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Company information / Capital composition

Number of shares (units)	Current quarter 09/30/2017
Paid-up capital	
Common shares	98,897,500
Preferred shares	-
Total	**98,897,500**
Treasury shares	
Common shares	2,271,793
Preferred shares	-
Total	**2,271,793**

Company information/dividends

Event	Date approved	Description	Initial date of payment	Type of share	Class of share	Amount per share (R$/share)
Annual General Meeting	04/27/2017	Dividends	05/11/2017	Common		0.14647
Meeting of the Board of Management	09/15/2017	Dividends	10/10/2017	Common		2.06984

Individual financial statements / Balance sheet - Assets

(In thousands of Reais)

Code of account	Account description	Current quarter 09/30/2017	Prior year 12/31/2016
1	Total Assets	4,608,754	4,771,143
1.01	Current assets	1,795,794	2,057,675
1.01.01	Cash and cash equivalents	371,425	767,009
1.01.01.01	Cash and cash equivalents	371,425	767,009
1.01.02	Financial investments	110,425	129,204
1.01.02.01	Fair Value Investments	110,425	129,204
1.01.03	Accounts receivable	214,022	185,603
1.01.03.01	Trade accounts receivable	92,889	71,529
1.01.03.02	Other accounts receivable	121,133	114,074
1.01.03.02.01	Advances to suppliers	1,494	1,406
1.01.03.02.02	Operations with derivatives	109,130	95,563
1.01.03.02.03	Securities and credits receivable	0	7,948
1.01.03.02.04	Related party credits	7,530	8,142
1.01.03.02.05	Other accounts receivable	2,979	1,015
1.01.04	Inventories	897,001	448,031
1.01.05	Biological assets	128,930	470,213
1.01.06	Recoverable taxes	65,054	51,224
1.01.06.01	Current taxes recoverable	65,054	51,224
1.01.06.01.01	Recoverable taxes	65,054	51,224
1.01.07	Prepaid expenses	5,967	6,314
1.01.08	Others Current Assets	2,970	77
1.01.08.02	Assets of discontinued operations	2,970	77
1.02	Non-current assets	2,812,960	2,713,468
1.02.01	Long term assets	142,675	148,036
1.02.01.07	Prepaid expenses	2,855	3,777
1.02.01.09	Other non-current assets	139,820	144,259
1.02.01.09.03	Recoverable taxes	32,834	34,807
1.02.01.09.04	Operations with derivatives	51,559	48,327
1.02.01.09.05	Advances for future capital increase	5,961	0
1.02.01.09.06	Trade notes and accounts receivable	16,237	14,532
1.02.01.09.07	Advances to suppliers	33,229	46,593
1.02.02	Investments	2,070,108	1,998,838
1.02.02.01	Equity interest	2,070,108	1,998,838
1.02.02.01.01	Equity in associates	2,070,108	1,998,838
1.02.03	Property, plant and equipment	591,565	563,490
1.02.03.01	Fixed assets in operation	543,284	526,530
1.02.03.03	Constructions in progress	48,281	36,960
1.02.04	Intangible assets	8,612	3,104
1.02.04.01	Intangible assets	8,612	3,104
1.02.04.01.02	Other (Systems)	8,612	3,104

Individual financial statements / Balance sheet - Liabilities

(In thousands of Reais)

Code of account	Account description	Current quarter 09/30/2017	Prior year 12/31/2016
2	Total Liabilities	4,608,754	4,771,143
2.01	Current liabilities	1,260,983	1,515,635
2.01.01	Social and labor obligations	15,995	13,245
2.01.01.01	Social charges	15,702	12,938
2.01.01.02	Labor obligations	293	307
2.01.02	Trade payables	174,110	369,887
2.01.02.01	Domestic trade payables	174,110	369,887
2.01.03	Tax liabilities	6,091	3,812
2.01.03.01	Federal tax liabilities	4,469	2,418
2.01.03.01.01	Income and social contribution tax payable	3,961	1,605
2.01.03.01.02	Taxes, rates, and sundry contributions	508	813
2.01.03.02	State tax liabilities	1,219	1,276
2.01.03.03	Municipal tax liabilities	403	118
2.01.04	Loans and financing	656,321	978,891
2.01.04.01	Loans and financing	656,321	978,891
2.01.04.01.01	In local currency	516,086	782,166
2.01.04.01.02	In foreign currency	140,235	196,725
2.01.05	Other liabilities	374,497	136,222
2.01.05.01	Liabilities with related parties	6,192	30,517
2.01.05.01.02	Debits with subsidiaries	6,192	30,517
2.01.05.02	Other	368,305	105,705
2.01.05.02.05	Operations with derivatives	200,001	7,112
2.01.05.02.06	Lease Payable	119,633	17,764
2.01.05.02.07	Other debits	24,040	44,280
2.01.05.02.08	Other debits	20,181	34,724
2.01.05.02.09	Other Debits	4,450	1,825
2.01.06	Provisions	33,969	13,578
2.01.06.01	Tax, social security, labor and civil provisions	33,639	13,578
2.01.06.01.02	Social Security and Labor Provisions	16,411	9,161
2.01.06.01.03	Provisions to employee benefits	15,333	2,443
2.01.06.01.05	Provisions for labor contingencies	1,895	1,974
2.01.06.02	Other Provisions	330	0
2.01.06.02.03	Provisions for Environmental Liabilities and Deactivation	330	0
2.02	Non-current liabilities	795,896	804,473
2.02.01	Loans and financing	594,999	702,228
2.02.01.01	Loans and financing	594,999	702,228
2.02.01.01.01	In local currency	395,805	425,204
2.02.01.01.02	In foreign currency	199,194	277,024
2.02.02	Other liabilities	24,612	24,427
2.02.02.02	Other	24,612	24,427

2.02.02.02.04	Other debits	24,531	24,346
2.02.02.02.05	Deferred Income Tax and Social Contribution	81	81
2.02.03	Deferred taxes	176,285	77,818
2.02.03.01	Deferred income and social contribution taxes	176,285	77,818
2.03	Shareholders' equity	2,551,875	2,451,035
2.03.01	Goodwill on the Issue of Shares	947,522	947,522
2.03.02	Capital reserves	63,544	80,984
2.03.02.01	Goodwill in the issue of shares	67,991	72,102
2.03.02.04	Options granted	42,733	39,534
2.03.02.05	Treasury shares	(47,180)	(30,652)
2.03.04	Statutory Reserve	85,633	292,744
2.03.04.01	Legal reserve	10,474	10,474
2.03.04.02	Statutory reserve	48,094	248,093
2.03.04.05	Profit retention reserved	27,065	27,065
2.03.04.08	Accumulated Profit / Loss	0	7,112
2.03.05	Retained earnings/losses	224,648	0
2.03.08	Other comprehensive income	1,230,528	1,129,785

Individual financial statements / Statement of income

(In thousands of Reais)

Code of account	Account description	Current Quarter 07/01/2017 to 09/30/2017	Accumulated of the Current year 01/01/2017 to 09/30/2017	Same Quarter Prior Year 07/01/2016 to 09/30/2016	Accumulated of the Previous Year 01/01/2016 to 09/30/2016
3.01	Income from sales of goods and/or services	508,897	1,312,191	263,761	816,040
3.01.01	Product Operational Revenue	414,345	1,003,118	277,166	804,622
3.01.02	Biological Assets	94,552	309,073	(13,405)	11,418
3.02	Cost of goods and/or services sold	(395,973)	(915,796)	(257,765)	(837,138)
3.02.01	Cost of Goods	(315,257)	(735,768)	(251,532)	(763,631)
3.02.02	Biological Assets Appropriate at Cost	(80,716)	(180,028)	(6,233)	(73,507)
3.03	Gross income	112,924	396,395	5,996	(21,098)
3.04	Operating income/expenses	(9,306)	(37,726)	(5,954)	(44,079)
3.04.01	Selling expenses	(16,874)	(42,254)	(16,727)	(45,453)
3.04.02	General and administrative expenses	(19,935)	(55,536)	(10,563)	(40,160)
3.04.02.01	General and administrative	(16,819)	(45,893)	(8,542)	(30,728)
3.04.02.02	Management compensation	(3,116)	(9,643)	(2,021)	(9,432)
3.04.04	Other Operating Income	546	2,473	1,253	2,885
3.04.05	Other operating expenses	(162)	(2,199)	(3,866)	(9,472)
3.04.06	Equity income (loss)	27,119	59,790	23,949	48,121
3.05	Income (loss) before financial income (loss) and taxes	103,618	358,669	42	(65,177)
3.06	Financial income (loss), net	(13,700)	(53,611)	(37,538)	(78,333)
3.06.01	Financial income	28,349	128,056	26,413	249,285
3.06.02	Financial expenses	(42,049)	(181,667)	(63,951)	(327,618)
3.07	Income (loss) before income tax	89,918	305,058	(37,496)	(143,510)
3.08	Income and social contribution taxes	(21,127)	(84,964)	20,277	60,881
3.08.01	Current	(2,648)	(3,546)	253	(1,982)
3.08.02	Deferred	(18,479)	(81,418)	20,024	62,863
3.09	Net income (loss) of continued operations	68,791	220,094	(17,219)	(82,629)
3.11	Net Income (loss) for the period	68,791	220,094	(17,219)	(82,629)
3.99	Earnings per share - (R$ / Shares)				

3.99.01	Basic earnings per share				
3.99.01.01	Common (ON)	0.71306	2.28139	(0.17737)	(0.85114)
3.99.02	Diluted earnings per share				
3.99.02.01	Common (ON)	0.71042	2.27297	(0.17751)	(0.85181)

Individual financial statements / Statement of Comprehensive Income

(In thousands of Reais)

Code of account	Account description	Current quarter 07/01/2017 to 09/30/2017	Accumulated of the current year 01/01/2017 to 09/30/2017	Same quarter prior year 07/01/2016 to 09/30/2016	Accumulated of the prior year 01/01/2016 to 09/30/2016
4.01	Net income for the period	68,791	220,094	(17,219)	(82,629)
4.02	Other comprehensive income	36,977	105,297	6,993	226,608
4.02.01	Derivatives - Cash flow hedge	54,705	50,144	9,678	333,100
4.02.02	Derivatives - Cash flow hedge - Reflex of the subsidiaries	873	153	607	6,823
4.02.03	Income tax and social contribution	(18,600)	(17,049)	(3,291)	(113,254)
4.02.04	Others	495	495	(1)	(61)
4.02.06	Capital gain (loss) from equity interest	0	0	5,928	5,928
4.02.07	Fair Value Adjustment Investment Property	0	15,953	(5,928)	(5,928)
4.02.08	Assigned cost property, plant and equipment	(496)	55,601	0	0
4.03	Comprehensive income (loss) for the period	105,768	325,391	(10,226)	143,979

Individual financial statements / Statement of cash flows - Indirect method

(In thousands of Reais)

Code of account	Account description	Accumulated of the current year 01/01/2017 to 09/30/2017	Accumulated of the prior year 01/01/2016 to 09/30/2016
6.01	Net cash from operations	122,500	(88,256)
6.01.01	Cash from operations	310,611	7,685
6.01.01.01	Net income (loss) before income and social contribution taxes	305,058	(143,510)
6.01.01.02	Depreciation and amortization	47,976	55,506
6.01.01.04	Interest, exchange and monetary variation	2,546	3,348
6.01.01.06	Interest, exchange and monetary variation	(59,790)	(48,121)
6.01.01.07	Share-based compensation	122,832	71,744
6.01.01.09	Variation in biological assets	3,199	4,798
6.01.01.10	Provision (reversal) for inventory adjustments and losses	(129,045)	62,089
6.01.01.11	Provision (reversal) of profit sharing and labor contingencies	(496)	141
6.01.01.12	Income Tax and Social Contribution Payments	16,788	1,690
6.01.01.13	Fair Value Investment Properties	1,543	0
6.01.02	Changes in assets and liabilities	(188,111)	(95,941)
6.01.02.01	Trade accounts receivable	(21,360)	48,801
6.01.02.02	Inventories and biological assets	25,737	120,170
6.01.02.03	Recoverable taxes	(11,859)	13,173
6.01.02.04	Trade notes receivable	565	4,837
6.01.02.05	Financial Investments	18,779	(104,148)
6.01.02.06	Other accounts receivable	(2,423)	(7,148)
6.01.02.07	Trade payables	11,602	0
6.01.02.08	Tax and Social Obligations	(195,777)	(177,109)
6.01.02.09	Transactions with related parties	(11,759)	(12,645)
6.01.02.10	Operations with derivatives	(23,713)	3,711
6.01.02.11	Interest Paid	(21,127)	108,804
6.01.02.13	Other accounts payable	101,869	(63,622)
6.01.02.14	Leases Payable	(14,543)	(9,822)
6.01.02.15	Interest paid	25,693	(1,019)
6.01.02.16	Dividends received	63,060	61,556
6.01.02.17	Interest Paid	(132,841)	(81,480)
6.01.02.18	Income Tax and Social Contribution Payments	(14)	0
6.02	Net cash used in investment activities	(99,965)	(32,732)
6.02.01	In Investment	(8,299)	(7,798)
6.02.03	In property, plant and equipment	(85,696)	(30,526)
6.02.04	In intangible assets	(5,970)	(916)
6.02.05	Cash Merger	0	6,508
6.03	Net cash generated/(consumed) in financing activities	(418,119)	(90,855)
6.03.01	Loans and financing obtained	472,845	731,145
6.03.02	Loans and financing paid	(856,103)	(764,421)
6.03.03	Sale (repurchase) of shares	(20,639)	622
6.03.04	Dividends payable	(14,222)	(58,201)
6.05	Increase (decrease) in cash and cash equivalents	(395,584)	(211,843)
6.05.01	Opening balance of cash and cash equivalents	767,009	518,284
6.05.02	Closing balance of cash and cash equivalents	371,425	306,441

Individual financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2017 to 09/30/2017

(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity
5.01	Opening balances	947,522	80,984	292,744	0	1,129,785	2,451,035
5.03	Adjusted opening balances	947,522	80,984	292,744	0	1,129,785	2,451,035
5.04	Capital transactions with partners	0	(17,440)	0	0	0	(17,440)
5.04.03	Recognized options granted	0	3,199	0	0	0	3,199
5.04.04	Treasury shares acquired	0	(50,910)	0	0	0	(50,910)
5.04.05	Treasury shares sold	0	34,382	0	0	0	34,382
5.04.08	Goodwill on the sale of Treasury Shares	0	(4,111)	0	0	0	(4,111)
5.05	Total comprehensive income	0	0	0	224,648	100,743	325,391
5.05.01	Net income for the period	0	0	0	220,094	0	220,094
5.05.02	Other comprehensive income	0	0	0	4,554	100,743	105,297
5.05.02.01	Adjustment of financial instruments	0	0	0	0	50,144	50,144
5.05.02.02	Taxes on adjustments of financial instruments	0	0	0	0	(17,049)	(17,049)
5.05.02.03	Equity income (loss) on comprehensive income of subsidiaries and associates	0	0	0	0	153	153
5.05.02.06	Realization of deemed cost of property, plant and equipment - Depreciation	0	0	0	3,498	(3,498)	0
5.05.02.07	Realization of deemed cost of property, plant and equipment - Sales	0	0	0	505	(505)	0
5.05.02.08	Realization of deemed cost of property, plant and equipment - Subsidiaries	0	0	0	56	(56)	0
5.05.02.13	Assigned cost adjustment property, plant and equipment in subsidiary	0	0	0	0	15,953	15,953
5.05.02.14	Others	0	0	0	495	0	495
5.05.02.16	Adjustment Cost Assigned Property, Plant and Equipment in Subsidiary	0	0	0	0	55,601	55,601
5.06	Internal changes in equity	0	0	(207,111)	0	0	(207,111)
5.06.04	Proposed dividends	0	0	(207,111)	0	0	(207,111)
5.07	Closing balances	947,522	63,544	85,633	224,648	1,230,528	2,551,875

Individual financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2016 to 09/30/2016

(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity
5.01	Opening balances	947,522	75,056	291,798	0	891,332	2,205,708
5.03	Adjusted opening balances	947,522	75,056	291,798	0	891,332	2,205,708
5.04	Capital transactions with partners	0	5,420	0	0	0	5,420
5.04.03	Recognized options granted	0	4,798	0	0	0	4,798
5.04.05	Treasury shares sold	0	735	0	0	0	735
5.04.08	Goodwill on the sale of Treasury Shares	0	(113)	0	0	0	(113)
5.05	Total comprehensive income	0	0	0	(76,725)	220,704	143,979
5.05.01	Net income for the period	0	0	0	(82,629)	0	(82,629)
5.05.02	Other comprehensive income	0	0	0	5,904	220,704	226,608
5.05.02.01	Adjustment of financial instruments	0	0	0	0	333,100	333,100
5.05.02.02	Taxes on adjustments of financial instruments	0	0	0	0	(113,254)	(113,254)
5.05.02.03	Equity income (loss) on comprehensive income of subsidiaries and associates	0	0	0	0	6,823	6,823
5.05.02.06	Realization of deemed cost of property, plant and equipment - Depreciation	0	0	0	3,460	(3,460)	0
5.05.02.07	Realization of deemed cost of property, plant and equipment - Sales	0	0	0	1,759	(1,759)	0
5.05.02.08	Realization of deemed cost of property, plant and equipment - Subsidiaries	0	0	0	685	(685)	0
5.05.02.09	Other	0	0	0	0	(61)	(61)
5.06	Internal changes in equity	0	0	(29,100)	0	0	(29,100)
5.06.04	Proposed dividends	0	0	(29,100)	0	0	(29,100)
5.07	Closing balances	947,522	80,476	262,698	(76,725)	1,112,036	2,326,007

Individual financial statements / Statement of added value

(In thousands of Reais)

Code of account	Account description	Accumulated of the current year	Accumulated of the prior year
		01/01/2017 to 09/30/2017	01/01/2016 to 09/30/2016
7.01	Revenues	1,415,568	968,286
7.01.01	Sale of goods, products and services	1,048,013	935,215
7.01.02	Other income	317,465	12,434
7.01.02.01	Other income	8,392	1,017
7.01.02.02	Variation of the fair value of biological assets	309,073	11,417
7.01.03	Income from construction of own assets	50,090	20,637
7.02	Inputs acquired from third parties	(749,667)	(635,561)
7.02.01	Cost of goods, goods and services sold	(7,761)	(7,031)
7.02.02	Materials, energy, outsuorced services and other	(193,701)	(181,274)
7.02.03	Loss/recovery of asset values	496	(141)
7.02.04	Other	(548,701)	(447,115)
7.02.04.01	Raw materials used	(368,673)	(373,608)
7.02.04.02	Adjustment to fair value of biological assets	(180,028)	(73,507)
7.03	Gross added value	665,901	332,725
7.04	Retentions	(47,976)	(55,506)
7.04.01	Depreciation, amortization and depletion	(47,976)	(55,506)
7.05	Net added value produced	617,925	277,219
7.06	Added value received as transfer	188,555	297,889
7.06.01	Equity income (loss)	59,790	48,121
7.06.02	Financial income	128,056	249,285
7.06.03	Other	709	483
7.07	Total added value payable	806,480	575,108
7.08	Distribution of added value	806,480	575,108
7.08.01	Personnel	138,335	122,748
7.08.01.01	Direct remuneration	79,847	77,943
7.08.01.02	Benefits	51,273	37,613
7.08.01.03	F.G.T.S.	7,215	7,192
7.08.02	Taxes, duties and contributions	182,294	40,054
7.08.02.01	Federal	153,404	784
7.08.02.02	State	28,601	39,005
7.08.02.03	Municipal	289	265
7.08.03	Loan capital remuneration	265,757	494,935
7.08.03.01	Interest	180,124	403,455
7.08.03.02	Rentals	85,633	91,480
7.08.04	Remuneration of own capital	220,094	(82,629)
7.08.04.03	Retained Earnings/Loss for the period	220,094	(82,629)

Consolidated financial statements / Balance sheet - Assets

(In thousands of Reais)

Code of account	Account description	Current quarter 09/30/2017	Prior year 12/31/2016
1	Total Assets	5,251,898	5,453,376
1.01	Current assets	2,100,026	2,332,168
1.01.01	Cash and cash equivalents	497,095	888,740
1.01.01.01	Cash and cash equivalents	497,095	888,740
1.01.02	Financial investments	129,099	175,766
1.01.02.01	Fair Value Investments	129,099	175,766
1.01.03	Accounts receivable	234,587	185,538
1.01.03.01	Trade accounts receivable	110,659	73,392
1.01.03.02	Other accounts receivable	123,928	112,146
1.01.03.02.01	Advances to suppliers	1,825	1,728
1.01.03.02.02	Operations with derivatives	115,113	99,963
1.01.03.02.03	Securities and credits receivable	0	7,948
1.01.03.02.05	Other Accounts Receivable	6,990	2,507
1.01.04	Inventories	997,892	486,425
1.01.05	Biological assets	146,805	521,174
1.01.06	Recoverable taxes	84,712	66,727
1.01.06.01	Current taxes recoverable	84,712	66,727
1.01.06.01.01	Recoverable taxes	84,712	66,727
1.01.07	Prepaid expenses	6,866	7,721
1.01.08	Other current assets	2,970	77
1.01.08.02	Assets of discontinued operations	2,970	77
1.02	Non-current assets	3,151,872	3,121,208
1.02.01	Long term assets	199,042	221,255
1.02.01.06	Deferred taxes	15,903	26,265
1.02.01.06.01	Deferred income and social contribution taxes	15,903	26,265
1.02.01.07	Prepaid expenses	2,855	3,777
1.02.01.09	Other non-current assets	180,284	191,213
1.02.01.09.03	Recoverable taxes	53,242	55,834
1.02.01.09.04	Operations with derivatives	51,564	48,648
1.02.01.09.06	Other accounts receivable	17,300	15,189
1.02.01.09.07	Advances to suppliers	58,178	71,542
1.02.02	Investiments	227,359	210,644
1.02.02.02	Investiment property	227,359	210,644
1.02.03	Property, plant and equipment	2,716,763	2,686,064
1.02.03.01	Fixed assets in operation	2,657,877	2,638,106
1.02.03.03	Constructions in progress	58,886	47,958
1.02.04	Intangible assets	8,708	3,245
1.02.04.01	Intangible assets	8,708	3,245
1.02.04.01.02	Others (Systems)	8,708	3,245

Consolidated financial statements / Balance sheet - Liabilities

(In thousands of Reais)

Code of account	Account description	Current quarter 09/30/2017	Prior year 12/31/2016
2	Total Liabilities	5,251,898	5,453,376
2.01	Current liabilities	1,581,767	1,838,376
2.01.01	Social and labor obligations	17,667	15,308
2.01.01.01	Social charges	17,323	14,947
2.01.01.02	Labor obligations	344	361
2.01.02	Trade payables	213,993	439,735
2.01.02.01	Domestic trade payables	213,993	439,735
2.01.03	Tax liabilities	14,559	7,995
2.01.03.01	Federal tax liabilities	12,836	6,480
2.01.03.01.01	Income and social contribution tax payable	11,742	4,626
2.01.03.01.02	Taxes, fees, and sundry contributions	1,094	1,854
2.01.03.02	State tax liabilities	1,300	1,370
2.01.03.03	Municipal tax liabilities	423	145
2.01.04	Loans and financing	838,167	1,155,641
2.01.04.01	Loans and financing	838,167	1,155,641
2.01.04.01.01	In local currency	697,932	913,499
2.01.04.01.02	In foreign currency	140,235	242,142
2.01.05	Other liabilities	458,951	204,675
2.01.05.02	Other	458,951	204,675
2.01.05.02.05	Operations with derivatives	200,001	7,112
2.01.05.02.06	Lease Payable	130,769	19,285
2.01.05.02.07	Trade notes payable	24,164	56,604
2.01.05.02.08	Other debits	21,728	37,467
2.01.05.02.09	Titles to pay	76,334	81,813
2.01.05.02.10	Other Debits	5,955	2,394
2.01.06	Provisions	38,430	15,022
2.01.06.01	Tax, social security, labor and civil provisions	38,100	15,022
2.01.06.01.02	Social security and labor provisions	18,619	10,232
2.01.06.01.03	Provisions to employee benefits	17,387	2,704
2.01.06.01.05	Provisions for labor contingencies	2,094	2,086
2.01.06.02	Other Provisions	330	0
2.01.06.02.04	Provisions for Environmental Liabilities	330	0
2.02	Non-current liabilities	927,714	986,114
2.02.01	Loans and financing	646,027	745,604
2.02.01.01	Loans and financing	646,027	745,604
2.02.01.01.01	In local currency	446,833	468,580
2.02.01.01.02	In foreign currency	199,194	277,024
2.02.02	Other liabilities	24,648	24,425
2.02.02.02	Other	24,648	24,425

2.02.02.02.04	Operations with derivatives	24,567	24,346
2.02.02.02.05	Other debits	81	79
2.02.03	Deferred taxes	257,039	216,085
2.02.03.01	Deferred income and social contribution taxes	257,039	216,085
2.03	Consolidated shareholders' equity	2,742,417	2,628,886
2.03.01	Realized capital	947,522	947,522
2.03.02	Capital reserves	63,544	80,984
2.03.02.01	Goodwill in the issue of shares	67,991	72,102
2.03.02.04	Options granted	42,733	39,534
2.03.02.05	Treasury shares	(47,180)	(30,652)
2.03.04	Profit reserves	85,633	292,744
2.03.04.01	Legal reserve	10,474	10,474
2.03.04.02	Statutory reserve	48,094	248,093
2.03.04.05	Profit retention reserved	27,065	27,065
2.03.04.08	Proposed additional dividends	0	7,112
2.03.05	Retained earnings/losses	224,648	0
2.03.08	Other comprehensive income	1,230,528	1,129,785
2.03.09	Non-controlling interest	190,542	177,851

Consolidated financial statements / Statement of income

(In thousands of Reais)

