local and international deals. Credit risk is managed through specific rules of client acceptance, credit rating and setting of limits for customer exposure. The Company and its subsidiaries historically do not record material losses on trade accounts receivable.

h) Market values

At September 30, 2011, the market values of cash, short-term investments, accounts receivable and payable, as well as loans and financing approximate the respective carrying amounts due to their short-term nature, or also because they are subject to floating interest rates.

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21. Risk management and financial instruments (Continued)

i) Sensitivity analysis

The Company carries out operations with derivative instruments solely to hedge against fluctuation in foreign exchange rates and commodities sales price, which are linked to US dollar rate and the soybean and cotton prices in the international market.

We prepared a sensitivity analysis for derivative instruments according to CVM Rule No. 550, of October 17, 2008, segregating them based on the following risk factors: exchange variation, commodities price and interest rate fluctuation (CDI, TJLP, Libor).

If any of the scenarios projected by the Company's management materialize, resulting in gain or loss, these will be fully offset by an opposite effect on the realization of Company sales revenue.

The estimated fair value of derivative financial instruments contracted by the Company and its subsidiaries was determined based on information available in the market and specific valuation methodologies. However, significant judgment was required in the interpretation of market data in order to estimate the fair value of each operation. Consequently, the estimates below do not necessarily indicate the amounts that will effectively be realized upon the financial settlement of the operations.

Foreign exchange risks

The Company projected the impact of foreign exchange hedge operations and its US debt in the following 5 scenarios for the years 2011, 2012 and 2013, as follows:

- Probable Scenario: Based on the FOCUS report (Bacen) of September 30, 2011, we defined this scenario considering an average exchange rate to US dollar of R$ 1.7300.

- A 25% fall in the currency rate: in this scenario the transactions would be settled considering an exchange rate to US dollar of R$ 1.2975, the equivalent to a 25% fall in relation to the Probable Scenario.

- A 50% fall in the currency rate: in this scenario the transactions would be settled considering an exchange rate to US dollar of R$ 0.8650, the equivalent to a 50% fall in relation to the Probable Scenario.

- A 25% rise in the currency rate: in this scenario the transactions would be settled considering an exchange rate to US dollar of R$ 2.1625, the equivalent to a 25% rise in relation to the Probable Scenario.

- A 50% rise in the currency rate: in this scenario the transactions would be settled considering an exchange rate to US dollar of R$ 2.5950, the equivalent to a 50% rise in relation to the Probable Scenario.

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21. Risk management and financial instruments (Continued)

h) Sensitivity analysis (Continued)

The summary below sets out the projected impacts on each scenario:

Description	Risk	Remote Scenario *USD = R$ 0.8650*	Possible Scenario *USD = R$ 1.2975*	Probable Scenario *USD = R$ 1.7300*	Possible Scenario *USD = R$ 2.1625*	Remote Scenario *USD = R$ 2.5950*
Year 2011						
Revenues from sales (hedged item)*	US$ rate change	(142,302)	(81,762)	(21,223)	39,317	99,856
Non-deliverable forwards (NDF)	US$ rate change	138,433	79,828	21,223	(37,382)	(95,987)
Subtotal		**(3,869)**	**(1,934)**	**-**	**1,935**	**3,869**
Year 2012						
Revenues from sales (underlying item)*	US$ rate change	(447,470)	(236,186)	(24,903)	186,381	397,665
Non-deliverable forwards (NDF)	US$ rate change	250,445	137,674	24,903	(87,868)	(200,639)
Subtotal		**(197,025)**	**(98,512)**	**-**	**98,513**	**197,026**
Year 2013						
Revenues from sales (underlying item)*	US$ rate change	(405,432)	(203,831)	(2,231)	199,369	400,969
Non-deliverable forwards (NDF)	US$ rate change	23,166	12,699	2,231	(8,236)	(18,704)
Subtotal		**(382,266)**	**(191,132)**	**-**	**191,133**	**382,265**
US$ debt						
Subtotal	US$ rate change	**103,368**	**58,182**	**12,997**	**(32,189)**	**(77,374)**
Total		**(479,792)**	**(233,396)**	**12,997**	**259,392**	**505,786**

