**THE REGISTRATION WITH THE CVM DOES NOT IMPLY THAT ANY OPINION IS EXPRESSED ON THE COMPANY. THE INFORMATION PROVIDED IS THE RESPONSIBILITY OF THE COMPANY'S MANAGEMENT.**

## 01.01 - IDENTIFICATION

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |
| 4 – NIRE | | |
| **43300047521** | | |

## 01.02 - HEAD OFFICE ADDRESS

| 1 - FULL ADDRESS (STREET, NUMBER AND COMPLEMENT) | | | 2 - DISTRICT | |
|---|---|---|---|---|
| RUA BERNARDO PIRES, 128, 4º ANDAR | | | SANTANA | |
| 3 - ZIP CODE | | 4 - CITY | | 5 - STATE |
| 90620-010 | | PORTO ALEGRE | | RS |
| 6 - DDD (Long distance) | 7 - TELEPHONE | 8 - TELEPHONE | 9 - TELEPHONE | 10 - TELEX |
| 51 | 3230-7799 | 9999-9999 | 9999-9999 | 9999999 |
| 11- DDD (Long distance) | 12 - FAX | 13 - FAX | 14 - FAX | |
| 51 | 3230-7750 | 3230-7774 | 9999-9999 | |
| 15 - E-MAIL | | | | |
| ri@slcagricola.com.br | | | | |

## 01.03 - INVESTOR RELATIONS DIRECTOR (Address for correspondence with the company)

| 1 – NAME | | | | |
|---|---|---|---|---|
| LAURENCE BELTRÃO GOMES | | | | |
| 2 - FULL ADDRESS (Place, Number and Complement) | | | 3 - DISTRICT | |
| RUA BERNARDO PIRES, 128, 5º ANDAR | | | SANTANA | |
| 4 - ZIP CODE | | 5 - CITY | | 6 - STATE |
| 90620-010 | | PORTO ALEGRE | | RS |
| 7 - DDD (long distance) | 8 - TELEPHONE | 9 - TELEPHONE | 10 - TELEPHONE | 11 – TELEX |
| 51 | 3230-7799 | 9999-9999 | 9999-9999 | 9999999 |
| 12 - DDD (long distance) | 13 - FAX | 14 - FAX | 15 – FAX | |
| 51 | 3230-7750 | 3230-7774 | 9999-9999 | |
| 16 - E-MAIL | | | | |
| ri@slcagricola.com.br | | | | |

## 01.04 - REFERENCE / AUDITOR

| CURRENT FISCAL YEAR | | CURRENT QUARTER | | | PREVIOUS QUARTER | | |
|---|---|---|---|---|---|---|---|
| 1 – BEGIN | 2 – END | 3 - QUARTER | 4 - BEGIN | 5 - END | 6 - QUARTER | 7 - BEGIN | 8 – END |
| 01/01/2008 | 12/31/2008 | 3 | 01/01/2008 | 03/31/2008 | 2 | 10/01/2007 | 12/31/2007 |

| 9 - AUDITING COMPANY | 10 - CVM CODE |
|---|---|
| ERNST & YOUNG AUDITORES INDEPENDENTES S.S. | 00471-5 |
| 11 - TECHNICAL IN CHARGE | 12 - TECHNICAL IN CHARGE TAXPAYERS' REGISTER |
| AMÉRICO F. FERREIRA NETO | 045.379.898-58 |

**01.01 - IDENTIFICATION**

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 01.05 - CURRENT COMPOSITION OF CAPITAL

| Number of Shares (units) | 1 – CURRENT QUARTER 03/31/2008 | 2 – PREVIOUS QUARTER 12/31/2007 | 3 – SAME QUARTER PREVIOUS YEAR 03/31/2007 |
|---|---|---|---|
| **Paid-Up Capital** | | | |
| 1 – COMMON | 89,500,000 | 89,500,000 | 67,500,000 |
| 2 - PREFERRED | 0 | 0 | 0 |
| 3 – TOTAL | 89,500,000 | 89,500,000 | 67,500,000 |
| **In Treasury** | | | |
| 4 - COMMON | 0 | 0 | 0 |
| 5 - PREFERRED | 0 | 0 | 0 |
| 6 – TOTAL | 0 | 0 | 0 |

## 01.06 – COMPANY PROFILE

| |
|---|
| 1 - TYPE OF COMPANY<br>Commercial, Industrial and Others |
| 2 – SITUATION<br>Operational |
| 3 - NATURE OF SHARE CONTROL<br>National Private |
| 4 - CODE OF ACTIVITY<br>1210 – Agriculture (Sugar, Alcohol and Sugarcane) |
| 5 - MAIN ACTIVITY<br>Production and sale of cotton, soybean, corn and coffee. |
| 6 – CONSOLIDATED TYPE<br>Total |
| 7 – TYPE OF AUDITOR'S REPORT<br>Unqualified |

## 01.07- COMPANIES NOT INCLUDED IN CONSOLIDATED FINANCIAL STATEMENTS

| 1 - ITEM | 2 - GENERAL TAXPAYERS' REGISTER | 3 – NAME |
|---|---|---|

## 01.08 – DECLARED AND/OR PAID DIVIDENDS DURING AND AFTER THE QUARTER

| 1 - ITEM | 2 – EVENT | 3 - APPROVAL DATE | 4 - DIVIDENDS | 5- BEGINNING OF PAYMENT | 6- TYPE OF SHARE | 7- AMOUNT PER SHARE |
|---|---|---|---|---|---|---|
| 01 | Ordinary Shareholders' Meeting | 04/03/2008 | Dividends | 04/11/2008 | ON | 0.0838461210 |

**01.01 - IDENTIFICATION**

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 01.09 – PAID-UP CAPITAL AND CHANGES IN THE CURRENT PERIOD

| 1 – ITEM | 2 – DATE OF CHANGE | 3 – CAPITAL STOCK (thousand reais) | 4 – AMOUNT (thousand reais) | 5 – SOURCE OF CHANGE | 7 – QUANTITY OF ISSUED SHARES (thousand) | 8 – PRICE OF SHARE IN THE ISSUANCE (reais) |
|---|---|---|---|---|---|---|

## 01.10 – INVESTOR RELATIONS DIRECTOR

| 1 – DATE | 2 – SIGNATURE |
|---|---|
| 04/17/2008 | |

**01.01 - IDENTIFICATION**

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 02.01- BALANCE SHEET - ASSETS (in thousands of reais)

| 1 – CODE | 2 – DESCRIPTION | 3- 03/31/2008 | 4- 12/31/2007 |
|---|---|---|---|
| 1 | Total Assets | 703,400 | 649,060 |
| 1.01 | Current Assets | 312,847 | 311,474 |
| 1.01.01 | Cash, Banks and Investments | 139,024 | 145,745 |
| 1.01.01.01 | Cash and Cash Equivalents | 150 | 22,214 |
| 1.01.01.02 | Short term Investments | 138,874 | 123,531 |
| 1.01.02 | Credits | 16,864 | 15,698 |
| 1.01.02.01 | Trade Accounts Receivable | 5,757 | 6,062 |
| 1.01.02.02 | Other credits | 11,107 | 9,636 |
| 1.01.02.02.02 | Recoverable taxes | 11,063 | 9,562 |
| 1.01.02.02.03 | Deferred income and social contribution taxes | 44 | 74 |
| 1.01.03 | Inventories | 147,215 | 139,396 |
| 1.01.03.01 | Inventories | 33,639 | 77,241 |
| 1.01.03.02 | Growing crops | 113,576 | 62,155 |
| 1.01.04 | Others | 9,744 | 10,635 |
| 1.01.04.01 | Other accounts receivable | 2,886 | 1,360 |
| 1.01.04.02 | Notes receivable | 669 | 581 |
| 1.01.04.03 | Credits with Related Parties | 3,460 | 5,269 |
| 1.01.04.04 | Dividends Receivable | 1,500 | 1,500 |
| 1.01.04.05 | Prepaid expenses | 1,229 | 1,925 |
| 1.02 | Non current Assets | 390,553 | 337,586 |
| 1.02.01 | Long term Assets | 63,488 | 42,132 |
| 1.02.01.01 | Credits | 46,616 | 41,354 |
| 1.02.01.01.01 | Recoverable taxes | 1,940 | 1,934 |
| 1.02.01.01.02 | Deferred income and social contribution Taxes | 31,088 | 33,046 |
| 1.02.01.01.03 | Notes receivable | 7,215 | - |
| 1.02.01.01.04 | Prepaid expenses | 5,720 | 5,720 |
| 1.02.01.02 | Credits with Related Parties | 653 | 654 |
| 1.02.01.01.05 | Other credits | 50 | 778 |
| 1.02.01.02.01 | With Associates | - | - |
| 1.02.01.02.02 | With Subsidiaries | 50 | 778 |
| 1.02.01.02.03 | Others Related Parties | - | - |
| 1.02.01.03 | Others | 16,822 | - |
| 1.02.01.03.01 | Advance for future capital increase | 16,822 | - |
| 1.02.02 | Permanent Assets | 327,065 | 295,454 |
| 1.02.02.01 | Investments | 189,143 | 173,871 |
| 1.02.02.01.01 | Equity in Associates | - | - |
| 1.02.02.01.02 | Equity in Associates – Goodwill | - | - |
| 1.02.02.01.03 | Equity in Subsidiaries | 189,044 | 173,772 |
| 1.02.02.01.04 | Equity in Subsidiaries – Goodwill | - | - |
| 1.02.02.01.05 | Other Investments | 99 | 99 |
| 1.02.02.02 | Fixed Assets | 101,187 | 86,024 |
| 1.02.02.03 | Intangible | 760 | 777 |
| 1.02.02.04 | Deferred | 35,975 | 34,782 |

**01.01 - IDENTIFICATION**

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 02.02- BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of reais)

| 1 – CODE | 2 – DESCRIPTION | 3- 03/31/2008 | 4- 12/31/2007 |
|---|---|---|---|
| 2 | Total Liabilities | 703,400 | 649,060 |
| 2.01 | Current Liabilities | 100,379 | 81,620 |
| 2.01.01 | Loans and financing | 59,581 | 55,603 |
| 2.01.02 | Debentures | - | - |
| 2.01.03 | Supplier | 3,202 | 2,189 |
| 2.01.04 | Taxes, Charges and Contributions | 5,904 | 3,487 |
| 2.01.04.01 | Taxes, fees and sundry contributions | 1,751 | 732 |
| 2.01.04.02 | Deferred income and social contribution taxes | 4,153 | 2,755 |
| 2.01.05 | Dividends Payable | 7,504 | 7,504 |
| 2.01.06 | Provisions | - | - |
| 2.01.07 | Debts with Related Parties | 5,148 | 3,157 |
| 2.01.08 | Other Obligations | 19,040 | 9,680 |
| 2.01.08.01 | Advances from customers | 15,231 | 3,451 |
| 2.01.08.02 | Vacation accrual and charges payable | 1,848 | 4,510 |
| 2.01.08.03 | Other liabilities | 1,961 | 1,719 |
| 2.02 | Non current Liabilities | 50,678 | 44,345 |
| 2.02.01 | Long term Liabilities | 50,678 | 44,345 |
| 2.02.01.01 | Loans and financing | 27,687 | 24,335 |
| 2.02.01.02 | Debentures | - | - |
| 2.02.01.03 | Provisions | - | - |
| 2.02.01.04 | Debts with Related Parties | - | - |
| 2.02.01.05 | Advance for future capital increase | - | - |
| 2.02.01.06 | Others | 22,991 | 20,010 |
| 2.02.01.06.01 | Deferred income and social contribution taxes | 22,443 | 19,462 |
| 2.02.01.06.02 | Other liabilities | 548 | 548 |
| 2.02.02 | Deferred Income | - | - |
| 2.04 | Shareholder's Equity | 552,343 | 523,095 |
| 2.04.01 | Paid-in Capital | 253,256 | 253,256 |
| 2.04.02 | Capital Reserves | 245,746 | 245,746 |
| 2.04.03 | Revaluation Reserves | - | - |
| 2.04.03.01 | Owned Assets | - | - |
| 2.04.03.02 | Subsidiaries/ Affiliates | - | - |
| 2.04.04 | Profit Reserves | 24,093 | 24,093 |
| 2.04.04.01 | Legal | 1,580 | 1,580 |
| 2.04.04.02 | Statutory | 16,885 | 16,885 |
| 2.04.04.03 | For Contingencies | - | - |
| 2.04.04.04 | Profits Realizable | - | - |

**01.01 - IDENTIFICATION**

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 02.02- BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of reais)

| | | | |
|---|---|---|---|
| 2.04.04.05 | Retained Earnings | 5,628 | 5,628 |
| 2.04.04.06 | Special for Non-distributed Dividends | - | - |
| 2.04.04.07 | Other profit Reserves | - | - |
| 2.04.05 | Accumulated Earnings/ Losses | 29,248 | - |
| 2.04.06 | Advance for future capital increase | - | - |