Code of account	Account description	Current quarter 07/01/2017 to 09/30/2017	Accumulated of the Current year 01/01/2017 to 09/30/2017	Same quarter prior year 07/01/2016 to 09/30/2016	Accumulated of the prior year 01/01/2016 to 09/30/2016
3.01	Income from sales of goods and/or services	561,029	1,493,079	317,615	1,030,010
3.01.01	Product Operational Revenue	459,587	1,152,326	323,511	1,026,734
3.01.02	Biological Assets	101,442	340,753	(5,896)	3,276
3.02	Cost of goods and/or services sold	(405,473)	(983,095)	(277,417)	(988,348)
3.02.01	Cost of Goods	(328,971)	(795,152)	(289,388)	(906,109)
3.02.02	Biological Assets Appropriate at Cost	(76,502)	(187,943)	11,971	(82,239)
3.03	Gross income	155,556	509,984	40,198	41,662
3.04	Operating income/expenses	(41,461)	(110,670)	(38,617)	(115,246)
3.04.01	Selling expenses	(19,674)	(48,892)	(23,607)	(62,553)
3.04.02	General and administrative expenses	(22,113)	(61,877)	(12,099)	(45,966)
3.04.02.01	General and administrative	(18,732)	(51,229)	(9,797)	(35,298)
3.04.02.02	Management compensation	(3,381)	(10,648)	(2,302)	(10,668)
3.04.04	Other Operating Income	546	2,473	1,430	3,094
3.04.05	Other operating expenses	(220)	(2,374)	(4,341)	(9,821)
3.05	Income (loss) before financial income (loss) and taxes	114,095	399,314	1,581	(73,584)
3.06	Financial income (loss), net	(16,063)	(60,489)	(40,689)	(88,077)
3.06.01	Financial income	34,635	156,390	35,850	304,120
3.06.02	Financial expenses	(50,698)	(216,879)	(76,539)	(392,197)
3.07	Income (loss) before income tax	98,032	338,825	(39,108)	(161,661)
3.08	Income and social contribution taxes	(27,532)	(106,191)	17,893	63,254
3.08.01	Current	(10,248)	(16,492)	(6,403)	(21,254)
3.08.02	Deferred	(17,284)	(89,699)	24,296	84,508
3.09	Net income (loss) of continued operations	70,500	232,634	(21,215)	(98,407)
3.11	Net Income (loss) for the period	70,500	232,634	(21,215)	(98,407)
3.11.01	Attributed to the Parent company's partners	68,791	220,094	(17,219)	(82,629)
3.11.02	Attributed to non-controlling partners	1,709	12,540	(3,996)	(15,778)

3.99.01.01	Common (ON)	0.71306	2.28139	(0.17737)	(0.85114)
3.99.02.01	Common (ON)	0.71042	2.27297	(0.17751)	(0.85181)

Consolidated financial statements / Statement of Comprehensive Income

(In thousands of Reais)

Code of account	Account description	Current quarter 07/01/2017 to 09/30/2017	Accumulated of the current year 01/01/2017 to 09/30/2017	Same quarter prior year 07/1/2016 to 09/30/2016	Accumulated of the prior year 01/01/2016 to 09/30/2016
4.01	Net income for the period	70,500	232,634	(21,215)	(98,407)
4.02	Other comprehensive income	37,849	105,448	7,599	232,377
4.02.01	Derivatives - Cash flow hedge	57,346	50,606	11,517	352,179
4.02.03	Income tax and social contribution	(19,496)	(17,207)	(3,917)	(119,741)
4.02.04	Others	(1)	495	(1)	(61)
4.02.06	Capital gain (loss) from equity interest	0	0	5,928	5,928
4.02.07	Fair Value Adjustment Investment Property	0	15,953	(5,928)	(5,928)
4.02.08	Assigned cost property, plant and equipment	0	55,601	0	0
4.03	Comprehensive income (loss) for the period	108,349	338,082	(13,616)	133,970
4.03.01	Attributed to the Parent company's partners	105,768	325,391	(10,226)	143,979
4.03.02	Attributed to non-controlling partners	2,581	12,691	(3,390)	(10,009)

Consolidated financial statements / Statement of cash flows - Indirect method

(In thousands of Reais)

Code of account	Account description	Accumulated of the current year 07/01/2017 to 09/30/2017	Accumulated of the prior year 01/01/2016 to 09/30/2016
6.01	Net cash from operations	107,593	(140,976)
6.01.01	Cash from operations	417,462	85,846
6.01.01.01	Net income (loss) before income and social contribution taxes	338,825	(161,661)
6.01.01.02	Depreciation and amortization	65,103	77,084
6.01.01.04	Interest, exchange and monetary variation	2,630	2,938
6.01.01.07	Share-based compensation	140,463	81,750
6.01.01.09	Provision (reversal) for inventory adjustments	3,199	4,798
6.01.01.10	Provision (reversal) of profit sharing and labor contingencies	(152,810)	78,961
6.01.01.11	Income and social contribution taxes paid	(496)	141
6.01.01.12	Dividends received	19,005	1,835
6.01.01.13	Fair value for investment properties	1,543	0
6.01.02	Changes in assets and liabilities	(309,869)	(226,822)
6.01.02.01	Trade accounts receivable	(37,267)	45,103
6.01.02.02	Inventories of biological assets	21,024	138,657
6.01.02.03	Recoverable taxes	(15,391)	12,592
6.01.02.04	Trade notes receivable	565	4,837
6.01.02.05	Financial Investments	46,666	(108,181)
6.01.02.06	Other accounts receivable	(4,837)	(10,738)
6.01.02.07	Trade payables	11,592	0
6.01.02.08	Tax and Social Obligations	(239,816)	(230,329)
6.01.02.09	Liabilities with related parties	(13,045)	(2,776)
6.01.02.11	Securities payable	(34,559)	119,211
6.01.02.12	Advances from clients	(8,122)	(10,387)
6.01.02.13	Lease Payable	111,485	(75,285)
6.01.02.14	Other accounts payable	(15,739)	(11,273)
6.01.02.15	Interest paid	26,571	7,711
6.01.02.17	Interest paid	(152,250)	(93,291)
6.01.02.18	Income Tax and Social Contribution paid	(6,746)	(12,673)
6.02	Net cash provided by (used in) investment activities	(98,317)	(48,854)
6.02.03	In property, plant and equipment	(93,860)	(47,894)
6.02.04	In intangible assets	(4,457)	(960)
6.03	Net cash provided by (used in) in financing activities	(400,921)	(22,925)
6.03.01	New loans and financing	717,460	970,423
6.03.02	Payment of loans and financing	(1,083,520)	(935,769)
6.03.03	Sale or purchase of shares	(20,639)	622
6.03.04	Dividends	(14,222)	(58,201)
6.05	Increase (decrease) in cash and cash equivalents	(391,645)	(212,755)

6.05.01	Opening balance of cash and cash equivalents	888,740	623,608
6.05.02	Closing balance of cash and cash equivalents	497,095	410,853

Consolidated financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2017 to 09/30/2017

(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity	Interest of non-controlling shareholders	Consolidated shareholders' equity
5.01	Opening balances	947,522	80,984	292,744	0	1,129,785	2,451,035	177,851	2,628,886
5.03	Adjusted opening balances	947,522	80,984	292,744	0	1,129,785	2,451,035	177,851	2,628,886
5.04	Capital transactions with partners	0	(17,440)	0	0	0	(17,440)	0	(17,440)
5.04.03	Recognized options granted	0	3,199	0	0	0	3,199	0	3,199
5.04.04	Treasury shares acquired	0	(50,910)	0	0	0	(50,910)	0	(50,910)
5.04.05	Treasury shares sold	0	34,382	0	0	0	34,382	0	34,382
5.04.08	Goodwill on the sale of Treasury Shares	0	(4,111)	0	0	0	(4,111)	0	(4,111)
5.05	Total comprehensive income	0	0	0	224,648	100,743	325,391	12,691	338,082
5.05.01	Net income for the period	0	0	0	220,094	0	220,094	12,540	232,634
5.05.02	Other comprehensive income	0	0	0	4,554	100,743	105,297	151	105,448
5.05.02.01	Adjustments to Financial Instruments	0	0	0	0	50,378	50,378	228	50,606
5.05.02.02	Taxes on Adjustments Financial Instruments	0	0	0	0	(17,130)	(17,130)	(77)	(17,207)
5.05.02.06	Realization Assigned Cost Assets Fixed Assets - Depreciation	0	0	0	3,462	(3,462)	0	0	0
5.05.02.07	Realization Assigned Cost Assets Fixed Assets - Sales	0	0	0	597	(597)	0	0	0
5.05.02.13	Adjustments Taxation in Subsidiaries	0	0	0	0	15,953	15,953	0	15,953
5.05.02.14	Reflection Adjustment by Incoporation	0	0	0	495	0	495	0	495
5.05.02.16	Adjustment Cost Assigned Property, Plant and Equipment in Subsidiary	0	0	0	0	55,601	55,601	0	55,601
5.06	Internal changes in net worth	0	0	(207,111)	0	0	(207,111)	0	(207,111)
5.06.04	Proposed dividends	0	0	(207,111)	0	0	(207,111)	0	(207,111)
5.07	Closing balances	947,522	63,544	85,633	224,648	1,230,528	2,551,875	190,542	2,742,417

Consolidated financial statements / Statement of changes in shareholders' equity / DMPL - 01/01/2016 to 09/30/2016

(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, Options granted and Treasury shares	Profit reserves	Retained earnings (loss)	Other comprehensive income	Shareholders' equity	Interest of non-controlling shareholders	Consolidated shareholders' equity
5.01	Opening balances	947,522	75,056	291,798	0	891,332	2,205,708	186,555	2,392,263
5.03	Adjusted opening balances	947,522	75,056	291,798	0	891,332	2,205,708	186,555	2,392,263
5.04	Capital transactions with partners	0	5,420	0	0	0	5,420	0	5,420
5.04.03	Recognized options granted	0	4,798	0	0	0	4,798	0	4,798
5.04.05	Treasury shares sold	0	735	0	0	0	735	0	735
5.04.08	Goodwill on Sale of Shares	0	(113)	0	0	0	(113)	0	(113)
5.05	Total comprehensive income	0	0	0	(76,725)	220,704	143,979	(10,009)	133,970
5.05.01	Net income for the period	0	0	0	(82,629)	0	(82,629)	(15,778)	(98,407)
5.05.02	Other comprehensive income	0	0	0	5,904	220,704	226,608	5,769	232,377
5.05.02.01	Adjustments to Financial Instruments	0	0	0	0	343,438	343,438	8,741	352,179
5.05.02.02	Taxes on Adjustments Financial Instruments	0	0	0	0	(116,769)	(116,769)	(2,972)	(119,741)
5.05.02.06	Realization Assigned Cost Assets Fixed Assets - Depreciation	0	0	0	3,772	(3,772)	0	0	0
5.05.02.07	Realization Assigned Cost Assets Fixed Assets - Sales	0	0	0	2,132	(2,132)	0	0	0
5.05.02.08	Adjustments Cost Assigned Assets Property, Plant and Equipment in Subsidiary	0	0	0	0	(61)	(61)	0	(61)
5.06	Internal changes in net worth	0	0	(29,100)	0	0	(29,100)	0	(29,100)
5.06.04	Proposed dividends	0	0	(29,100)	0	0	(29,100)	0	(29,100)
5.07	Closing balances	947,522	80,476	262,698	(76,725)	1,112,036	2,326,007	176,546	2,502,553

Consolidated financial statements / Statement of added value

(In thousands of Reais)

Code of account	Account description	Accumulated of the current year 07/01/2017 to 09/30/2017	Accumulated of the prior year 01/01/2016 to 09/30/2016
7.01	Revenues	1,608,481	1,211,659
7.01.01	Sale of goods, products and services	1,196,058	1,177,740
7.01.02	Other income	351,688	6,332
7.01.02.01	Other income	10,936	3,055
7.01.02.02	Variation of the fair value of biological assets	340,752	3,277
7.01.03	Income from construction of own assets	60,735	27,587
7.02	Inputs acquired from third parties	(861,969)	(819,833)
7.02.01	Cost of goods, merchandise and services Sold	(12,813)	(10,513)
7.02.02	Materials, Energy, Third-party services and other	(235,887)	(239,144)
7.02.03	Loss/recovery of asset values	496	(141)
7.02.04	Other	(613,765)	(570,035)
7.02.04.01	Raw materials used	(425,822)	(487,796)
7.02.04.02	Adjustment to fair value of biological assets	(187,943)	(82,239)
7.03	Gross added value	746,512	391,826
7.04	Retentions	(65,103)	(77,084)
7.04.01	Depreciation, amortization and depletion	(65,103)	(77,084)
7.05	Net added value produced	681,409	314,742
7.06	Added value received as transfer	166,068	307,026
7.06.02	Financial income	156,391	305,009
7.06.03	Other	9,677	2,017
7.07	Total added value payable	847,477	621,768
7.08	Distribution of added value	847,477	621,768
7.08.01	Personnel	158,344	151,963
7.08.01.01	Direct remuneration	92,485	98,352
7.08.01.02	Benefits	57,743	45,013
7.08.01.03	F.G.T.S.	8,116	8,598
7.08.02	Taxes, duties and contributions	219,036	62,572
7.08.02.01	Federal	189,730	18,867
7.08.02.02	State	29,016	43,436
7.08.02.03	Municipal	290	269
7.08.03	Third-party capital remuneration	237,463	505,640
7.08.03.01	Interest	214,603	473,933
7.08.03.02	Rentals	22,860	31,707
7.08.04	Remuneration of own capital	232,634	(98,407)
7.08.04.03	Retained Earnings/Loss for the period	220,094	(82,629)
7.08.04.04	Non-controlling interest in retained earnings	12,540	(15,778)

MESSAGE FROM MANAGEMENT

During the third quarter, we concluded the harvest of second-crop cotton and corn, effectively closing the 2016/17 crop year with a better-than-expected performance, with the highlight the cotton crop, which set a record yield of 1,807 kg/ha of cotton lint (weighted by the first and second crops), or 303.9 *arrobas* per hectare of cottonseed, as the following table shows:

Table 1 Yields 2016/17 Crop year

Yield (kg/ha)	(a) Achieved 2015/16	(b) Initial Estimate 2016/17	(c) Current Estimate 2016/17	Δ% (c x a)	Δ% (c x b)
Cotton Lint 1st crop	1,250	1,619	1,859	48.7%	14.8%
Cotton Lint 2nd crop	1,389	1,570	1,705	22.8%	8.6%
Cotton Seed	1,679	2,055	2,305	37.3%	12.2%
Soybean	2,580	3,077	3,291	27.6%	7.0%
Corn 2nd crop	5,378	6,877	6,680	24.2%	-2.9%

This excellent performance was carried over into the financial results, with EBITDA reaching R$116.8 million in the quarter and R$314.0 million in the nine months to September, reflecting the current operating cash generation capacity of the business. Net income came to R$70.5 million in the quarter and R$232.6 million in the nine months. Both EBITDA and Net Income set new records for the quarter and year to date. This level of results is considered sustainable for the business and was made possible by the normalization of yields after the shortfall in the 2015/16 crop year.

Table 2 Financial Highlights

(R$ mil)	9M16	9M17	AH	3Q16	3Q17	AH
Net revenue	**1,030,010**	**1,493,079**	**45.0%**	**317,615**	**561,029**	**76.6%**
Gross income	**41,662**	**509,984**	**n.m**	**40,198**	**155,556**	**287.0%**
Gross margin	*4.1%*	*44.3%*	*40.2 p.p*	*12.4%*	*33.8%*	*21.4 p.p*
Operating income	**(73,584)**	**399,314**	**n.m**	**1,581**	**114,095**	**n.m**
Operating margin	*-7.2%*	*34.7%*	*41.8 p.p*	*0.5%*	*24.8%*	*24.3 p.p*
Net profit	**(98,407)**	**232,634**	**n.m**	**(21,215)**	**70,500**	**n.m**
Net Margin	*-9.6%*	*20.2%*	*29.8 p.p*	*-6.6%*	*15.3%*	*21.9 p.p*
Adjusted EBITDA [1]	**89,161**	**314,087**	**252.3%**	**24,004**	**116,834**	**386.7%**
Adjusted EBITDA Margin [2]	**8.7%**	**27.3%**	***18.6 p.p***	**7.3%**	**25.4%**	***18.1 p.p***
Net debt	**1,217,387**	**844,882**	**-30.6%**	**1,217,387**	**844,882**	**-30.6%**

[1] *Excludes the effects from Biological Assets, since they are noncash.*
[2] *As a ratio of net revenue excluding the effects from Biological Assets.*

Furthermore, as expected, financial leverage ended the period at a very comfortable level, with the Net Debt/EBITDA ratio at 1.78x.

In this earnings release, we also are disclosing the final production cost for the 2016/17 crop year, which shows a lower cost per hectare in relation to our initial estimate, even considering the higher yield and consequently higher costs in transport and processing. This performance was made possible thanks to our relentless pursuit of cost control and the efficient use of inputs.

Table 3 Production Cost per Hectare, Budgeted vs. Actual, 2016/17 Crop Year

Total (R$/ha)	Budget 2016/17	Achieved 2016/17	Var.
Cotton Lint 1st crop	7,155	7,187	0.4%
Cotton Lint 2nd crop	6,164	6,177	0.2%
Soybean	2,251	2,202	-2.2%
Corn 2nd crop	1,781	1,734	-2.6%
Total Average Cost	3,203	3,172	**-1.0%**

Interim Dividends

This level of cash generation, and the resulting sharp drop in the leverage ratio, enabled the payment of Interim Dividends (Extraordinary) on October 10, in the amount of R$200 million (or R$2.07 per share), complementing the ordinary dividends paid in May.

Conclusion of Share Repurchase Program and Launch of New Program

As part of our continuous efforts to maximize value creation for shareholders and efficiently allocate capital, in October we concluded the Share Repurchase Program approved by the Board of Directors on March 15 this year, which involved the acquisition of 2.5 million shares issued by the Company (investment of approximately R$53 million). The shares acquired will be held in treasury for cancellation.

In addition, a Meeting of the Board of Directors held today approved a new Share Repurchase Program, which will seek to acquire a total of over 2 million shares, which also will be held in treasury for cancellation and/or for use in the stock option program.

These actions were taken basically in view of the excessive discount in the stock price compared to the Company's Net Asset Value.

Property Appraisal

In October, a new independent appraisal of the Company's property portfolio was concluded by the firm Deloitte Touche Tohmatsu Consultores Ltda., the result of which indicated a total amount of R$3,774,570 thousand, virtually stable in relation to 2016. The average price per hectare of the Company's properties is currently R$11,678.00.

2017/18 Crop Year

In this Earnings Release, we also are presenting our initial estimates for the 2017/18 crop year, planting for which is already ongoing. Total planted area should reach 403,530 thousand hectares, an expansion of 2.7% on the planted area in 2016/17. This expansion is basically due to the intensification of second-crop strategies for cotton and corn, as shown below.

Table 4 Planted Area by Crop

Crop Mix	Planted Area 2016/17 ---------- ha ----------	Planted Area 2017/18[(1)] ---------- ha ----------	Shares 2017/18 %	Δ%
Cotton	87,440	93,589	23.2	7.0
Cotton 1st crop	58,886	57,949	14.4	-1.6
Cotton 2nd crop	28,554	35,640	8.8	24.8
Soybean (Commercial + Seeds)	230,127	230,363	57.1	0.1
Corn 2nd crop	71,790	77,465	19.2	7.9
Other crops[(2)]	3,564	2,113	0.5	-40.7
Total Area	392,921	403,530	100.0	2.7

The outlook for the new crop year is positive. The super-early and early soybean varieties were 100% planted, confirming the second crop planted area of cotton and corn within the ideal planned conditions.

Furthermore, we also estimate a slight decrease in production cost per hectare for the new crop year, with a negative variation of 0.6% in average cost in (Reais) compared to the previous crop year, reflecting the effective strategy for negotiating inputs.

Table 5 Production Cost per Hectare

Total (R$/ha)[1]	Budget 2016/17	Budget 2017/18	Var.
Cotton 1st crop	7,155	6,811	-4.8%
Cotton 2nd crop	6,164	6,023	-2.3%
Soybean	2,251	2,311	2.7%
Corn 2nd crop	1,781	1,814	1.9%
Average Total Cost [1]	3,203	3,184	-0.6%

[1] According to the position on September 30, 2017 (budget amounts). Figures may suffer changes by the end of cotton processing and the sale of grains. [2] Total average cost weighted by area.

Lastly, we present the situation for price hedging for 2018, which shows the progress in hedge percentages that so far is guaranteeing prices in line with those practiced in 2017.

Table 6 Currency and Agricultural Commodity Hedge Position

Fiscal Year	2017		2018	
FX Rate[1]	**Hedge (%)**	**R$ / US$**	**Hedge (%)**	**R$ / US$**
FX Hedge	89.9	3.5128	57.5	3.4469
Commitments[1]	4.4	1.8790	2.4	1.9418
Total	**94.3**	**3.4364**	**59.9**	**3.3867**
Cotton	**Hedge (%)**	**US¢ / pound[2]**	**Hedge (%)**	**US¢ / pound[2]**
Commercial Hedge	100.0	75.61	68.4	76.17
Financial Hedge[4]	-	-	1.5	70.87
Cotton – Total Hedge	**100.0**	**75.61**	**69.9**	**76.06**
Soybean	**Hedge (%)**	**US$ / bushel[2]**	**Hedge (%)**	**US$ / bushel[2]**
Commercial Hedge	98.2	10.5	55.5	10.5
Financial Hedge[4]	-	-	-	-
Commitments[3]	0.1	-	6.8	-
Soybean – Total Hedge	**98.3**	**10.5**	**62.3**	**10.5**
Corn	**Hedge (%)**	**R$/bag (60kg)[5]**	**Hedge (%)**	**R$/bag (60kg)[5]**
Commercial Hedge	98.9%	20.13	42.8%	19.38
Corn – Total Hedge	**98.9%**	**20.13**	**42.8%**	**19.38**

[1] Commitments with debt payments in U.S. dollar. [2] Based on FOB Port (prices at our production units are also influenced by transport expenses and possible quality discounts). [3] Natural hedge with payments related to land acquisitions and leasing agreements in soybean bags. [4] Includes transactions involving futures, swaps and accumulators. [5] Fam price.

All of these factors support the outlook for continued strong profitability in 2018.

Sustainability Report

In September we concluded our first Sustainability Report, which was produced in accordance with the international framework of the Global Reporting Initiative (GRI) and aligned with the principles of transparency and good practices. The report's main purpose is to present clearly and measurably all of the Company's existing initiatives related to the Environmental, Economic and Social pillars. The report was based on figures and indicators for 2016.

Awards

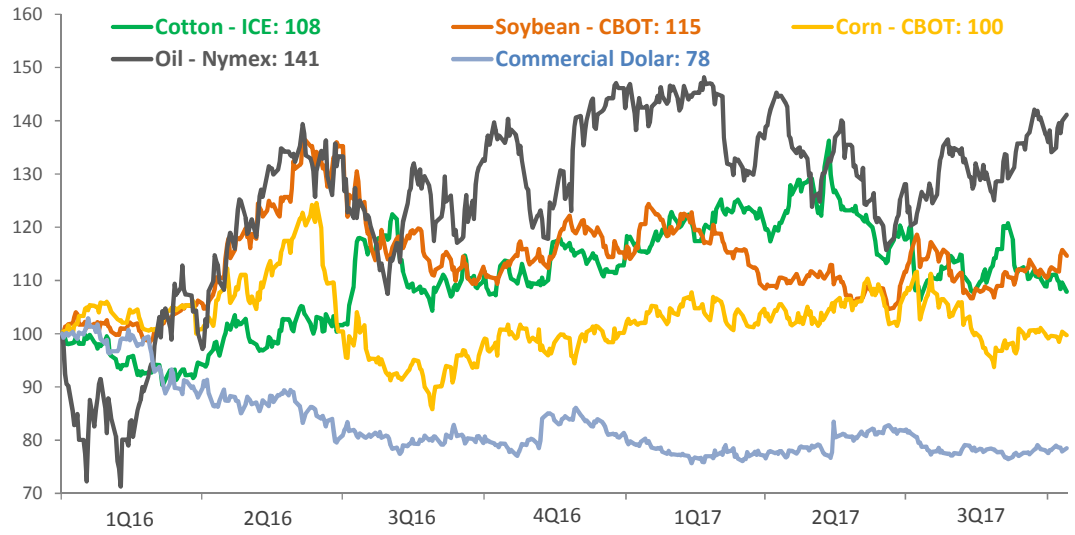
During the past quarter, our Company garnered the following awards:

- **Best in Agribusiness**, from the magazine *Revista Globo Rural*, placing 1st in the category Agricultural Production.
- **Transparency Trophy 2017**, from the National Association of Executives in Finance, Administration and Accounting (ANEFAC). Created in 1997, the award encourages greater transparency in the corporate world. With the technical evaluation by the Accounting, Actuarial and Financial Research Institute Foundation (Fipecafi) and incentives from Serasa Experian, the judging commission rigorously evaluates the transparency practices adopted for the accounting information reported to the market through the financial statements

- **Great Place to Work 2017,** sponsored by Great Place to Work, placing 7th among companies in the state of Rio Grande do Sul.
- **A Granja Highlight of the Year,** from the magazine *Revista A Granja*, in the categories Soybean and Corn.

MARKET OVERVIEW

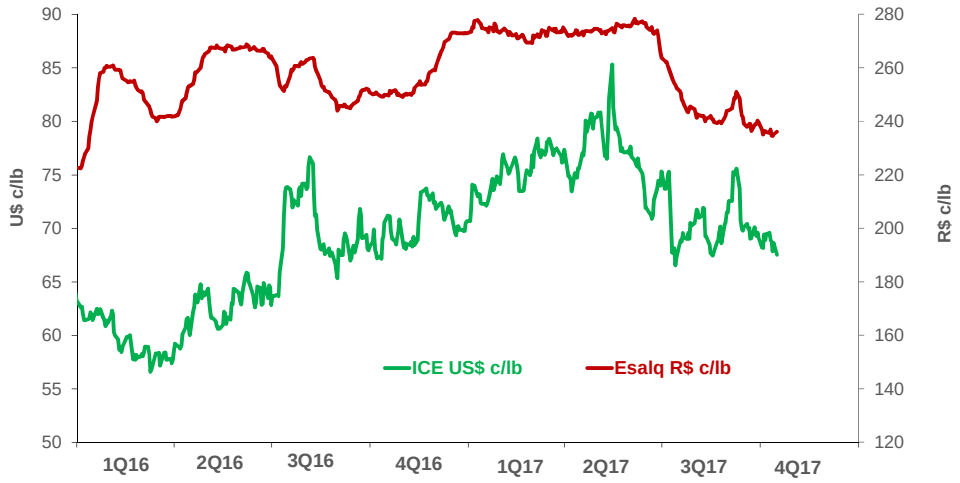
Figure 1 Change in Commodity Prices, January 2016 to September 2017



COTTON

With higher prices in early 2017 and better profitability in relation to competing crops, such as soybean and corn, the cotton planted area should expand significantly in the 2017/18 crop year, by approximately 11.9% on the previous crop year, according to data from the USDA. This projected expansion in area had a negative impact on future cotton prices on ICE in 3Q17, with an average depreciation of approximately 8.3% in relation to the prior quarter. In the United States, the weather for cotton is no longer an unknown and, despite some isolated weather issues such as hurricanes Harvey and Irma, overall the crop this year is presenting favorable conditions for its development and harvest, resulting in higher yields than in the previous cycle.