Commodity price risks

The Company projected the impact of commodity price hedging operations in the following 3 scenarios for 2012:

Probable Scenario: In this scenario the following prices were considered, with expiration at CBOT (Chigago Board of Ttrade) and ICE (Icet Futures US):

Cotton: US$/Pound 0.9554 – maturity in July/12;

- Possible Scenario with a 25% fall: We considered in this scenario that the cotton price would have a 25% fall compared to the Probable Scenario:

Cotton: US$/Pound 0.7176 – maturity in July/12;

- Remote Scenario with a 50% fall: We considered in this scenario that the cotton price would have a 50% fall compared to the Probable Scenario:

Cotton: US$/Pound 0.4777 – maturity in July/12;

- Possible Scenario with a 25% rise: We considered in this scenario that the cotton price would have a 25% rise compared to the Probable Scenario:

Cotton: US$/Pound 1.1943 – maturity in July/12;

- Remote Scenario with a 50% rise: We considered in this scenario that the cotton and soybean prices would have a 50% rise compared to the Probable Scenario:
Cotton: US$/Pound 1.4331 – maturity in July/12;

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21. Risk management and financial instruments (Continued)

h) Sensitivity analysis (Continued)

The summary below sets out the projected impacts on each scenario:

Amounts in R$ 1,000

Description	Risk	Remote Scenario - 50%	Possible Scenario - 25%	Probable Scenario	Possible Scenario + 25%	Remote Scenario + 50%
Year 2012						
Cotton – Financial Operations	Price Change	22,991	18,464	12,501	(2,686)	(25,499)
Total		**22,991**	**18,464**	**12,501**	**(2,686)**	**(25,499)**

** Current agreements foresee a minimum fixed remuneration which is higher than the price estimated in the remote scenario of this quarter.*

Interest rate risks

With a view to analyzing interest rate sensitivity on the Company's debts and short-term investments, at September 30, 2011, 5 different scenarios were defined. Based on the FOCUS report (Bacen) of September 30, 2011, we defined the index rates for Interbank Deposit Certificates (CDI) and FOREX; concerning Libor, we considered the BM&F curve at September 30, 2011, and for the Long-term Interest Rate (TJLP), we considered the rate valid on the year-closing date. Based on this information, we defined the Probable Scenario to be analyzed, and arrived at a variation between 25% and 50% therefrom.

Gross financial income or expenses were considered in analyzing each scenario, not including taxes or debt maturity terms and redemption of short-term investments scheduled for 2011. The portfolio base date was September 30, 2011, and the interest rates were projected over a one-year period, their sensitivity being analyzed in each one of the 5 scenarios.

Following is a summary of the 12-month impacts on each scenario:

	Interest Rate*	Balance on 09/30/2011	50% Fall	25% Fall	Probable Scenario	25% Rise	50% Rise
Debts in Brazilian Reais Pre-Fixed Rate							
Rural Credit	6.75%	120,998	N/A	N/A	N/A	N/A	N/A
Constitutional Funds	7.27%	227,186	N/A	N/A	N/A	N/A	N/A
BNDES	5,23%	35,896	N/A	N/A	N/A	N/A	N/A
Debts in Brazilian Reais Post-Fixed Rate							
BNDES	TJLP + 2.61%	15,211	(863)	(1,091)	(1,320)	(1,548)	(1,776)
Debs in Dollars							
NCE	Libor 6M + 2.48%	128,928	(3,740)	(3,763)	(3,934)	(4,105)	(4,276)
PPE	Libor 6M + 2.80%	45,928	(1,537)	(1,463)	(1,522)	(1,580)	(1,639)
ACC	3.30%	18,293	(604)	(604)	(604)	(604)	(604)
BNDES	Currency Basket + 2.78%	569	(26)	(31)	(37)	(42)	(47)
Swap Libor x Pre	Assets: Libor + 2% Liabilities: 4.68%	69,231	(776)	(708)	(641)	(573)	(506)
Financial Investments							
CDB and Debentures	84.90% w/o CDI	88,089	4,113	6,170	8,226	10,283	12,339