**01.01 - IDENTIFICATION**

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 03.01 – STATEMENT OF OPERATIONS (in thousands of reais)

| 1 – CODE | 2 – DESCRIPTION | 3 - 01/01/2008 to 03/31/2008 | 4 - 01/01/2008 to 03/31/2008 | 5 – 01/01/2007 to 03/31/2007 | 6 - 01/01/2007 to 03/31/2007 |
|---|---|---|---|---|---|
| 3.01 | Gross Sales | 37,083 | 37,083 | 34,662 | 34,662 |
| 3.02 | Sales Deductions | (2,750) | (2,750) | (2,603) | (2,603) |
| 3.03 | Net Sales | 34,333 | 34,333 | 32,059 | 32,059 |
| 3.04 | Cost of Sales | (19,728) | (19,728) | (25,262) | (25,262) |
| 3.05 | Gross Profit | 14,605 | 14,605 | 6,797 | 6,797 |
| 3.06 | Operating Income/Expenses | 11,922 | 11,922 | 418 | 418 |
| 3.06.01 | Selling Expenses | (1,607) | (1,607) | (637) | (637) |
| 3.06.02 | General and Administrative Expenses | (3,438) | (3,438) | (2,179) | (2,179) |
| 3.06.02.01 | General and Administrative Expenses | (2,843) | (2,843) | (2,071) | (2,071) |
| 3.06.02.02 | Management Fees | (595) | (595) | (108) | (108) |
| 3.06.02.03 | Non-recurring expenses | - | - | - | - |
| 3.06.03 | Financial | 1,639 | 1,639 | (2,561) | (2,561) |
| 3.06.03.01 | Financial Income | 7,145 | 7,145 | 2,109 | 2,109 |
| 3.06.03.02 | Financial Expenses | (5,506) | (5,506) | (4,670) | (4,670) |
| 3.06.04 | Other Operating Income | 56 | 56 | 473 | 473 |
| 3.06.05 | Other Operating Expenses | - | - | - | - |
| 3.06.06 | Equity Pick-up | 15,272 | 15,272 | 5,322 | 5,322 |
| 3.07 | Operating Income (expenses) | 26,527 | 26,527 | 7,215 | 7,215 |
| 3.08 | Non-operating Result | 9,940 | 9,940 | 177 | 177 |
| 3.08.01 | Income | 9,940 | 9,940 | 177 | 177 |
| 3.08.02 | Expenses | - | - | - | - |
| 3.09 | Income Before Tax and Profit Minority Interest | 36,467 | 36,467 | 7,392 | 7,392 |

**01.01 - IDENTIFICATION**

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 03.01 - STATEMENT OF OPERATIONS (in thousands of reais)

| | | | | | |
|---|---|---|---|---|---|
| 3.10 | Provision for Income tax and social contribution | (852) | (852) | - | - |
| 3.11 | Deferred Income Tax and Social Contribution | (6,367) | (6,367) | (690) | (690) |
| 3.12 | Statutory Participations / Contributions | - | - | - | - |
| 3.12.01 | Profit Sharing | - | - | - | - |
| 3.12.02 | Contribution | - | - | - | - |
| 3.13 | Reversion of Interest on Shareholders' Equity | - | - | - | - |
| 3.15 | Earnings / Losses in the Period | 29,248 | 29,248 | 6,702 | 6,702 |
| | NUMBER OF SHARES, EX-TREASURY (Units) | 89,500,000 | 89,500,000 | 67,500,000 | 67,500,000 |
| | EARNINGS PER SHARE (reais) | 0.32679 | 0.32679 | 0.09929 | 0.09929 |
| | LOSS PER SHARE (reais) | - | - | - | - |

**In thousands of reais - R$, except where otherwise indicated**

## 1. Operations

The corporate objective of SLC Agrícola S.A. (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; and the sale, import and export of agricultural products; agribusiness activities involving the processing of sugar cane, alcohol and its by-products; equity interest in other companies.

During the 2006/2007 crop the Company and its subsidiaries operated seven farms extending over a total area of approximately 117 thousand hectares (some 314 thousand acres). At the 2007/2008 crop, the Company is operating eight farms, over a total cultivated area of approximately 170 thousand hectares (some 458 thousand acres), located in five Brazilian states within the "cerrado" region, which is suitable for grain cropping, especially soybean, cotton and corn. Additionally, the Company has leased land neighboring its farms, which allows for a production increase through the use of existing infrastructure, with dilution of fixed costs and decrease in the unit cost of its products.

## 2. Basis of Preparation and Presentation of the Financial Statements

### 2.1 Enhancement and improvement of notes to financial statements

Notes 2.3 and 24 of this quarterly information were supplemented in relation to those disclosed on April 17, 2008 with a view to complying with the guidelines from the Brazilian Securities and Exchange Commission (CVM), according to Official Communication/CVM/SRE/SEP/Nº 81/2008 of June 9, 2008, in view of the Company's equity offering. The balance sheets and related statements of income, cash flows and value added and other notes were not changed in relation to the previous disclosure

### 2.2 Basis of Preparation and Presentation of the Financial Statements

These financial statements were prepared in conformity with the accounting practices adopted in Brazil, following the accounting guidelines laid down in Brazil's Corporation Law, and the standards issued by the Brazilian Securities Commission (CVM) and by the São Paulo State Stock Exchange for companies included in the so-called "New Market".

The preparation of the financial statements involves the use of accounting estimates. Such estimates were based on objective and subjective aspects considering management's judgment to determine the adequate amount to be recorded in the financial statements. Significant items subject to these estimates and assumptions include the selection of useful lives of fixed assets and their recovery in operations, and the analyses of other risks to determine other provisions, including the provision for contingencies, and the valuation of financial instruments and other assets and liabilities at the balance sheet date.

The provision for income and social contribution taxes was computed based on legislation in effect at the balance sheet date.

Settlement amounts for transactions involving these estimates may significantly differ from those reported in the financial statements due to the underlying inaccuracy of the determination process. The Company reviews its estimates and assumptions on a quarterly basis.

**2.2 Basis of Preparation and Presentation of the Financial Statements (**Continued)

Assets and liabilities are classified as current when these items are likely to be settled or realized within 12 months, or otherwise classified as noncurrent. Monetary assets and liabilities denominated in foreign currencies were translated into reais at the foreign exchange rate in effect at the balance sheet date. Foreign currency translation gains and losses were recognized in the statements of income.

Certain amounts in the financial statements for the period of three months ended March 31, 2007, presented for comparison purposes, have been reclassified due to the accounting allocation of the respective transactions at the period of three months ended March 31, 2008.

The consolidated financial statements include the operations carried out by SLC Agrícola S.A. and the following subsidiaries, in which equity interest, at March 31, 2008, is held as follows:

| Subsidiary | Direct subsidiary-% | Indirect subsidiary-% | Core business activity | Location |
|---|---|---|---|---|
| Fazenda Planorte S.A. | **100** | **-** | Cultivation of cotton, soybean and corn crops. | Mato Grosso – MT |
| Fazenda Paiaguás S.A. | **100** | **-** | Cultivation of cotton, soybean and corn crops. | Mato Grosso – MT |
| Fazenda Parnaíba S.A. | **100** | **-** | Cultivation of cotton, soybean and corn crops. | Maranhão – MA |
| SLC Empreendimentos e Agricultura Ltda. | **83.22** | **16.78** | Lease of arable land. | Rio Grande do Sul – RS |

The fiscal years of subsidiaries included in consolidation are the same as those of the Company; also, accounting policies were consistently applied by the consolidated companies and are consistent with those used in prior years.

The main consolidation procedures are:

- Elimination of the balances of intercompany assets and liabilities;
- Elimination of equity interest, reserves and retained earnings of consolidated companies;
- Elimination of the balances of revenues, expenses and unrealized profits resulting from intercompany transactions.

The quarterly information includes as supplementary information in Note 27 and Note 28 the statement of cash flows (DCF) and statement of value added (DVA) – prepared using the indirect method, out of the accounting records, and based on the guidelines issued by IBRACON – the Institute of Independent Auditors of Brazil and CFC - Federal Board of Accountancy.

## 2.3. Changes in the Brazilian Corporation Law – Law Nº 11638/07

Law No. 11638, approved on December 28, 2007, amends and sets aside provisions of Law No. 6404, dated December 15, 1976 and Law No. 6385, dated December 7, 1976. The main objective of these changes and amendments is to update Brazilian corporation law to allow convergence of accounting practices adopted in Brazil to international accounting practices defined by the standards issued by the International Accounting Standards Board – IASB. On May 2, 2008 CVM issued Ruling No 469, which sets standards for Law No 11638/07.

The requirements of this new Law apply to the financial statements for the years beginning January 1, 2008, and the amendments to these financial statements for the year ending December 31, 2008 shall also be applied back to December 31, 2007 or to all the 2007 year related periods presented for purposes of presentation and comparability of the financial statements to be disclosed in 2008.

Among the main amendments to the accounting standards introduced by the new Law, we single out below only those which, in a preliminary analysis by Company management, based on this new Law and CVM Ruling No. 469, may affect the financial statements of the Company and of its subsidiaries:

- Requirements that investments in financial instruments, including derivatives, should be recorded: (i) at their market or equivalent value, whenever it involves investments for trading or available to sale; and (ii) at the cost acquisition or issuance value, updated in accordance with the legal or contractual provisions, adjusted to the probable realization value, whenever it is lower. Management of the Company and its subsidiaries believe that its short-term investments are in line with the CVM requirements, that is, no significant effect is expected to arise from the adoption of such standard. As regards the derivative financial instruments, in view of the volume of contracts with different deadlines and remuneration conditions, Management awaits the regulations and standards to be set for the amendments introduced by Law No 11638 to perform more detailed studies and thus enable adequate recording and disclosure of the matter.

- Non-current assets and liabilities shall be adjusted at present value. The other balances shall be adjusted at present value only in case of significant effect on the financial statements. Management of the Company and its subsidiaries believe that no significant effect will arise from the adoption of such rule.

- Possibility of separate bookkeeping of transactions to comply with the tax legislation and then the adjustment necessary to adapt the accounting practices. The Company is assessing the effects of applying this introduction to its internal control structure to better define the practice to be adopted.

- Obligatory recording in fixed assets of rights intended for tangibles to support the Company's operations, including those arising from operations which transfer the Company the benefits, risks and control over assets, e.g. financial lease. The Company does not have any financial assets falling into this rule.

**2.3. Changes in the Brazilian Corporation Law – Law Nº 11638/07 (Continued)**

- Investments in affiliates on whose management the corporation has a significant influence or in which they hold 20% or more of the voting capital (and no longer of total capital), in subsidiaries and in other companies that are of a same group, or that are under common control, shall be measured by the equity method. The materiality concept was eliminated. Company management understands that such change will not cause any material impact on the financial statements.

- Inclusion of the Statement of Value Added– SVA in the financial statements. Company management has been disclosing such statement when preparing its annual financial statements and quarterly information.

Given that the standard-setting process will require the issuance of new pronouncements, Company management opted to apply the provisions of Law No. 11638/07 only to the financial statements for year-end 2008. Accordingly, the balance sheets and the statements of income, cash flows and value added, and the performance report and notes for this quarter and for the prior periods presented for comparison purposes were prepared without addressing the amendments to the accounting practices established by such law, as allowed by CVM. Management awaits the regulations and standards the relevant authorities will set for this and other issues so that it has all the elements necessary to determine, record and disclosure all the effects of Law No. 11638 on its financial statements for the year ending December 31, 2008. The Company intends to disclose in the upcoming quarters the effects on net assets and income from the implementation of such measures vis-à-vis the evolvement of its analyses and additional interpretations from regulators, including CVM Ruling No. 469, of May 2, 2008.

**3. Summary of Principal Accounting Practices**

a) Determination of net income

Revenues are determined on the accrual basis of accounting. Revenues from the sale of goods are recognized in the statement of income when all risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding its realization.

b) Short-term investments

These are valued at the original investment value plus income earned to the balance sheet date, not exceeding realizable value.

**3. Summary of Principal Accounting Practices** (Continued)

c) Allowance for doubtful accounts

The Company and its subsidiaries do not include amounts requiring setting up of allowance for doubtful accounts once there are no expected losses on accounts receivable.

d) Growing crops

These are stated at cost incurred through the balance sheet date, and represent crop formation in the related fiscal years.

e) Inventories

Agricultural products are valued at their production cost, not exceeding realizable values.

Inventories of seeds, manure, fertilizers, pesticides, fuel, lubricants, stored and sundry materials were valued at their average acquisition cost, not exceeding market values.

f) Investments

Investments in subsidiaries are valued at the equity accounting method, as described in Note 10. Other investments are stated at acquisition cost less provision for losses, as applicable.

g) Property, plant and equipment

Property, plant and equipment are stated at acquisition, buildup or construction cost. Depreciation is calculated on the straight-line basis at the rates mentioned in Note 11 and takes into consideration the estimated useful life of the assets.

h) Intangible assets

These are recorded at acquisition cost, less amortization, calculated on the straight-line basis at 20% per annum.

i) Deferred charges

These are stated at cost incurred, and refer to expenses on soil amendment, deforestation and IT systems implementation. Amortization is expected to be concluded within 5 years.

j) Liabilities

Liabilities are recognized in the balance sheet when the Company has a legal or constructive obligation arising from past events, the settlement of which is expected to result in an outflow of economic benefits. Due to uncertainty with respect to the timing and amount of the outflow of economic benefits required for settlement, certain liabilities are estimated as incurred and recorded as a provision. Provisions are recorded reflecting the best estimates of the risk involved.

**3. Summary of Principal Accounting Practices** (Continued)

k) Taxation

Sales revenues are subject to the following taxes and mandatory contributions, at the following statutory tax rates:

| | Rates |
|---|---|
| State VAT (ICMS) | 0% to 17.00% |
| Social Contribution Tax on Gross Revenue for Social Security Financing (COFINS) | 7.60% |
| Social Contribution Tax on Gross Revenue for Social Integration Program (PIS) | 1.65% |
| Rural Workers' Assistance Fund Tax – Funrural | 2.85% |

These expenses are stated as sales deductions in the statement of income. Credits deriving from non-cumulative PIS/COFINS are recorded as a deduction from the cost of sales in the statement of income.

Income taxes comprise both income and social contribution taxes. Income tax is calculated at a rate of 15%, plus a surtax of 10% on taxable income exceeding R$ 60 in the quarter and R$ 240 over the year, whereas social contribution tax is computed at a rate of 9% on taxable income, both recognized on an accrual basis; therefore, additions to book income deriving from temporarily non-deductible expenses or exclusions from temporarily non-taxable income upon determination of current taxable income generate deferred tax assets or liabilities.