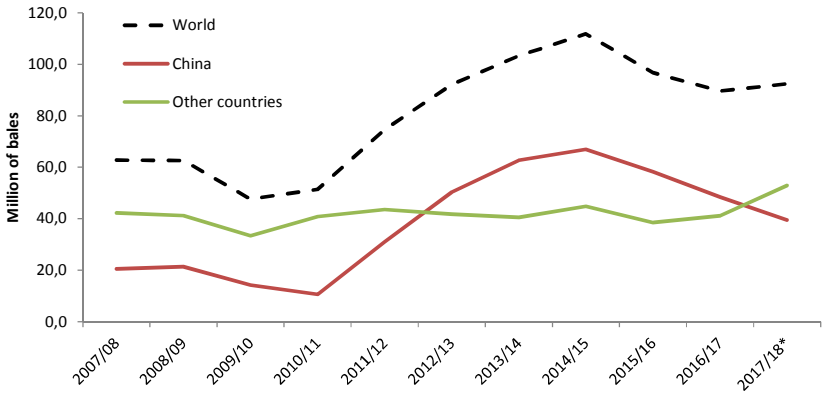
Figure 2 Cotton Price in the International Market vs. Brazil



Source: Bloomberg

Also according to the USDA, the forecast for world consumption in the 2017/18 crop year points to a 3.8% increase on 2016/17. World cotton consumption has been growing considerably in recent years, driven by economic growth and lower unemployment in economically important regions. In China, in 2016, an aggressive program for the sale of government stocks was launched (reversing the cycle of builds in cotton lint stocks that took place from 2011 to 2015), with the country now leading the drawdown in world cotton stocks. Some analysts estimate that the country will close 2017 with a decrease of around 18.5% in ending stocks compared to a year earlier.

Figure 3 Cotton Stocks – World, China and Other Countries

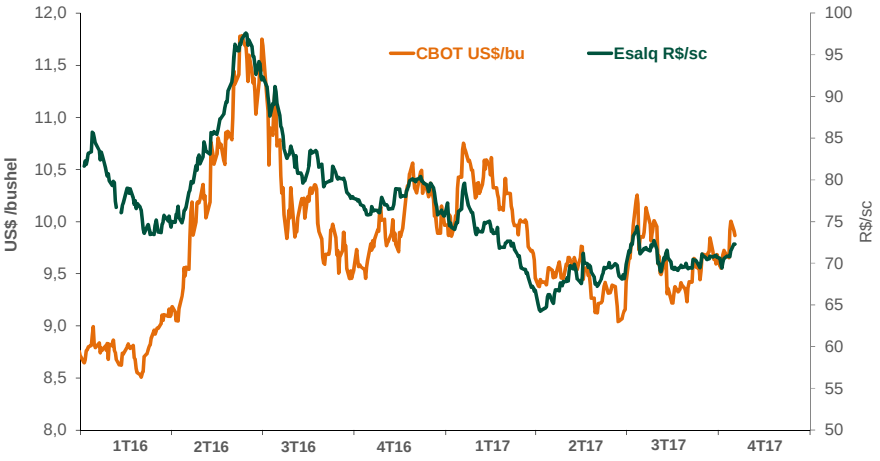


The higher-than-expected demand from Chinese manufacturers accelerated the drawdown in stocks, which led to upward revisions in consumption estimates and to the expectation that the world's high stocks could be consumed earlier than initially expected. According to USDA estimates, China should increase its cotton imports by 1.4% and its cotton consumption by 2.7% in the 2017/18 cycle compared to the previous crop year.

SOYBEAN

The price of soybean future contracts traded on the Chicago Board of Trade (CBOT) presented significant volatility in the last quarter. The beginning of the third quarter of 2017 was marked by prices above 10.20 USD/bushel, with the market reacting to the adverse weather conditions in the United States during July. During August, the return of favorable weather conditions in most of the United States, confirmed by the USDA supply and demand report, led prices to retreat to around 9.35 USD/bushel.

Figure 4 Soybean Price in International Market vs. Brazil, Jan/2016 to Sep/2017



Fonte: Bloomberg

In October, the USDA registered slight reductions in the expectations for the average yield of the U.S. crop and for the country's ending stocks, which had a positive effect on prices. This, combined with the key role that the weather in South America will play in the coming months and the solid demand from China for soybean, are emerging as favorable conditions for international prices remaining at current levels.

Figure 5 Soybean Average Yield USA

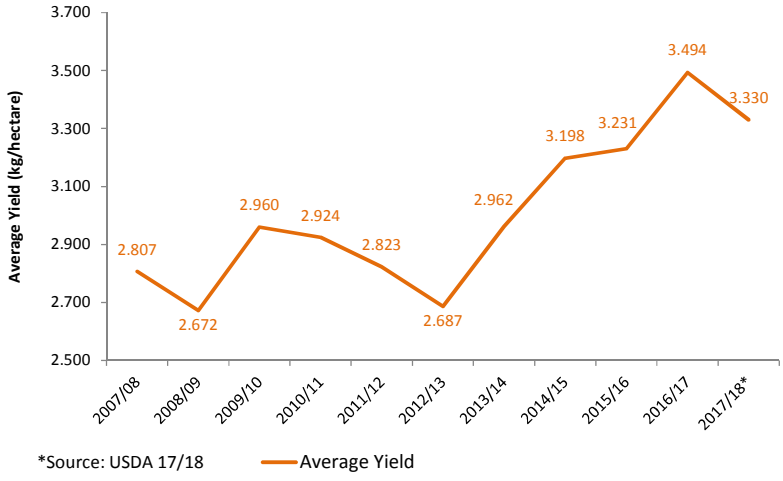
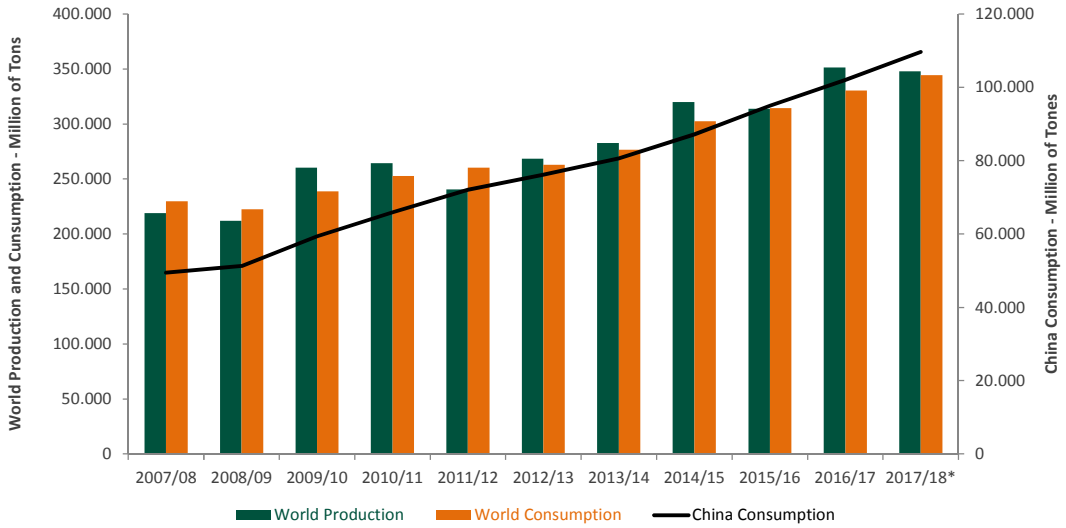


Figure 6 Soybean Production and Consumption – World and China



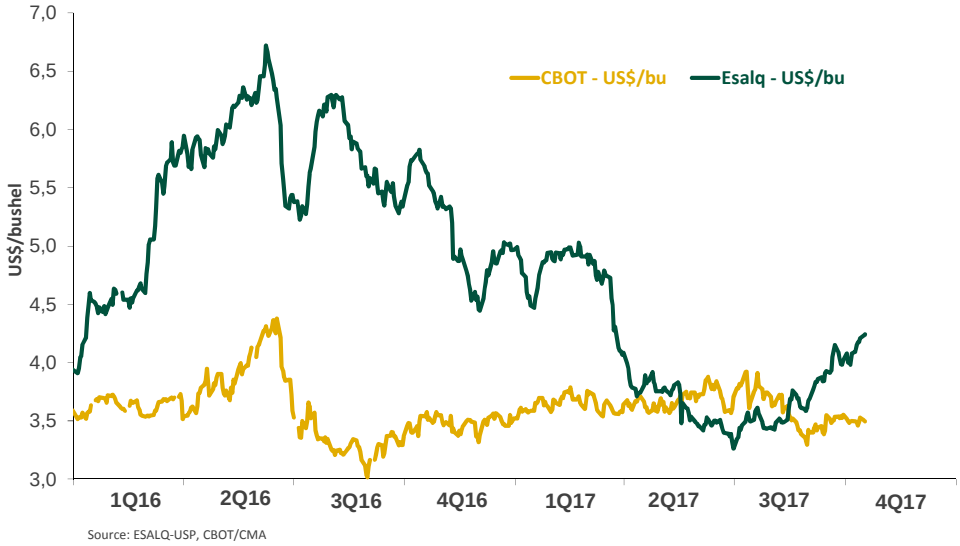
Fonte: USDA *2017/18 Projected

The USDA estimates that in the 2017/18 cycle, China will import 2.7% more soybean than in the last crop year, when the country imported 92.5 million tons of the grain. Meanwhile, China's consumption should grow by 7.5%, from 102.0 million tons in the prior crop year to the USDA's current forecast of 109.6 million tons. For the balance of world stocks, despite a strong U.S. crop, a broader rebuilding of world stocks in 2017/18 still depends on the soybean crop in South America, which is currently in the planting and early development phase. In Brazil, CONAB estimates a soybean planted area in the 2017/18 crop year of around 34.5 and 35.2 million hectares, which, at the center of the range, represents expansion of around 2.7% on the prior crop year. Meanwhile, total production in Brazil in 2017/18 is projected at between 106.0 and 108.3 million tons, around 6.0% lower than the 114.0 million tons registered in 2016/17, according to the institution. In Argentina, according to the Buenos Aires Grain Exchange, the soybean planted area should contract for the second straight year. The area planted with soybean in 2017/18 is expected to reach 18.1 million hectares, a decrease of 5.7% from the 19.2 million registered in 2016/17. Soybean areas tend to be replaced with corn, wheat and sunflower due to weather, agronomic and economic conditions. In addition to the smaller area, weather risks may be present due to the possibility of the weather phenomenon La Niña, which normally is associated with crop shortfalls in Argentina and the South of Brazil, a factor that could provide support for higher prices in the 2017/18 crop year in Brazil.

CORN

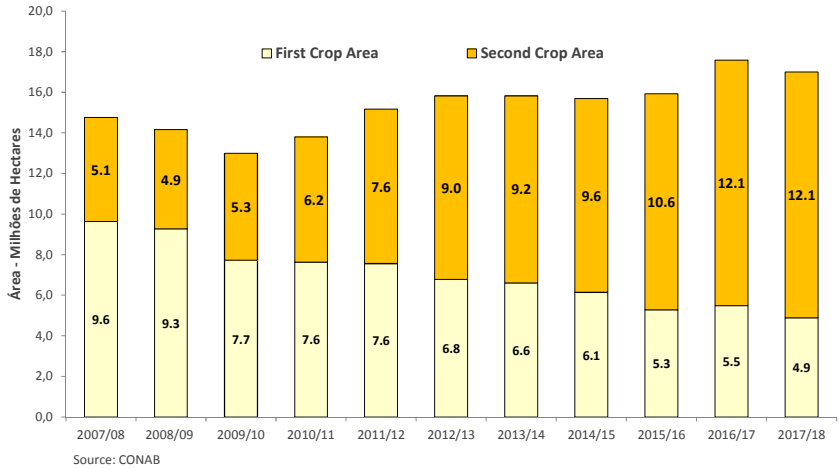
Corn futures quoted on the Chicago Board of Trade (CBOT) also registered lower prices in 3Q17. The decline in international prices was directly associated with the robust crop in the United States and with U.S. and global stocks remaining at high levels.

Figure 7 Corn Prices in the International Market vs. Brazil



Combined with the lower international prices, domestic prices in Brazil also were pressured by the higher output in the 2016/17 crop year, which set a new record of 97.8 million tons, according to CONAB. The lower prices in 2017 should affect Brazilian output in the 2017/18 crop year, since CONAB's estimate points to production volume of between 92.2 and 93.6 million tons, which, at the center of the range, is 5.0% lower than last year, and given the projected contraction in the first-crop corn planted area of between 6.1% and 10.1% compared to 2016/17.

Figure 8 Corn Planted Area in Brazil



The reduction in the first-crop area in Brazil is due to corn's lower price in relation to soybean, encouraging corn producers to replace the former with the latter. In addition to the smaller area and weather risk present primarily in Brazil's South, due to the possibility of La Niña, other fundamentals for keeping prices at current levels include the expectation of sharper contractions in the corn planted area worldwide, leading to the potential expansion of soybean, which would lead to a reduction in the area to be planted in the United States in 2018.

OPERATING PERFORMANCE

2016/17 CROP YEAR

In 3Q17, the cotton harvest was completed on 87,440 ha (1st and 2nd crop), with the harvest of second-crop corn, 71,790 hectares, also completed in the period. First-crop cotton posted a record cotton lint yield of 1,859 kg/ha, while second-crop cotton registered a yield of 1,705 kg/ha. The second-crop corn harvest was completed with a yield of 6,680 kg/ha, in line with the initial forecast.

Soybean

The soybean crop attained a yield of 3,291 kg/ha, an increase of 27.6% on the previous crop year. As reported in 2Q17, production surpassed the forecast by 7.0%.

Cotton 1st crop

After completing the harvest on the 58,886 ha dedicated to this crop, the cotton lint yield estimate was revised to 1,859 kg/ha, an increase of 48.7% on the previous crop year. The final yield will depend on the cotton lint yield, which will be determined after processing. To date, the yield is 14.8% above target.

Cotton 2nd crop

The harvest of 28,554 ha was concluded, with the current cotton lint estimate at 1,705 kg/ha, which represents a yield increase of 22.8% on the 2015/16 crop year. Compared to the initial estimate, the increase is of 8.6%. As for first-crop cotton, the final yield is pending the conclusion of processing.

Corn 2nd crop

The harvest of the 71,790 ha dedicated to second-crop corn was concluded on Sept. 14, with a yield of 6,680/ha, or 24.2% higher than the previous crop year. In relation to the projected target, the yield was 2.9% lower, due to the lower weight of the grains harvested in relation to the estimate.

Table 6 Yields 2016/17 Crop year

Yield (kg/ha)	(a) Achieved 2015/16	(b) Initial Estimate 2016/17	(c) Current Estimate 2016/17	Δ% (c x a)	Δ% (c x b)
Cotton 1st crop	1,250	1,619	1,859	48.7%	14.8%
Cotton 2nd crop	1,389	1,570	1,705	22.8%	8.6%
Cotton Seed	1,679	2,055	2,305	37.3%	12.2%
Soybean	2,580	3,077	3,291	27.6%	7.0%
Corn 2nd crop	5,378	6,877	6,680	24.2%	-2.9%

2017/18 CROP YEAR

The 2017/18 crop year began in September with the planting of super-early soybean varieties on the farms located in the states of Mato Grosso and Mato Grosso do Sul, as well as on irrigated areas in the states of Bahia and Goiás.

Soybean

The planting of super-early and early soybean varieties, which enables the planting of second-crop cotton and corn, began in the last ten days of September and was concluded during the October month

in Mato Grosso and Mato Grosso do Sul and is in final phase in Maranhão, securing the best period to implement the second crop in January and February.

In relation to total expected area until November three we had 45% planted, because in Bahia and Maranhão States planting is on an early stage.

Table 7 Yields in the 2017/18 Crop Year

Produtividade (kg/ha)	(a) Initial Estimate 2016/17	(b) Initial Estimate 2017/18	Δ% b/a
Cotton Lint 1st crop	1,619	1,699	4.9%
Cotton Lint 2nd crop	1,570	1,628	3.7%
Cotton Seed	2,055	2,142	4.2%
Soybean	3,077	3,360	9.2%
Corn 2nd crop	6,877	6,912	0.5%

Planted Area

The following table presents the initial planting intentions for the 2017/18 crop year and a comparison with the previous season.

Table 8 Planted Area by Crop

Crop Mix	Planted Area 2016/17 ---------- ha ----------	Planted Area 2017/18(1)	Shares 2017/18 %	Δ%
Cotton	87,440	93,589	23.2	7.0
Cotton 1st crop	58,886	57,949	14.4	-1.6
Cotton 2nd crop	28,554	35,640	8.8	24.8
Soybean (Commercial + Seeds)	230,127	230,363	57.1	0.1
Corn 2nd crop	71,790	77,465	19.2	7.9
Other crops(2)	3,564	2,113	0.5	-40.7
Total Area	392,921	403,530	100.0	2.7

Area Mix	Planted Area 2016/17 ---------- ha ----------	Planted Area 2017/18(1)	Shares 2017/18 %	Δ%
1st Crop Area	**291,113**	**289,060**	**71.6**	**-0.7**
Owned Land	118,552	119,750	29.7	1.0
Leased Area	97,929	95,474	23.7	-2.5
Joint Ventures(2)	39,523	38,879	9.6	-1.6
LandCo Area	35,110	34,958	8.7	-0.4
2nd Crop Area	**101,808**	**114,469**	**28.4**	**12.4**
Owned Land	58,723	66,191	16.4	12.7
Leased Area	24,130	29,491	7.3	22.2
Joint Ventures(2)	8,511	6,983	1.7	-18.0
LandCo Area	10,443	11,805	2.9	13.0
Total Area	**392,921**	**403,530**	**100.0**	**2.7**

(1) Weather factors may affect the planted area forecast.
(2) Areas owned by Grupo Dois Vales and Mitsui.
(3) A SLC Agrícola holds an interest of 81.23% in SLC LandCo.

Land Development

During the 2016/17 crop year, we concluded clearing operations on 9,993 hectares and partial soil correction on 6,000 hectares at the Piratini Farm.

At the Palmares Farm, progress continues on the expansion of irrigation capacity, with the drilling of four wells.

During the 2017/18 crop year we will conclude clearing and soil correction activities on 2,766 hectares at the Parceiro Farm.

Table 9 Land Development

SLC Agricola Farms	Areas in transformation (ha)	Areas in licensing process (ha)
Palmares	-	601
Parnaíba	-	1,464
Parnaguá	1,005	5,347
Parceiro	2,766	6,698
Sub Total	**3,771**	**14,110**
SLC LandCo Farms	**Areas in transformation (ha)**	**Areas in licensing process (ha)**
Parnaíba [1]	-	4,749
Piratini	9,993	-
Parceiro [1]	1,115	1,530
Sub Total	**11,108**	**6,279**
Total	**14,879**	**20,389**

Property Portfolio

On November 8 we owned the following property portfolio:

Table 10 Property Portfolio

Crop 2017/18 Area (ha)		Owned[1]	SLC LandCo[2]	Leased	Joint Ventures	Under Control	Total Planted[3]
Farm	State	---------- ha ----------					
Pamplona	GO	17,911		3,857		21,768	18,614
Planalto	MS	15,006		1,635		16,641	21,008
Planorte	MT	23,454				23,454	31,177
Paiaguás	MT	34,301		10,295		44,596	67,174
Perdizes[5]	MT	28,846	13,276			42,122	24,105
Pioneira[4]	MT				19,462	19,462	26,445
Panorama	BA		10,373	14,253		24,626	21,782
Paladino[5]	BA				19,417	19,417	19,417
Piratini	BA		25,356			25,356	7,436
Palmares	BA	16,195	831	16,145		33,171	24,797
Parnaíba[8]	MA	31,398	10,200	27,139		68,738	64,163
Planeste	MA		22,785	16,632		39,417	55,521
Parceiro	BA	32,985	3,680	5,518		42,183	13,585
Paineira [6]	PI	12,892				12,892	-
Parnaguá	PI	23,736				23,736	8,308
Total	-	**236,725**	**86,501**	**95,474**	**41,378**	**457,578**	**403,530**

Property Appraisal

In October, a new independent appraisal of the Company's property portfolio was concluded by the firm Deloitte Touche Tohmatsu, the result of which indicated a total amount of R$3,774,570 thousand, virtually stable in relation to 2016. The average price per hectare of the Company's properties is currently R$11,678.00.

Machinery and Storage Capacity

The following table presents the machinery owned by the Company.

Table 11 Machinery and Storage Capacity

Machinery	Quantity
Tractors	189
Grain Combines	182
Grain Pickers	80
Planters	196

Self-propelled sprayers	147	
Storage Capacity	**Grains**	**Cotton**
Tons	613,700	115,981
% Production[1]	47%	74%

[1] Estimate based on the estimated planted area and yield for 2017/18.

FINANCIAL PERFORMANCE

EBITDA

Table 12 EBITDA Conciliation

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Net Revenue	**1,030,010**	**1,493,079**	**45.0%**	**317,615**	**561,029**	**76.6%**
(-) Cost of Goods and/or Services Sold	**(988,348)**	**(983,095)**	**-0.5%**	**(277,417)**	**(405,473)**	**46.2%**
Gross Income	**41,662**	**509,984**	**n.m**	**40,198**	**155,556**	**287.0%**
(-) Sales Expanses	**(62,553)**	**(48,892)**	**-21.8%**	**(23,607)**	**(19,674)**	**-16.7%**
(-) General and administrative expenses	**(45,966)**	**(61,877)**	**34.6%**	**(12,099)**	**(22,113)**	**82.8%**
General and Administrative	(33,634)	(32,565)	-3.2%	(10,042)	(10,828)	7.8%
Provision for the Profit Share Program	(1,664)	(18,664)	n.m.	245	(7,904)	n.m
Management compensation	(10,668)	(10,648)	-0.2%	(2,302)	(3,381)	46.9%
(-) Other operating revenues (loss)	**(6,727)**	**99**	**n.m**	**(2,911)**	**326**	**n.m**
(=) Income from Activity	**(73,584)**	**399,314**	**n.m**	**1,581**	**114,095**	**n.m**
(+) Depreciation and amortization	77,084	65,103	-15.5%	23,626	27,384	15.9%
EBITDA	**3,500**	**464,417**	***n.m.***	**25,207**	**141,479**	**461.3%**
(-) Biological Assets on revenue (note 22)	(3,276)	(340,753)	n.m	5,896	(101,442)	n.m
(+) Biologica Assets on costs (note 23)	82,239	187,943	128.5%	(11,971)	76,502	n.m
(+) Low Fixed Assets	6,698	2,480	-63.0%	4,872	295	-93.9%
Adjusted EBITDA [1]	**89,161**	**314,087**	**252.3%**	**24,004**	**116,834**	**386.7%**
Adjusted EBITDA Margin [2]	**8.7%**	**27.3%**	***18.6 p.p***	**7.4%**	**25.4%**	***18.0 p.p***

[1] *Excludes the effects from Biological Assets, since they are noncash.*
[2] *As a ratio of net revenue excluding the effects from Biological Assets; * Note in the Quarterly Information (ITR)*

In 3Q17, EBITDA increased by R$92,830 thousand from the year-ago quarter (386.7%), with margin reaching 25.4%, expanding 18.0 p.p. The robust margin expansion in the quarter was driven by the improvement in Gross Income from Crops, basically due to the recovery in yields, which led to a significant reduction in unit cost in relation to last year.

EBITDA in 9M17 amounted to R$314,087 thousand, increasing 252.3% compared to 3Q16, with EBITDA margin of 27.3%, expanding 18.6 p.p. in relation to 9M16. This robust recovery in EBITDA and EBITDA margin also is explained by the recovery in yield in the 2016/17 crop year (compared to the shortfall in 2015/16) and by the 30% improvement in the price of cotton invoiced (including the income from currency hedging).

Note that in both comparison periods (quarter and nine months), EBITDA set new records, attesting to the current capacity of the business to generate operating cash flow.

NET REVENUE

Net Revenue in 3Q17 increased 76.6% on the year-ago period. Excluding the noncash effect from Biological Assets, net revenue increased 42.1%, mainly due to the higher volume of soybean invoiced in the comparison period.

In the nine-month period, net revenue increased 12.2% from 9M16, excluding the effect from biological assets, mainly due to the higher volume of soybean invoiced.

Table 13 Net Revenue

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Net Revenue	**1,030,010**	**1,493,079**	**45.0%**	**317,615**	**561,029**	**76.6%**
Cotton Lint invoiced	436,355	308,595	-29.3%	137,238	122,756	-10.6%
Cotton seed invoiced	64,744	61,345	-5.2%	49,515	54,590	10.2%
Soybean invoiced	481,516	619,452	28.6%	25,502	173,587	580.7%
Corn invoiced	105,931	90,143	-14.9%	87,704	74,971	-14.5%
Others (invoiced)	20,615	19,630	-4.8%	6,448	17,611	173.1%
Hedge Income	(82,427)	53,161	n.m.	17,104	16,072	-6.0%
Biological Assets	3,276	340,753	n.m.	(5,896)	101,442	n.m.

Table 14 Volume Invoiced

(Tons)	9M16	9M17	AH	3Q16	3Q17	AH
Volume Invoiced	**976,657**	**1,175,140**	**20.3%**	**410,471**	**624,967**	**52.3%**
Cotton lint	86,673	58,238	-32.8%	28,115	24,533	-12.7%
Cotton seed	117,941	98,029	-16.9%	89,377	88,140	-1.4%
Soybean	454,206	639,399	40.8%	20,606	175,928	753.8%
Corn	235,891	303,876	28.8%	208,593	268,302	28.6%
Others	81,946	75,598	-7.7%	63,780	68,064	6.7%

Table 15 Biological Assets in Net Revenue

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Effect of Biological Asset on Net Revenue	**3,276**	**340,753**	**n.m.**	**(5,896)**	**101,442**	**n.m.**
Cotton lint	(40,946)	216,535	n.m.	530	94,229	n.m.
Cotton seed	(4,108)	32,296	n.m.	656	13,963	n.m.
Soybean	29,822	105,193	252.7%	-	-	-
Corn	21,055	(16,213)	n.m.	(7,082)	(6,750)	-4.7%
Others	(2,547)	2,942	n.m.	-	-	-

Biological assets are calculated as follows: market price, net of taxes and selling expenses (freight), less costs incurred. The purpose of calculating biological assets is to estimate crop margins during the harvest period. Any adjustments to prior margin calculations based on biological assets are made when the product is effectively invoiced.

The amount of biological assets apportioned to net revenue in 3Q17 increased R$107,338 thousand from 3Q16, mainly due to the cotton harvest, which incorporated a higher yield and higher prices than those recorded in 2015/16.

In the nine-month period, biological assets grew by R$337,477 thousand, basically because of the cotton, cottonseed and soybean crops, due to the higher margins estimated for the 2016/17 crop year in relation to the 2015/16 crop year, mainly due to better yields.

COST OF GOODS SOLD

Cost of goods sold increased 46.2% in 3Q17 compared to 3Q16. Excluding the effect from biological assets, cost of goods sold increased 13.7% in 3Q17. The increase reflects the higher volume of soybean invoiced in the period.

In the nine-month period, also excluding the effect from Biological Assets, cost of goods sold decreased 12.2% from the year-ago period. The decrease was due to the lower volume of cotton invoiced in the comparison period.