* Average annual rates

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22. Employees' profit sharing

Under Collective Labor Agreements executed with their employees' professional associations, the Company and its subsidiaries have established a profit sharing program covering all its employees.

The amounts payable in the form of profit sharing is calculated based on the Company's consolidated net income. Part of this amount is freely distributed to the beneficiaries and the other part is paid subject to the fulfillment of goals set by each production unit.

Profit sharing is equivalent to 9% of the consolidated net income. 60% of this amount will be shared among the beneficiaries and the remaining 40% will depend on the fulfillment of goals set by each production unit. The amount corresponding to goals achieved is limited to two (02) nominal salaries per beneficiary employee.

Below the value recorded in earnings:

	Company		Consolidated	
	30/09/2011	**30/09/2010**	**30/09/2011**	**30/09/2010**
Profit Sharing	**5,455**	1,047	**7,963**	1,415
Total	**5,455**	1,047	**7,963**	1,415

23. Stock option plan

The Extraordinary Shareholders' Meeting held on May 23, 2007 approved the stock option plan, effective as from June 15, 2007, designed for the Company's officers and managers. The Plan is managed by a Managing Committee created by the Board of Directors on the same date.

The Stock Option Plan is limited to a maximum number of options resulting in the dilution of 3% of the Company's capital on the date each Annual Plan is created. The dilution corresponds to the percentage represented by the number of shares considered for the options in relation to the total number of shares issued by the Company.

The Plan's beneficiaries may exercise their options within 5 years from the respective grant date. Vesting period shall be up to 3 years, with releases corresponding to 20% as from the first anniversary, 40% as from the second anniversary and 100% as from the third anniversary. The Company has 30 days from the date of delivery of the Stock Option Exercise Instrument to issue the shares.

In meetings of the Board of Directors held on October 31, 2007, December 16, 2008, November 11, 2009 and November 10, 2010, the Annual Programs of the years 2007, 2008, 2009 and 2010 were passed, granting 640,000, 720,000, 488,000 and 805,000 stock options, respectively.

Transactions of the shares granted in the Annual Program of 2007, 2008, 2009 and 2010 and the respective exercise prices, in Brazilian reais, are presented as follows:

	Quantity of shares

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Grant Year	Exercise prices - R$	Initial balance on 01/01/2011	Granted	Cancelled	Exercised	Final balance on 09/30/2011
2007	R$ 14.00	224,300	-	-	(153,100)	71,200
2008	R$ 14.80	523,000	-	(32,000)	(16,000)	475,000
2009	R$ 15.00	423,400	-	(25,200)	(5,600)	392,600
2010	R$ 16.87	805,000	-	(20,000)	-	785,000
		1,975,700	-	(77,200)	(174,700)	1,723,800

The exercise price under the 2007 Annual Program was established at R$ 14.00 (fourteen reais) per share, equivalent to the distribution price per share established in the initial public offering.

The exercise price under the 2008 Annual Program was established at R$ 14.80 (fourteen reais and eighty centavos) per share, corresponding to the average price of the Company shares on the latest 90 trading sessions on the São Paulo State Stock Exchange (Bovespa) prior to the approval of the plan, with a discount of 19.97%.

The exercise price under the 2009 Annual Program was established at R$15.00 (fifteen reais) per share, corresponding to the average price of the Company shares on the latest 90 trading sessions on Bovespa prior to the approval of the plan, with a discount of 7.98%.