Tax prepayments or tax loss carryforwards are shown under current or noncurrent assets, considering their expected realization.

Deferred tax credits stemming from corporate income tax and social contribution tax losses are shown at their estimated realizable value, as described in Note 16.

l) Investment grants

The subsidiaries Fazenda Parnaíba and Fazenda Planorte benefit from income tax incentives relating to the part of their operations located in the country's central-west and northeast regions, respectively. These incentives are granted in the form of a 100% exemption or a 50% to 75% reduction in income tax due, calculated considering results from activities covered by the benefit, recorded directly in shareholders' equity, under tax incentives. ADA Declaratory Acts granting income tax reductions will expire between calendar years 2008 and 2015.

**3. Summary of Principal Accounting Practices** (Continued)

m) Cost subsidies

The Governments of Mato Grosso do Sul and Mato Grosso states, through Decrees No. 9542/99 and No. 1261/00, respectively, granted incentives allowing deferral of ICMS debits through inclusion of Fazenda Planalto in the Fundersul Program (Fund for the Development of the Road System of Mato Grosso do Sul state) and the inclusion of Fazenda Planorte and Fazenda Paiaguás in the FETHAB Program (Fund for Transportation and Housing).

The Governments of Mato Grosso do Sul, Mato Grosso and Goiás states, through Decree No. 9716/99, Decree No 1589/97 and state Law No. 13506/99, granted ICMS matching credits for operations with cotton-feather, with reduction of ICMS payable by 50% to 75% through inclusion of Fazenda Planalto in the PDAGRO Program (Mato Grosso do Sul), of Fazenda Planorte and Fazenda Paiaguás in the PROALMAT Program (Mato Grosso) and Fazenda Pamplona in the PROALGO Program (Goiás). ICMS matching credits are recorded in the statement of income in the deductions-taxes and mandatory contributions account as a corresponding entry to recoverable taxes.

**4. Short-term investments**

| | | Parent Company | |
|---|---|---|---|
| Type | Yield | **03/31/2008** | **12/31/2007** |
| Bank Deposit Certificates – Interbank Deposits (CDB–DI) | 100.11% of CDI* | **72,018** | 25,311 |
| Repurchase and resale agreements** | 100.90% of CDI* | **64,514** | 97,064 |
| Other investments | - | **2,342** | 1,156 |
| | | **138,874** | 123,531 |

| | | Consolidated | |
|---|---|---|---|
| Type | Yield | **03/31/2008** | **12/31/2007** |
| Bank Deposit Certificates – Interbank Deposits (CDB–DI) | 100.09 % CDI* | **87,769** | 30,730 |
| Repurchase and resale agreements | 100.80% CDI* | **87,814** | 107,573 |
| Other investments** | - | **2,445** | 1,257 |
| | | **178,028** | 139,560 |

* Average yield as of December 31, 2008.
** Balance consisting of guaranteed savings account and a foreign account to cover margins of commodity hedging transactions.

Short-term investments in Bank Deposit Certificates (CDB) and repurchase and resale agreements (debentures) are redeemable within 90 days as from the balance sheet date.

**5. Trade Accounts Receivable**

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | **03/31/2008** | **12/31/2007** | **03/31/2008** | **12/31/2007** |
| Domestic market | **4,867** | 471 | **14,004** | 1,236 |
| Foreign market | **890** | 5,591 | **1,636** | 12,004 |
| Total | **5,757** | 6,062 | **15,640** | 13,240 |

At December 31, 2008 and 2007, the Company and its subsidiaries had no overdue notes receivable.

## 6. Inventories

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 03/31/2008 | 12/31/2007 | 03/31/2008 | 12/31/2007 |
| Agricultural products | **3,698** | 13,182 | **6,317** | 25,094 |
| Seeds, manure, fertilizers and pesticides | **24,772** | 55,482 | **40,351** | 95,948 |
| Advances to suppliers | **2,722** | 7,125 | **4,435** | 11,113 |
| Other inventories | **2,452** | 1,501 | **4,295** | 2,870 |
| Valuation allowance | **(5)** | (49) | **(5)** | (49) |
| | **33,639** | 77,241 | **55,393** | 134,976 |

## 7. Growing Crops

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 03/31/2008 | 12/31/2007 | 03/31/2008 | 12/31/2007 |
| Soybean | **35,657** | 28,216 | **56,125** | 51,480 |
| Cotton | **63,152** | 25,018 | **97,705** | 33,693 |
| Corn | **10,138** | 5,011 | **19,170** | 6,556 |
| Cornseed | **195** | 1,593 | **195** | 1,529 |
| Coffee | **3,791** | 1,951 | **3,650** | 1,864 |
| Other crops | **643** | 366 | **460** | 256 |
| | **113,576** | 62,155 | **177,305** | 95,378 |

Growing crops are substantially represented by costs incurred with crop formation, such as: seeds, fertilizers, pesticides, depreciation and labor used in the crops.

Crops of soybean, corn and cotton are usually as follows:

| | | Products | | |
|---|---|---|---|---|
| Company | City | Soybean | Cotton | Corn |
| Fazenda Planalto | Costa Rica-MS | Oct 1 to Mar 20 | Dec 5 to Aug 15 | Jan 25 to Jul 10 |
| Fazenda Paiaguás | Diamantino-MT | Sep 20 to Mar 15 | Dec 10 to Aug 15 | Jan 25 to Jul 10 |
| Fazenda Planorte | Sapezal-MT | Sep 20 to Mar 10 | Dec 15 to Aug 15 | Jan 25 to Jul 10 |
| Fazenda Pamplona | Cristalina-GO | Oct 25 to Apr 15 | Nov 5 to Aug 15 | Oct 20 to Apr 30 |
| Fazenda Parnaíba | Tasso Fragoso-MA | Oct 25 to Apr 05 | Dec 15 to Aug 10 | Dec 1 to May 15 |
| Fazenda Planeste | Balsas-MA | Oct 15 to Mar 30 | Dec 20 to Aug 15 | Dec 10 to Jul 10 |
| Fazenda Palmeira | Buriti-MA | Jan 20 to Jun 5 | N/A | Jan 20 to Jun 10 |
| Fazenda Panorama | Correntina-BA | Nov 1 to Apr 25 | Nov 20 to Dec 15 | N/A |

## 8. Recoverable Taxes

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 03/31/2008 | 12/31/2007 | 03/31/2008 | 12/31/2007 |
| Income tax | **3,231** | 3,257 | **4,617** | 6,705 |
| Social contribution tax | **8** | 8 | **311** | 1,652 |
| State VAT (ICMS) | **8,342** | 7,251 | **10,670** | 9,430 |
| Social Contribution Tax on Gross Revenue for Social Security Financing (COFINS) | **664** | 793 | **5,345** | 5,250 |
| Social Contribution Tax on Gross Revenue for Social Integration Program (PIS) | **136** | 164 | **1,351** | 1,331 |
| Withholding Income Tax (IRRF) recoverable | **601** | 2 | **752** | 1,775 |
| Other | **21** | 21 | **30** | 34 |
| | **13,003** | 11,496 | **23,076** | 26,177 |
| (-) Current portion | **(11,063)** | (9,562) | **(20,284)** | (23,548) |
| Noncurrent portion | **1,940** | 1,934 | **2,792** | 2,629 |

**8. Recoverable Taxes** (Continued)

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 / recoverable

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 as of December 31, 2008 will be realized with no significant losses.

Recoverable Withholding Income Tax (IRRF)

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

**9. Credits and Notes Receivable**

At March 31, 2008, by means of a purchase and sale agreement, the Company sold the remaining area of Fazenda Paineira for the total amount of R$10,347, corresponding to 246,365 sacks of soybean.

This balance will be received in seven installments equivalent to 35,195 sacks of soybean each, adjusted by the price quotation of the soybean sack adopted by Cooperativa Tritícola Serrana Ltda. – COTRIJUI, on the receipt date, the maturities of which will take place in the period from May 2008 to May 2011.

The quarter position is shown in the table below:

| | Date | Amount R$ | Soybean sack price in R$ | Equivalent in soybean sacks |
|---|---|---|---|---|
| Sale | 03/31/2008 | 10,347 | 42.00 | 246,365 |
| Update | 03/31/2008 | (246) | 41.00 | - |
| | | 10,101 | | 246,365 |
| (-) Current assets | | (2,886) | | |
| Noncurrent assets | | 7,215 | | |

**10. Investments**

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 03/31/2008 | 12/31/2007 | 03/31/2008 | 12/31/2007 |
| Investments in subsidiaries | **189,044** | 173,772 | **-** | - |
| Other investments | **99** | 99 | **182** | 182 |
| | **189,143** | 173,871 | **182** | 182 |

## 10. Investments (Continued)

The significant investments in subsidiaries and affiliated companies, valued by the equity accounting method, are shown in the table below:

| | Fazenda Parnaíba S.A. | Fazenda Planorte S.A. | Fazenda Paiaguás S.A. | SLC Empreendimentos e Agricultura Ltda. (1) | 03/31/2008 | 12/31/2007 |
|---|---|---|---|---|---|---|
| Capital | 20,650 | 16,400 | 20,009 | 83,984 | | |
| Shareholders' Equity | 40,147 | 36,315 | 43,773 | 106,167 | | |
| Net income for the period | 1,083 | 3,936 | 7,228 | 4,851 | | |
| Number of shares/units of interest | | | | | | |
| Common Shares (thousand) | 5,353 | 11,506 | 44,517 | - | | |
| Units of Interest | - | - | - | 1 | | |
| Equity Interest Percentage (%) | 100% | 100% | 100% | 83,22% | | |
| Net book value – opening balances | 38,844 | 31,556 | 36,545 | 75,968 | **182,913** | 146,003 |
| Payment of capital | - | - | - | - | **-** | 45,129 |
| Gain/loss on investment capital | - | - | - | - | **-** | 74 |
| Equity pickup | 1,303 | 4,759 | 7,228 | 1,982 | **15,272** | 33,069 |
| Dividends received | - | - | - | - | **-** | (41,362) |
| Net book value – ending balances | 40,147 | 36,315 | 43,773 | 77,950 | **198,185** | 182,913 |
| Goodwill (2) | - | - | 12,980 | - | **12,980** | 12,980 |
| Negative goodwill (3) | (22,121) | - | - | - | **(22,121)** | (22,121) |
| Ending balances | 18,026 | 36,315 | 56,753 | 77,950 | **189,044** | 173,772 |

(1) Net equity at March 31, 2008 was adjusted in the amount of R$12,501, and net income for the period in the amount of R$2,470 refers to unrealized profit resulting from intercompany transactions.

(2) Represents the goodwill paid on the acquisition of Fazenda Paiaguás on July 20, 2000, with economic basis attributed to the appreciation of arable lands. Relevant amortization shall take place only upon its write-off or disposal.

(3) Represents the negative goodwill determined upon the acquisition of shares of Fazenda Parnaíba S.A., which took place in year 2007.

## 11. Property, Plant and Equipment

| | Parent Company | | | | |
|---|---|---|---|---|---|
| | | 03/31/2008 | | | 12/31/2007 |
| | Average annual depreciation rate | Cost | Accumulated depreciation | Net value | Net value |
| Arable land | - | 186 | - | **186** | 995 |
| Buildings and improvements | 4% | 16,962 | (1,725) | **15,237** | 13,701 |
| Furniture and fixtures | 10% | 1,177 | (534) | **643** | 627 |
| Office equipment and facilities | 20% | 1,790 | (900) | **890** | 829 |
| Agricultural equipment and industrial facilities | 12.52% | 97,772 | (37,312) | **60,460** | 48,678 |
| Vehicles | 24.72% | 5,515 | (3,331) | **2,184** | 1,936 |
| Permanent crops | 6.84% | 4,561 | (910) | **3,651** | 3,703 |
| Advances to suppliers | - | 8,410 | - | **8,410** | 11,116 |
| Work and refurbishments in progress | - | 9,526 | - | **9,526** | 4,439 |
| | | 145,899 | (44,712) | **101,187** | 86,024 |

## 11. Property, Plant and Equipment (Continued)

| | Consolidated | | | | |
|---|---|---|---|---|---|
| | Average annual depreciation rate | 03/31/2008 | | | 12/31/2007 |
| | | Cost | Accumulated depreciation | Net value | Net value |
| Arable land | - | 138,285 | - | **138,285** | 138,202 |
| Goodwill – Appreciation of land value | - | 12,980 | - | **12,980** | 12,980 |
| Plots | - | 42 | - | **42** | 42 |
| Buildings and improvements | 4% | 56,878 | (14,608) | **42,270** | 40,939 |
| Furniture and fixtures | 10% | 1,921 | (867) | **1,054** | 1,056 |
| Office equipment and facilities | 20% | 2,663 | (1,445) | **1,218** | 1,060 |
| Agricultural equipment and industrial facilities | 13.14% | 178,392 | (77,303) | **101,089** | 86,523 |
| Vehicles | 24.72% | 8,746 | (5,727) | **3,019** | 2,853 |
| Permanent crops | 6.58% | 8,221 | (2,575) | **5,646** | 5,763 |
| Advances to suppliers | - | 10,933 | - | **10,933** | 11,694 |
| Work and refurbishments in progress | - | 13,737 | - | **13,737** | 8,254 |
| | | 432,798 | (102,525) | **330,273** | 309,366 |

At March 31, 2008, work and refurbishments in progress, in the amount of R$13,737, were substantially represented by Fazenda Paiaguás grain drying system expansion, in the amount of R$2,941; building and expansion of functional buildings (accommodation modules, workers' cafeteria, etc.) in various farms, in the amount of R$2,250; and cotton machines' construction and expansion works in several farms, in the amount of R$4,546, all of them scheduled for completion over the next 6 months.