Table 16 Cost of Goods Sold

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Cost of Goods Sold	**(988,348)**	**(983,095)**	**-0.5%**	**(277,417)**	**(405,473)**	**46.2%**
Cotton lint	(336,248)	(205,265)	-39.0%	(122,062)	(68,987)	-43.5%
Cotton seed	(66,178)	(44,352)	-33.0%	(53,964)	(37,971)	-29.6%
Soybean	(405,911)	(444,915)	9.6%	(35,857)	(141,234)	293.9%
Corn	(74,323)	(80,748)	8.6%	(67,096)	(70,876)	5.6%
Others	(23,449)	(19,872)	-15.3%	(10,409)	(9,903)	-4.9%
Biological Assets Allocated at Cost	(82,239)	(187,943)	128.5%	11,971	(76,502)	n.m

Table 17 Biological Assets in COGS

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Biological Assets Allocated at Cost	**(82,239)**	**(187,943)**	**128.5%**	**11,971**	**(76,502)**	**n.m.**
Cotton Lint	(28,557)	(55,853)	95.6%	26,573	(44,398)	n.m.
Cotton seed	3,769	(13,564)	n.m.	4,951	(13,557)	n.m.
Soybean	(43,017)	(132,570)	208.2%	(5,299)	(33,412)	530.5%
Corn	(14,434)	16,649	n.m.	(14,254)	15,425	n.m.
Others	-	(2,605)	100,0%	-	(560)	100,0%

GROSS INCOME

Table 18 Gross Income

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Gross Profit	**41,662**	**509,984**	**n.m.**	**40,198**	**155,556**	**287.0%**
Cotton lint	3,793	92,198	n.m	19,514	64,653	231.3%
Cotton seed	(1,434)	16,993	n.m	(4,449)	16,619	n.m.
Soybean	89,492	234,877	162.5%	2,411	34,131	n.m.
Corn	31,608	13,348	-57.8%	20,608	7,505	-63.6%
Others	(2,834)	(242)	-91.5%	(3,961)	7,708	n.m.
Biological Assets	(78,963)	152,810	n.m	6,075	24,940	310.5%

Note: To calculate gross margin, the results from Biological Assets allocated to Net Revenue are excluded.

Gross Income in 3Q17 amounted to R$155,556 thousand, with gross margin of 33.8%, an increase of 21.4 percentage points from 12.4% in 3Q16. In the nine-month period, Gross Income increased R$468.3 million from 9M16, with margin of 44.3%, an increase of 40.2 percentage points.

Both the quarter and nine-month period registered significant gross margin expansion in the two main crops (cotton and soybean).

Excluding the non-cash effect from Biological Assets, Gross Income grew 282.8% (R$96.5 million) in 3Q17 and 196.1% (R$236.5 million) in 9M17, reflecting the higher margins of invoiced products, as seen in more detail in the following section.

ANALYSIS OF MARGINS BY CROP

To contribute to a better understanding of margins, in this section, the gain (loss) from currency hedge is allocated among cotton, soybean and corn.

Cotton Lint and Cotton Seed

Cotton invoiced in 3Q17 refers to the 2016/17 crop year, a period when yields were significantly better than in the previous crop year. Margin was positive at R$2,635/ton, compared to R$694/ton in 3Q16, due to the 8.2% increase in unit price and the 35.3% decrease in unit cost compared to the year-ago period, due to the high yield.

In the nine-month period, margin stood at R$1,583/ton, up from R$43/ton in 9M16, reflecting the 30.2% increase in unit price and 9.3% decrease in unit cost. Despite the fact that 60% of cotton invoiced in 2017 refers to the 2015/16 crop year, the expansion in gross margin was mainly due to the higher price and better yields in 2016/17 (which basically impacted 3Q17, as mentioned above).

Table 19 Cotton and Cottonseed Gross Margin

Cotton Invoiced		9M16	9M17	AH	3Q16	3Q17	AH
Cotton Lint Invoiced							
Volume Invoiced	Ton	86,673	58,238	-32.8%	28,115	24,533	-12.7%
Net Revenue	R$ Mil	436,355	308,595	-29.3%	137,238	122,756	-10.6%
Result of currency hedge	R$ Mil	(96,314)	(11,132)	-88.4%	4,338	10,884	150.9%
Net Income Adj.for the result of currency hedging	R$ Mil	340,041	297,463	-12.5%	141,576	133,640	-5.6%
Unite Price	R$ / Ton	3,923	5,108	30.2%	5,036	5,447	8.2%
Total Cost	R$ Mil	(336,248)	(205,265)	-39.0%	(122,062)	(68,987)	-43.5%

Unit Cost	R$ / Ton	(3,880)	(3,525)	-9.3%	(4,342)	(2,812)	-35.3%
Unitary Margin	R$ / Ton	43	1,583	n.m.	694	2,635	279.7%
Cotton Seed Invoiced							
Volume Invoiced	Ton	117,941	98,029	-16.9%	89,377	88,140	-1.4%
Net Revenue	R$ Mil	64,744	61,345	-5.2%	49,515	54,590	10.2%
Unite Price	R$ / Ton	549	626	14.0%	554	619	11.7%
Total Cost	R$ Mil	(66,178)	(44,352)	-33.0%	(53,964)	(37,971)	-29.6%
Unit Cost	R$ / Ton	(561)	(452)	-19.4%	(604)	(431)	-28.6%
Unitary Margin	R$ / Ton	(12)	174	n.m.	(50)	188	n.m.

Soybean

Soybean unit margin in 3Q17 increased significantly from 3Q16 by 65.8%. The factors contributing to this increase were the increase in volume invoiced of 753.8% and the lower unit cost of 53.9%, due to the recovery in yield, which was partially offset by the decrease in unit price.

In the nine-month period, margin expanded 86.3%, reflecting the 40.8% increase in invoiced volume, combined with the 22.1% decrease in unit cost, which was partially offset by the 2.6% drop in unit price.

Unit cost declined in both analysis periods, reflecting the higher yield in the 2016/17 crop year compared to 2015/16.

Table 20 Soybean Gross Margin

Soybean Invoiced		9M16	9M17	AH	3Q16	3Q17	AH
Volume Invoiced	Ton	454,206	639,399	40.8%	20,606	175,928	753.8%
Net Revenue	R$ Mil	481,516	619,452	28.6%	25,502	173,587	580.7%
Result of currency hedge	R$ Mil	13,887	60,340	334,5%	12,766	1,778	-86.1%
Net Income Adj. for the res. of currency hedging	R$ Mil	495,403	679,792	37.2%	38,268	175,365	358.3%
Unite Price	R$ / Ton	1,091	1,063	-2.6%	1,857	997	-46.3%
Total Cost	R$ Mil	(405,911)	(444,915)	9.6%	(35,857)	(141,234)	293.9%
Unit Cost	R$ / Ton	(894)	(696)	-22.1%	(1,740)	(803)	-53.9%
Unitary Margin	R$ / Ton	197	367	86.3%	117	194	65.8%

Corn

The corn invoiced in 3Q17 is related to the 2016/17 crop year, most of which (80%) originated from the Midwest region, where cereal prices are lower.

In the quarter and nine-month period, corn gross margin contracted, mainly due to the lower unit price resulting from the higher domestic supply, combined with the good expectations for the second crop, which pressured market prices.

Table 21 Corn Gross Margin

Corn Invoiced		9M16	9M17	AH	3Q16	3Q17	AH
Volume Invoiced	Ton	235,891	303,876	28.8%	208,593	268,302	28.6%
Net Revenue	R$ Mil	105,931	90,143	-14.9%	87,704	74,971	-14.5%
Result of currency hedge	R$ Mil	-	3,953	100,0%	-	3,410	100,0%
Net Income Adj. for the result of currency hedge	R$ Mil	105,931	94,096	-11.2%	87,704	78,381	-10.6%
Unite Price	R$ / Ton	449	310	-31.0%	420	292	-30.5%
Total Cost	R$ Mil	(74,323)	(80,748)	8.6%	(67,096)	(70,876)	5.6%
Unit Cost	R$ / Ton	(315)	(266)	15,6%	(322)	(264)	-18,0%
Unitary Margin	R$ / Ton	134	44	-67,2%	98	28	-71,4%

PRODUCTION COST

The breakdown of our total production costs is shown below:

Table 22 Breakdown of Production Cost by Crop

%	Cotton	Soybean	Corn	Average	Average

				2017/18	2016/17
Variable Costs	80.2	72.6	80.2	77.1	77.2
Seeds	9.5	15.4	22.8	13.4	12.5
Fertilizers	17.6	17.8	31.6	19.3	18.9
Defensives	26.5	21.1	9.5	22.3	24.7
Air Spraying	2.0	1.6	2.2	1.8	1.7
Fuels and Lubrificants	4.1	4.7	4.6	4.4	4.2
Labor	1.4	0.7	0.5	1.0	1.0
Ginning	10.0	2.2	2.7	5.6	6.0
Maintenance of machines and instruments	4.4	5.6	4.5	4.9	4.7
Others	4.8	3.6	1.8	4.0	3.7
Fixes Costs	19.8	27.4	19.8	22.9	22.8
Labor	8.9	11.3	9.4	9.9	9.6
Depreciation and Amortization	4.5	8.0	4.8	6.0	6.0
Leasing	4.3	5.3	3.3	4.6	4.8
Others	2.0	2.8	2.3	2.4	2.4

Our estimates of total production cost per hectare for the 2017/18 crop year are presented below:

Table 23 Production Cost per Hectare

Total (R$/ha)[2]	A Budget 2016/17	B Achieved 2016/17	C[1] Budget 2017/18	B/A	C/A
Cotton 1st crop	7,155	7,187	6,811	0.4%	-4.8%
Cotton 2nd crop	6,164	6,177	6,023	0.2%	-2.3%
Soybean	2,251	2,202	2,311	-2.2%	2.7%
Corn 2nd crop	1,781	1,734	1,814	-2.6%	1.9%
Average Total Cost [1]	3,203	3,172	3,184	-1.0%	-0.6%

[1] According to the position on September 30, 2017 (budget amounts). Figures may suffer changes by the end of cotton processing and the sale of grains. [2] Total average cost weighted by area.

Production cost in the 2016/17 crop year ended 1% below budget, despite the higher-than-expected yields, reflecting the constant management of costs and pursuit of efficiency gains.

Total average production cost per hectare estimated for the 2017/18 crop year remained stable in relation to the budget for the 2016/17 crop year, despite inflation of 5.3% in the comparison period.

SELLING EXPENSES

Selling expenses decreased 16.7% in the quarter and 21.8% in the nine-month period compared to the prior-year periods, reflecting the lower volume of cotton invoiced in the period.

Selling expenses accounted for 4.2% of Net Revenue (excluding the effect from biological assets), down 1.9 percentage points compared to the year-ago period.

Table 24 Selling Expenses

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Freight	29,528	19,624	-33.5%	11,569	9,769	-15.6%
Storage	15,010	17,070	13.7%	4,806	5,746	19.6%
Commissions	4,638	3,929	-15.3%	1,349	879	-34.8%
Classification of Goods	1,094	651	-40.5%	529	551	4.2%
Export Expenses	9,035	7,101	-21.4%	2,420	2,541	5.0%
Others	3,248	517	-84.1%	2,934	188	-93.6%
Total	**62,553**	**48,892**	**-21.8%**	**23,607**	**19,674**	**-16.7%**
% Net Revenue[1]	**6.1%**	**4.2%**	***-1.9 p.p***	**7.3%**	**4.3%**	***-3.0 p.p***

(1) As a ratio of net revenue excluding the effects from Biological Assets.

GENERAL AND ADMINISTRATIVE EXPENSES

General and Administrative Expenses increased by 7.8% in 3Q17 compared to 3Q16 and decreased by 3.2% in 9M17 compared to 9M16 (before expenses with Profit Sharing, which varies in accordance with the Company's net income expectation). Explanations for the main variations follow:

a. Personnel expenses
Nine months: decrease in allocation from stock option plans;
3Q17: decrease in allocation from Stock Option plans, partially offset by the increases due to wage increases.

b. Depreciation and amortization
9M17: lower expenses due to the end of the useful life of software assets.

c. Tax, Labor and Environmental Contingencies
Quarter and nine months: Accrual and Reversal of provisions;

General and Administrative Expenses corresponded to 2.4% of Net Revenue in 3Q17 and to 2.8% in 9M17 (excluding the effect from Biological Assets).

Table 25 General and Administrative Expenses

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Expenses with personnel	17,777	17,261	-2.9%	5,782	5,894	1.9%
Fees	2,955	2,899	-1.9%	1,103	1,058	-4.1%
Depreciations and amortizations	1,741	847	-51.3%	216	289	33.8%
Traves expenses	1,112	1,023	-8.0%	366	399	9.0%
Software maintenance	2,589	2,760	6.6%	887	844	-4.8%
Marketing/Advertisement	1,388	1,170	-15.7%	67	89	32.8%
Communication expeses	1,712	1,741	1.7%	621	643	3.5%
Rentals	695	621	-10.6%	259	213	-17.8%
Labor, Tax and Environmental Contigencies	572	341	-40.4%	(462)	(76)	-83.5%
Electricity	113	99	-12.4%	28	29	3.6%
Taxes and others fees	334	406	21.6%	66	68	3.0%
Contributions and donations	693	814	17.5%	383	486	26.9%
Others	1,953	2,583	32.3%	726	892	22.9%
Subtotal	**33,634**	**32,565**	**-3.2%**	**10,042**	**10,828**	**7.8%**
% Net Revenue [1]	**3.3%**	**2.8%**	***-0.5p.p***	**3.1%**	**2.4%**	***-0.7p.p***
Provision for profit share program	1,664	18,664	n.m	(245)	7,904	n.m.
Total	**35,298**	**51,229**	**45.1%**	**9,797**	**18,732**	**91.2%**

[1] As a ratio of net revenue excluding the effects from Biological Assets.

NET FINANCIAL INCOME (EXPENSE)

In 3Q17, we recorded a net financial expense of R$16,063 thousand, compared to an expense of R$40,689 thousand in 3Q16, representing a decrease of 60.5% or R$24,626 thousand. In the nine-month period, financial income declined by 31.3% from 9M16.

Table 26 Net Financial Income (Expense)

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Revenues (expenses) with derivates	(126,422)	(21,619)	-82.9%	(15,060)	(12,632)	-16.1%
Interest	(44,824)	(54,396)	21.4%	(20,043)	(16,804)	-16.2%
Monetary variation	(1,556)	(1,398)	-10.2%	(2,914)	1,202	n.m
FX variation	92,582	23,445	-74.7%	4,214	14,340	240.3%
Other financial revenues (expenses)	(7,857)	(6,521)	-17.0%	(6,886)	(2,169)	-68.5%
Total	**(88,077)**	**(60,489)**	**-31.3%**	**(40,689)**	**(16,063)**	**-60.5%**
% Net Revenue[1]	**-8.6%**	**-5.2%**	***-3.4 p.p***	**-12.6%**	**-3.5%**	***-9.1 p.p***

[1] As a ratio of net revenue excluding the effects from Biological Assets.

Table 27 Gain (Loss) from Derivative Operations

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Swap of debt in Dollar to Reais	(128,701)	(21,619)	-83,2%	(15,059)	(12,632)	-16,1%
Commodities Hedge	13	-	-100,0%	-	-	-.
FX Hedge (not designed as *hedge accounting*)	2,266	-	-100,0%	(1)	-	-100,0%
Total	**(126,422)**	**(21,619)**	**n.m.**	**(15,060)**	**(12,632)**	**n.m.**

Note: In accordance with Note 20 of the Quarterly Information (ITR)

Note that, since a portion of debt in USD was "swapped" to BRL and another portion is designated as hedge accounting, whose exchange effects are recorded as Sales Revenue, when debt is amortized, the exchange variation on debt in USD does not affect Net Financial Income (Expense) when we analyze the aggregate figures (gain/loss from derivatives and exchange variation). For a better understanding of this impact, we suggest analyzing below Table 28 - Adjusted Net Financial Income (Expense).

Table 28 Adjusted Net Financial Income (Expense)

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Gain and losses with derivates	(66,920)	(65,776)	-1.7%	(29,429)	(20,757)	-29.5%
Interest and FX Variation net of swap operation	(11,744)	13,206	n.m.	(1,460)	5,661	n.m.
Monetary variation	(1,556)	(1,398)	-10.2%	(2,914)	1,202	n.m.
Other financial revenues (expenses)	(7,857)	(6,521)	-17.0%	(6,886)	(2,169)	-68.5%
Total	**(88,077)**	**(60,489)**	**-31.3%**	**(40,689)**	**(16,063)**	**-60.5%**
% Net Revenue	**-8.6%**	**-5.2%**	***3.4p.p.***	**-12.6%**	**-3.5%**	***-9.1p.p.***

(1) As a ratio of net revenue excluding the effects from Biological Assets.

In 3Q17, we recorded a net financial expense of R$16,063 thousand, compared to the expense of R$40,689 thousand in 3Q16.

The main factors contributing to this variation were: (i) decrease in interest financial expenses due to the reductions in net debt and in the average interest rate; (ii) exchange variation gain (net of swap operations) due to the stronger local currency in the period, which impacted amounts payable to suppliers in U.S. dollar.

In 9M17, the net financial expense also decreased, by 31.3%, mainly due to the aforementioned factors.

NET INCOME

Table 29 Net Income

(R$ thd)	9M16	9M17	AH	3Q16	3Q17	AH
Income before Income Tax	(161,661)	338,825	n.m.	(39,108)	98,032	n.m.
Income Tax and Social Contribution	63,254	(106,191)	n.m.	17,893	(27,532)	n.m.
Net Income for the period	**(98,407)**	**232,634**	**n.m.**	**(21,215)**	**70,500**	**n.m.**
Attributed to the Parent company's partner	*(82,629)*	*220,094*	*n.m.*	*(17,219)*	*68,791*	*n.m.*
Attributed to non-controlling partners	*(15,778)*	*12,539*	*n.m.*	*(3,996)*	*1,709*	*n.m.*
% Net Revenue[(1)]	**-9.6%**	**20.2%**	**29.8p.p**	**-6.6%**	**15.3%**	**21.9p.p**

(1) As a ratio of net revenue excluding the effects from Biological Assets.

Parent company net income in the quarter amounted to R$68.8 million, and in the nine-month period reached the record of R$220 million.

The consolidated net results presented growth of R$91,715 thousand (R$70,500 thousand in 3Q17 against negative R$17,219 thousand on 3Q16).

Net profit margin increased 21.9p.p, closing the period at 15.3%. In the nine-month period net profit reached R$232,634 thousand, with a 29,8p.p. increase in margin against 9M16.

The main factor contributing to this robust recovery in net income was the normalization of yields in the 2016/17 crop year, with the current level of results reflecting the effective capacity of the business to generate cash and profitability, due to the relentless pursuit of operational improvements and of cost and expense control.

CURRENCY AND AGRICULTURAL COMMODITY HEDGE

The Company's sales revenues are generated mainly by the trading of agricultural commodities such as cotton, soybean and corn, which are quoted in U.S. dollar on international exchanges, such as the Chicago Board of Trade (CBOT) and the Intercontinental Exchange Futures US (ICE).

Therefore, we are actively exposed to variations in foreign exchange rates and in the prices of these commodities. To protect from currency variation we use derivative instruments, with the portfolio of these instruments basically comprising non–deliverable forwards (NDFs) and option contracts.

In line with the Company's Risk Management Policy, whose purpose is to obtain a pre-established Adjusted EBITDA margin with a combination of factors such as Price, Foreign Exchange and Cost, most of the instruments for protecting against commodity price variation are accomplished through advanced sales directly with our clients (forward contracts).

We also use futures and options contracts negotiated on the exchange and swap and option transactions contracted with financial institutions. The mark-to-market adjustments of future, swap and option transactions are recorded under financial income (expense).

The hedge position on October 30, 2017 for commodities (in relation to the estimated total volume invoiced) and currency (in relation to the total estimated revenue in U.S. dollar) is shown below broken down by commercial hedge and financial hedge:

Table 30 Currency and Agricultural Commodity Hedge

Fiscal Year	2017		2018	
FX Rate[1]	**Hedge (%)**	**R$ / US$**	**Hedge (%)**	**R$ / US$**
FX Hedge	89.9	3.5128	57.5	3.4469
Commitments[1]	4.4	1.8790	2.4	1.9418
Total	**94.3**	**3.4364**	**59.9**	**3.3867**
Cotton	**Hedge (%)**	**US¢ / pound[2]**	**Hedge (%)**	**US¢ / pound[2]**
Commercial Hedge	100.0	75.61	68.4	76.17
Financial Hedge[4]	-	-	1.5	70.87
Cotton – Total Hedge	**100.0**	**75.61**	**69.9**	**76.06**
Soybean	**Hedge (%)**	**US$ / bushel[2]**	**Hedge (%)**	**US$ / bushel[2]**
Commercial Hedge	98.2	10.5	55.5	10.5
Financial Hedge[4]	-	-	-	-
Commitments[3]	0.1	-	6.8	-
Soybean – Total Hedge	**98.3**	**10.5**	**62.3**	**10.5**
Corn	**Hedge (%)**	**R$/bag (60kg)[5]**	**Hedge (%)**	**R$/bag (60kg)[5]**
Commercial Hedge	98.9%	20.13	42.8%	19.38
Corn – Total Hedge	**98.9%**	**20.13**	**42.8%**	**19.38**

[1] Commitments with debt payments in U.S. dollar. [2] Based on FOB Port (prices at our production units are also influenced by transport expenses and possible quality discounts). [3] Natural hedge with payments related to land acquisitions and leasing agreements in soybean bags. [4] Includes transactions involving futures, swaps and accumulators. [5]Farm price.

PROPERTY, PLANT AND EQUIPMENT / INTANGIBLE ASSETS

The main investments in 3Q17 were:

(i) Acquisition of agricultural machinery and tools, mainly at the Parnaíba, Paiaguás and Planorte farms;
(ii) Buildings and facilities, mainly at the Perdizes and Paiaguás farms;
(iii) Soil correction at the Parceiro and Parnaíba farms.

Table 31 CAPEX

CAPEX (R$ thd)	9M16	AV	9M17	AV	3Q17	AV
Machinery, implements and equipment	19,361	33.5%	36,053	32.0%	18,742	27.0%
Land acquisition	2	0.0%	4,374	3.9%	4,387	6.3%
Soil correction	10,805	18.7%	20,750	18.4%	15,295	22.0%
Buildings and facilities	13,307	23.0%	23,707	21.0%	15,258	21.9%
Cotton ginning plant	1,015	1.8%	786	0.7%	110	0.2%

Grain storage	954	1.7%	11,655	10.3%	10,601	15.2%
Soil cleaning	8,387	14.5%	4,284	3.8%	1,660	2.4%
Vehicles	747	1.3%	2,480	2.2%	1,181	1.7%
Software	787	1.4%	5,977	5.3%	1,196	1.7%
Others	2,419	4.2%	2,600	2.3%	1,100	1.6%
Total	**57,784**		**112,664**		**69,529**	

FINANCIAL NET DEBT

Adjusted net debt in 3Q17 decreased 19.42% to R$844,882 thousand from R$1,008,985 thousand in the prior quarter.

We are beginning a process of extending the maturity of our debt, considering that resources from the Constitutional Funds line (which are short term) were not attractive this year. This caused us to reduced funds from this line on this quarter, also starting the process of issuing a CRA (more details below), in the total amount of R$200 million, with a 3 year maturity, a transaction that should be concluded over the next few weeks.

For better understanding of what a CRA (*Certificado de Recebíbeis do Agronegócio*, or Agribusiness Receivables Certificate) is, here are some more details:

Agribusiness Receivables Certificates (CRA) are fixed income securities backed by receivables originated from businesses between rural producers, or cooperatives, and third parties, comprising financing or loans related to production, commercialization or processing/industrialization of products, agricultural inputs or machines and implements used in agricultural production.

On these operations, Companies transfer their receivables to a securitization firm, which then issues the CRA´s and makes them available for negotiation on the capital markets, usually with the support of a financial institution. Finally, the securitization firm will pay the Company for the transferred receivables. Source: B3

Table 32 Financial Net Debt

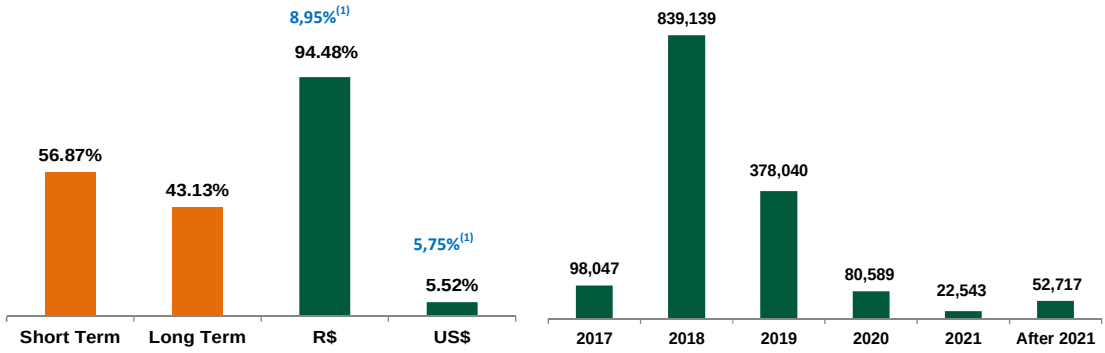
		Average Interest Rate (%)		Consolidated	
(R$ thd)	Index	2Q17	3Q17	2Q17	3Q17
Applied in Fixed Assets					
Finame – BNDES	Pré and TJLP[1]	7.01%	**7.04%**	164,652	**168,103**
Constitutional Funds[2]	Pré	7.23%	**7.23%**	3,628	**3,703**
Financing of Investments	US$ + Libor[3]	0.00%	**0.00%**	-	**-**
				168,280	**171,806**
Applied in Working capital					
Rural Credit	Pré	11.18%	**9.12%**	276,702	**342,712**
Constitutional Funds[2]	Pré	10.50%	**0.00%**	175,221	**-**
Working Capital	Pré	0.00%	**8.93%**	-	**47,479**
External Loans	Pré	11.65%	**9.00%**	65,015	**13,131**
External Loans	CDI	11.32%	**9.32%**	474,429	**569,637**
External Loans	US$, Libor[3]+Pré	5.69%	**5.75%**	83,182	**81,172**
Working Capital	CDI	11.18%	**9.16%**	265,007	**258,257**
Total Indebtedness		10.38%	**8.77%**	1,507,836	**1,484,194**
(+/-) Gains and losses with derivates connected with applications and debts				24,306	**13,119**
(=) Adjusted Debt				1,483,530	**1,471,075**
(-) Cash				474,545	**626,194**
(=) Adjusted Debt				1,008,985	**844,882**
EBITDA of last 12 months				381,205	**474,036**
Adjusted Net Debt/Adjusted EBITDA				2.65x	**1.78x**
Adjusted Net Debt /NAV				23.8%	**19.4%**

[(1)] Long-Term Interest Rate (TJLP) [(2)] To calculate the average cost of the Constitutional Funds, we considered a discount of 15% relative to the performance bonus applicable to these operations. [(3)] London Interbank Offer Rate (Libor): Interest rate charged by London banks used as a reference for most loans in the international financial system. [(4)] Adjusted EBITDA in the last 12 months. [(5)] Transactions with gains and losses from Derivatives (note 20 of the Quarterly Information).