The exercise price under the 2010 Annual Program was established at R$16.87 (sixteen reais and eighty-seven centavos) per share, corresponding to the average price of the Company shares on the latest 90 trading sessions on Bovespa prior to the approval of the plan.

The vesting periods after the granting date are as follows:

Vesting periods from granting	% of stock options released for exercise	Maximum number of shares
As from 11/ 10/2011	9%	157,000
As from 11/11/2011	14%	238,600
As from 12/16/2011	49%	851,000
As from 11/12/2012	73%	1,252,800
As from 11/12/2013	100%	1,723,800

The Company recognizes the cost with the option plan based on the fair value of the granted shares, considering their fair value on the grant date. The model used to price the fair value of the options is the Black-Scholes. The weighted average fair value, the premiums considered and the economic premises used for the calculation in the model are presented below:

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	2007 Grant	2008 Grant	2009 Grant	2010 Grant
Weighted average fair value	R$ 21.2528	R$ 23.8985	R$ 21.3870	R$ 28.7330
Premiums	R$ 7.2528	R$ 9.0985	R$ 6.3870	R$ 11.8630
Dividend	1.00%	1.00%	1.00%	1.00%
Volatility of the share price	32.03%	76.05%	67.59%	60.40%
Return rate Free of Risk				
1st Maturity	11.65%	13.70%	9.91%	11.40%
2nd Maturity	11.65%	13.87%	11.41%	11.92%
3rd Maturity	11.64%	14.01%	12.13%	11.88%
Period expected until maturity				
1st Maturity	1,097	1,096	365	365
2nd Maturity	1,279	1,278	730	730
3rd Maturity	1,462	1,461	1,097	1,097

In compliance with the CPC 10, based on the grace periods presented, the values with the stock option plan were recognized in the results due to the elapse of the vesting period, with consideration in the shareholders' equity in specific capital reserve account, the value of R$ 5,004 (expense) on September 30, 2011 (R$ 2,769 on December 31, 2010).

24. Government grants and assistance

a) ICMS deferral and deemed credit

The Company has incentives allowing deferral of ICMS on soybean, corn and whole cottonseed operations through the participation of Fazenda Planalto in the Fundersul (Fund for Development of Highway System of Mato Grosso do Sul State) program and Fazenda Planorte and Fazenda Paiaguás in the FETHAB (Transportation and Housing Fund) program. To use the ICMS deferral incentive, the Company has to file an application with the relevant state authorities, waive ICMS credits on entries to which it would be entitled and pay Fundersul charge to Mato do Grosso do Sul state and FETHAB charge to Mato Grosso state.

The state government of Mato Grosso do Sul, Mato Grosso and Goiás, granted deemed ICMS credits on operations with cotton lint, with ICMS reduction between 50% and 75% through the participation of Fazenda Planalto in the Program for Development of Agricultural Production in Mato Grosso do Sul State (PDAGRO), the participation of Fazenda Planorte and Fazenda Paiaguás in the Cotton Culture Incentive Program of Mato Grosso State (PROALMAT) and Fazenda Pamplona's participation in the Cotton Producer Incentive Program of Goiás State (PROALGO).

In order to participate in these programs the Company must file an application with the relevant state authorities, waive ICMS credits to which it would be entitled upon entries, provide accessory information about this tax waiver and pay Facual and IMA/MT charges to Mato Grosso state, PDAgro charge to Mato Grosso do Sul state and Fialgo charge to Goiás state.

Deemed credits are credited to taxes on sales account in the statement of income, with a corresponding entry to taxes payable. In the nine-month period ended September 30, 2011, deemed ICMS credits were recognized in the amount of R$2,503 – Company, and R$4,050 - consolidated.

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b) Income tax reduction incentive

The Company enjoys income tax reduction incentive for subsidiaries Fazendas Parnaíba S.A. and Fazenda Planorte S.A., located in Maranhão state and Mato Grosso state, respectively, granted by SUDAM (Agency for Development of the Amazon Region). This incentive involves 75% income tax reduction and non-refundable surtax.