## 12. Deferred Charges

| | Parent Company | | | | |
|---|---|---|---|---|---|
| | Average annual depreciation rate | 03/31/2008 | | | 12/31/2007 |
| | | Cost | Accumulated depreciation | Net value | Net value |
| Soil amendment | 20% | 39,865 | (12,333) | **27,532** | 26,883 |
| Deforestation and earth leveling | 20% | 3,970 | (1,772) | **2,198** | 2,295 |
| Pre-operating expenses | - | 6,245 | - | **6,245** | 5,604 |
| | | 50,080 | (14,105) | **35,975** | 34,782 |

| | Consolidated | | | | |
|---|---|---|---|---|---|
| | Average annual depreciation rate | 03/31/2008 | | | 12/31/2007 |
| | | Cost | Accumulated depreciation | Net value | Net value |
| Soil amendment | 20% | 85,450 | (43,016) | **42,434** | 41,911 |
| Deforestation and earth leveling | 20% | 10,636 | (7,235) | **3,401** | 3,655 |
| Pre-operating expenses | - | 6,245 | - | **6,245** | 5,604 |
| | | 102,331 | (50,251) | **52,080** | 51,170 |

At March 31, 2008 and 2007, pre-operating expenses were represented by implementation costs of the operating system acquired in 2005, which is expected to start operations in 2008.

## 13. Balances and Transactions with Related Parties

| | Fazenda Planorte S.A. | Fazenda Parnaíba S.A. | Fazenda Paiaguás S.A. | SLC Empreendimentos e Agricultura Ltda. | Ferramentas Gerais Com. Imp. S.A. | Total 03/31/2008 | Total 12/31/2007 |
|---|---|---|---|---|---|---|---|
| **Assets:** | | | | | | | |
| Current assets | | | | | | | |
| Credits from subsidiaries | 39 | 669 | - | 2,752 | - | **3,460** | 5,269 |
| Noncurrent assets: | | | | | | | |
| Credits from subsidiaries | 15 | - | 35 | - | - | **50** | 778 |
| Advances for future capital increase | - | - | - | 16,822 | - | **16,822** | - |
| **Liabilities:** | | | | | | | |
| Current liabilities: | | | | | | | |
| Liabilities to subsidiaries (loans) | - | 104 | 1,597 | 3,367 | 80 | **5,148** | 3,157 |
| **Sales:** | | | | | | | |
| Goods | - | 693 | - | - | - | **693** | 400 |
| **Purchases:** | | | | | | | |
| Goods | - | 6 | 792 | - | - | **798** | 1,499 |
| **Financial income:** | | | | | | | |
| Interest | 5 | - | - | - | - | **5** | 260 |
| **Financial expenses:** | | | | | | | |
| Interest | - | 3 | 1 | - | - | **4** | 5,401 |

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.

The Company has a rural lease agreement entered into on January 1, 2007, with subsidiary SLC Empreendimentos e Agricultura Ltda., 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 one of the parties.

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, and coffee, in consideration of an amount in the form of lease payments. At March 31, 2008, the lease amount is as follows:

| | Total hectares leased | Annual leasing amount (a) | Soybean sack quotation in the region (b) | R$ |
|---|---|---|---|---|
| Fazenda Planalto | 13,157.78 | 11.0 | 38.00 | 5,500 |
| Fazenda Pamplona | 12,619.85 | 10.0 | 39.00 | 4,922 |
| Fazenda Planeste | 12,831.30 | 7.0 | 39.00 | 3,503 |
| Fazenda Palmeira | 4,515.00 | 5.0 | 39.00 | 880 |
| Fazenda Panorama | 6,570.00 | 8.0 | 39.00 | 2,050 |
| Fazenda Paiaguás | 24,197.42 | 8.5 | 34.00 | 6,993 |
| Fazenda Piratini (c) | 5,000.00 | - | 39.00 | - |
| | | | | 23,848 |

(a) Equivalent in soybean sacks per hectare arable per crop year.
(b) Average price per soybean sack prevailing in the region of each farm obtained at March 31, 2008 in reais.
(c) As contractually provided for, leasing costs will be incurred as from crop year 2011/2012.

**13. Balances and Transactions with Related Parties** (Continued)

The leasing price will be paid annually based on the price of the over-the-counter quotation 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.

The balance of R$86 (R$80 in the parent company) not eliminated in the consolidation process refers to operations performed with affiliate Ferramentas Gerais Comércio e Importação S.A.

**14. Loans and Financing**

| | | Average annual interest rates (%) | | Parent Company | | Consolidated | |
|---|---|---|---|---|---|---|---|
| | Index | 03/31/2008 | 12/31/2007 | 03/31/2008 | 12/31/2007 | 03/31/2008 | 12/31/2007 |
| Used in property, plant and equipment: | | | | | | | |
| Finame – BNDES(3) | Prefixed and TJLP(1) and US$ | 9.81% | 9.87 % | **19,452** | 13,716 | **31,292** | 24,320 |
| Constitutional Funds(4) | - | 7.58% | 7.92 % | **18,574** | 20,236 | **49,829** | 56,589 |
| Used in working capital: | | | | | | | |
| Advance on export contracts | US$ | 5.89% | 5.89 % | **-** | - | **835** | 3,612 |
| Rural credit | - | 6.75% | 6.87 % | **6,729** | 4,246 | **60,287** | 52,108 |
| Constitutional Funds(4) | - | 7.23% | 7.65 % | **36,833** | 36,080 | **40,323** | 39,500 |
| Foreign loans | US$ | 5.53% | 5.53 % | **5,680** | 5,660 | **5,680** | 5,660 |
| Rural savings | TR(2) + Prefixed | 8.50% | 8.82 % | **-** | **-** | **3,491** | 3,419 |
| | | | | **87,268** | 79,938 | **191,737** | 185,208 |
| (-) Current portion | | | | **(59,581)** | (55,603) | **(134,395)** | (126,723) |
| Noncurrent portion | | | | **27,687** | 24,335 | **57,342** | 58,485 |

(1) Long-Term Interest Rate (TJLP)
(2) Referential Rate (TR)
(3) R$ 1,194 and R$ 633, at March 31, 2008 and December 31, 2007, respectively, of the Finame – BNDES amounts are denominated in US$.
(4) Calculation of Constitutional Funds average cost considers a 15% discount relating to non-default bonus levied on these operations.

**Finame – BNDES –** Guaranteed by a statutory lien and pledges on financed assets by SLC Agrícola S.A. or SLC Participações S.A.. Amounts are amortized on a monthly, semiannual or annual basis, with maturity dates between April 15, 2008 and November 18, 2013.

**Constitutional Funds** – Guaranteed by sureties by SLC Agrícola S.A. or SLC Participações S.A. and, in some operations, by pledge and mortgage on land. Amounts are amortized annually, with maturities between April 1, 2008 and June 3, 2013.

**Advance on Export Contracts (ACC) -** Guaranteed by sureties by SLC Participações S.A., and the frequency of payments depends on the receipt of credits in connection with foreign sales. Final maturity is scheduled for August 8, 2008.

**Rural Credit –** Guaranteed by sureties by SLC Agrícola S.A. or SLC Participações S.A., and, in some transactions, by pledge on the crops. Amortization takes place on a monthly basis, with maturities between April 1, 2008 and January 30, 2009.

**Rural Savings** – Guaranteed by sureties by SLC Agrícola S.A. and/or SLC Participações S.A. Maturity is scheduled for November 10, 2008.

**14. Loans and Financing** (Continued)

**Foreign Loans** – Funds received under Resolution No. 4131 of the Central Bank of Brazil, with maturities scheduled for August 9, 2008 and August 11, 2008.

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

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Maturity** | **03/31/2008** | 12/31/2007 | **03/31/2008** | 12/31/2007 |
| 2009 | **10,541** | 10,339 | **23,309** | 25,598 |
| 2010 | **7,674** | 6,693 | **17,061** | 16,625 |
| 2011 | **5,649** | 4,916 | **10,974** | 10,796 |
| 2012 | **3,004** | 2,229 | **4,400** | 3,692 |
| 2013 | **819** | 158 | **1,598** | 1,344 |
| After 2013 | **-** | - | **-** | 430 |
| | **27,687** | 24,335 | **57,342** | 58,485 |

**15. Provision for Contingencies**

At March 31, 2008, the Company recorded a provision for labor contingencies in the amount of R$8, and its subsidiaries Fazenda Planorte and Fazenda Paiaguás recorded R$450 and R$13, respectively. The amounts provided for refer to judicial actions filed by former employees, with respect to which an unfavorable outcome has been assessed as probable by Company's legal advisors.

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

**16. Deferred Income and Social Contribution Taxes**

Deferred income and social contribution taxes were recognized as follows:

| | Parent Company | | | |
|---|---|---|---|---|
| | 03/31/2008 | | | 12/31/2007 |
| **Description** | **Income Tax** | **Social Contribution Tax** | **Total** | **Total** |
| Assets: | | | | |
| Temporary differences: | | | | |
| Taxes on activities not entitled to tax benefits | 138 | - | **138** | 138 |
| Provision for inventory adjustment to market value | - | - | **-** | 16 |
| Other | 33 | 11 | **44** | 58 |
| Income and social contribution tax losses | 22,541 | 8,409 | **30,950** | 32,908 |
| | 22,712 | 8,420 | **31,132** | 33,120 |
| (-) Total current assets | | | **(44)** | (74) |
| Noncurrent assets | | | **31,088** | 33,046 |
| Liabilities: | | | | |
| Incentive depreciation for rural activities | 17,819 | 6,415 | **24,234** | 21,998 |
| Deferred capital gain | 2,362 | - | **2,362** | 219 |
| | 20,181 | 6,415 | **26,596** | 22,217 |
| (-) Total current liabilities | | | **(4,153)** | (2,755) |
| Noncurrent liabilities | | | **22,443** | 19,462 |

## 16. Deferred Income and Social Contribution Taxes (Continued)

| | Consolidated | | | |
|---|---|---|---|---|
| | 03/31/2008 | | | 12/31/2007 |
| Description | Income Tax | Social Contribution Tax | Total | Total |
| Assets: | | | | |
| Temporary differences: | | | | |
| Taxes on activities not entitled to tax benefits | 138 | - | **138** | 138 |
| Provision for inventory adjustment to market Value | - | - | **-** | 16 |
| Other | 63 | 23 | **86** | 150 |
| Income and social contribution tax losses | 24,554 | 9,133 | **33,687** | 38,267 |
| | 24,755 | 9,156 | **33,911** | 38,571 |
| (-) Total current assets | | | **(2,823)** | (1,173) |
| Noncurrent assets | | | **31,088** | 37,398 |
| Liabilities: | | | | |
| Incentive depreciation for rural activities | 33,012 | 11,691 | **44,703** | 41,748 |
| Deferred capital gain | 2,362 | - | **2,362** | 219 |
| Deferred exchange variation | 479 | 172 | **651** | 923 |
| | 35,853 | 11,863 | **47,716** | 42,890 |
| (-) Total current liabilities | | | **(8,063)** | (6,687) |
| Noncurrent liabilities | | | **39,653** | 36,203 |

Pursuant to CVM Instruction No. 371/02, and based on expected generation of future taxable income, as determined in a technical study approved by management, the Company and its subsidiaries recognized tax credits on income and social contribution tax losses carryforward and temporary differences, which have no prescription period. The carrying value of deferred charges is reviewed annually by the Company, and the related adjustments have not been significant in relation to management's initial estimate. The technical study considers the investments and the income tax reduction incentive of up to 75% on profits from tax incentive activities carried out at qualifying farms.

Based on this technical study of future taxable income, the Company expects to recover these tax credits in the following years:

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 03/31/2008 | 12/31/2007 | 03/31/2008 | 12/31/2007 |
| 2008 | **44** | 74 | **2,823** | 1,173 |
| 2009 | **15,089** | 8,548 | **15,089** | 10,140 |
| 2010 | **15,999** | 8,012 | **15,999** | 10,772 |
| 2011 | **-** | 10,054 | **-** | 10,054 |
| 2012 | **-** | 6,432 | **-** | 6,432 |
| | **31,132** | 33,120 | **33,911** | 38,571 |

The expected recovery of the tax credits is based on the projections of future taxable income, taking into consideration various business and financial assumptions at the period of three months ended March 31, 2008 and year 2007. Accordingly, these estimates may not materialize in the future due to the underlying uncertainties involved.

## 16. Deferred Income and Social Contribution Taxes (Continued)

Reconciliation of tax expenses at official rates

Income tax (IR) and social contribution tax (CS) calculated at their nominal rates are reconciled to the amount recorded as income and social contribution tax expenses, as follows:

| | Parent Company | | | |
|---|---|---|---|---|
| | 03/31/2008 | | 03/31/2007 | |
| | IR | CS | IR | CS |
| Income before income taxes | **36,467** | **36,467** | 7,392 | 7,392 |
| Income and social contribution taxes at nominal rates of 25% and 9%, respectively | **(9,117)** | **(3,282)** | (1,848) | (665) |
| Adjustments to reflect the effective rate | | | | |
| Equity pickup | **3,818** | **1,375** | 1,330 | 478 |
| Permanent additions | **(18)** | **(7)** | 17 | (2) |
| Other | **12** | **-** | - | - |
| As per income statement | **(5,305)** | **(1,914)** | (501) | (189) |

| | Consolidated | | | |
|---|---|---|---|---|
| | 03/31/2008 | | 03/31/2007 | |
| | IR | CS | IR | CS |
| Income before income taxes | **43,174** | **43,174** | 11,110 | 11,110 |
| Income and social contribution taxes at nominal rates of 25% and 9%, respectively | **(10,793)** | **(3,886)** | (2,778) | (1,000) |
| Adjustments to reflect the effective rate | | | | |
| Calculation base taxed based on taxable income computed based on a percentage of gross sales (*) | **623** | **224** | 1,633 | 578 |
| Eliminations (unrealized profit) | **(618)** | **(222)** | - | - |
| Permanent additions | **(19)** | **(7)** | (1,477) | (535) |
| Other | **589** | **183** | (23) | 4 |
| As per income statement | **(10,218)** | **(3,708)** | (2,645) | (953) |

(*) Referring to the financial statements of subsidiary SLC Empreendimentos e Agricultura Ltda., whose taxable income is computed based on a percentage of gross sales.