The Adjusted Net Debt/Adjusted EBITDA ratio decreased significantly, from 2.65x in 2Q17 to 1.78x in 3Q17.

Figure 9 Gross Debt Profile in 3Q17

Figure 10 Amortization Schedule of Gross Debt



(1) *Weighted average debt cost in BRL*
(2) ***Weighted average debt cost in USD***

INDICATORS

The Company believes that the calculation of Return on Equity, Return on Net Assets and Return on Invested Capital should consider, in addition to operating income in the period, the net annual appreciation (based on the report of an independent auditor prepared every year) in the value of its land.

Table 33 Return on Equity

(R$ million)	2010	2011	2012	2013	2014	2015	2016
Net Revenue	59	160	38	97	70	121	16
Net Land Appreciation SLC Agricola[1]	-36	179	222	313	396	108	130
Net Land Appreciation LandCo [1][2]	-	-	48	61	32	32	69
Subtotal	23	339	308	471	498	261	216
Shareholder's Equity[3]	1,839	2,063	2,407	2,924	3,608	3,748	4,220
Return	**1.3%**	**16.4%**	**12.8%**	**16.1%**	**13.8%**	**7.0%**	**5.1%**

[1] Based on independent (Deloitte) and internal appraisal. Updated June 2016, net of taxes.
[2] Adjusted by the interest of 81.23% held by SLC Agrícola in SLC LandCo.
[3] Adjusted by the appreciation in the value of land properties.

Table 34 Return on Net Assets

(R$ million)	2010	2011	2012	2013	2014	2015	2016
Net Profit	59	160	38	97	70	121	16
Net Land Appreciation [1]	(36)	179	271	373	428	140	200
Subtotal	23	339	309	470	498	261	216
Invested Capital	2,598	3,196	3,635	4,113	4,696	4,906	4,857
Working Capital	395	504	626	641	733	628	561
Fixed Assets[2]	2,203	2,692	3,009	3,472	3,963	4,278	4,296
Return	**0.9%**	**10.6%**	**8.5%**	**11.4%**	**10.6%**	**5.3%**	**4.4%**

[1] Based on independent (Deloitte) and internal appraisal. Updated June 2016, net of taxes.
[2] Adjusted by land-price appreciation.

Table 35 Return on Invested Capital

(R$ milliom)	2010	2011	2012	2013	2014	2015	2016
Operating Income	126	257	145	150	190	285	110
Taxes	(38)	(87)	(72)	(35)	(40)	(78)	20
Adjusted Operating Income	88	170	73	116	150	207	130
Net Land Appreciation [1]	(36)	179	270	374	428	140	200
Operating Results w/ Land	52	349	343	490	578	347	330
Invested Capital	2,110	2,527	2,987	3,753	4,329	4,788	4,856
Gross Capital [2]	*450*	*640*	*811*	*1,170*	*1,332*	*1,711*	*1,807*
Cash[2]	*110*	*131*	*157*	*376*	*355*	*671*	*1,016*
Net Debt [2]	*339*	*509*	*654*	*794*	*977*	*1,040*	*791*
Shareholder's Equity [3]	*1,839*	*2,063*	*2,407*	*2,924*	*3,608*	*3,748*	*4,220*
Return on invested capital	**2.4%**	**13.6%**	**11.2%**	**13.0%**	**12.6%**	**7.3%**	**6.6%**

[1] Based on independent (Deloitte) and internal appraisal. Updated June 2016, net of taxes.
[2] Adjusted by the interest held in the subsidiaries.
[3] Adjusted by land-price appreciation.

Table 36 Net Asset Value

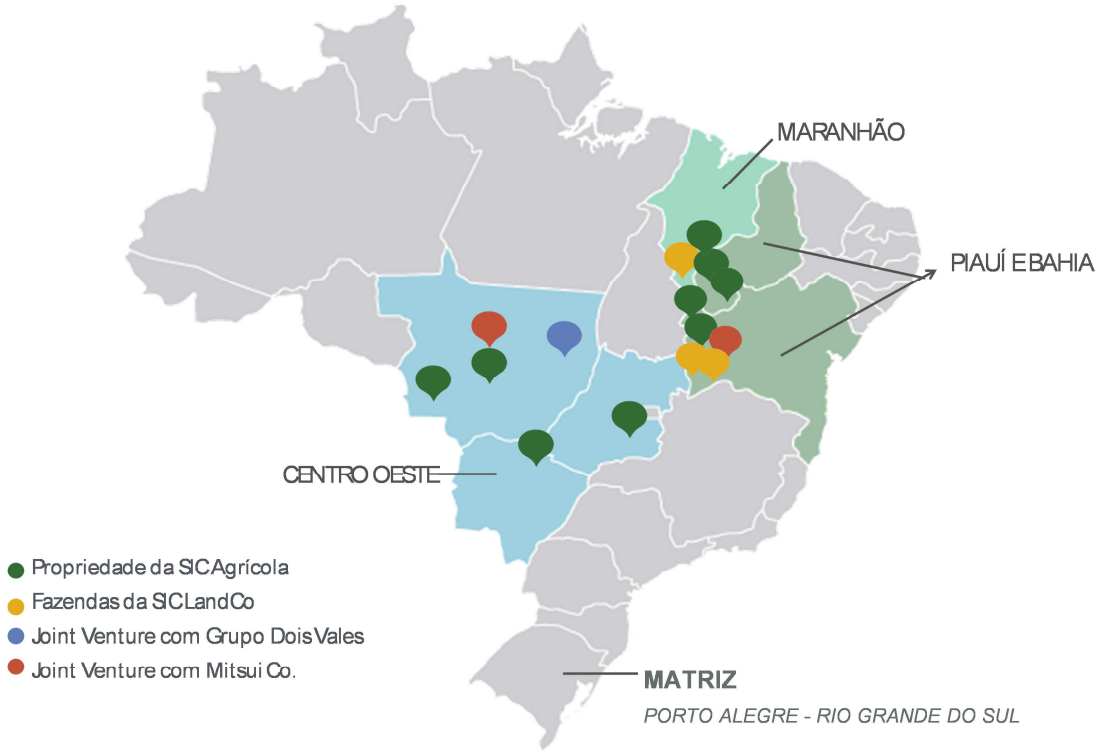
(R$ million)	9M17
SLC Agrícola Farms [1]	2,681
SLC LandCo Farms[2]	682
Infrastructure (excl. Ian) [3]	795
Contas a Receber (excl. derivates) [3]	215
Inventories [3]	929
Biological Assets[3]	99
Cash [3]	594
Subtotal	***5,994***
Suppliers[3]	194
Adjusted Gross Debt [3][4]	1,355
Outstanding debt related to land acquisitions [3]	70
Subtotal	***1,618***
Net Asset Value	**4,376**
Net Asset Value per Share	**44.2**

[1] Based on independent (Deloitte), updated June 2017, net of taxes. [2] Based on the independent appraisal report (Deloitte), net of taxes, updated in June 2017 and adjusted by the interest held by SLC Agrícola in the subsidiary. [3] Adjusted by the interest held by SLC Agrícola in the subsidiaries. [4] Gross Debt adjusted by operations with derivative instruments and the interest held by SLC Agrícola in the subsidiaries.

Table 37 Changes in Working Capital

Working Capital (R$ thd)	2013	2014	2015	2016	9M17
Asset					
Trade Account Receivable	85,334	143,759	228,024	185,538	234,587
Hedge Accounting (Non-Cash)	*(5,278)*	*(8,936)*	*(26,639)*	*(99,963)*	*(115,113)*
Inventories	514,819	622,101	782,192	486,425	997,892
Biological Assets + Adjusted Inventories (Non-Cash)	*(42,280)*	*(20,185)*	*(58,164)*	*(12,093)*	*(215,631)*
Recoverable Taxes	78,361	98,566	89,321	66,727	84,712
Biological Assets	378,481	374,372	423,705	521,174	146,805
Biological Assets (Non-Cash)	*(27,009)*	*(17,684)*	*(31,200)*	*(50,693)*	-
Expenses incurred in advance	3,793	2,712	5,469	7,721	6,866
Subtotal	**986,221**	**1,194,705**	**1,412,708**	**1,104,836**	**1,140,118**
Liabilities					
Suppliers	236,217	312,759	398,860	439,735	213,993
Tax and Social Obligations	27,480	24,270	20,465	23,303	32,226
Others	223,444	207,794	376,498	204,675	458,951
Land Payables (land)	(126,494)	(49,689)	(75,564)	(81,813)	(76,334)
Hedge Accounting (Non-Cash)	(31,433)	(51,651)	(120,544)	(56,604)	(24,164)
Provisions	16,187	17,724	20,415	15,022	38,430
Subtotal	**345,401**	**461,207**	**620,130**	**544,318**	**643,102**
Total	**640,820**	**733,498**	**738,578**	**560,518**	**497,016**
Change in WC	**10,017**	**92,678**	**5,080**	**(178,060)**	**(63,502)**

LOCATION OF UNITS



DISCLAIMER

This release makes statements concerning future events that are subject to risks and uncertainties. These statements are based on the beliefs and assumptions of our Management and on the information currently available to the Company. Forward-looking statements include information on our current plans, beliefs or expectations, as well as those of the Company's directors and officers. Forward-looking statements include information on potential or assumed operating results as well as statements that are preceded, followed by or include the words "believe," "may," "will," "continue," "expect," "project," "intend," "plan," "estimate" or similar expressions. Forward-looking statements and information provide no guarantee of performance. Because they refer to future events, they involve risks, uncertainties and assumptions and as such depend on circumstances that may or may not occur. The Company's future results and creation of value for shareholders may differ significantly from the figures expressed or suggested in the forward-looking statements. Many factors that will determine these results and values are beyond our capacity to control or predict.

EXHIBIT 1: AGRICULTURAL WEIGHTS AND MEASURES

1 tonelada	1,000 kg	
1 kg	2.20462 libras	
1 libra	0.45359 kg	
1 acre	0.40469 hectares	
1 acre	0.1840 alqueire	
1 hectare (ha)	2.47105 acres	
1 hectare (ha)	10,000 m²	
1 alqueire	5.4363 acres	
Soja e Trigo		
1 bushel de soja	60 libras	27.2155 kg
1 saca de soja	60 kg	2.20462 bushels
1 bushel/acre	67.25 kg/ha	
1.00 US$/bushel	2.2046 US$/saca	
Milho		
1 bushel de milho	56 libras	25.4012 kg
1 saca de milho	60 kg	2.36210 bushels
1 bushel/acre	62.77 kg/ha	
1.00 US$/bushel	2.3621 US$/saca	
Algodão		
1 fardo	480 libras	217.72 kg
1 arroba	14.68 kg*	

EXHIBIT 2: BALANCE SHEET - ASSETS

(R$ thd)	2016	AV	2017	AV	AH
Current assets	**2,332,168**	**42.8%**	**2,100,026**	**40.0%**	**-10.0%**
Cash and cash equivalents	888,740	16.3%	497,095	9.5%	-44.1%
Short-term interest earnings bank deposits	175,766	3.2%	129,099	2.5%	-26.6%
Accounts receivable	185,538	3.4%	234,587	4.5%	26.4%
Trade accounts receivable	73,392	1.3%	110,659	2.1%	50.8%
Other accounts receivable	112,146	2.1%	123,928	2.4%	10.5%
Advances to suppliers	1,728	0.0%	1,825	0.0%	5.6%
Operations with derivatives	99,963	1.8%	115,113	2.2%	15.2%
Securities and credits receivable	7,948	0.1%	-	-	100,0%
Other accounts receivable	2,507	0.0%	6,990	0.1%	178.8%
Inventories	486,425	8.9%	997,892	19.0%	105.1%
Biological assets	521,174	9.6%	146,805	2.8%	-71.8%
Cotton Lint	148,702	2.7%	54,410	1.0%	-63.4%
Soybean	330,231	6.1%	70,009	1.3%	-78.8%
Corn	32,904	0.6%	16,717	0.3%	-49.2%
Coffee	-	-	-	-	-
Others	9,337	0.2%	5,669	0.1%	-39.3%
Current taxes recoverable	66,727	1.2%	84,712	1.6%	27.0%
Prepaid expenses	7,721	0.1%	6,866	0.1%	-11.1%
Discontinued operations assets	77	0.0%	2,970	0.1%	n.m.
Non-current assets	**3,121,208**	**57.2%**	**3,151,872**	**60.0%**	**1.0%**
Long term assets	221,255	4.1%	199,042	3.8%	-10.0%
Biological assets	-	-	-	-	-
Deferred taxes	26,265	0.5%	15,903	0.3%	-39.5%
Other non-current assets	191,213	3.5%	180,284	3.4%	-5.7%
Operations with derivatives	48,648	0.9%	51,564	1.0%	6.0%
Accounts receivable	-	-	-	-	-
Recoverable taxes	55,834	1.0%	53,242	1.0%	-4.6%
Other accounts receivable	15,189	0.3%	17,300	0.3%	13.9%
Advances to suppliers	71,542	1.3%	58,178	1.1%	-18.7%
Prepaid expenses	3,777	0.1%	2,855	0.1%	-24.4%
Investments	210,644	3.9%	227,359	4.3%	7.9%
Property for investiment	210,644	3.9%	227,359	4.3%	7.9%
Property, plant and equipment	2,686,064	49.3%	2,716,763	51.7%	1.1%
Fixed assets in operation	2,638,106	48.4%	2,657,877	50.6%	0.7%
Constructions in progress	47,958	0.9%	58,886	1.1%	22.8%
Intangible assets	3,245	0.1%	8,708	0.2%	168.4%
Intangible assets	3,245	0.1%	8,708	0.2%	168.4%
Others	3,245	0.1%	8,708	0.2%	168.4%
Total Assests	**5,453,376**	**100.0%**	**5,251,898**	**100.0%**	**-3.7%**

EXHIBIT 3: BALANCE SHEET - LIABILITIES

(R$ thd)	2016	AV	2017	AV	AH
Current liabilities	**1,838,376**	**33.7%**	**1,581,767**	**30.1%**	**-14.0%**
Social and labor obligations	15,308	0.3%	17,667	0.3%	15.4%
Social charges	14,947	0.3%	17,323	0.3%	15.9%
Labor obligations	361	0.0%	344	0.0%	-4.7%
Suppliers	439,735	8.1%	213,993	4.1%	-51.3%
Domestic suppliers	439,735	8.1%	213,993	4.1%	-51.3%
Tax liabilities	7,995	0.1%	14,559	0.3%	82.1%
Federal tax liabilities	6,480	0.1%	12,836	0.2%	98.1%
Income and social contribution tax payable	4,626	0.1%	11,742	0.2%	153.8%
Taxes, fees and sundry contributions	1,854	0.0%	1,094	0.0%	-41.0%
State tax liabilities	1,370	0.0%	1,300	0.0%	-5.1%
Municipal tax liabilities	145	0.0%	423	0.0%	191.7%
Loans and financing	1,155,641	21.2%	838,167	16.0%	-27.5%
Loans and financing	1,155,641	21.2%	838,167	16.0%	-27.5%
In local currency	913,499	16.8%	697,932	13.3%	-23.6%
In foreign currency	242,142	4.4%	140,235	2.7%	-42.1%
Others	204,675	3.8%	458,951	8.7%	124.2%
Others	204,675	3.8%	458,951	8.7%	124.2%
Securities payable	81,813	1.5%	76,334	1.5%	-6.7%
Advances from clients	19,285	0.4%	130,769	2.5%	578.1%
Operations with derivatives	56,604	1.0%	24,164	0.5%	-57.3%
#N/D	7,112	0.1%	200,001	3.8%	n.m.
Lease	37,467	0.7%	21,728	0.4%	-42.0%
Other debits	2,394	0.0%	5,955	0.1%	148.7%
Provisions	15,022	0.3%	38,430	0.7%	155.8%
Tax, social security, labor and civil provisions	15,022	0.3%	38,100	0.7%	153.6%
Tax provisions	-	-	-	-	-
Social security and labor provisions	10,232	0.2%	18,619	0.4%	82.0%
Provisions to employee benefits	2,704	0.0%	17,387	0.3%	543.0%
Provision for labor contingencies	2,086	0.0%	2,094	0.0%	0.4%
Others provisions	-	-	330	0.0%	100.0%
Non-current liabilities	**986,114**	**18.1%**	**927,714**	**17.7%**	**-5.9%**
Loans and financing	745,604	13.7%	646,027	12.3%	-13.4%
Loans and financing	745,604	13.7%	646,027	12.3%	-13.4%
In local currency	468,580	8.6%	446,833	8.5%	-4.6%
In foreign currency	277,024	5.1%	199,194	3.8%	-28.1%
Other liabilities	24,425	0.4%	24,648	0.5%	0.9%
Securities payable	-	-	-	-	-
Operations with derivatives	24,346	0.4%	24,567	0.5%	0.9%
Other debits	79	0.0%	81	0.0%	2.5%
Deferred income and social contribution taxes	216,085	4.0%	257,039	4.9%	19.0%
Shareholders' equity	**2,628,886**	**48.2%**	**2,742,417**	**52.2%**	**4.3%**
Realized capital	947,522	17.4%	947,522	18.0%	0.0%
Capital reserves	80,984	1.5%	63,544	1.2%	-21.5%
Goodwill in the issue of shares	72,102	1.3%	67,991	1.3%	-5.7%
Options granted	39,534	0.7%	42,733	0.8%	8.1%
Treasury shares	(30,652)	-0.6%	(47,180)	-0.9%	53.9%
Profit reserves	292,744	5.4%	85,633	1.6%	-70.7%
Legal reserve	10,474	0.2%	10,474	0.2%	0.0%
Profit retention reserve	27,065	0.5%	27,065	0.5%	0.0%
Statutory reserve	248,093	4.5%	48,094	0.9%	-80.6%
Additional Proposed Dividend	7,112	0.1%	-	-	-100.0%
Retained Earnings/Losses	-	-	224,648	4.3%	100.0%
Other comprehensive income	1,129,785	20.7%	1,230,528	23.4%	8.9%
Interest of non-controlling shareholders	177,851	3.3%	190,542	3.6%	7.1%
Total Liabilities	**5,453,376**	**100.0%**	**5,251,898**	**100.0%**	**-3.7%**

EXHIBIT 4: INCOME STATEMENT FOR THE FISCAL YEAR

(R$ thd)	2Q16	2Q17	AH	9M16	9M17	AH
Net Revenue	**317,615**	**561,029**	**76.6%**	**1,030,010**	**1,493,079**	**45.0%**
Cotton lint	137,238	122,756	-10.6%	436,355	308,595	-29.3%
Cotton seed	49,515	54,590	10.2%	64,744	61,345	-5.2%
Soybean	25,502	173,587	580.7%	481,516	619,452	28.6%
Corn	87,704	74,970	-14.5%	105,931	90,142	-14.9%
Others	6,448	17,612	173.1%	20,615	19,631	-4.8%
Hedge revenue	17,104	16,072	-6.0%	(82,427)	53,161	-164.5%
Biological assets	(5,896)	101,442	n.m.	3,276	340,753	n.m.
Cost of goods sold	**(277,417)**	**(405,473)**	**46.2%**	**(988,348)**	**(983,095)**	**-0.5%**
Cotton lint	(122,062)	(68,987)	-43.5%	(336,248)	(205,265)	-39.0%
Cotton seed	(53,964)	(37,971)	-29.6%	(66,178)	(44,352)	-33.0%
Soybean	(35,857)	(141,234)	293.9%	(405,911)	(444,915)	9.6%
Corn	(67,096)	(70,876)	5.6%	(74,323)	(80,748)	8.6%
Others	(10,409)	(9,903)	-4.9%	(23,449)	(19,872)	-15.3%
Biological assets	11,971	(76,502)	n.m.	(82,239)	(187,943)	128.5%
Gross Income	**40,198**	**155,556**	**n.m.**	**41,662**	**509,984**	**n.m.**
Operating expenses/income	**(38,617)**	**(41,461)**	**7.4%**	**(115,246)**	**(110,670)**	**-4.0%**
Sales expenses	(23,607)	(19,674)	-16.7%	(62,553)	(48,892)	-21.8%
General and administrative expenses	(9,797)	(18,732)	91.2%	(35,298)	(51,229)	45.1%
General and administrative expenses	(10,042)	(10,828)	7.8%	(33,634)	(32,565)	-3.2%
Provision for profit share program	245	(7,904)	n.m.	(1,664)	(18,664)	n.m
Management compensation	(2,302)	(3,381)	46.9%	(10,668)	(10,648)	-0.2%
Other operating income (expenses)	(2,911)	326	n.m.	(6,727)	99	n.m
Income (loss) before financial income (loss) and taxes	**1,581**	**114,095**	**n.m.**	**(73,584)**	**399,314**	**n.m**
Financial income (loss)	**(40,689)**	**(16,063)**	**-60.5%**	**(88,077)**	**(60,489)**	**-31.3%**
Financial income	35,850	34,635	-3.4%	304,120	156,390	-48.6%
Financial expenses	(76,539)	(50,698)	-33.8%	(392,197)	(216,879)	-44.7%
Income (loss) before income tax	**(39,108)**	**98,032**	**n.m.**	**(161,661)**	**338,825**	**n.m.**
Income and social contribution taxes	**17,893**	**(27,532)**	**n.m.**	**63,254**	**(106,191)**	**n.m.**
Current	(6,403)	(10,248)	60.0%	(21,254)	(16,492)	-22.4%
Deffered	24,296	(17,284)	n,m,	84,508	(89,699)	n.m
Net Income (loss) for the period	**(21,215)**	**70,500**	**n.m.**	**(98,407)**	**232,634**	**n.m.**
Assigned to Members of the Parent Company	(17,219)	68,790	n.m.	(82,629)	220,094	n.m.
Attributed to Non-Controlling Partners	(3,996)	1,709	n.m.	(15,778)	12,539	n.m.

EXHIBIT 5: STATEMENT OF CASH FLOWS

(R$ thd)	3T16	3T17	AH	9M16	9M17	AH
Net cash from operational activities	**(35,644)**	**299,549**	**n.m.**	**(140,976)**	**107,593**	**n.m**
Cash generated in operations	**75,997**	**132,378**	**74.2%**	**85,846**	**417,462**	**386.3%**
Net income (loss) before income and social contribution taxes	(39,108)	98,032	n.m.	(161,661)	338,825	n.m
Depreciation and amortization	23,626	27,384	15.9%	77,084	65,103	-15.5%
Deprec. and amortization recorded in the income	23,626	27,384	15.9%	77,084	65,103	-15.5%
Income from write-off of permanent assets	2,727	340	-87.5%	2,938	2,630	-10.5%
Interest, foreign exchange variation and price-level restatement	93,224	22,744	-75.6%	81,750	140,463	71.8%
Share-based compensation	1,411	991	-29.8%	4,798	3,199	-33.3%
Variation in biological assets	(6,077)	(24,940)	310.4%	78,961	(152,810)	n.m
Provision (reversal) of inventory adjustments and onerous contracts	931	-	-100.0%	141	(496)	n.m
Provision (reversal) of profit sharing and labor contingencies	(737)	7,827	n.m	1,835	19,005	935.7%
Other ajusts	-	-	-	-	1,543	100.0%
Changes in assets and liabilities	**(111,641)**	**167,171**	**n.m**	**(226,822)**	**(309,869)**	**36.6%**
Trade accounts receivable	(67,461)	(39,822)		45,103	(37,267)	n.m
Inventories and biological assets	33,948	48,692	-41.0%	138,657	21,024	-84.8%
Recoverable taxes	4,709	(2,423)	n.m	12,592	(15,391)	n.m
Accounts receivable	-	-	-	4,837	565	-88.3%
Interest earnings bank deposits-pledged	(9,129)	71,609	n.m.	(108,181)	46,666	n.m.
Other accounts receivable	(1,968)	10,498	nm.	(10,738)	(4,837)	-55.0%
Advances to suppliers	-	10,950	100.0%	-	11,592	100.0%
Suppliers	65,702	53,312	-18.9%	(230,329)	(239,816)	4.1%
Taxes and social payables	(1,429)	1,656	n.m.	(2,776)	(13,045)	369.9%
Operations with derivatives	(49,639)	9,250	n.m.	119,211	(34,559)	n.m.
Securities payable	(2,708)	(3,846)	42.0%	(10,387)	(8,122)	-21.8%
Advances from clients	(43,235)	72,625	n.m.	(75,285)	111,485	n.m.
Lease	4,122	(13,735)	n.m.	(11,273)	(15,739)	39.6%
Other accounts payable	3,030	751	-75.2%	7,711	26,571	244.6%
Interest paid	(42,421)	(48,882)	15.2%	(93,291)	(152,250)	63.2%
Income tax and social contribution paid	(5,162)	(3,464)	-32.9%	(12,673)	(6,746)	-46.8%
Net cash used in investment activities	**(27,051)**	**(58,797)**	**117.4%**	**(48,854)**	**(98,317)**	**101.2%**
In Fixed assets	(26,292)	(57,551)	118.9%	(47,894)	(93,860)	96.0%
In Intangible assets	(759)	(1,246)	64.2%	(960)	(4,457)	364.3%
Net cash before cash used in investment activities	**(62,695)**	**240,752**	**n.m.**	**(189,830)**	**9,276**	**n.m.**
Net cash generated/(consumed) in financing activities	**161,024**	**(17,493)**	**n.m.**	**(22,925)**	**(400,921)**	**n.m.**
Sale (repurchase) of shares	80	(21,549)	nm.	622	(20,639)	n.m.
Loans and financing obtained	454,869	382,107	-16.0%	970,423	717,460	-26.1%
Loans and financing paid	(293,925)	(378,051)	28.6%	(935,769)	(1,083,520)	15.8%
Dividends paid	-	-	-	(58,201)	(14,222)	-75.6%
Increase (decrease) in cash and cash equivalents	**98,329**	**223,259**	**127.1%**	**(212,755)**	**(391,645)**	**84.1%**
Opening balance of cash and cash equivalents	**312,524**	**273,836**	-12.4%	**623,608**	**888,740**	42.5%
Closing balance of cash and cash equivalents	**410,853**	**497,095**	21.0%	**410,853**	**497,095**	21.0%

For A better understanding of our effective cash generation, we recommend the following adjustment:

Adjustment of the calculation of Net Cash before Financing Activities, excluding variations in the line Financial Investments, given our understanding that variations in this line do not impact effective cash generation.