Fazenda Planorte enjoys this benefit until the production and sale limit of 13,478 tons of cotton lint and 18,533 tons of whole cottonseed per year. This incentive expires in 2015. Fazenda Parnaíba enjoys this benefit until the production and sale limit of 5,528 tons of cotton lint and 8,292 tons of whole cottonseed per year. This incentive expires in 2013.

The amounts of income tax reduction incentive are debited to taxes payable account, in current liabilities, and credited to income and social contribution taxes in the statement of income for the year. The income tax reduction incentive amount may not be distributed to shareholders as dividends, reason why the annual incentive amount is transferred from retained earnings to capital reserve, in equity. This reserve may only be used to increase the capital or absorb losses.

The subsidiaries Fazenda Planorte S.A. and Fazenda Parnaíba S.A., in the period ended on September 30, 2011 obtained gains with income tax reduction incentive in the amounts of R$672 and R$813, respectively.

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25. Insurance coverage

At September 30, 2011, the Company and its subsidiaries had retained business insurance to cover losses considering the nature of their activities and the risks involved in their operations. The insurance coverage was contracted at amounts considered sufficient by management to mitigate risks identified.

Insurance coverage contracted is detailed below:

Policy No.	Nature	Period covered	Coverage
01.004.131.038971	Vehicles of SLC Agrícola	10/10/10 to 10/10/11	Third parties - 100% FIPE
01.004.131.038960	Vehicles of Fazenda Parnaíba	10/10/10 to 10/10/11	Third parties - 100% FIPE
01.004.131.038961	Vehicles of Fazenda Planorte	10/10/10 to 10/10/11	Third parties - 100% FIPE
01.004.131.039004	Vehicles of Fazenda Paiaguás	10/10/10 to 10/10/11	Third parties - 100% FIPE
3.235.741	Machinery	10/08/10 to 10/08/11	2,000,000.00
03.30.0023699.000000	Rural properties / Master	11/10/10 to 11/10/11	25,000,000.00
03.18.0452169	Management	11/10/10 to 11/10/11	750,000.00
6.833.492	Civil liability	12/02/10 to 12/02/11	1,000,000.00
20.0000007	Cotton and grains inventories – including uncovered areas	03/25/2011 to 03/24/2012	60,000,000.00

The scope of our auditor's work does not include expressing an opinion on the sufficiency of the insurance coverage, whose adequacy was determined and assessed by the Company's management.

26. Gross revenue from sales

	Company		Consolidated	
	09/30/2011	09/30/2010	09/30/2011	09/30/2010
Gross operating revenue	**454,527**	392,051	**717,502**	634,960
Sale of goods	**331,556**	316,117	**518,647**	506,021
Change in fair value of biological assets	**122,971**	75,934	**198,855**	128,939
Deductions, taxes and contributions	**(24,319)**	(21,510)	**(35,439)**	(31,525)
Net operating revenue	**430,208**	370,541	**682,063**	603,435

27. Expenses by nature

	Company		Consolidated	
	09/30/2011	09/30/2010	09/30/2011	09/30/2010
Expenses by function				
Cost of goods sold and or services	**240,440**	287,084	**405,461**	449,133
Selling expenses	**18,246**	23,628	**26,295**	34,204
General and administrative expenses	**35,105**	20,456	**44,716**	24,946
Other operating expenses	**4,909**	-	**980**	-
	298,700	331,168	**477,452**	508,283
Expenses by nature				
Depreciation and amortization	**26,481**	31,153	**43,444**	51,001
Personnel expenses	**45,280**	40,965	**64,901**	59,204
Raw material and other materials	**121,276**	191,311	**205,376**	286,709
Change in fair value of biological assets	**60,527**	28,871	**119,685**	51,232
Freight	**10,719**	12,290	**13,792**	18,015
Other expenses	**30,832**	26,578	**29,370**	42,122
	295,115	331,168	**476,568**	508,283