## 17. Notes Payable

This balance is substantially represented by the acquisition of 2,718 and 25,000 hectares of arable land by subsidiary SLC Empreendimentos e Agricultura Ltda., located in the municipalities of Correntina and Jaborandi - Bahia (Fazendas Panorama and Piratini), for R$8,857 (equivalent to US$4,447 thousand) and R$30,472 (equivalent to US$16,075 thousand), respectively.

Relevant payments will be made as follows:

Fazenda Panorama – Correntina, Bahia – 5 (five) annual installments remaining as from May 31, 2008, totaling R$4,991, equivalent to US$2,860 thousand, monetarily restated based on the U.S. dollar fluctuation with final maturity on May 31, 2012.

Fazenda Piratini – Jaborandi, Bahia – 1 (one) installment remaining, in the amount of R$14,027, equivalent to US$8,038 thousand, restated based on the U.S. dollar fluctuation, with final maturity on September 19, 2008.

## 18. Shareholders' Equity

a) Capital

At March 31, 2008, capital amounting to R$ 253,256 comprises 89,500,000 common, registered shares, without par value, distributed as follows:

| | Number of Shares |
|---|---|
| SLC Participações S.A. | 32,976,083 |
| Evaux Participações S.A. | 21,520,787 |
| Board of Directors | 5 |
| Other | 35,003,125 |
| | 89,500,000 |

b) Legal reserve

The legal reserve is set based on 5% of net income for the year up to 20% of share capital.

c) Dividends

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

The Annual Shareholders' Meeting held on April 3, 2008 approved and scheduled for April 11, 2008 payment to shareholders of year 2007 dividends amounting to R$7,504, equivalent to R$0.0838 per common share.

## 19. Management Fees

Management receives compensation in the form of estimated self-employment income, included in payroll. Related amounts are shown in a specific account in the statement of income.

## 20. Financial Income (Expenses), Net

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 03/31/2008 | 03/31/2007 | 03/31/2008 | 03/31/2007 |
| Financial expenses: | | | | |
| Interest payable | **2,405** | 3,209 | **4,059** | 3,510 |
| Foreign exchange variation | **1,297** | 194 | **2,572** | 343 |
| Loss on hedging transactions | **1,306** | 849 | **1,413** | 951 |
| Provisional Contribution Tax on Financial Transactions (CPMF) | **138** | 157 | **209** | 278 |
| Other | **360** | 261 | **534** | 356 |
| | **5,506** | 4,670 | **8,787** | 5,438 |
| Financial income: | | | | |
| Gain on short-term investments | **3,434** | 284 | **4,061** | 695 |
| Foreign exchange variation | **1,173** | 613 | **2,959** | 679 |
| Gain on hedging transactions | **2,261** | 884 | **5,614** | 1,163 |
| Other | **277** | 328 | **345** | 602 |
| | **7,145** | 2,109 | **12,979** | 3,139 |
| Financial income (expenses), net | **1,639** | (2,561) | **4,192** | (2,299) |

## 21. Commitments

The Company and its subsidiaries have entered into contracts of sale for future delivery with some customers, as follows:

| Parent Company | | | | | |
|---|---|---|---|---|---|
| **Product** | **Delivery date** | **Volume** | **No. of Contracts** | **Unit** | **Unit price - US$** |
| **2006/2007 Crop year** | | | | | |
| Cotton feather | April 2008 | 1,768 | 9 | Ton | 1,516 |
| Coffee | April 2008 | 1,199 | 2 | Sack | 163 |
| **2007/2008 Crop year** | | | | | |
| Cotton feather | July 2008 to January 2009 | 26,109 | 41 | Ton | 1,360 |
| Soybean | April to June 2008 | 1,054,639 | 11 | Sack | 18 |
| Corn | April to May 2008 | 98,559 | 1 | Sack | 15 |
| Coffee | November and December 2008 | 7,740 | 9 | Sack | 147 |
| Cotton pit | June to August 2008 | 27,000 | 5 | Ton | 191 |
| **2008/2009 Crop year** | | | | | |
| Cotton feather | July to January 2010 | 17,401 | 14 | Ton | 1,484 |
| Soybean | March 2009 | 115,200 | 1 | Sack | 12 |
| **2009/2010 Crop year** | | | | | |
| Cotton feather | August to November 2010 | 600 | 1 | Ton | 1,411 |
| Soybean | March 2010 | 24,600 | 1 | Sack | 12 |

| Consolidated | | | | | |
|---|---|---|---|---|---|
| **Product** | **Delivery date** | **Volume** | **No. of Contracts** | **Unit** | **Unit price - US$** |
| **2006/2007 Crop year** | | | | | |
| Cotton feather | April 2008 | 3,767 | 22 | Ton | 1,528 |
| Coffee | April 2008 | 1,199 | 2 | Sack | 163 |
| **2007/2008 Crop year** | | | | | |
| Cotton feather | July to January 2009 | 44,350 | 164 | Ton | 1,360 |
| Soybean | April to June 2008 | 1,856,691 | 19 | Sack | 18 |
| Corn | April to July 2008 | 731,893 | 5 | Sack | 10 |
| Coffee | November and December 2008 | 7,740 | 9 | Sack | 147 |
| **2008/2009 Crop year** | | | | | |
| Cotton feather | July2009 to January 2010 | 29,700 | 56 | Ton | 1,484 |
| Soybean | March 2009 | 115,200 | 1 | Sack | 12 |
| **2009/2010 Crop year** | | | | | |
| Cotton feather | August to November 2010 | 1,000 | 4 | Ton | 1,411 |
| Soybean | March 2010 | 24,600 | 1 | Sack | 12 |

## 22. Risk Management and Financial Instruments

The volatility of foreign exchange rates, interest rates and commodity export prices are the market risks to which the Company and its subsidiaries are exposed.

The Company and its subsidiaries carry out operations involving financial instruments with a view to meeting their operating requirements as well as reducing their exposure to market, currency and interest rate risks. These risks and related instruments are managed through the definition of strategies, establishment of control systems and determination of limits for foreign exchange, interest rate and price exposures.

The financial instruments are contracted for hedging purposes, which does not prevent their redemption at any time, although the Company actually intends to hold them until the maturity of operations to be hedged.

Short-term investments are made with prime banks and reflect the market conditions at balance sheet dates.

*a) Price risk*

The Company and its subsidiaries engage in derivatives operations in order to mitigate operating risks due to changes in the price of their products (soybean, cotton, corn etc.) in the foreign market. The Company and its subsidiaries limit their involvement with this type of derivatives operations only to the use of futures and options market, in order to reduce exposure to price risk, and not for speculative purposes. The financial income (expenses) from this type of transaction is recorded against product invoicing and recorded as financial income or expenses in the statement of income for the year.

At March 31, 2008 the Company had the following operations:

**Consolidated (in thousands of US dollars)**

| Operation | Contract type | Outstanding contracts | Maturity | Market value at 3/31/2008** | Market value at maturity*** |
|---|---|---|---|---|---|
| Soybean 07/08 | Options | 166 | May/08 | (153) | (166) |
| Soybean 07/08 | OTC Options and Futures | 215 | Jul/08 | (244) | (22) |
| Soybean 07/08 | Options and Futures | 1,125 | Nov/08 | (1,312) | (344) |
| **Total** | | **1,506** | | **(1,709)** | **(532)** |

* One contract is equivalent to 5,000 Bushels, and 1 Bushel corresponds to 27.2155 Kg. Standard soybean trading unit at CBOT/Chicago Exchange.
** Considering the reversion of positions at March 31, 2008.
*** Considering the corresponding futures contract closing price at March 31, 2008.

*b) Foreign exchange risk*

Income and expenses recorded by the Company are subject to significant variations, since a portion of its revenues and costs is affected by the foreign exchange rate fluctuation, particularly the U.S. dollar.

**22. Risk Management and Financial Instruments** (Continued)

*b) Foreign exchange risk (Continued)*

In order to reduce certain effects of foreign exchange rate fluctuations, the Company has engaged in transactions involving derivatives. As of March 31, 2008, outstanding transactions are as follows:

| Parent Company | | | | |
|---|---|---|---|---|
| Contracts | US$ thousand | Maturity | Book value at Mar 31, 2008 | Market value at Mar 31, 2008 |
| Currency futures – purchase | 8,500 | April to October/08 | (1,800) | (1,636) |
| Currency futures – sale | 102,400 | April/08 to September/09 | 22,325 | 18,338 |
| Options – call | 7,000 | October and November/08 | 405 | (81) |
| Options –put | 7,000 | October and November /08 | (170) | 84 |
| | 124,900 | | 20,760 | 16,705 |

| Consolidated | | | | |
|---|---|---|---|---|
| Contracts | US$ thousand | Maturity | Book value at Mar 31, 2008 | Market value at Mar 31, 2008 |
| Currency futures – purchase | 14,500 | April to December/08 | (3,020) | (2,751) |
| Currency futures – sale | 181,400 | April/08 to September/09 | 38,313 | 32,103 |
| Options – call | 7,000 | October and November/08 | (223) | 110 |
| Options –put | 17,000 | October and November/08 | 1,022 | (208) |
| | 219,900 | | 36,092 | 29,254 |

Amounts resulting from liquidated derivatives transactions are recognized in the financial statements.

*c) Credit risk*

A significant portion of sales made by the Company and its subsidiaries is intended for a selected group of highly qualified clients, i.e. trading companies, weaving companies etc., which usually acquire large volumes that 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.

*d) Market values*

At March 31, 2008, the market values of cash, financial investments, accounts receivable and payable approximate the respective amounts recorded in the financial statements due to their short-term nature. As for loans and financing, the characteristics of which are described in Note 14, the related market values substantially approximate the amounts recorded in the financial statements, since such financial instruments are subject to variable interest rates.

## 23. Employees' Profit Sharing

Under the Collective Labor Agreements executed with their employees' professional categories, the Company and its subsidiaries have established a profit sharing scheme based on adjusted operating income computed each calendar year.

The amount payable in the form of profit sharing is calculated considering the company's operating income, adjusted through the reallocation of net revenues, administrative expenses and net financial income (expenses) among production units, based on criteria predefined by the companies.

Profit sharing is determined by applying 9% on adjusted operating income. Amounts payable to the employees of the production units are calculated by applying 80% on the Company's overall income and 20% on its unit's income. Amounts payable to administrative staff are based on the Company's overall operating income. The profit sharing scheme is annually reviewed by the Company in the 1st half of the year.

## 24. Stock Option Plan

At the Extraordinary Shareholders' Meeting held on May 23, 2007, Company shareholders 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 dilution by 3% of the Company's capital on the date each Annual Program is created. The Annual Program for 2007 will be limited to 1% of Company's capital. 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.

Stock Option Plan beneficiaries shall 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 may issue the shares within a one-month period as from the date of delivery of the Stock Option Exercise Instrument.

At the Board of Directors' meeting held on October 31, 2007, Stock Option Program for 2007 was approved, whereby 640,000 stock options were granted.

The price for exercising stock options has been set at R$ 14.00 (fourteen reais) by share, equivalent to the distribution price per share established at the initial public offering, not including monetary restatement.

Vesting periods for the exercise of options are as follows:

| Vesting periods as from option grant | % of options released for the year | Maximum number of shares |
|---|---|---|
| As from the first anniversary – 10/31/2008 | 20% | 128,000 |
| As from the second anniversary – 10/31/2009 | 40% | 256,000 |
| As from the third anniversary – 10/31/2010 | 100% | 640,000 |

## 24. Stock Option Plan (Continued)

The weighted average fair value of stock options outstanding is R$22.46 at March 31, 2008 and was estimated using the Black-Scholes option pricing model, assuming the estimated volatility of 31.9%, weighted average risk free rate of 11.25% and 5-year maturity.

Had the Company recorded the expenses with remuneration through stock options, based on the fair value of options on the date of grant, net assets and income for the period would be reduced by R$1,128 and R$677, respectively.

## 25. Insurance

At March 31, 2008, the Company and its subsidiaries had retained business insurance to cover any losses considering the nature of their activities and risks involved in their operations. Insurance coverage was taken out at amounts considered sufficient by management to mitigate risks identified, and it is detailed as follows:

| Policy No. | Nature | Period covered | Coverage |
|---|---|---|---|
| 03.31.0953492 | Vehicles of SLC Agrícola | 09/10/07 a 09/10/08 | 100% Fipe* price list |
| 03.31.0953515 | Vehicles of Fazenda Parnaíba | 09/10/07 a 09/10/08 | 100% Fipe price list |
| 03.31.0954939 | Vehicles of Fazenda Planorte | 09/10/07 a 09/10/08 | 100% Fipe price list |
| 03.31.0954938 | Vehicles of Fazenda Paiaguás | 09/10/07 a 09/10/08 | 100% Fipe price list |
| 65.15.0000154 | Pesticides used at Fazenda Pamplona. Theft and robbery. | 10/01/07 a 10/01/08 | R$330 |
| 65.15.0000153 | Pesticides used by the other Farms. Theft and robbery. | 09/01/07 a 04/01/08 | R$2,130 |
| 65.18.0002138 | Master business insurance, fire lightning, explosion of any kind, theft and robbery, windstorm, smoke and vehicle impact. | 09/10/07 a 09/10/08 | R$18,000 |

(*) Institute of Economic Research (FIPE)

The scope of our auditors' services does not include the issuance of an opinion on the effectiveness of the insurance coverage, which was determined by Company's management, who considers it as sufficient to cover any losses.