(R$ thd)	3Q16	3Q17	AH	9M16	9M17	AH
Net cash before used in investment activities	**(62,695)**	**240,752**	**n.m.**	**(189,830)**	**9,276**	**n.m.**
Interest-earning bank deposits - Pledged	**(9,129)**	**71,609**	**n.m.**	**(108,181)**	**46,666**	**n.m.**
Net Cash before used in investment adjusted	**(53,566)**	**169,143**	**n.m.**	**(81,649)**	**(37,390)**	**-54.2%**

EXHIBIT 6: STATEMENT OF VALUE ADDED

(R$ thd)	3Q16	3Q17	AH	9M16	9M17	AH
Revenues	**708,277**	**1,160,908**	**63.9%**	**1.211.659**	**1,608,481**	**32.8%**
Sale of merchandise, products and services	767,715	866,493	12.9%	1,177,740	1,196,058	1.6%
Other income	(82,417)	236,685	n.m.	6,332	351,688	n.m.
Variation of the fair value of biological assets	(83,882)	231,363	n.m.	3,277	340,752	n.m.
Other income	1,465	5,322	263.3%	3,055	10,936	258.0%
Income from construction of own assets	22,979	57,730	151.2%	27,587	60,735	120.2%
Inputs acquired from third parties	**(506,468)**	**(609,788)**	**20.4%**	**(819.833)**	**(861,969)**	**5.1%**
Cost of goods, merchandise and services sold	(6,037)	(6,117)	1.3%	(10,513)	(12,813)	21.9%
Materials, Energy, Third-party services and other	(168,917)	(18,.778)	7.6%	(239,144)	(235,887)	-1.4%
Loss/recovery of asset values	774	(1)	n.m.	(141)	496	n.m
Others	(332,288)	(421,892)	27.0%	(570,035)	(613,765)	7.7%
Raw material used	(336,811)	(304,744)	-9.5%	(487,796)	(425,822)	-12.7%
Adjustment of fair value of biological assets	4,523	(117,148)	n.m	(82,239)	(187,943)	128.5%
Gross added value	**201,809**	**551,120**	**173.1%**	**391,826**	**746,512**	**90.5%**
Retentions	**(56,801)**	**(51,870)**	**-8.7%**	**(77,084)**	**(65,103)**	**-15.5%**
Depreciation, amortization and depletion	(56,801)	(51,870)	-8.7%	(77,084)	(65,103)	-15.5%
Net added value produced	**145,008**	**499,250**	**244.3%**	**314,742**	**681,409**	**116.5%**
Added value received as transfer	**154,410**	**44,647**	**-71.1%**	**307,026**	**166,068**	**-45.9%**
Equity income (loss)	-	-	-	-	-	-
Financial income	152,520	37,989	-75.1%	305,009	156,391	-48.7%
Others	1,890	6,658	n.m.	2,017	9,677	n.m.
Total added value payable	**299,418**	**543,897**	**81.7%**	**621,768**	**847,477**	**36.3%**
Distribution of added value	**299,418**	**543,897**	**81.7%**	**621,768**	**847,477**	**36.3%**
	106,028	**118,733**	**12.0%**	**151,963**	**158,344**	**4.2%**
Direct remuneration	70,889	69,490	-2.0%	98,352	92,485	-6.0%
Benefits	28,968	43,096	48.8%	45,013	57,743	28.3%
F,G,T,S,	6,171	6,147	-0.4%	8,598	8,116	-5.6%
	36,497	**145,203**	**397.8%**	**62,572**	**219,036**	**250.1%**
Federal	1,401	124,013	n.m.	18,867	189,730	n.m.
State	34,917	20,997	-39.9%	43,436	29,016	-33.2%
Municipal	179	193	7.8%	269	290	7.8%
	252,629	**131,267**	**-48.0%**	**505,640**	**237,463**	**-53.0%**
Interest	224,686	110,504	-50.8%	473,933	214,603	-54.7%
Rents	27,943	20,763	-25.7%	31,707	22,860	-27.9%
	(95,736)	**148,694**	**n.m**	**(98,407)**	**232,634**	**n.m**
Retained earnings/Loss for the period	(75,859)	145,356	n.m	(82,629)	220,094	n.m.
Dividends	-	-	-	-	-	-
Interest of non-controlling shareholders in retained earnings	(19,877)	3,338	n.m	(15,778)	12,540	n.m.

1 Operations

Established in 1977, SLC Agrícola S.A. hereinafter referred to as “Parent Company,” “SLC” or “Company,” and its subsidiaries (jointly referred to as the “Group” or “Consolidated”), is engaged in agricultural activities; the production and sale of seeds and saplings; the processing and trading of its products and authorized to export and import goods for its own use and consumption; the supply of primary agricultural goods and products and general merchandise; the rendering of inbound logistics, cleaning, drying and storage services for third-party cereals; the rendering to third parties of services involving agricultural machinery and equipment; the trading, import and export of agricultural products; industrial activities involving the processing of sugarcane, ethanol and its byproducts; and investments in other companies.

The Company is headquartered at Rua Bernardo Pires, 128, Porto Alegre, Rio Grande do Sul.

On September 1, 2017, the Company began its cultivation of the 2017/2018 crop with operations at 14 production units and a total planted area of 403,55 thousand hectares, including company-owned areas and areas leased from third parties, which are located in six Brazilian states: Mato Grosso, Mato Grosso do Sul, Goiás, Bahia, Piauí and Maranhão.

2 Summary of significant accounting practices

a) Basis of preparation and presentation of the individual and consolidated quarterly information

The individual and consolidated interim financial information for the quarter ended September 30, 2017 was prepared in accordance with CPC 21 (R1) - Interim Financial Statements and IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB) and presented in accordance with the standards established by the Securities and Exchange Commission of Brazil (CVM) applicable to the preparation of the Quarterly Information (ITR).

The individual and consolidated quarterly information was prepared by the Company to update the users on the relevant information presented in the period and should be analyzed together with the complete financial statements for the year ended December 31, 2016.

In preparing this quarterly information, the Company followed the same accounting policies and calculation methods as applied in the individual and consolidated financial statements as of December 31, 2016, and the Company adopted all standards, standards reviews and interpretations issued by the CPC and IASB, which were in force on September 30, 2017.

The Management of the Company declares that all relevant information applicable to these financial statements, and only such information, is being presented, and which corresponds to the information used by it in its management activities.

The issue of the separate and consolidated financial statements was authorized by the Executive Board on November 08, 2017.

2 Summary of significant accounting practices (Continued)

a) Basis of preparation and presentation of the individual and consolidated quarterly information (Continued)

Seasonality

The Company's financial information is subject to seasonal variations resulting from the harvest period, which occurs at different times throughout the year, depending on the location of the farms and the cultivated products, as detailed in note 7. In addition, climatic factors and restrictions financial markets may alter the working capital requirement over the period, as well as directly impact current levels of inventories, customer advances, loans, suppliers and sales volume.

b) Presentation of the notes to the Quarterly Information

To avoid redundancy in the presentation of the Interim Financial Information and for the purposes of Article 29 of CVM Instruction 480/09, the Company indicates below the number of notes disclosed in the separate and consolidated financial statements as of

December 31, 2016, and not repeated in full or part in this interim financial information: 3 - Accounting policies, 4 - Significant judgments, estimates and assumptions, 23 - Profit-sharing program, 25 - Government subsidies and assistance, and 26 - Insurance coverage.

c) Basis of measurement

The preparation of this separate Interim Information in accordance with Technical Pronouncement CPC 21(R1) and with Accounting Standard IAS 34 requires the use of certain accounting estimates by the management of the Company. The separate and consolidated Interim Information was prepared based on historical cost, except for the following material items recognized on the statements of financial position:

- Derivative instruments measured at fair value;
- Biological assets measured at fair value less selling expenses, from time of pre harvest;
- Investment properties measured at fair value less selling expenses;
- Share-based payment transactions.

d) Functional and reporting currency

This separate and consolidated quarterly information is being presented in Brazilian real, which is the functional currency of the Company. All financial information presented in Brazilian real has been rounded to the nearest thousandth, except where stated otherwise.

e) New accounting standards

New or revised standards first time adopted in 2017

The Company understands that the changes and revisions of standards issued by the IASB, effective as of January 1, 2017 did not produce significant impacts on its financial statements.

2. Summary of significant accounting practices (Continued)

e) New accounting standards (Continued)

New or revised standards that were not in force as of September 30, 2017

The standards and interpretations issued, but not yet adopted up to the date of issuance of the Company's interim financial information, are shown below. The Company intends to adopt these standards, if applicable when they come into effect.

Changes to IFRS 2 Classification and measurement of transactions with share-based payments (Effective from 01/01/2018)	The changes address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; The classification of a share-based payment transaction with liquidation characteristics by the net amount for obligations related to withholding taxes; And accounting when a change in the terms and conditions of an equity-based payment transaction changes its cash settlement classification for share liquidation.	The Company is evaluating the impact that these standards may have on its financial statements.
IFRS 9/ CPC 48 - Financial Instruments (Effective from 01/01/2018)	The standard introduces new requirements on classification and measurement, impairment loss and hedge accounting. Retrospective effect will be required, but comparative information is not mandatory.	
IFRS 15/ CPC 47 - Revenues from contracts with customers (Effective as of 01/01/2018)	The main objective is to provide clear principles for revenue recognition and to simplify the financial statement preparation process.	
IFRS 16 Leases (Effective from 01/01/2019)	The IASB issued IFRS 16, which defines the principles for recognition, measurement, presentation and disclosure of leases, replacing IAS 17 - Leases and related interpretations.	

There are no other standards and interpretations issued and not yet adopted that may, in management's opinion, have a significant impact on the results or equity disclosed by the Company.

3 Consolidated financial statements

The consolidated financial statements include the operations of the Company and of the following subsidiaries, whose equity interest as of the reporting date is as follows:

		Subsidiaries		
Main activity	**Companies**	**Directs %**	**Indirects %**	**Location (State)**
Culture of soybean and corn.	Fazenda Pioneira Empreendimentos Agrícolas S.A.	50.0	-	Mato Grasso - MT
Culture of cotton and soybean.	SLC-MIT Empreendimentos Agrícolas S.A.	50.1	-	Rio Grande do Sul - RS
Culture of soybean and corn.	Fazenda Perdizes Empreedimentos Agrícolas Ltda.	-	50.1	Mato Grasso - MT
Investments in other companies or commercial ventures and leasing.	SLC Investimentos Agrícolas Ltda	100.0	-	Rio Grande do Sul - RS
Purchasing and sale, lease, construction and managing of real estate	Fazenda Parnaíba Empreendimentos Agrícolas Ltda.	100.0	-	Maranhão - MA
	Fazenda Planorte Empreendimentos Agrícolas Ltda.	100.0	-	Mato Grosso - MT
	Fazenda Pamplona Empreendimentos Agrícolas Ltda	100.0	-	Mato Grosso - MT
	Fazenda Planalto Empreendimentos Agrícolas Ltda.	100.0	-	Mato Grosso - MT
	Fazenda Palmares Empreendimentos Agrícolas Ltda	100.0	-	Mato Grosso - MT
	Fazenda Parnaguá Empreendimentos Agrícolas Ltda.	100.0	-	Mato Grosso - MT
	SLC Paiaguas Empreendimentos Agrícolas S.A.	100.0	-	Mato Grosso - MT
	SLC Perdizes Empreendimentos Agrícolas S.A.	100.0	-	Mato Grosso - MT
	SLC LandCo Empreendimentos Agrícolas S.A.	-	81.2	Rio Grande do Sul - RS
	Fazenda Planeste Empreendimentos Agrícolas Ltda.	-	81.2	Rio Grande do Sul - RS
	Fazenda Piratini Empreendimentos Agrícolas Ltda	-	81.2	Rio Grande do Sul - RS
	Fazenda Panorama Empreendimentos Agrícolas Ltda.	-	81.2	Rio Grande do Sul - RS
	Catuaí Norte Participações S.A.	-	81.2	Rio Grande do Sul - RS
	SOPER Agrícola Ltda	-	81.2	Rio Grande do Sul - RS
	Fazenda Parceiro Empreendimentos Agrícolas Ltda.	-	100.0	Rio Grande do Sul - RS
	Fazenda Paineira Empreendimentos Agrícolas Ltda.	6.1	93.9	Rio Grande do Sul - RS

Subsidiaries' annual information period included in consolidation is the same of the parent company, and accounting policies were applied uniformly in consolidated companies and are consistent with those used in prior year.

4 Cash and cash equivalents and short-term interest earning bank deposits

Description	Yields	Parent company		Consolidated	
		09/30/2017	12/31/2016	09/30/2017	12/31/2016
Cash and cash equivalents	-	**266**	419	**368**	494
CDB-DI	99.97% of CDI*	**251,757**	205,563	**331,098**	232,070
Repurchase and resale agreements	99.20% of CDI*	**106,721**	684,278	**146,963**	824,872
LAM	98.74% of CDI*	**118,114**	-	**142,773**	-
Other investments	60.23 % of CDI*	**4,992**	5,953	**4,992**	7,070
		481,850	896,213	**626,194**	1,064,506
Cash and cash equivalents		**371,425**	767,009	**497,095**	888,740
Short-term interest earning bank deposits		**110,425**	129,204	**129,099**	175,766

(*) Average yield on September 30, 2017.

Financial investments are represented by investments in bank certificates of deposit, repurchase and resale agreements (bonds) and LAM (nominal or floating rate fixed bond), at market prices and rates, restated by the income earned to September 30, 2017, not exceeding the trading amount.

Short-term interest earning bank deposits comprise bank certificates of deposit, repurchase and resale agreements and LAM (nominal or floating rate fixed bond), with terms of over 90 days and a grace period for redemption in September 2017, premium saving bonds and bank certificates of deposits with terms of under 365 days that are linked to the reciprocity of maintaining balances to offset the release of loans.

The Group’s exposure to interest risk and a sensitivity analysis of financial assets and liabilities are disclosed in Note 20.

5 Trade accounts receivable

	Parent Company		Consolidated	
	09/30/2017	12/31/2016	09/30/2017	12/31/2016
Domestic market	**43,271**	38,026	**57,183**	39,889
Foreign market	**49,618**	33,503	**53,476**	33,503
Total	**92,889**	71,529	**110,659**	73,392

At September 30, 2017 and December 31, 2016, the Company and its subsidiaries did not hold any trade notes whose performance was considered uncertain and that were overdue. Therefore, it did not recognize an allowance for doubtful accounts.

The group's exposure to credit and currency risk related to trade accounts receivable is disclosed in note 20.

6 Inventories

	Parent company		Consolidated	
	09/30/2017	**12/31/2016**	**09/30/2017**	**12/31/2016**
Agricultural products	**736,097**	175,057	**795,225**	165,276
Seeds, composts, fertilizers and pesticides	**136,464**	245,756	**173,567**	289,717
Packages and containerization material	**6,707**	5,117	**7,590**	5,544
Spare parts	**5,451**	7,287	**6,354**	8,200
Advances to suppliers	**2,883**	4,248	**3,425**	5,672
Other inventories	**9,399**	11,062	**11,731**	12,512
Provisions for inventory adjustment	**-**	(496)	**-**	(496)
	897,001	448,031	**997,892**	486,425

On September 30, 2017, the Company did not record a provision for adjustment to market value of agricultural products.

7 Biological assets

	Parent Company				
	Soybean	**Cotton**	**Corn**	**Other crops**	**Total**
Balances at december 31, 2016	282,524	147,786	30,685	9,218	470,213
Expenditures with planting	**249,416**	**454,106**	**88,599**	**18,949**	**811,070**
Variation of the fair value	**87,608**	**221,277**	**(2,754)**	**2,942**	**309,073**
Harvest of the agricultural product	**(560,843)**	**(771,296)**	**(102,530)**	**(26,757)**	**(1,461,426)**
Balances at september 30, 2017	**58,705**	**51,873**	**14,000**	**4,352**	**128,930**

	Consolidated				
	Soybean	Cotton	Corn	Other crops	Total
Balances at december 31, 2016	330,231	148,702	32,904	9,337	521,174
Expenditures with planting	**325,847**	**482,218**	**120,036**	**20,011**	**948,112**
Variation of the fair value	**105,193**	**248,831**	**(16,213)**	**2,942**	**340,753**
Harvest of the agricultural product	**(691,262)**	**(825,341)**	**(120,010)**	**(26,621)**	**(1,663,234)**
Balances at september 30, 2017	**70,009**	**54,410**	**16,717**	**5,669**	**146,805**

The balances of growing plants are mostly represented by the expenses incurred with the growing of crops, such as: seeds, fertilizers, pesticides, depreciation and labor involved in cultivation.

For the determination of the fair value of biological assets, the Company adopts the observable price evaluation technique ("Level 2").

7 Biological assets (Continued)

Soybean, corn and cotton are typically cultivated in the following periods:

		Crops		
Unit	**Location**	**Soybean**	**Cotton**	**Corn**
Pamplona Farm	Cristalina-GO	October 15 to April 15	November 05 a August 30	October 15 a July 15
Planalto Farm	Costa Rica-MS	September 20 to March 25	December 05 a August 30	January 25 a July 10
Planorte Farm	Sapezal-MT	September 20 to March 15	December 15 a August 30	January 15 a July 10
Paiaguás Farm	Diamantino-MT	September 20 to March 15	December 10 a August 30	January 15 a July 15
Perdizes Farm	Porto dos Gaúchos - MT	September 20 to March 15	December 20 a August 30	January 25 a July 10
Pioneira Farm	Querência - MT	October 15 to March 25	Does not plant	January 25 a July 15
Panorama Farm	Correntina-BA	October 15 to April 30	November 20 a August 30	Does not plant
Paladino Farm	São Desidério - BA	October 15 to April 30	November 20 a August 30	Does not plant
Piratini Farm	Jaborandi-BA	October 25 to April 30	November 20 a August 30	October 25 a May 15
Palmares Farm	Barreiras-BA	October 15 to April 30	November 20 a August 30	October 15 a July 15
Parceiro Farm	Formosa do Rio Preto - BA	October 15 to April 30	Does not plant	Does not plant
Parnaíba Farm	Tasso Fragoso-MA	October 15 to April 15	December 15 a August 30	December 01 a July 15
Planeste Farm	Balsas-MA	October 15 to April 15	December 20 a August 30	December 01 a July 15
Parnaguá Farm	Santa Filomena-PI	November 01 to April 15	Does not plant	Does not plant

The planted areas projected for the 2017/18 crop year are as follows:

Crops	**Area**	**Planted 2017/18**	**Planted 2016/17**
Cotton	ha	93,589	87,440
Soybean	ha	230,363	230,127
Corn	ha	77,465	71,790
Other Crops [1]	ha	2,113	4,185
		403,530	**393,542**

[1] Other crops include wheat, corn seed, corn 1st harvest, sorghum, sunflower and sugarcane.

8 Recoverable taxes

	Parent Company		**Consolidated**	
	09/30/2017	**12/31/2016**	**09/30/2017**	**12/31/2016**
Income tax	**18,477**	9,320	**20,428**	11,422
Social contribution	**185**	1,450	**505**	1,513
ICMS	**51,836**	47,242	**69,850**	61,268
COFINS	**13,366**	12,822	**27,270**	27,239
PIS	**3,759**	4,791	**6,870**	7,794
IRRF recoverable	**9,778**	10,349	**12,180**	12,688
Other	**487**	57	**851**	637
	97,888	86,031	**137,954**	122,561
Portion classified in current assets	**65,054**	51,224	**84,712**	66,727
Portion classified in noncurrent assets	**32,834**	34,807	**53,242**	55,834

8 Recoverable taxes (Continued)

Income and social contribution taxes

Corresponds to prepayments of income and social contribution taxes to be realized by the offsetting of federal taxes and contributions.

ICMS, PIS and COFINS to offset/recover

These items refer to credits generated in the normal course of operations of the Company and its subsidiaries and may be offset with taxes of the same type.

The estimate of the realization of taxes levied on sales (ICMS, PIS and COFINS) is evaluated by management based on the projections for the sale of agricultural products, the sale of ICMS credits to other parties and the refund or offsetting of PIS and COFINS taxes with other taxes generated by the Group's operations. The estimated realization periods of these assets are described below:

	Parent Company			Consolidated		
Year of Maturity	**ICMS**	**COFINS**	**PIS**	**ICMS**	**COFINS**	**PIS**
2017	4,580	10,167	3,157	4,720	18,023	4,894
2018	19,401	3,199	602	21,300	9,247	1,976
2019	19,200	-	-	20,872	-	-
2020	8,655	-	-	22,958	-	-
	51,836	**13,366**	**3,759**	**69,850**	**27,270**	**6,870**

Income tax withheld at source recoverable

Corresponds to the income tax withheld at source levied on short-term financial investments. These credits are realizable by offsetting against federal taxes and contributions.

9 Investments (Parent Company)

The relevant investments in subsidiaries, which were valued using the equity method, are shown in the following table:

Investiment	Capital Stock	Shareholders' equity	Unrealized gain in Equity	Net income (Loss) for the period	Unrealized profit for the period income	Quantity of shares/ quotas for the period	Percentage of interest	Equity in income of subsidiaries and associated companies	Equity participation
Fazenda Parnaíba Emp. Agr. Ltda.	20,488	216,749	(8,637)	4,465	(8,025)	20,488	100.00%	(3,560)	208,112
Fazenda Planorte Emp. Agr. Ltda.	57,050	183,035	(6,200)	4,315	(1,819)	57,050	100.00%	2,496	176,835
Fazenda Pioneira Emp. Agr. S.A.	91,672	63,118	-	1,426	-	45,836	50.00%	713	31,559
SLC-MIT Emp. Agr. S.A	109,934	108,749	(180)	18,668	(89)	55,077	50.10%	9,308	54,393
SLC Invest. Agrícolas Ltda.	272,534	689,448	(4,486)	13,072	8,691	272,534	100.00%	21,763	684,962
Fazenda Pamplona Emp. Agr. Ltda.	31,766	160,151	(3,588)	4,096	(995)	31,766	100.00%	3,101	156,563
Fazenda Planalto Emp. Agr. Ltda.	9,137	224,476	(5,743)	6,060	642	9,137	100.00%	6,702	218,733
Fazenda Palmares Emp. Agr. Ltda.	109,800	177,041	(4,391)	5,783	(979)	109,800	100.00%	4,804	172,650
Fazenda Parnaguá Emp. Agr. Ltda.	29,211	45,142	(111)	1,030	204	29,211	100.00%	1,234	45,031
Fazenda Paineira Emp. Agr. Ltda.	73,985	118,949	-	1,200	-	4,500	6.082%	73	7,234
SLC Paiaguás Emp. Agr. Ltda.	20,347	241,407	(5,692)	8,444	1,806	20,347	100.00%	10,250	235,715
SLC Perdizes Emp. Agr. Ltda.	71,263	80,399	(2,078)	2,313	593	71,263	100.00%	2,906	78,321
								59,790	**2,070,108**

9 Investments (Parent Company) (Continued)

The main movements in investments in direct permanent equity interests, as at September 30, 2017, are as follows:

					Other comprehensive income				
Investment	**Balance at 12/31/16**	**Capital integralization**	**Distributed dividends**	**Equity accounting**	**Unrealized gain/(loss) with hedge instruments**	**Change in the taxation criterion on fixed assets (deferred taxes) - Note 15**	**Adjustment to fair value attributed to investment property**	**Other adjustments**	**Balance at 09/30/17**
Fazenda Parnaíba Emp. Agr. Ltda.	167,574	-	(12,000)	(3,560)	-	55,601	-	495	208,110
Fazenda Planorte Emp. Agr. Ltda.	184,138	-	(9,800)	2,496	-	-	-	-	176,834
Fazenda Pioneira Emp. Agr. S.A. [1]	31,459	-	-	713	(614)	-	-	-	31,558
SLC-MIT Emp. Agr. S.A.[1]	44,319	-	-	9,308	767	-	-	-	54,394
SLC Invest. Agrícolas Ltda.	661,361	2,338	(500)	21,763	-	-	-	-	684,962
Fazenda Pamplona Emp. Agr. Ltda.	160,776	-	(7,310)	3,101	-	-	-	-	156,567
Fazenda Planalto Emp. Agr. Ltda.	223,430	-	(11,400)	6,702	-	-	-	-	218,732
Fazenda Palmares Emp. Agr. Ltda.	158,393	-	(6,500)	4,804	-	-	15,953	-	172,650
Fazenda Parnaguá Emp. Agr. Ltda.	43,797	-	-	1,234	-	-	-	-	45,031
Fazenda Paineira Emp. Agr. Ltda.	7,162	-	-	73	-	-	-	-	7,235
SLC Paiaguás Emp. Agr. Ltda.	241,015	-	(15,550)	10,250	-	-	-	-	235,715
SLC Perdizes Emp. Agr. Ltda.	75,414	-	-	2,906	-	-	-	-	78,320
Total	1,998,838	2,338	(63,060)	59,790	153	55,601	15,953	495	2,070,108

[1] The Company controls Fazenda Pioneira Empreendimentos Agrícolas S.A. and SLC-MIT Empreendimentos Agrícolas S.A. because it is responsible for managing the relevant activities of these companies and is exposed to variable returns on investment due to its influence over them.