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28. Information by segment

As the Company produces solely grains, for accounting and managerial purposes, it is organized at a single business unit. Even though the Company operates with various types of grains, the Company's management does not controls or manages its activities as independent segments, and the Company's results are subject to integrated monitoring and assessment. Its operating assets and personnel structure are the same for all products*.*

The consolidated sales in domestic and foreign markets are as follows*:*

	09/30/2011	09/30/2010
Gross sales		
Domestic market	222,345	200,772
Foreign market	259,505	262,043
Gains with Biological Assets	198,855	128,939
Other	36,797	43,206
	71,502	**634,960**

Information on consolidated gross sales by product is as follows*:*

	09/30/2011	09/30/2010
Consolidated gross sales:		
Cotton	204,177	212,405
Soybean	202,703	166,002
Corn	42,546	42,350
Cottonseed	28,924	29,058
Coffee	3,500	5,959
Other	36,797	50,247
Biological Asset	198,855	128,939
	717,502	**634,960**

There are no customers individually representing over 6% of sales in domestic or foreign markets*.*

A free translation from Portuguese into English of Independent Auditor's Review Report on financial statements prepared in accordance with accounting practices adopted in Brazil

REVIEW REPORT ON THE QUARTERLY INFORMATION

To the Shareholders, Directors and Officers of
SLC Agrícola S.A.
Porto Alegre – RS

Introduction

We have reviewed the individual and consolidated interim accounting information of Companhia SLC Agrícola S.A., contained in the Quarterly Information Form – ITR for the quarter ended September 30, 2011, which comprises the balance sheet on September 30, 2011 and the respective statements of income and comprehensive income for the quarter and nine-months then ended, as well as changes in shareholders' equity and cash flows for the nine-months then ended, including the summary of the main accounting practices and other explanatory notes.

Management is responsible for the preparation of the individual interim accounting information in accordance with the Accounting Pronouncement CPC 21 – Interim Statement and consolidated interim accounting information in accordance with CPC 21 and the international accounting standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board – IASB, as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of Quarterly Information - ITR. Our responsibility is to express our conclusion on this interim accounting information based on our review.

Scope of the review

We conducted our review in accordance with the Brazilian and international interim information review standards (NBC TR 2410 - Revisão de Informações Intermediárias Executada pelo Auditor da Entidade and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries primarily of the management responsible for financial and accounting matters and applying analytical procedures and other review procedures. The scope of a review is significantly less than an audit conducted in accordance with auditing standards and, accordingly, it did not enable us to obtain assurance that we were aware of all material matters that would have been identified in an audit. Therefore, we do not express an audit opinion.

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Conclusion on the individual interim accounting information

Based on our review, we are not aware of any fact that might lead us to believe that the individual interim accounting information included in the aforementioned quarterly information was not prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information - ITR, and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Conclusion on the consolidated interim accounting information

Based on our review, we are not aware of any fact that might lead us to believe that the consolidated interim accounting information included in the aforementioned quarterly information was not prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information - ITR, and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other matters

Interim information of added value

We also reviewed the individual and consolidated interim information of added value (DVA) for the nine-months ended September 30, 2011, prepared under management's responsibility, for which presentation is required in the interim information in accordance with the standards issued by CVM - the Brazilian Securities and Exchange Commission applicable to the preparation of Quarterly Information - ITR and considered as supplementary information by IFRS, which does not require the presentation of the statements of added value. These statements were submitted to the same review procedures described previously and, based on our review, we are not aware of any fact that might lead us to believe that they were not prepared, in all material respects, in accordance with the individual and consolidated interim accounting information taken as a whole.

Porto Alegre (RS), November 08, 2011.

ERNST & YOUNG TERCO
Auditores Independentes S.S.
CRC-2SP15199/O-6/S/RS

Luis Carlos de Souza
Accountant CRC-1SC021585/O-4 S-RS