## 26. Nonoperating Income (Expenses)

At March 31, 2008, relevant balance is substantially represented by a capital gain in the amount of R$9,449, resulting from the sale of Fazenda Paineira remaining area of 821,225 hectares, at March 31, 2008.

## 27. Statements of Cash Flows – Additional Information

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 03/31/2008 | 03/31/2007 | 03/31/2008 | 03/31/2007 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net income (loss) for the period | **29,248** | 6,702 | **29,248** | 6,702 |
| Adjustments to reconcile net income to cash provided by operating activities | | | | |
| Depreciation and amortization | **4,723** | 2,642 | **9,004** | 6,443 |
| Retirement of permanent assets | **1,273** | 60 | **1,570** | 171 |
| Equity pickup | **(15,272)** | (5,322) | **-** | - |
| Interest and monetary restatement on loans | **1,762** | 952 | **4,159** | 3,145 |
| Minority interests | **-** | - | **-** | 587 |
| Deferred income | **-** | - | **-** | 95 |
| | **21,734** | 5,034 | **43,981** | 17,143 |
| (Increase) decrease in assets: | | | | |
| (Increase) decrease in accounts receivable | **305** | (5,739) | **(2,400)** | (17,653) |
| (Increase) decrease in inventories/growing crops | **(7,819)** | 6,778 | **(2,344)** | 15,132 |
| Decrease in recoverable taxes | **481** | 1,877 | **7,761** | 2,756 |
| (Increase) decrease in other accounts receivable | **(22,418)** | (757) | **(8,352)** | 16,778 |
| | **(29,451)** | 2,159 | **(5,335)** | 17,013 |
| Increase (decrease) in liabilities: | | | | |
| Increase (decrease) in trade accounts payable | **1,013** | (103) | **453** | 321 |
| Increase in taxes and social charges | **5,398** | (96) | **2,383** | (114) |
| Increase (decrease) in liabilities to subsidiaries | **1,991** | 17,432 | **(429)** | - |
| Increases (decrease) in other accounts payable | **9,359** | (19,184) | **2,596** | (16,338) |
| | **17,762** | (1,951) | **5,003** | (16,131) |
| Net cash provided by (used in) operating activities | **10,045** | 5,242 | **43,649** | 18,025 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Investments | **-** | (351) | **-** | - |
| Property, plant and equipment | **(19,020)** | (5,216) | **(27,596)** | (20,886) |
| Intangible | **(11)** | - | **(24)** | - |
| Deferred charges | **(3,304)** | (1,598) | **(4,764)** | (1,597) |
| Net cash used in investing activities | **(22,335)** | (7,165) | **(32,384)** | (22,483) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Payment of capital | **-** | (880) | **-** | (880) |
| Payment of dividends | **11,606** | 10,918 | **17,955** | 11,897 |
| Loans and financing obtained | **(6,037)** | (6,112) | **(15,585)** | (7,948) |
| Payment of loans and financing | **5,569** | 3,926 | **2,370** | 3,069 |
| Increase (decrease) in cash | **(6,721)** | 2,003 | **13,635** | (1,389) |
| Increase (decrease) in cash | | | | |
| Cash - at beginning of period | **145,745** | 12,400 | **166,636** | 31,444 |
| Cash - at end of period | **139,024** | 14,403 | **180,271** | 30,055 |
| Increase (decrease) in cash | **(6,721)** | 2,003 | **13,635** | (1,389) |

## 28. Statements of Value Added – Additional Information

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| | 03/31/2008 | 03/31/2007 | 03/31/2008 | 03/31/2007 |
| **REVENUES** | | | | |
| Sales of products | **37,083** | 34,662 | **80,975** | 66,202 |
| Other operating revenues | **105** | 462 | **208** | 497 |
| Non-operating revenues | **9,940** | 177 | **11,556** | 627 |
| | **47,128** | 35,301 | **92,739** | 67,326 |
| **RAW MATERIAL BOUGHT FROM THIRD PARTIES** | | | | |
| Raw Material Consumption | **(9,936)** | (15,061) | **(22,820)** | (27,466) |
| Cost of Goods sold | **(44)** | (203) | **(77)** | (38) |
| Material, Energy, Third Parties Services and Others | **(9,614)** | (8,349) | **(17,750)** | (15,035) |
| Assets Loss / Recovery | **44** | 3,452 | **44** | 6,243 |
| | **(19,550)** | (20,161) | **(40,603)** | (36,296) |
| **GROSS ADDED VALUE** | **27,578** | 15,140 | **52,136** | 31,030 |
| **ADDED VALUE RECEVIED FROM THIRD PARTIES** | | | | |
| Equity Pickup Results | **15,272** | 5,322 | **-** | - |
| Financial Income | **7,145** | 2,109 | **12,979** | 3,139 |
| Rents | **17** | 11 | **28** | 31 |
| | **22,434** | 7,442 | **13,007** | 3,170 |
| **RETENTION** | | | | |
| Depreciation, Amortization and Exhaustion | **(1,752)** | (2,766) | **(4,278)** | (6,394) |
| **TOTAL ADDED VALUE TO DISTRIBUTE** | **48,260** | 19,816 | **60,865** | 27,806 |

| **DISTRIBUTION OF ADDED VALUE** | **(48,260)** | **100%** | (19,816) | 100% | **(60,865)** | **100%** | (27,806) | 100% |
|---|---|---|---|---|---|---|---|---|
| Tax, Contribution, and Social Fees | **(7,322)** | **15%** | (2,920) | 15% | **(15,576)** | **26%** | (7,623) | 27% |
| Salaries, Benefits, Profit sharing and Training | **(4,189)** | **9%** | (4,698) | 24% | **(7,058)** | **12%** | (7,417) | 27% |
| Interest over Loans and Rents | **(7,501)** | **16%** | (5,496) | 28% | **(8,983)** | **15%** | (5,254) | 19% |
| Reinvestment of profits | **(29,248)** | **61%** | (6,702) | 34% | **(29,248)** | **48%** | (6,702) | 24% |
| Minority Interest | **-** | - | - | - | - | **-** | (810) | 3% |

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 06.01- BALANCE SHEET – ASSETS – CONSOLIDATED (in thousands of reais)

| 1 – CODE | 2 – DESCRIPTION | 3 – 03/31/2008 | 4 – 12/31/2007 |
|---|---|---|---|
| 1 | Total Assets | 888,395 | 847,615 |
| 1.01 | Current Assets | 457,362 | 439,460 |
| 1.01.01 | Cash, Banks and Investments | 180,271 | 166,636 |
| 1.01.01.01 | Cash and Cash Equivalents | 2,243 | 27,076 |
| 1.01.01.02 | Short term Investments | 178,028 | 139,560 |
| 1.01.02 | Credits | 38,747 | 37,961 |
| 1.01.02.01 | Trade Accounts Receivable | 15,640 | 13,240 |
| 1.01.02.02 | Other credits | 23,107 | 24,721 |
| 1.01.02.02.02 | Recoverable taxes | 20,284 | 23,548 |
| 1.01.02.02.03 | Deferred income and social contribution taxes | 2,823 | 1,173 |
| 1.01.03 | Inventories | 232,698 | 230,354 |
| 1.01.03.01 | Inventories | 55,393 | 134,976 |
| 1.01.03.02 | Growing crops | 177,305 | 95,378 |
| 1.01.04 | Others | 5,646 | 4,509 |
| 1.01.04.01 | Other accounts receivable | 2,886 | 1,360 |
| 1.01.04.02 | Notes receivable | 1,233 | 1,019 |
| 1.01.04.03 | Prepaid expenses | 1,527 | 2,130 |
| 1.02 | Non current Assets | 431,033 | 408,155 |
| 1.02.01 | Long Term Assets | 47,720 | 46,652 |
| 1.02.01.01 | Credits | 47,720 | 46,652 |
| 1.02.01.01.01 | Recoverable Taxes | 2,792 | 2,629 |
| 1.02.01.01.02 | Deferred income and social contribution taxes | 31,088 | 37,398 |
| 1.02.01.01.03 | Notes receivable | 7,215 | - |
| 1.02.01.01.04 | Prepaid expenses | 5,720 | 5,720 |
| 1.02.01.01.05 | Other credits | 905 | 905 |
| 1.02.01.02 | Credits with related parties | - | - |
| 1.02.01.02.01 | With Associates | - | - |
| 1.02.01.02.02 | With Subsidiaries | - | - |
| 1.02.01.02.03 | With Other related parties | - | - |
| 1.02.01.03 | Others | - | - |
| 1.02.02 | Permanent Assets | 383,313 | 361,503 |
| 1.02.02.01 | Investments | 182 | 182 |
| 1.02.02.01.01 | Equity in Associates | - | - |
| 1.02.02.01.02 | Equity in Associates – Goodwill | - | - |
| 1.02.02.01.03 | Equity in Subsidiaries | - | - |
| 1.02.02.01.04 | Equity in Subsidiaries – Goodwill | - | - |
| 1.02.02.01.05 | Other Investments | 182 | 182 |
| 1.02.02.02 | Fixed Assets | 330,273 | 309,366 |
| 1.02.02.03 | Intangible | 778 | 785 |
| 1.02.02.04 | Deferred | 52,080 | 51,170 |

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 06.02- BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY – CONSOLIDATED (in thousands of reais)

| 1 – CODE | 2 – DESCRIPTION | 3 – 03/31/2008 | 4 – 12/31/2007 |
|---|---|---|---|
| 2 | Total Liabilities | 888,395 | 847,615 |
| 2.01 | Current Liabilities | 211,586 | 202,306 |
| 2.01.01 | Short term Debt | 134,395 | 126,723 |
| 2.01.02 | Debentures | - | - |
| 2.01.03 | Suppliers | 5,897 | 5,444 |
| 2.01.04 | Taxes and Contribution | 12,967 | 13,979 |
| 2.01.04.01 | Taxes, fees and sundry contributions | 4,904 | 7,292 |
| 2.01.04.02 | Deferred income and social contributions taxes | 8,063 | 6,687 |
| 2.01.05 | Dividends Payable | 7,504 | 7,504 |
| 2.01.06 | Provisions | - | - |
| 2.01.07 | Debts with related parties | 86 | 515 |
| 2.01.08 | Others | 50,737 | 48,141 |
| 2.01.08.01 | Advances from customers | 29,616 | 9,565 |
| 2.01.08.02 | Vacations accrual and charges payable | 3,349 | 6,638 |
| 2.01.08.03 | Notes payable | 14,670 | 29,050 |
| 2.01.08.04 | Other liabilities | 3,102 | 2,888 |
| 2.02 | Non current Liabilities | 124,466 | 122,214 |
| 2.02.01 | Long term Liabilities | 101,914 | 99,662 |
| 2.02.01.01 | Short term Debt | 57,342 | 58,485 |
| 2.02.01.02 | Debentures | - | - |
| 2.02.01.03 | Provisions | - | - |
| 2.02.01.04 | Debts with related parties | - | - |
| 2.02.01.05 | Advance for future capital increase | - | - |
| 2.02.01.06 | Others | 44,572 | 41,177 |
| 2.02.01.06.01 | Deferred income and social contributions taxes | 39,653 | 36,203 |
| 2.02.01.06.02 | Notes payable | 4,371 | 4,426 |
| 2.02.01.06.03 | Other liabilities | 548 | 548 |
| 2.02.02 | Deferred income | 22,552 | 22,552 |
| 2.03 | Minority Interest | 22,552 | 22,552 |
| 2.04 | Shareholders' equity | 552,343 | 523,095 |
| 2.04.01 | Paid-in Capital | 253,256 | 253,256 |
| 2.04.02 | Capital Reserves | 245,746 | 245,746 |
| 2.04.03 | Revaluation Reserve | - | - |
| 2.04.03.01 | Owned Assets | - | - |
| 2.04.03.02 | Subsidiaries/ Affiliates | - | - |
| 2.04.04 | Profit Reserves | 24,093 | 24,093 |
| 2.04.04.01 | Legal | 1,580 | 1,580 |
| 2.04.04.02 | Statutory | 16,885 | 16,885 |
| 2.04.04.03 | For Contingencies | - | - |

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

**06.02- BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY – CONSOLIDATED (in thousands of reais)**

| 1 – CODE | 2 – DESCRIPTION | 3 – 03/31/2008 | 4 – 12/31/2007 |
|---|---|---|---|
| 2.04.04.04 | Profits Realizable | - | - |
| 2.04.04.05 | Retained Earnings | 5,628 | 5,628 |
| 2.04.04.06 | Special for Non-distributed Dividends | - | - |
| 2.04.04.07 | Other profit Reserves | - | - |
| 2.04.05 | Accumulated Earnings/ Losses | 29,248 | - |
| 2.04.06 | Advance for future capital increase | - | - |