Key information on permanent investments in equity interests as at September 30, 2017 is presented below:

	Directly and indirectly controlled						
Investments	Current Assets	Noncurrent Assets	Current Liabilities	Noncurrent Liabilities	Equity	Income	Expenses
Fazenda Planorte Emp. Agr. Ltda.	112	229,673	1,530	45,220	183,035	8,735	4,420
Fazenda Pioneira Emp. Agr. S.A.	69,537	129,967	110,686	25,700	63,118	73,876	72,450
SLC-MIT Emp. Agr. S.A.	168,711	100,576	135,058	25,480	108,749	137,146	118,478
SLC Investimentos Agricolas Ltda	229	704,781	11,580	3,982	689,448	13,486	414
Fazenda Pamplona Emp. Agr. Ltda	108	165,451	848	4,560	160,151	5,318	1,222
Fazenda Planalto Emp. Agr. Ltda.	316	232,924	1,658	7,106	224,476	8,144	2,084
Fazenda Palmares Emp. Agr. Ltda	1,164	178,857	788	2,192	177,041	7,060	1,277
Fazenda Parnaguá Emp. Agr. Ltda.	124	50,533	2,552	2,963	45,142	2,000	970
Fazenda Parnaíba Emp. Agr. Ltda.	72	226,814	1,022	9,115	216,749	9,163	4,698
SLC Paiaguás Emp. Agrícolas S.A.	285	250,723	2,034	7,567	241,407	10,885	2,441
SLC Perdizes Emp. Agrícolas S.A.	18,896	88,828	27,277	48	80,399	5,729	3,416
SLC LandCo Emp. Agrícolas S.A.	74,770	520,069	36,354	-	558,485	18,770	5,146
Fazenda Planeste Emp. Agr. Ltda.	8,691	133,609	41	3,439	138,820	7,275	1,806
Fazenda Piratini Emp. Agr. Ltda	2,395	115,583	18	2,029	115,931	3,192	796
Fazenda Panorama Emp. Ag. Ltda.	8,136	114,746	23	1,862	120,997	5,342	1,485
Catuaí Norte Participações S.A.	9	2,457	21	-	2,445	106	50
SOPER Agrícola Ltda	390	2,063	2	-	2,451	150	45
Fazenda Parceiro Emp. Agr. Ltda.	9	117,511	74	12	117,434	786	327
Fazenda Paineira Emp. Agr. Ltda.	4,234	120,907	4,694	1,498	118,949	1,595	395

10 Property, plant and equipment

	Parent Company					
Cost of the gross fixed assets	**Balance at 01/01/2017**	**Acquisitions**	**Write-offs**	**Transfers**	**Reclassification**	**Balance at 09/30/2017**
Soil correction and development	334,343	**17,944**	**(39)**	**-**	**-**	**352,248**
Buildings and improvements	133,110	**226**	**(37)**	**16,519**	**-**	**149,818**
Agricultural equipment and industrial facilities	601,283	**31,223**	**(13,247)**	**5,319**	**(2,350)**	**622,228**
Vehicles	32,254	**1,954**	**(756)**	**14**	**(270)**	**33,196**
Furniture and fixtures	12,424	**384**	**(270)**	**436**	**-**	**12,974**
Equipment and facilities at the office	10,353	**935**	**(132)**	**-**	**-**	**11,156**
Other	2,070	**128**	**(185)**	**-**	**-**	**2,013**
Work in process	36,960	**33,693**	**(84)**	**(22,288)**	**-**	**48,281**
Plants carrier	4,239	**-**	**0**	**-**	**-**	**4,239**
Total	1,167,036	**86,487**	**(14,750)**	**-**	**(2,620)**	**1,236,153**

Depreciation	**Balance at 01/01/2017**	**Depreciation**	**Write-offs**	**Transfers**	**Reclassificação**	**Balance at 09/30/2017**
Soil correction and development	240,637	**13,101**	**-**	**-**	**-**	**253,738**
Buildings and improvements	24,646	**3,667**	**-**	**-**	**-**	**28,313**
Agricultural equipment and industrial facilities	309,297	**31,378**	**(10,101)**	**-**	**-**	**330,574**
Vehicles	14,791	**1,628**	**(966)**	**-**	**-**	**15,453**
Furniture and fixtures	5,237	**609**	**(134)**	**-**	**-**	**5,712**
Equipment and facilities at the office	6,819	**1,011**	**(212)**	**-**	**-**	**7,618**
Plants carrier	2,119	**-**	**1,061**	**-**	**-**	**3,180**
Total	603,546	**51,394**	**(10,352)**	**-**	**-**	**644,588**

Net residual value	**01/01/2017**	**09/30/2017**
Soil correction and development	93,706	**98,510**
Buildings and improvements	108,464	**121,505**
Agricultural equipment and industrial facilities	291,985	**291,654**
Vehicles	17,464	**17,743**
Furniture and fixtures	7,187	**7,262**
Equipment and facilities at the office	3,534	**3,538**
Other	2,070	**2,013**
Work in process	36,960	**48,281**
Plants carrier	2,120	**1,059**
Total	563,490	**591,565**

10 Property, plant and equipment (Continued)

	Consolidated					
Cost of the gross fixed assets	**Balance at 01/01/2017**	**Acquisitions**	**Write-offs**	**Transfers**	**Reclassifications**	**Balance at 09/30/2017**
Crop lands	1,820,821	**4,385**	**-**	**-**	**-**	**1,825,206**
Soil correction and development	520,035	**25,130**	**(68)**	**-**	**-**	**545,097**
Buildings and improvements	287,893	**969**	**(36)**	**20,570**	**182**	**309,578**
Agricultural equipment and industrial facilities	688,931	**35,110**	**(13,140)**	**5,319**	**(2,350)**	**713,870**
Vehicles	39,008	**2,479**	**(755)**	**14**	**(270)**	**40,476**
Furniture and fixtures	14,163	**438**	**(367)**	**436**	**-**	**14,670**
Equipment and facilities at the office	15,447	**1,106**	**(254)**	**-**	**-**	**16,299**
Other	5,700	**151**	**(104)**	**-**	**-**	**5,747**
Work in process	48,139	**37,356**	**(88)**	**(26,339)**	**(182)**	**58,886**
Plants carrier	4,239	**-**	**-**	**-**	**-**	**4,239**
Total	3,444,376	**107,124**	**(14,812)**	**-**	**(2,620)**	**3,534,068**

Depreciation	**Balance at 01/01/2017**	**Depreciation**	**Write-offs**	**Transfers**	**Reclassifications (*)**	**Balance at 09/30/2017**
Soil correction and development	334,991	**21,353**	**-**	**-**	**-**	**356,344**
Buildings and improvements	63,242	**7,245**	**-**	**-**	**-**	**70,487**
Agricultural equipment and industrial facilities	326,641	**37,023**	**(10,202)**	**-**	**-**	**353,462**
Vehicles	17,577	**1,844**	**(865)**	**-**	**-**	**18,556**
Furniture and fixtures	5,540	**721**	**(174)**	**-**	**-**	**6,087**
Equipment and facilities at the office	7,894	**1,228**	**(241)**	**-**	**-**	**8,881**
Other	308	**-**	**-**	**-**	**-**	**308**
Plants carrier	2,119	**0**	**1,061**	**-**	**-**	**3,180**
Total	758,312	**69,414**	**(10,421)**	**-**	**-**	**817,305**

Net residual value	**01/01/2017**	**09/30/2017**
Crop lands	1,820,821	**1,825,206**
Soil correction and development	185,044	**188,753**
Buildings and improvements	224,651	**239,091**
Agricultural equipment and industrial facilities	362,290	**360,404**
Vehicles	21,431	**21,920**
Furniture and fixtures	8,623	**8,589**
Equipment and facilities at the office	7,553	**7,416**
Other	5,392	**5,439**
Work in process	48,139	**58,886**
Plants carrier	2,120	**1,059**
Total	2,686,064	**2,716,763**

10 Property, plant and equipment (Continued)

As at September 30, 2017, construction in progress was substantially represented by the construction of roads, warehouses, housing, infrastructure and other improvements in the amount of R$ 26,964. The constructions and improvements in the grain storage unit in the Paladino, Pamplona and Paiaguás farms represent R$ 14,059. Buildings and improvements in cotton plantations Planeste, Pamplona, Panorama and Paiaguás represent R$ 4,672. The amount of interest that was capitalized to works in progress in the 09-month period ended September 30, 2017 was R$ 2,583. The capitalization rate used in determining the amount of eligible borrowing costs to capitalization was approximately 9.36% a.a.

There was a reclassification to plant and equipment of agricultural equipment and implements and vehicles for the account of assets available for sale in the amount of R$ 2,620, as well as the reclassification of the work in progress account to the account of buildings and improvements in the value of R$ 182.

As at September 30, 2017, property, plant and equipment was pledged to secure bank loans and lawsuits in the amount of R$ 525,083 (R$ 533,604 on December 31, 2016).

Transfer of property, plant and equipment to investment property

When property use changes from owner-occupied to investment property, the property is remeasured to its fair value and reclassified as investment property. Any gain resulting from this remeasurement is recognized in profit or loss to the extent that the gain reverses an earlier impairment loss on the specific property, and any remaining gain is recognized as other comprehensive income and presented in the equity valuation adjustments account. Any loss is recognized immediately in the income statement.

In the period ended September 30, 2017 there were no transfers from property, plant and equipment to investment property.

11 Investment property

	Balance on 12/31/2016	Addictions	Fair value adjustments	Balance on 09/30/2017
Crop lands	109,528	**-**	**-**	**109,528**
Buildings and improvements	2,015	**-**	**-**	**2,015**
Soil correction and development	10,783	**254**	**-**	**11,037**
Gain on fair value	88,318	**-**	**16,461**	**104,779**
Total	210,644	**254**	**16,461**	**227,359**
Fair value adjustments - equity	-	**-**	**16,461**	**-**

11 Investment property (Continued)

Investment properties include cultivation land and its infrastructure that are leased to third parties.

Investment properties are recorded at fair value, which was determined based on valuations performed by independent appraisers on November 30, 2016.

The fair value of the properties was determined by the direct comparative method of market data, which consists of determining the market value of a good through comparison with similar ones, through its selling prices, in view of their similar characteristics. In this method, adjustments are made through the use of factors that seek to correct eventual differences between the assets available in the market and the object of the valuation. In order to determine the fair value of investment properties, the Company adopts the observable price evaluation technique ("Level 2").

The Company annually evaluates the fair value of assets recorded as investment properties.

At March 31, 2017, the Company recorded R$ 16,461 (R$ 15,953, net from the tax effect) related to the fair value of investment property in the same subsisdiary.

Revenue from property rental for investment

Income from rental of investment property is recognized in the statement of income by the straight-line method over the term of the lease. Lease incentives granted are recognized as an integral part of the total rent revenue, over the lease term. Revenue from rental of other properties is recognized as operating income.

12 Related-party balances and transactions

As at September 30, 2017 and December 31, 2016, related party balances and transactions were as follows:

a) Related-party balances

Balances receivable from related parties:

	Other accounts receivable	
	09/30/2017	**12/31/2016**
Direct subsidiaries		
Fazenda Planorte Empr. Agr. Ltda	**507**	-
Fazenda Parnaíba Empr. Agr. Ltda	**7**	-
Fazenda Perdizes Empr. Agr. Ltda	**931**	179
SLC Investimentos Agricolas Ltda	**7**	5
Fazenda Pioneira Empr. Agr. S.A	**171**	2
SLC - MIT Empr. Agr. S.A	**82**	-
Fazenda Pamplona Empr. Agr. Ltda	**13**	5
Fazenda Planalto Empr. Agr. Ltda	**7**	5
Fazenda Parnaguá Empr. Agr. Ltda	**553**	823
Fazenda Palmares Empr. Agr. Ltda	**7**	5
SLC Paiaguas Empr. Agr. Ltda	**13**	5
SLC Perdizes Empr. Agr. Ltda	**7**	5
Indirect subsidiaries		
Fazenda Piratini Empr. Agr. Ltda	**-**	1,884
SLC LandCo Emp. Agr. S.A.	**18**	44
Fazenda Paineira Empr. Agr. Ltda	**5,173**	5,172
Fazenda Parceiro Empr. Agr. Ltda	**7**	5
Parent company		
Other related parties	**27**	3
Total	**7,530**	8,142

12. Related-party balances and transactions (Continued)

a) Related-party balances (Continued)

Balances payable to related parties:

	Leases payable		Other accounts payable		Total payable	
	09/30/2017	12/31/2016	09/30/2017	12/31/2016	09/30/2017	12/31/2016
Direct subsidiaries						
Fazenda Parnaíba Empr. Agr. Ltda	**701**	3,921	**-**	-	**701**	3,921
Fazenda Planorte Empr. Agr. Ltda	**1,051**	4,331	**-**	-	**1,051**	4,331
Fazenda Pamplona Empr. Agr. Ltda	**714**	2,637	**-**	-	**714**	2,637
Fazenda Planalto Empr. Agr. Ltda	**205**	4,306	**-**	-	**205**	4,306
Fazenda Palmares Empr. Agr. Ltda	**667**	1,255	**-**	-	**667**	1,255
Fazenda Parceiro Empr. Agr. Ltda	**115**	71	**-**	-	**115**	71
SLC Paiaguas Empr. Agr. Ltda	**818**	6,001	**-**	-	**818**	6,001
Indirect subsidiaries			**-**	-		
Fazenda Planeste Empr. Agr. Ltda	**731**	2,952	**-**	-	**731**	2,952
Fazenda Panorama Empr. Agr. Ltda	**523**	2,114	**-**	-	**523**	2,114
Fazenda Piratini Empr. Agr. Ltda	**332**	1,352	**-**	-	**332**	1,352
Fazenda Perdizes Empr.Agr.Ltda	**-**	-	**-**	-	**-**	-
SLC - MIT Empr. Agr. S.A	**-**	-	**171**	466	**171**	466
Soper Agricola S.A.	**14**	56	**-**	-	**14**	56
SLC Landco Empr. Agr. Ltda	**-**	105	**-**	-	**-**	105
Subsidiaries						
SLC Participações S.A.	**-**	-	**121**	863	**121**	863
Other related parties						
SLC Alimentos S.A.	**-**	-	**29**	33	**29**	33
Other related parties	**-**	-	**-**	54	**-**	54
Total	**5,871**	29,101	**321**	1,416	**6,192**	30,517

SLC Participações S.A. is the final controlling shareholder of the Company. There are no relevant transactions with the controlling shareholder, except for the payment of dividends.

12 Related-party balances and transactions (Continued)

b) Related-party transactions

	Sales of goods/products/property, plant and equipment	Lease costs	Purchases of goods/products / Corporate TI	Finance income - Interest and monetary variation	Financial expenses - Warranty Fee
Fazenda Planorte Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**8,723**	**-**	**-**	**-**
Balance at 09/30/2016	140	1,324	13	1,460	-
Fazenda Parnaíba Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**9,143**	**-**	**-**	**-**
Balance at 09/30/2016	-	15,472	-	-	-
Fazenda Paiaguás Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**10,766**	**-**	**-**	**-**
Fazenda Parnagua Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**963**	**-**	**-**	**-**
Balance at 09/30/2016	-	519	-	-	-
Fazenda Perdizes Empr. Agr. Ltda					
Balance at 09/30/2017	**3,000**	**-**	**68**	**-**	**-**
Balance at 09/30/2016	4,315	-	132	-	-
Fazenda Pamplona Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**5,268**	**-**	**-**	**-**
Balance at 09/30/2016	-	6,638	-	-	-
Fazenda Planalto Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**8,062**	**-**	**-**	**-**
Balance at 09/30/2016	-	10,414	-	-	-
SLC Paiaguás Empr. Agr. Ltda					
Balance at 09/30/2016	-	16,071	-	-	-
Fazenda Palmares Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**6,007**	**-**	**-**	**-**
Balance at 09/30/2016	-	7,022	-	-	-
SLC Perdizes Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**4,273**	**-**	**-**	**-**
Balance at 09/30/2016	-	5,562	-	-	-
Fazenda Panorama Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**4,730**	**-**	**-**	**-**
Balance at 09/30/2016	-	4,594	-	-	-
Fazenda Planeste Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**6,605**	**-**	**-**	**-**
Balance at 09/30/2016	-	6,317	-	-	-
Fazenda Piratini Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**3,024**	**-**	**-**	**-**
Balance at 09/30/2016	160	2,730	-	-	-
Fazenda Parceiro Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**812**	**-**	**-**	**-**
Balance at 09/30/2016	-	868	-	-	-

12 Related-party balances and transactions (Continued)

b) Related party transactions (Continued)

	Sales of goods/products/property, plant and equipment	Lease costs	Purchases of goods/products / Corporate TI	Finance income - Interest and monetary variation	Financial expenses - Warranty Fee
Fazenda Pioneira Empr. Agr. Ltda					
Balance at 09/30/2017	**1,798**	**-**	**520**	**-**	**-**
Balance at 09/30/2016	1,352	-	-	-	-
SLC-MIT Empr. Agr. Ltda					
Balance at 09/30/2017	**3,679**	**-**	**1,528**	**-**	**-**
Balance at 09/30/2016	2,930	-	786	-	-
SLC Landco Empr. Agr. Ltda					
Balance at 09/30/2017	**-**	**1,826**	**-**	**-**	**-**
Balance at 09/30/2016	-	493	-	-	-
SOPER Agricola S.A					
Balance at 09/30/2017	**-**	**112**	**-**	**-**	**-**
Balance at 09/30/2016	-	120	-	-	-
Other company					
Balance at 09/30/2017	**-**	**-**	**1,713**	**-**	**538**
Balance at 09/30/2016	-	-	321	-	-
Total					
Balance at 06/30/2017	**8,477**	**70,314**	**3,829**	**-**	**538**
Balance at 09/30/2016	8,897	78,144	1,252	1,460	-

c) Lease agreements payable

The purpose of rural lease agreements is the delivery of land, facilities and other assets by the lessor to the lessee so that the latter may commercially explore agricultural activities, such as the cultivation of cotton, soybean, corn and other crops, in exchange for consideration in the form of a lease price.

On January 2, 2011, the rural lease agreement entered into with the subsidiary SLC Empreendimentos e Agricultura Ltda and its subsidiaries came into force. As a result of the spin-off carried out on January 2, 2014, the rights and obligations were transferred to the new companies incorporated, namely: Fazenda Parnaguá Empreendimentos Agrícolas Ltda., Fazenda Pamplona Empreendimentos Agrícolas Ltda., Fazenda Planalto Empreendimentos Agrícolas Ltda., SLC Perdizes Empreendimentos Agrícolas Ltda., SLC Paiaguás Empreendimentos Agrícolas Ltda., Fazenda Palmares Empreendimentos Agrícolas Ltda., SLC Investimentos Agrícolas Ltda. The lease agreement has a minimum term of 20 years, which may be renewed at the discretion of the parties, though with the lessees enjoying preference.

On September 1, 2012, the rural lease agreement entered into with the (indirect) subsidiary SLC Landco Empreendimentos Agrícolas S.A. and its subsidiaries, for a minimum period of 20 years, came into force.

12 Related-party balances and transactions (Continued)

c) Lease agreements payable (Continued)

On September 1, 2013, a rural lease agreement entered into by the (indirect) subsidiary SOPER Agrícola Ltda. with Fazenda Parnaiba Empreendimentos Agricolas Ltda. came into force. On September 1, 2015, following the partial spin-off of the latter, the rights and obligations of this agreement were transferred to SLC Agricola S.A.

On September 1, 2015, the rural lease agreement entered into by the (indirect) subsidiary SLC Landco Empreendimentos Agrícolas S.A. and SLC Agrícola S.A., for a minimum period of 20 years, came into force.

On November 18, 2015, a rural lease agreement entered into with the subsidiary Fazenda Parnaíba Empreendimentos Agrícolas Ltda., for a minimum period of 20 years, came into force.

From September 19, 2016 on, the Company signed a rural lease agreement with subsidiary Fazenda Planorte Empreendimentos Agrícolas Ltda., for a minimum period of 20 years.

On September 30, 2017, the annual lease price in the amount of R$ 93,217, referring to the 2016/17 harvest, can be shown as follows:

		Amount				Amount	
Farm	**Currency**	**2017**	**2016**	**Farm**	**Currency**	**2017**	**2016**
Planalto Farm	R$	**11,258**	12,883	Paiaguás Farm	R$	**14,047**	17,954
Pamplona Farm	R$	**7,202**	7,890	Parceiro Farm	R$	**1,390**	1,136
Planeste Farm	R$	**8,831**	8,831	Perdizes Farm	R$	**5,387**	6,274
Panorama Farm	R$	**6,324**	6,324	Parnaiba Farm	R$	**12,359**	14,124
Piratini Farm	R$	**4,044**	4,044	Parnaguá Farm	R$	**1,470**	1,054
Palmares Farm	R$	**8,118**	9,015	Planorte Farm	R$	**12,787**	14,708
				Total		**93,217**	104,237

The lease price is paid annually based on the amount in Brazilian real or translated based on the quote of the soybean bag on the over-the-counter market for each region on the payment date, in accordance with the contractual clause. The soybean bag price must be established by the lessor at least 15 days in advance, without any provision for re-agreement.

d) Management compensation

The Company considers to be key management personnel to be its non-remunerated Directors, its remunerated Independent Directors and its Officers (statutory).

The managers are remunerated in the form of a salary and pro-labore, paid through its payroll. Total management remuneration, including bonuses and other benefits, is recognized in a specific item on the statement of income and detailed below:

12 Related-party balances and transactions (Continued)

d) Management compensation (Continued)

	Parent company		Consolidated	
	09/30/2017	**09/30/2016**	**09/30/2017**	**09/30/2016**
Directors fee	**3,771**	3,591	**4,252**	4,044
Bonuses	**2,527**	2,586	**2,681**	2,933
Charges	**2,068**	1,700	**2,236**	1,855
Stock option plan	**1,018**	1,526	**1,218**	1,802
Other benefits	**259**	29	**261**	34
Total	**9,643**	9,432	**10,648**	10,668

The Company does not offer post-employment benefits, benefits upon termination of employment contract or other long-term benefits to its managers.

13 Loans and financing

		Average annual interest rates (%)		Parent Company		Consolidated	
	Index	**09/30/2017**	**12/31/2016**	**09/30/2017**	**12/31/2016**	**09/30/2017**	**12/31/2016**
Used in the Property, plant and equipment							
Finame – BNDES	Fixed and long-term interest rate*	**7.04%**	7.08%	**120,073**	124,141	**168,103**	177,635
Constitutional Funds**	Pré	**7.23%**	7.23%	**3,703**	6,980	**3,703**	6,980
Investment funding	US$ e Libor***	**0.00%**	6.50%	**-**	3,787	**-**	3,787
				123,776	134,908	**171,806**	188,402
Invested in Working Capital							
Rural credit	Pré	**9.12%**	12.82%	**220,474**	388,441	**342,712**	479,468
Constitutional Funds**	Pré	**0.00%**	10.50%	**-**	271,799	**-**	311,987
Working Capital	Pré	**8.93%**	0,00%	**34,348**	-	**47,479**	-
Export financing	Pré	**9.00%**	0.00%	**-**	-	**13,131**	-
Export financing	CDI	**9.32%**	13.30%	**533,293**	416,010	**569,637**	416,010
Export financing	US$, Libor	**5.75%**	5.62%	**81,172**	156,718	**81,172**	156,718
Export financing	Swap US$/CDI, Pré	**3.37%**	3.52%	**258,257**	313,243	**258,257**	348,660
				1,127,544	1,546,211	**1,312,388**	1,712,843
				1,251,320	1,681,119	**1,484,194**	1,901,245
Portion classified in current assets				**656,321**	978,891	**838,167**	1,155,641
Installment classified in noncurrent				**594,999**	702,228	**646,027**	745,604

(*) Long-term interest rate (TJLP).

(**) To calculate the average cost of the Constitutional Funds, we considered a 15% discount for the performance bonus received on these operations.

(***) London Interbank Offered Rate (Libor): interest rate charged by London banks used as a reference for most loans in the international financial system.

13 Loans and financing (Continued)

Finame - BNDES – Investment facilities offered by the Brazilian Development Bank (BNDES). The facilities are secured by secured fiduciary sale or the pledge of the assets financed as collateral and by accommodation of the Company or SLC Participações S.A. The amortizations are made on a monthly basis, after the grace period, in the period from October 16, 2017 to May 15, 2032.

Constitutional Funds – Investment and working capital facilities offered by the Constitutional Fund to Finance the Northeast (FNE) and by the Constitutional Fund to Finance the Midwest (FCO). The facilities are secured by accommodation of the Company or SLC Participações S.A., and, for certain transactions, by the pledge as collateral and mortgage of land. The frequency of amortization is annual, with maturities in February 01, 2018.

Rural Credit – Financing of crop costing and trading, whose rules, purposes and conditions are established in the Rural Credit Manual (MCR) drafted by the Central Bank of Brazil. The facilities are secured by accommodation of the Company or SLC Participações S.A., and, for certain transactions, by the pledge of crops as collateral. The frequency of amortization is annual, with maturities from April 09, 2018 to October 31, 2018.

Export Financing – Financing of exports through short- and long-term lines in U.S. dollar indexed to six-month LIBOR (London Interbank Offered Rate) plus a fixed rate or only a fixed rate: Forward Foreign Exchange Contracts (ACCs), Export Credit Notes (NCEs) and Export Prepayment Facilities (PPEs), with the frequency of amortization annual or semiannual and with maturities from October 16, 2017 to August 14, 2020. Secured by accommodation of the Company or SLC Participações SA with mortgage of the land. These contracts include certain financial covenants that were approved by the Company (Current Liquidity Ratio, Loan Capital, Net Debt/EBITDA Ratio and Cash Liquidity).

The maturities of short and long-term loans and financing are as follow:

	Parent Company		Consolidated	
Years of maturity	09/30/2017	12/31/2016	09/30/2017	12/31/2016
2017	**72,963**	978,891	**101,324**	1,155,641
2018	**685,607**	385,721	**844,060**	393,994
2019	**371,963**	252,732	**382,961**	258,779
2020	**69,735**	18,980	**80,589**	24,760
2021	**16,723**	16,094	**22,544**	21,602
After 2021	**34,329**	28,701	**52,716**	46,469
	1,251,320	1,681,119	**1,484,194**	1,901,245

The Group’s exposure to liquidity risk is described in note 20.

13 Loans and financing (Continued)

Financial covenants

Contracts classified as “Export Financing,” described above, include clauses that require compliance by the Group with financial covenants on the base date of each fiscal year.

The financial covenants are described below:

i. Current Liquidity Index (CA/CL): consolidated current assets divided by current liabilities equal to or greater than one point two times (1.2x).
ii. Consolidated Total Liabilities/Tangible Shareholders' Equity: consolidated total liabilities divided by shareholders' equity less intangible assets, equal to or less than one point five times (1.5x).
iii. Consolidated Net Leverage (Consolidated Total Net Financial Debt/Consolidated EBITDA): total loans and financing, less the position of cash, banks and cash equivalents, less short-term financial investments, divided by operating income before interest, tax, depreciation and amortization in the last 12 months, equal to or less than four point zero times (4.0x).
iv. Consolidated Cash Liquidity: position of cash, banks and cash equivalents plus short-term financial investments, equal to or greater than seventy-five million reais (R$75,000).

Failure to comply with the contractual clauses of financial commitments may lead to the early maturity of the loans and financing. The Company is in compliance with the commitment clauses.

14 Provision for tax, environmental and labor risks

As at September 30, 2017, a provision for labor contingencies was recorded in the amount of R$1,895 at the parent company and R$2,094 at the consolidated level (R$1,974 as of December 31, 2016 at the parent company and R$2,086 at the consolidated level). The provisions are for lawsuits filed by former employees whose likelihood of loss was assessed as probable by the Company’s legal advisors. The provision for labor contingencies is recorded in an item with this name under current liabilities. The amount related to labor lawsuits whose chances of loss were assessed as possible by the legal counsel – and, accordingly, no provision for them was recorded – was R$911 at the parent company and R$1,058 at the consolidated level (R$ 929 and R$ 964, respectively, as of December 31, 2016).

The Company recorded a provision for environmental lawsuits in the amount of R$ 330 (R$ 330 in the consolidated) on September 30, 2017, whose probability of loss was assessed as probable by the Company’s legal counsel. The provision for environmental proceedings is recorded under the heading other provisions in current liabilities. The Company also identifies the existence of environmental lawsuits whose risk of loss, according to its legal counsel, is possible to the amount of approximately R$ 814 in the parent company and consolidated in September 30, 2017 (R$ 2,917 in the parent company and consolidated On December 31, 2016), for which there is no provision recorded. These lawsuits refer to actions brought by the Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA) and by the Military Environmental Police of Cassilândia (MS).

14 Provision for tax, environmental and labor risks (Continued)

The amount related to tax lawsuits whose loss was considered as possible by the legal counsel – and, accordingly, no provision for them was recorded – was R$17,519 at the parent company and R$20,261 at the consolidated level (R$8,929 and R$17,638, respectively, as of December 31, 2016).

The Company observes and endeavors to comply with all environmental and legal requirements and one of its key commitments is to respect the environment, employees and other stakeholders, for which it combines the use of the latest agricultural techniques with the adoption of sustainability practices. These actions take on greater proportions than mere compliance with the law and are reinforced by the ongoing implementation of an Integrated Management System based on the standards ISO 14001:2004 (Environmental Management), OHSAS 18001:2007 (Occupational Health and Safety) and NBR 16001:2004 (Social Responsibility Management).