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 07.01 – STATEMENT OF OPERATIONS (CONSOLIDATED) (in thousands of reais)

| 1 – CODE | 2 – DESCRIPTION | 3 – 01/01/2008 to 03/31/2008 | 4 – 01/01/2008 to 03/31/2008 | 5 – 01/01/2007 to 03/31/2007 | 6 – 01/01/2007 to 03/31/2007 |
|---|---|---|---|---|---|
| 3.01 | Gross Sales | 80,975 | 80,975 | 66,202 | 66,202 |
| 3.02 | Sales Deductions | (5,157) | (5,157) | (5,000) | (5,000) |
| 3.03 | Net Sales | 75,818 | 75,818 | 61,202 | 61,202 |
| 3.04 | Cost of Sales | (40,908) | (40,908) | (44,076) | (44,076) |
| 3.05 | Gross Profit | 34,910 | 34,910 | 17,126 | 17,126 |
| 3.06 | Operating Income/Expenses | (3,292) | (3,292) | (6,643) | (6,643) |
| 3.06.01 | Selling Expenses | (3,443) | (3,443) | (1,937) | (1,937) |
| 3.06.02 | General and Administrative Expenses | (4,166) | (4,166) | (2,935) | (2,935) |
| 3.06.02.01 | General and Administrative Expenses | (3,571) | (3,571) | (2,827) | (2,827) |
| 3.06.02.02 | Management Fees | (595) | (595) | (108) | (108) |
| 3.06.02.03 | Others | - | - | - | - |
| 3.06.03 | Financial | 4,192 | 4,192 | (2,299) | (2,299) |
| 3.06.03.01 | Financial Income | 12,979 | 12,979 | 3,139 | 3,139 |
| 3.06.03.02 | Financial Expenses | (8,787) | (8,787) | (5,438) | (5,438) |
| 3.06.04 | Other Operating Income | 125 | 125 | 528 | 528 |
| 3.06.05 | Other Operating Expenses | - | - | - | - |
| 3.06.06 | Equity Pick-up | - | - | - | - |
| 3.07 | Operating Income | 31,618 | 31,618 | 10,483 | 10,483 |
| 3.08 | Non-operating Expenses | 11,556 | 11,556 | 627 | 627 |
| 3.08.01 | Income | 11,556 | 11,556 | 627 | 627 |
| 3.08.02 | Expenses | - | - | - | - |

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 07.01 - STATEMENT OF OPERATIONS (CONSOLIDATED) (in thousands of reais)

| 1 – CODE | 2 – DESCRIPTION | 3 – 04/01/2007 to 12/31/2007 | 4 – 01/01/2007 to 12/31/2007 | 5 – 04/01/2006 to 06/30/2006 | 6 – 01/01/2006 to 06/30/2006 |
|---|---|---|---|---|---|
| 3.09 | Income Before Tax and Profit Minority Interest | 43,174 | 43,174 | 11,110 | 11,110 |
| 3.10 | Provision for Income tax and social contribution | (4,439) | (4,439) | (3,376) | (3,376) |
| 3.11 | Deferred Income Tax and Social Contribution | (9,487) | (9,487) | (222) | (222) |
| 3.12 | Statutory Participations / Contributions | - | - | - | - |
| 3.12.01 | Profit Sharing | - | - | - | - |
| 3.12.02 | Contribution | - | - | - | - |
| 3.13 | Reversion of Interest on Shareholders' Equity | - | - | - | - |
| 3.14 | Non-controlling Shareholders' Portion | - | - | (810) | (810) |
| 3.15 | Earnings / Losses in the Period | 29,248 | 29,248 | 6,702 | 6,702 |
| | NUMBER OF SHARES, EX-TREASURY (thousand) | 89,500,000 | 89,500,000 | 67,500,000 | 67,500,000 |
| | EARNINGS PER SHARE (reais) | 0.32679 | 0.32679 | 0.09929 | 0.09929 |
| | LOSS PER SHARE (reais) | | | | |

**01.01 – IDENTIFICATION**

| 1 - CVM CODE | 2 - COMPANY NAME | 3 - GENERAL TAXPAYERS' REGISTER |
|---|---|---|
| **02074-5** | **SLC AGRÍCOLA S.A.** | **89.096.457/0001-55** |

## 09.01 – INTERESTS IN SUBSIDIARIES AND/OR AFFILIATES

| 1 – ITEM | 2 – COMPANY' NAME | 3 – GENERAL TAXPAYERS' REGISTER | 4 – TYPE OF INVESTMENT | 5 - % OF CAPITAL OF SUBSIDIARY | 6 - % OF THE SHAREHOLDER'S EQUITY OF SUBSIDIARY |
|---|---|---|---|---|---|
| 7 – TYPE OF COMPANY | | 8 – SHARES OWNED IN CURRENT QUARTER (units) | 8 – SHARES OWNED IN CURRENT QUARTER (units) | | |
| 01 | FAZENDA PAIAGUÁS S.A. | 02.144.795/0001-37 | Private Subsidiary | 100.00 | 10.27 |
| COMMERCIAL, INDUSTRIAL AND OTHERS | | 44,517,189 | 44,517,189 | | |
| 02 | FAZENDA PLANORTE S.A. | 00.337.109/0001-19 | Private Subsidiary | 100.00 | 6.61 |
| COMMERCIAL, INDUSTRIAL AND OTHERS | | 11,506,271 | 11,506,268 | | |
| 03 | FAZENDA PARNAÍBA S.A. | 12.147.930/0001-51 | Private Subsidiary | 100.00 | 3.22 |
| COMMERCIAL, INDUSTRIAL AND OTHERS | | 5,352,793 | 5,352,790 | | |
| 04 | SLC EMPREENDIMENTOS E AGRIC. LTDA. | 93.805.365/0001-48 | Private Subsidiary | 83.22 | 14.11 |
| COMMERCIAL, INDUSTRIAL AND OTHERS | | 1 | 1 | | |

**02074-5 SLC AGRÍCOLA S.A. 89.096.457/0001-55**

**16.01 – OTHER INFORMATION DEEMED RELEVANT BY THE COMPANY**

**The Company is subject to arbitration in the Market Arbitration Chamber, pursuant to Compromissory Clause included in its bylaws.**

**CONSOLIDATED SHAREHOLDING OF THE CONTROLLING PARTIES AND MANAGEMENT AND OUTSTANDING SHARES HOLDINGS AS OF**

**03/31/2008**

| Shareholder | Total Common Shares (Units) | % | Total Shares (Units) | % |
|---|---|---|---|---|
| **Controlling Parties** | **54,496,872** | **60.9** | **54,496,872** | **60.9** |
| SLC Participações S.A. | 32,976,085 | 36.9 | 32,976,085 | 36.9 |
| Evaux Participações S.A. | 21,520,787 | 24.0 | 21,520,787 | 24.0 |
| **Management** | **3** | **-** | **3** | **-** |
| Board of Directors | 3 | - | 3 | - |
| **Shareholder with more than 5%** | **4,692,600** | **5.2** | **4,692,600** | **5.2** |
| Blackrock, INC | 4,692,600 | 5.2 | 4,692,600 | 5.2 |
| **Other Shareholders** | **30,310,528** | **33.9** | **30,310,528** | **33.9** |
| **Total** | **89,500,000** | **100** | **89,500,000** | **100** |
| ***Free Float*** | ***35,003,125*** | ***39.1*** | ***35,003,125*** | ***39.1*** |

**02074-5 SLC AGRÍCOLA S.A. 89.096.457/0001-55**

**16.01 – OTHER INFORMATION DEEMED RELEVANT BY THE COMPANY**

| CONSOLIDATED SHAREHOLDING OF THE CONTROLLING PARTIES AND MANAGEMENT AND OUTSTANDING SHARES HOLDINGS AS OF | | | | |
|---|---|---|---|---|
| 12/31/2007 | | | | |
| Shareholder | Total Common Shares (Units) | % | Total Shares (Units) | % |
| **Controlling Parties** | **54,496,872** | **60.9** | **54,496,872** | **60.9** |
| SLC Participações S.A. | 32,976,085 | 36.9 | 32,976,085 | 36.9 |
| Evaux Participações S.A. | 21,520,787 | 24.0 | 21,520,787 | 24.0 |
| **Management** | **3** | **-** | **3** | **-** |
| Board of Directors | 3 | - | 3 | - |
| **Other Shareholders** | **35,003,125** | **39.1** | **35,003,125** | **39.1** |
| **Total** | **89,500,000** | **100** | **89,500,000** | **100** |
| ***Free Float*** | ***35,003,125*** | ***39.1*** | ***35,003,125*** | ***39.1*** |

**16.01 – OTHER INFORMATION DEEMED RELEVANT BY THE COMPANY**

| SHARE POSITION OF SHAREHOLDERS OWNING MORE THAN 5% OF COMPANY SHARES OF EACH TYPE AND CLASS UNTIL THE INDIVIDUAL LEVEL | | | | | | |
|---|---|---|---|---|---|---|
| **COMPANY: EVAUX PARTICIPAÇÕES S.A. CNPJ: 02.699.849/0001-20** | | | | | **Position at 03/31/2008** | |
| Shareholder | Quantity of common shares (in units) | % | Quantity of preferred shares (in unit) | % | Total quantity of shares (in unit) | % |
| SLC Participações S.A. | 621,321,924 | 100 | - | - | 621,321,924 | 100 |
| Eduardo Silva Logemann | 1 | - | - | - | 1 | - |
| **Total** | **621,321,925** | **100** | **-** | **-** | **621,321,925** | **100** |

| SHARE POSITION OF SHAREHOLDERS OWNING MORE THAN 5% OF COMPANY SHARES OF EACH TYPE AND CLASS UNTIL THE INDIVIDUAL LEVEL | | | | | | |
|---|---|---|---|---|---|---|
| **COMPANY: SLC PARTICIPAÇÕES S.A. CNPJ: 90.522.921/0001-07** | | | | | **Position at 03/31/2008** | |
| Shareholder | Quantity of common shares (in units) | % | Quantity of preferred shares (in unit) | % | Total quantity of shares (in unit) | % |
| Zaira Elisabeth Silva Logemann | 127,409,638 | 43.19 | - | - | 127,409,638 | 43.19 |
| Eduardo Silva Logemann | 22,565,422 | 7.65 | - | - | 22,565,422 | 7.65 |
| Jorge Luiz Silva Logemann | 34,509,818 | 11.70 | - | - | 34,509,818 | 11.70 |
| Marcelo Silva Logemann | 34,509,818 | 11.70 | - | - | 34,509,818 | 11.70 |
| Elisabeth Silva Logemann | 34,509,818 | 11.70 | - | - | 34,509,818 | 11.70 |
| Ana Beatriz Logemann de Almeida | 34,509,818 | 11.70 | - | - | 34,509,818 | 11.70 |
| Sonia Maria Bertuol Logemann | 6,985,668 | 2.36 | - | - | 6,985,668 | 2.36 |
| Treasury stock | - | - | - | - | - | - |
| Other shareholders | - | - | - | - | - | - |
| **Total** | **295,000,000** | **100** | **-** | **-** | **295,000,000** | **100** |

**A free translation from Portuguese into English of Special Review Report of Independent Auditors on quarterly information prepared in accordance with accounting practices adopted in Brazil**

# SPECIAL REVIEW REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Shareholders
SLC Agrícola S.A.

1. We have performed a special review of the unconsolidated and consolidated Quarterly Financial Information (ITR) of SLC Agrícola S.A. and its subsidiaries as of March 31, 2008, including the balance sheets, the related statements of income changes in cash flow and value added and footnotes, prepared in accordance with accounting practices adopted in Brazil. These financial information are the responsibility of the Company's management.

2. Our review was conducted in accordance with the specific procedures determined by the Institute of Independent Auditors of Brazil (IBRACON) and the Brazilian Federal Board of Accountancy (CFC), and mainly comprised: (a) applying analytical review procedures to the financial data and inquiries of the professionals responsible for the accounting, financial and operating areas of the Company and its subsidiaries, about the main criteria adopted to prepare the financial information; and (b) review of the information and subsequent events which have or might have significant effects on the financial position and operations of the Company and its subsidiaries.

3. For the purpose of the International Offering Circular, the Company omitted the Report of Performance of the Company which is required by the Brazilian Securities Commission (CVM) for quarterly financial information.

4. Based on our special review, with the exception of Report of Performance omitted as described in the preceding paragraph, we are not aware of any significant modification that should be made to the Quarterly Financial Information referred to paragraph 1 for it be in conformity with standards established by the Brazilian Securities Commission (CVM), specifically applied in the preparation of mandatory Quarterly Financial Information, including CVM Ruling Nº 469, of May 2, 2008.

5. As mentioned in Note 2, Law Nº 11638 enacted on December 28, 2007 went into force on January 1, 2008. This law changed, set aside and introduced new provisions in Law Nº 6404/76 (Corporation Law) and changed the accounting practices adopted in Brazil. While such Law has already gone into effect, the key changes introduced by it depend on standards to be set by regulators to be fully applied by the companies. Accordingly, in this transition phase, the Brazilian Securities and Exchange Commission (CVM) through CVM Ruling Nº 469, of May 2, 2008, allowed the non-application of the provisions of Law Nº 11638/07 when preparing the Quarterly Information (ITR). Therefore, the accounting information contained in the ITRs for the quarter ended March 31, 2008 was prepared in accordance with specific CVM instructions, and does not address the changes to the accounting practices introduced by Law Nº 11638/07.

6. As commented on in Note 2, the quarterly information attached hereto contains changes to Notes 2 and 24. These changes, with which we agree, were made to comply with the disclosure requirements from the Brazilian Securities and Exchange Commission (CVM) in the Company's equity offering and do not require any change in our opinion on the quarterly information for the quarter ended March 31, 2008, previously issued.

Porto Alegre, April 17, 2008, except for Notes 2 and 24, whose date is June 10, 2008.

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

Américo F. Ferreira Neto
Accountant CRC-1SP192685/O-9/S/RS

| 02074-5 | SLC AGRÍCOLA S.A. | 89.096.457/0001-55 |
|---|---|---|

**18.02 – MANAGEMENT COMMENTS ON PERFORMANCE OF SUBSIDIARIES AND/OR AFFILIATES**

**SUBSIDIARY**

COMPANY NAME

**FAZENDA PAIAGUÁS S.A.**

**18.01 - SUBSIDIARY'S STATEMENT OF OPERATIONS (in thousands of reais)**

| 1 – CODE | 2 – DESCRIPTION | 3 – 01/01/2008 to 03/31/2008 | 4 – 01/01/2008 to 03/31/2008 | 5 – 01/01/2007 to 03/31/2007 | 6 – 01/01/2007 to 03/31/2007 |
|---|---|---|---|---|---|
| 3.01 | Gross Sales | 22,425 | 22,425 | 9,452 | 9,452 |
| 3.02 | Sales Deductions | (834) | (834) | (1,109) | (1,109) |
| 3.03 | Net Sales | 21,591 | 21,591 | 8,343 | 8,343 |
| 3.04 | Cost of Sales | (12,136) | (12,136) | (7,251) | (7,251) |
| 3.05 | Gross Profit | 9,455 | 9,455 | 1,092 | 1,092 |
| 3.06 | Operating Income/Expenses | 733 | 733 | (1,473) | (1,473) |
| 3.06.01 | Selling Expenses | (959) | (959) | (658) | (658) |
| 3.06.02 | General And Administrative Expenses | (219) | (219) | (174) | (174) |
| 3.06.03 | Financial | 1,488 | 1,488 | (1,074) | (1,074) |
| 3.06.03.01 | Financial Income | 3,011 | 3,011 | 381 | 381 |
| 3.06.03.02 | Financial Expenses | (1,523) | (1,523) | (1,455) | (1,455) |
| 3.06.04 | Other Operating Income | 23 | 23 | 55 | 55 |
| 3.06.05 | Other Operating Expenses | - | - | - | - |
| 3.06.06 | Equity Pick-up | 400 | 400 | 378 | 378 |
| 3.07 | Operating Income | 10,188 | 10,188 | (381) | (381) |
| 3.08 | Non-operating Expenses | 545 | 545 | 12 | 12 |
| 3.08.01 | Income | 545 | 545 | 12 | 12 |
| 3.08.02 | Expenses | - | - | - | - |
| 3.09 | Income Before Tax and Profit Minority Interest | 10,733 | 10,733 | (369) | (369) |
| 3.10 | Provision for Income tax and social contribution | (121) | (121) | - | - |

**SUBSIDIARY**

COMPANY NAME

**FAZENDA PAIAGUÁS S.A.**

**18.01 SUBSIDIARY'S STATEMENT OF OPERATIONS (in thousands of reais)**

| | | | | | |
|---|---|---|---|---|---|
| 3.11 | Deferred Income Tax and Social Contribution | (3,384) | (3,384) | 246 | 246 |
| 3.12 | Statutory Participations / Contributions | - | - | - | - |
| 3.12.01 | Profit Sharing | - | - | - | - |
| 3.12.02 | Contribution | - | - | - | - |
| 3.13 | Reversion of Interest on Shareholders' Equity | - | - | - | - |
| 3.15 | Earnings / Losses in the Period | 7,228 | 7,228 | (123) | (123) |
| | NUMBER OF SHARES, EX-TREASURY (units) | 44,517,189 | 44,517,189 | 44,517,189 | 44,517,189 |
| | EARNINGS PER SHARE (reais) | 0.16236 | 0.16236 | | |
| | LOSS PER SHARE (reais) | | | (0,00276) | (0,00276) |

**02074-5 SLC AGRÍCOLA S.A. 89.096.457/0001-55**

**18.02 – MANAGEMENT COMMENTS ON PERFORMANCE OF SUBSIDIARIES AND/OR AFFILIATES**

**SUBSIDIARY**

COMPANY NAME

**FAZENDA PLANORTE S.A.**

**18.01 - SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais)**

| 1 – CODE | 2 – DESCRIPTION | 3 – 01/01/2008 to 03/31/2008 | 4 – 01/01/2008 to 03/31/2008 | 5 – 01/01/2007 to 03/31/2007 | 6 – 01/01/2007 to 03/31/2007 |
|---|---|---|---|---|---|
| 3.01 | Gross Sales | 17,347 | 17,347 | 11,176 | 11,176 |
| 3.02 | Sales Deductions | (827) | (827) | (305) | (305) |
| 3.03 | Net Sales | 16,520 | 16,520 | 10,871 | 10,871 |
| 3.04 | Cost of Sales | (10,042) | (10,042) | (7,004) | (7,004) |
| 3.05 | Gross Profit | 6,478 | 6,478 | 3,867 | 3,867 |
| 3.06 | Operating Income/Expenses | (568) | (568) | (719) | (719) |
| 3.06.01 | Selling Expenses | (610) | (610) | (428) | (428) |
| 3.06.02 | General And Administrative Expenses | (286) | (286) | (161) | (161) |
| 3.06.03 | Financial | 297 | 297 | (143) | (143) |
| 3.06.03.01 | Financial Income | 743 | 743 | 336 | 336 |
| 3.06.03.02 | Financial Expenses | (446) | (446) | (479) | (479) |
| 3.06.04 | Other Operating Income | 31 | 31 | 13 | 13 |
| 3.06.05 | Other Operating Expenses | - | - | - | - |
| 3.06.06 | Equity Pick-up | - | - | - | - |
| 3.07 | Operating Income | 5,910 | 5,910 | 3,148 | 3,148 |
| 3.08 | Non-operating Expenses | (3) | (3) | 3 | 3 |
| 3.08.01 | Income | - | - | 3 | 3 |
| 3.08.02 | Expenses | (3) | (3) | - | - |
| 3.09 | Income Before Tax and Profit Minority Interest | 5,907 | 5,907 | 3,151 | 3,151 |
| 3.10 | Provision for Income tax and social contribution | (2,054) | (2,054) | (1,139) | (1,139) |

| 02074-5 | SLC AGRÍCOLA S.A. | 89.096.457/0001-55 |
|---|---|---|

**18.02 – MANAGEMENT COMMENTS ON PERFORMANCE OF SUBSIDIARIES AND/OR AFFILIATES**

**SUBSIDIARY**

COMPANY NAME

**FAZENDA PLANORTE S.A.**

**18.01 - SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais)**

| | | | | | |
|---|---|---|---|---|---|
| 3.11 | Deferred Income Tax And Social Contribution | 83 | 83 | 56 | 56 |
| 3.12 | Statutory Participations / Contributions | - | - | - | - |
| 3.12.01 | Profit Sharing | - | - | - | - |
| 3.12.02 | Contribution | - | - | - | - |
| 3.13 | Reversion of Interest on Shareholders' Equity | - | - | - | - |
| 3.15 | Earnings / Losses in the Period | 3,936 | 3,936 | 2,068 | 2,068 |
| | NUMBER OF SHARES, EX-TREASURY (thousand) | 11,506,271 | 11,506,271 | 11,506,271 | 11,506,271 |
| | EARNINGS PER SHARE (reais) | 0.34207 | 0.34207 | 0.17973 | 0.17973 |
| | LOSS PER SHARE (reais) | | | | |

**02074-5 SLC AGRÍCOLA S.A. 89.096.457/0001-55**

**18.02 – MANAGEMENT COMMENTS ON PERFORMANCE OF SUBSIDIARIES AND/OR AFFILIATES**

**SUBSIDIARY**

COMPANY NAME

**FAZENDA PARNAÍBA S.A.**

**18.01 - SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais)**

| 1 – CODE | 2 – DESCRIPTION | 3 – 01/01/2008 to 03/31/2008 | 4 – 01/01/2008 to 03/31/2008 | 5 – 01/01/2007 to 03/31/2007 | 6 – 01/01/2007 to 03/31/2007 |
|---|---|---|---|---|---|
| 3.01 | Gross Sales | 4,145 | 4,145 | 8,278 | 8,278 |
| 3.02 | Sales Deductions | (564) | (564) | (498) | (498) |
| 3.03 | Net Sales | 3,581 | 3,581 | 7,780 | 7,780 |
| 3.04 | Cost of Sales | (1,869) | (1,869) | (5,873) | (5,873) |
| 3.05 | Gross Profit | 1,712 | 1,712 | 1,907 | 1,907 |
| 3.06 | Operating Income/Expenses | (120) | (120) | 768 | 768 |
| 3.06.01 | Selling Expenses | (267) | (267) | (67) | (67) |
| 3.06.02 | General And Administrative Expenses | (195) | (195) | (108) | (108) |
| 3.06.03 | Financial | 328 | 328 | 626 | 626 |
| 3.06.03.01 | Financial Income | 1,283 | 1,283 | 1,702 | 1,702 |
| 3.06.03.02 | Financial Expenses | (955) | (955) | (1,076) | (1,076) |
| 3.06.04 | Other Operating Income | 14 | 14 | 317 | 317 |
| 3.06.05 | Other Operating Expenses | - | - | - | - |
| 3.06.06 | Equity Pick-up | - | - | - | - |
| 3.07 | Operating Income | 1,592 | 1,592 | 2,675 | 2,675 |
| 3.08 | Non-operating Expenses | 30 | 30 | (6) | (6) |
| 3.08.01 | Income | 30 | 30 | - | - |
| 3.08.02 | Expenses | - | - | (6) | (6) |
| 3.09 | Income Before Tax and Profit Minority Interest | 1,622 | 1,622 | 2,669 | 2,669 |
| 3.10 | Provision for Income tax and social contribution | (380) | (380) | (1,031) | (1,031) |

**SUBSIDIARY**

COMPANY NAME

**FAZENDA PARNAÍBA S.A.**

**18.01 - SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais)**

| | | | | | |
|---|---|---|---|---|---|
| 3.11 | Deferred Income Tax And Social Contribution | (159) | (159) | 119 | 119 |
| 3.12 | Statutory Participations / Contributions | - | - | - | - |
| 3.12.01 | Profit Sharing | - | - | - | - |
| 3.12.02 | Contribution | - | - | - | - |
| 3.13 | Reversion of Interest on Shareholders' Equity | - | - | - | - |
| 3.15 | Earnings / Losses in the Period | 1,083 | 1,083 | 1,757 | 1,757 |
| | NUMBER OF SHARES, EX-TREASURY (thousand) | 5,352,793 | 5,352,793 | 5,352,793 | 5,352,793 |
| | EARNINGS PER SHARE (reais) | 0.20232 | 0.20232 | 0.32824 | 0.32824 |
| | LOSS PER SHARE (reais) | | | | |

**02074-5 SLC AGRÍCOLA S.A. 89.096.457/0001-55**

**18.02 – MANAGEMENT COMMENTS ON PERFORMANCE OF SUBSIDIARIES AND/OR AFFILIATES**

**SUBSIDIARY**

COMPANY NAME

**SLC EMPREENDIMENTOS E AGRICULTURA LTDA.**

**18.01 - SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais)**

| 1 – CODE | 2 – DESCRIPTION | 3 – 01/01/2008 to 03/31/2008 | 4 – 01/01/2008 to 03/31/2008 | 5 – 01/01/2007 to 03/31/2007 | 6 – 01/01/2007 to 03/31/2007 |
|---|---|---|---|---|---|
| 3.01 | Gross Sales | 5,643 | 5,643 | 10,181 | 10,181 |
| 3.02 | Sales Deductions | (206) | (206) | (483) | (483) |
| 3.03 | Net Sales | 5,437 | 5,437 | 9,698 | 9,698 |
| 3.04 | Cost of Sales | (306) | (306) | (34) | (34) |
| 3.05 | Gross Profit | 5,131 | 5,131 | 9,664 | 9,664 |
| 3.06 | Operating Income/Expenses | 412 | 412 | 403 | 403 |
| 3.06.01 | Selling Expenses | - | - | (148) | (148) |
| 3.06.02 | General And Administrative Expenses | (28) | (28) | (313) | (313) |
| 3.06.03 | Financial | 440 | 440 | 855 | 855 |
| 3.06.03.01 | Financial Income | 1,384 | 1,384 | 911 | 911 |
| 3.06.03.02 | Financial Expenses | (944) | (944) | (56) | (56) |
| 3.06.04 | Other Operating Income | - | - | 9 | 9 |
| 3.06.05 | Other Operating Expenses | - | - | - | - |
| 3.06.06 | Equity Pick-up | - | - | - | - |
| 3.07 | Operating Income | 5,543 | 5,543 | 10,067 | 10,067 |
| 3.08 | Non-operating Expenses | (1) | (1) | - | - |
| 3.08.01 | Income | - | - | - | - |
| 3.08.02 | Expenses | (1) | (1) | - | - |
| 3.09 | Income Before Tax and Profit Minority Interest | 5,542 | 5,542 | 10,067 | 10,067 |
| 3.10 | Provision for Income tax and social contribution | (1,031) | (1,031) | (1,206) | (1,206) |

**SUBSIDIARY**

COMPANY NAME

**SLC EMPREENDIMENTOS E AGRICULTURA LTDA.**

**18.01 - SUBSIDIARY'S STATEMENT OF INCOME (in thousands of reais)**

| | | | | | |
|---|---|---|---|---|---|
| 3.11 | Deferred Income Tax And Social Contribution | 340 | 340 | 48 | 48 |
| 3.12 | Statutory Participations / Contributions | - | - | - | - |
| 3.12.01 | Profit Sharing | - | - | - | - |
| 3.12.02 | Contribution | - | - | - | - |
| 3.13 | Reversion of Interest on Shareholders' Equity | - | - | - | - |
| 3.15 | Earnings / Losses in the Period | 4,851 | 4,851 | 8,909 | 8,909 |
| | NUMBER OF SHARES, EX-TREASURY (thousand) | 2 | 2 | 2 | 2 |
| | EARNINGS PER SHARE (reais) | 2,425,500 | 2,425,500 | 4,454,500 | 4,454,500 |
| | LOSS PER SHARE (reais) | | | | |