In accordance with governing law in Brazil, federal, state and municipal payroll taxes and charges are subject to review by the applicable authorities for periods that vary from 5 to 30 years.

15 Deferred income and social contribution taxes

Deferred income tax and social contribution taxes were established as follows:

	Parent Company					
	09/30/2017			12/31/2016		
Description	**Income tax**	**Social contribution**	**Total**	**Income tax**	**Social contribuition**	**Total**
Assets:						
Temporary differences:						
Provision for inventory adjustment	**-**	**-**	**-**	124	45	169
Provision for profit-sharing	**3,833**	**1,380**	**5,213**	611	220	831
Transactions with derivatives	**451**	**162**	**613**	15,485	5,575	21,060
Provision for Senar	**2,709**	**975**	**3,684**	2,372	854	3,226
Others	**1,442**	**519**	**1,961**	1,712	616	2,328
IRPJ and CSLL tax losses	**3,233**	**1,548**	**4,781**	30,281	11,049	41,330
	11,668	**4,584**	**16,252**	50,585	18,359	68,944
Liabilities:						
Incentivized depreciation from rural activity	**69,284**	**24,942**	**94,226**	68,407	24,627	93,034
Bargain gain on acquisition of equity interest	**5,647**	**2,033**	**7,680**	5,647	2,033	7,680
Deemed cost from property, plant and equipment	**18,710**	**6,736**	**25,446**	17,924	6,453	24,377
Fair value of biological assets	**47,931**	**17,255**	**65,186**	15,935	5,736	21,671
	141,572	**50,966**	**192,538**	107,913	38,849	146,762
Total net	**(129,904)**	**(46,382)**	**(176,286)**	(57,328)	(20,490)	(77,818)

15 Deferred income and social contribution taxes (Continued)

	Consolidated					
	09/30/2017			12/31/2016		
Description	Income tax	Social contribution	Total	Incom tax	Social contribution	Total
Assets:						
Temporary differences:						
Provision for inventory adjustment	-	-	-	124	45	169
Provision for profit-sharing	4,347	1,565	5,912	677	244	921
Provision to tax losses	55	19	74	32	12	44
Transactions with derivatives	-	-	-	17,516	6,306	23,822
Provision for Senar	2,709	975	3,684	2,372	854	3,226
Others	2,593	931	3,524	1,862	670	2,532
IRPJ and CSLL tax losses	51,209	18,819	70,028	77,256	27,960	105,216
	60,913	22,309	83,222	99,839	36,091	135,930
Liabilities:						
Incentivized depreciation from rural activity	99,268	35,639	134,907	98,745	35,450	134,195
Bargain gain on acquisition of equity interest	5,539	1,994	7,533	5,539	1,994	7,533
Deemed cost from property, plant and equipment	70,867	29,236	100,103	114,748	44,316	159,064
Fair value for investment property	1,703	919	2,622	1,767	954	2,721
Fair value of biological assets	54,288	19,544	73,832	16,351	5,886	22,237
Others	3.938	1.423	5.361	-	-	-
	235,603	88,755	324,358	237,150	88,600	325,750
Net total	(174,690)	(66,446)	(241,136)	(137,311)	(52,509)	(189,820)
Classified in non-current assets	11,693	4,210	15,903	19,312	6,953	26,265
Classified in the non-current liabilities	(186,383)	(70,656)	(257,039)	(156,623)	(59,462)	(216,085)

On September 1, 2015, due to the Group's corporate reorganization, the subsidiary "Fazenda Parnaíba Empreendimentos Agrícolas Ltda." Which owned land for cultivation in the amount of R$ 179,804 was partially split up and merged into the Company. In the fiscal year following the merger, the Company and the subsidiary deemed it appropriate to maintain the "Real Income" tax option. During the current fiscal year, in line with the Group's tax planning, taxation for presumed income, cash regime, was chosen, with the main reason being the potential reduction of taxes, considering the subsidiary's corporate purpose (sale of cultivation land and lease of Lands).

Due to the change in the form of taxation on the profit, the estimate on the realization of the deferred taxes was also changed. Deferred taxes were recalculated based on a presumption of profit, a percentage of 3.08% for Income Tax (IR) and for Social Contribution on Net Income (CSLL). The impact of the change in the estimate affected exclusively the amount of deferred taxes allocated to the attribution of added value of property, plant and equipment, arising from the adoption of demeed cost on January 1, 2009, resulting in a reduction of R$ 55,601 in deferred income and social contribution taxes (Liabilities) and an increase in the same amount in Equity Valuation Adjustments (Shareholders' Equity).

15 Deferred income and social contribution taxes (Continued)

The change in estimates of deferred taxes did not affect the income components of the period, considering that at the time of the initial adoption of deemed cost and the corresponding deferred tax amounts were recorded directly in Equity Valuation Adjustments in Shareholders' Equity. This change in estimates had no effect on the cash flows of the Company or its subsidiaries.

The Company and its subsidiaries, based on the expectations of generating future taxable profit premised on a technical study prepared by management, recognized tax credits income tax and social contribution tax losses, and temporary differences, for which there is no statutes of limitation. The carrying amount of deferred assets is reviewed annually by the Company and the adjustments have not been significant as initially estimated by management. The technical study considers the investments and subsidies to reduce income tax by up to 75% on the income from the commercial exploration of the farms located in the subsidized regions.

Based on the technical study of the generation of future taxable income, the Company projects a recovery in these tax credits in the subsequent fiscal years:

	Parent Company		Consolidated	
	09/30/2017	**12/31/2016**	**09/30/2017**	**12/31/2016**
2017	**5,989**	62,551	**19,577**	67,001
2018	**10,263**	6,393	**9,631**	19,180
2019	**-**	-	**8,675**	11,173
2020	**-**	-	**6,625**	11,956
2021	**-**	-	**3,538**	9,155
2022	**-**	-	**3,817**	4,300
2023	**-**	-	**4,108**	3,548
2024	**-**	-	**4,399**	3,548
2025	**-**	-	**7,152**	3,548
2026	**-**	-	**4,364**	2,521
2027	**-**	-	**11,336**	-
	16,252	68,944	**83,222**	135,930

The estimates for the recovery of tax credits were based on the projections for future taxable income taking into consideration the various financial and business assumptions. Accordingly, these estimates may differ from the actual future taxable income due to the inherent uncertainties.

Income tax and social contribution calculated based on nominal rates of these taxes and are reconciled to the amount recorded as income tax and social contribution expense, as follows.

15 Deferred income and social contribution taxes (Continued)

Reconciliation of tax expenses with the effective rates

Reconciliation of the effective rate of the Parent Company:

	Parent Company			
	09/30/2017		09/30/2016	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on income	**305,058**	**305,058**	(143,510)	(143,510)
Income and social contribution taxes at the nominal rate from 25% to 9%, respectively	**(76,265)**	**(27,455)**	35,878	12,916
Adjustments for calculation of effective rate				
Equity income	**14,948**	**5,381**	12,030	4,331
Permanent additions	**(1,676)**	**(340)**	(3,563)	(1,283)
Other	**347**	**95**	337	235
Value recorded in income	**(62,646)**	**(22,319)**	44,682	16,199
Total income and social contribution taxes		**(84,965)**		60,881
Deferred taxes		**(81,418)**		62,863
Current taxes		**(3,546)**		(1,982)
Effective rate		**27.9%**		42.4%

Reconciliation of the effective rate of the Consolidated:

	Consolidated			
	09/30/2017		09/30/2016	
	IRPJ	CSLL	IRPJ	CSLL
Income before tax on income	**338,825**	**338,825**	(161,661)	(161,661)
Income and social contribution taxes at the nominal rate of 25% and 9%, respectively	**(84,706)**	**(30,494)**	40,415	14,549
Adjustments for calculation of effective rate				
Permanent addtions and exclusions	**(4,874)**	**(1,478)**	(5,401)	(1,943)
Tax incentives of subsidiaries	**92**	**-**	-	-
Income and social contribution taxes in companies taxed by the deemed profit system	**10,882**	**3,910**	12,361	4,449
Elimination unrealized profit	**-**	**-**	(2,033)	(732)
Other	**386**	**91**	1,374	215
Value recorded in the income	**(78,220)**	**(27,971)**	46,716	16,538
Total income and social contribution taxes		**(106,191)**		63,254
Deferred taxes		**(89,699)**		84,508
Current taxes		**(16,492)**		(21,254)
Effective rate		**31.3%**		39.1%

15 Deferred income and social contribution taxes (Continued)

Reconciliation of the variation in deferred income and social contribution taxes

The changes in income and social contribution taxes recorded in items under assets and liabilities at the parent company and at the consolidated level are shown below:

	Parent Company			
Description	**Balance on 12/31/2016**	**Recognized in income**	**Recognized in comprehensive income**	**Balance on 09/30/2017**
Provision for inventory adjustment	169	**(169)**	**-**	**-**
Provision for profit-sharing	831	**4,382**	**-**	**5,213**
Transactions with derivatives	21,060	**(3,398)**	**(17,049)**	**613**
Provision for Senar	3,226	**458**	**-**	**3,684**
Others	2,328	**(366)**	**-**	**1,962**
IRPJ and CSLL tax losses	41,330	**(36,549)**	**-**	**4,781**
Incentivized depreciation from rural activity	(93,034)	**(1,192)**	**-**	**(94,226)**
Bargain gain on acquisition of equity interest	(7,680)	**-**	**-**	**(7,680)**
Deemed cost from property, plant and equipment	(24,377)	**(1,069)**	**-**	**(25,446)**
Fair value of biological assets	(21,671)	**(43,515)**	**-**	**(65,186)**
Total	(77,818)	**(81,418)**	**(17,049)**	**(176,285)**
Non-current liabilities	77,818			**176,286**

	Consolidated			
Description	**Balance on 12/31/2016**	**Recognized in income**	**Recognized in comprehensive income**	**Balance on 09/30/2017**
Provision for inventory adjustment	169	**(169)**	**-**	**-**
Provision for profit-sharing	921	**4,991**	**-**	**5,912**
Provision to tax losses	44	**30**	**-**	**74**
Transactions with derivatives	23,822	**(6,615)**	**(17,207)**	**-**
Provision for Senar	3,226	**458**	**-**	**3,684**
Others	2,532	**992**	**-**	**3,524**
IRPJ and CSLL tax losses	105,216	**(35,188)**	**-**	**70,028**
Incentivized depreciation from rural activity	(134,195)	**(712)**	**-**	**(134,907)**
Bargain gain on acquisition of equity interest	(7,533)	**-**	**-**	**(7,533)**
Deemed cost from property, plant and equipment	(159,064)	**3,360**	**55,601**	**(100,103)**
Fair value for investment property	(2,721)	**109**	**(10)**	**(2,622)**
Fair value of biological assets	(22,237)	**(51,595)**	**-**	**(73,832)**
Others	-	**(5.360)**	**(1)**	**(5.361)**
Total	(189,820)	**(89,699)**	**38,383**	**(241,136)**
Non-current assets	26,265			**15,903**
Non-current liabilities	(216,085)			**(257,039)**

16 Trade notes payable (Consolidated)

The Company, through its subsidiaries, has agreements involving the purchase of land for its use and commercial exploration. These acquisitions are indexed to the price quote of the soybean bag in the region in which the property was acquired. Accordingly, future minimum amounts typically will be estimated in numbers of soybean bags on the reporting date of each balance sheet.

The changes in this item are as follows:

	Indexed at Soybean bags	Fixed price	Indexed at IGP-M	Total
Balance at December 31, 2016	23,234	25,256	33,323	81,813
Payments	**-**	**(8,122)**	**-**	**(8,122)**
Monetary variation	**(1,690)**	**-**	**-**	**(1,690)**
Interest	**-**	**2,073**	**2,260**	**4,333**
Balance at September 30, 2017	**21,544**	**19,207**	**35,583**	**76,334**

17 Equity

a) Capital stock

At September 30, 2017 and December 31, 2016, the subscribed Capital Stock, in the amount of R$ 947,522, was represented by 98,897,500 registered common shares without par value.

The distribution among shareholders of the registered common shares is shown below:

	Quantity of shares	
Shareholder	**09/30/2017**	**12/31/2016**
SLC Participações S.A.	**50,476,273**	50,469,371
Management	**18,400**	29,203
Treasury shares	**2,271,793**	1,742,293
Other	**46,131,034**	46,656,633
Total shares of paid-in capital	**98,897,500**	98,897,500
(-) Treasury shares	**(2,271,793)**	(1,742,293)
Total shares - ex-treasury	**96,625,707**	97,155,207

b) Capital reserve – Goodwill in the issue of shares

Represented by the goodwill received in the public share offerings carried out in June 2007 and June 2008 and by the goodwill on the sale of treasury shares carried out in connection with stock option plans, less the costs with issuing these shares (commissions, fees and other expenses), net of tax effects, in conformity with CPC 10(R1) (IFRS 2).

17 **Equity** (Continued)

c) Treasury shares

The Company acquired shares of its own issuance to hold in treasury and subsequently use for the Stock Option Plan (note 21), as decided by the Board of Directors in a meeting held on October 29, 2008.

The balance of treasury shares on September 30, 2017 was R$47,180 and was composed of 2,271,793 shares (R$30,652 on December 31, 2016, composed of 1,742,293 shares).

The market value of the treasury shares, calculated based on the last quote on the stock exchange prior to the closing date of the fiscal year, was R$51,411 (R$22,63 per share) on September 30, 2017 and R$25,385 (R$14.57 per share) on December 31, 2016.

d) Legal reserve

The reserve was recorded at the rate of 5% of the net profit for the year, up to the limit of 20% of the capital. As provided for in Article 35, item a, of the Bylaws, in the year when legal reserve balance plus the value of capital reserve, addressed by Paragraph 1 of Article 182 of the Brazilian Corporation Law, exceeds 30% of capital, it will not be mandatory to assign a portion of net income for the year to the legal reserve.

e) Expansion reserve

In accordance with Article 194 of Federal Law 6,404/76 and Article 35 of the Company's Bylaws, an Expansion Reserve will be formed based on the income remaining after the deductions stipulated by law and in the bylaws, for investing in operational assets, with the reserve limited to the amount of the Capital Stock.

On April 26, 2017, the Annual Shareholders' Meeting approved the allocation of the amount of R$21,437 to the Expansion Reserve for the fiscal year ended December 31, 2016.

f) Profit retention reserve

The balance on September, 30, 2017 and December 31, 2016 refers to the remaining balance of accumulated profits for fiscal year 2007, which was retained as a profit retention reserve for new investments, as provided for in the capital budget, in accordance with Article 196 of Federal Law 6.404/76.

17 **Equity** (Continued)

g) Dividends

In accordance with the Company's Bylaws, the minimum mandatory dividend is calculated as 25% of net income for the fiscal year after constituting the reserves provided for by law.

On April 26, 2017, the Annual Shareholders' Meeting approved the distribution of dividends for the year ended December 31, 2016, in the total amount of R$ 14,223, equivalent to 50% of adjusted net income, corresponding to R$ 0.14647 per common share, of which R$ 7,112 is the minimum mandatory dividend and R$ 7,111 as an additional dividend for 2016, based on the total number of shares (98,897,500) subtracted from the total number of treasury shares (1,742.293). The payment of dividends occurred on May 10, 2017.

At a meeting held on September 15, 2017, the Company's Board of Directors approved the payment of interim dividends as of June 30, 2017, to the profit reserve account ("reserve for expansion"), in the amount of R$ 200,000, corresponding to R$ 2.06984255 per common share, excluding treasury shares, with payment occurring on October 10, 2017, as provided for in the Company's Bylaws and in accordance with the provisions of Law 6404/76, in Article 204, second paragraph.

The distribution is intended to adjust the size of the Company's expansion reserve, based on the current good result and its excessity at the moment, thus justifying the distribution of interim dividends.

h) Earnings (loss) per share

In accordance with IAS 33/CPC 41 - "Earnings per share (IAS 33), a reconciliation of Consolidated and Parent Company net income for the fiscal year with the amounts used to calculate basic and diluted net earnings per share is presented in the following table.

The Company has one category of potentially dilutive common shares that are related to the stock option plans. A calculation is performed for these stock option plans to determine the number of shares that could have been acquired at fair value (based on the average annual market price of the Company's stock) based on the monetary value of the subscription rights in connection with the stock option plans approved as from 2007.

The number of shares calculated as described above is compared with the number of shares outstanding, assuming the exercise of the stock option plans.

	09/30/2017	09/30/2016
Numerator		
Net income (loss) for the year (a)	**220,094**	(82,629)
Denominator		
Weighted average of common shares (b)	**96,473,491**	97,080,679
Weighted average of common shares considering dilutive effects (c)	**96,830,807**	97,003,556
Basic income (loss) per common share (a/b)	**2.28139**	(0.85114)
Diluted income (loss) per common share (a/c)	**2.27297**	(0.85181)

18 Finance income (loss)

	Parent company		Consolidated	
	09/30/2017	**09/30/2016**	**09/30/2017**	**09/30/2016**
Finance expenses:				
Interest paid	**(94,518)**	(84,095)	**(114,151)**	(103,224)
Foreign exchange	**(38,306)**	(77,871)	**(47,906)**	(94,939)
Monetary variation	**(5,681)**	(9,529)	**(6,729)**	(15,723)
Losses with derivative transactions	**(37,888)**	(146,064)	**(41,273)**	(165,491)
Others	**(5,274)**	(10,059)	**(6,820)**	(12,820)
	(181,667)	(327,618)	**(216,879)**	(392,197)
Finance income:				
Income from interest-earning bank deposits	**47,500**	43,765	**59,755**	58,400
Foreign exchange	**57,719**	156,498	**71,351**	187,521
Monetary variation	**3,496**	9,799	**5,331**	14,167
Gains with derivative transactions	**19,202**	35,034	**19,654**	39,069
Others	**139**	4,189	**299**	4,963
	128,056	249,285	**156,390**	304,120
Finance income (loss)	**(53,611)**	(78,333)	**(60,489)**	(88,077)

19 Commitments

19.1 Non-deliverable forward contracts

The parent company and its subsidiaries have sales contracts for future delivery with some clients, as follows:

Parent Company

Product	Delivery Date	Quantity	Agreements	Unit	Price
2016/17 crop					
Soybean	Out/2017	15,970	11	sc	USD 19.03
Corn	Out/2017 - Jan/2018	2,013,333	25	sc	R$ 23.95
Cotton lint	Out/2017 - Jun/2018	85,304	48	ton	USD 1,685.86
2017/18 crop					
Cotton lint	Aug/2018 - Dec/2018	86,700	20	ton	USD 1,720.91
Soybean	Jan/2018 - Apr/2018	5,338,338	45	sc	USD 18.48

Consolidated

Product	Delivery Date	Quantity	Agreements	Unit	Price
2016/17 crop					
Soybean	Out/2017	15,970	11	sc	USD 19.03
Corn	Out/2017 - Jan/2018	2,183,333	33	sc	R$ 21.22
Cotton lint	Out/2017 - Jun/2018	91,154	54	ton	USD 1,688.06
2017/18 crop					
Cotton lint	Aug/2018 - Jun/2019	94,950	24	ton	USD 1,686.52
Soybean	Jan/2018 - Apr/2018	6,402,857	52	sc	USD 18.39
Corn	Jun/2018 - Dec/2018	393,333	2	sc	USD 23.50

19 Commitments (Continued)

19.2 Lease agreements for third party properties (Continued)

On September 30, 2017, the Company and its subsidiaries held lease agreements with third parties for 124,565 hectares, divided as follows:

Unit	Location	Leased area (in há)	Maturities of the contract	Value (in bags of soybeans/há/year)	Type of Lease
Pamplona Farm	Cristalina-GO	6,752	2023	8.75	Operational
Planalto Farm	Costa Rica-MS	1,603	2019	17.58	Operational
Planeste Farm	Balsas-MA	15,828	2026	7.6	Operational
Panorama Farm	Correntina-BA	14,404	2023	11	Operational
Palmares Farm	Barreiras-BA	15,249	2023	10.75	Operational
Parnaíba Farm	Tasso Fragoso-MA	27,408	2026	5.46	Operational
Paiaguás Farm	Diamantino-MT	18,538	2020	7,67	Operational
Parceiro Farm	Formosa do Rio Preto – BA	5,428	2020	13.5	Operational
Paladino Farm	São Desidério – BA	19,355	2023	5	Operational
Total		124,565			

Any future commitments related to these agreements are established in soybean bags based on the average price in the region of each unit on the date of the respective payment.

In addition to leasing land to grow crops, the Company holds an operating lease for the cotton processing unit at the Palmares Farm in Barreiras, Bahia for R$1,8500 per year through August 31, 2023 and at the Paladino Farm in São Desidério, Bahia for R$ 1,000 per year trought August 31, 2021.

The minimum future payments for the Company's land and operating leases in Brazilian real are summarized below:

	Currency	Parent Company	Currency	Consolidated
Payments within one year	R$	51,950	R$	57,553
Payments in more than one year and up to 5 years	R$	185,370	R$	207,783
Payments in more than 5 years	R$	81,302	R$	92,509
Total future minimum payments of leases	R$	**318,622**	R$	**357,845**

Note that the Company's third party lease agreements are pegged to the soybean bag price in the region of each production unit. Therefore, future minimum amounts typically will be estimated in terms of the number of soybean bags, converted into Brazilian real, based on the soybean quote in each region on the reporting date of each balance sheet. The minimum payment amounts shown above may suffer significant variations by time of payment due to changes in the soybean market price.

19 Commitments (Continued)

19.2 Lease agreements for third party properties (Continued)

For third party lease agreements, we also inform that: (i) they have no contingent payment clauses; (ii) there are no renewal or purchase-option clauses, except for the agreement at the Planalto Farm for 1,603 ha, which is renewed on an annual basis; (iii) our agreements are indexed to the variation in the price of the soybean bag, as disclosed above, and do not contain any adjustment clauses; (iv) there are no restrictions imposed, such as those related to dividends and interest on capital, additional debt or any other factor requiring additional disclosure.

20 Management of risks and financial instruments

The sales revenue of the Company and its subsidiaries are generated primarily by the trading of agricultural commodities such as soybean, cotton, corn, which are quoted in U.S. dollar on the international exchanges Chicago Board of Trade (CBOT) and Intercontinental Exchange Futures US - ICE. Therefore, volatility in international commodity prices and volatility in exchange rates are market risks to which the Company and its subsidiaries are exposed.

In addition, the Company and its subsidiaries contract financing transactions in the financial market at fixed or floating rates. Therefore, the Company is exposed to the risk of variation in the interest rates on its debt contracted at floating interest rates.

Fair values are determined based on market quotes if available or, if not available, on the present value of the expected cash flows. The fair values of cash and cash equivalents, trade accounts receivable and trade accounts payable correspond to their carrying amounts. The fair values of other long-term assets and liabilities do not significantly differ from their carrying amounts.

The estimated fair value of long-term loans in the Parent Company and Consolidated Financial Statements on September 30, 2017, were R$572,956 and R$618,464, respectively, calculated at current market rates, considering type, term and risks similar to those of the registered contracts, and can be compared with the carrying amounts of R$583,404 and R$634,433 (note 13).

The fair value hierarchy of the financial assets and liabilities recorded at fair value on a recurring basis was determined based on the following criteria:

- Level 1 – Prices quoted (not adjusted) in active markets for identical assets and liabilities;
- Level 2 – Inputs, except for quoted prices, included in Level 1 which are observable for the asset or liability, directly (prices) or indirectly (price derivative);
- Level 3 – Assumptions, for assets or liabilities, that are not based on observable market data (non-observable inputs).

20 Management of risks and financial instruments (Continued)

The following table presents the fair value hierarchy of financial assets and liabilities recorded at fair value on a recurring basis:

	Parent Company			
	Book Value		Fair Value	
			Level 2	Level 2
	09/30/2017	12/31/2016	09/30/2017	12/31/2016
Assets				
Fair value through profit or loss				
Cash and cash equivalents	**371,425**	767,009	**371,425**	767,009
Short term financial investments	**110,425**	129,204	**110,425**	129,204
Subtotal	**481,850**	896,213	**481,850**	896,213
Loans and receivables				
Trade accounts receivable	**92,889**	71,529	**92,889**	71,529
Receivables from related parties	**7,530**	8,142	**7,530**	8,142
Other accounts receivable	**-**	7,948	**-**	6,341
Subtotal	**100,419**	87,619	**100,419**	86,012
Fair value of hedge instruments				
Transactions with derivatives	**160,689**	143,890	**160,689**	143,890
Subtotal	**160,689**	143,890	**160,689**	143,890
Total assets	**742,958**	1,127,722	**742,958**	1,126,115
Liabilities				
Liabilities at the amortized cost				
Loans and financing	**1,251,320**	1,681,119	**1,229,572**	1,636,127
Suppliers	**174,110**	369,887	**174,110**	369,887
Payables to related parties	**6,192**	30,517	**6,192**	30,517
Other accounts payable	**344,346**	61,506	**344,346**	61,506
Subtotal	**1,775,968**	2,143,029	**1,754,220**	2,098,037
Fair value of hedge instruments				
Transactions with derivatives	**48,571**	68,626	**48,571**	68,626
Subtotal	**48,571**	68,626	**48,571**	68,626
Total liabilities	**1,824,539**	2,211,655	**1,802,791**	2,166,663

20 Management of risks and financial instruments (Continued)

	Consolidated			
	Book Value		Fair Value	
			Level 2	Level 2
	09/30/2017	12/31/2016	09/30/2017	12/31/2016
Assets				
Fair value through profit or loss				
Cash and cash equivalents	**497,095**	888,740	**497,095**	888,740
Short term financial Investments	**129,099**	175,766	**129,099**	175,766
Subtotal	**626,194**	1,064,506	**626,194**	1,064,506
Loans and receivables				
Trade accounts receivable	**110,659**	73,392	**110,659**	73,392
Other accounts receivable	**-**	7,948	**-**	6,341
Subtotal	**110,659**	81,340	**110,659**	79,733
Fair value of hedge instruments				
Transactions with derivatives	**166,677**	148,611	**166,677**	148,611
Subtotal	**166,677**	148,611	**166,677**	148,611
Total assets	**903,530**	1,294,457	**903,530**	1,292,850
Liabilities				
Liabilities at the amortized cost				
Loans and financing	**1,484,194**	1,901,245	**1,461,962**	1,844,704
Suppliers	**213,993**	439,735	**213,993**	439,735
Other accounts payable	**358,534**	66,337	**358,534**	66,337
Securities payable	**76,334**	81,813	**77,078**	82,274
Subtotal	**2,133,055**	2,489,130	**2,111,567**	2,433,050
Fair value of hedge instruments				
Transactions with derivatives	**48,731**	80,950	**48,731**	80,950
Subtotal	**48,731**	80,950	**48,731**	80,950
Total liabilities	**2,181,786**	2,570,080	**2,160,298**	2,514,000

a) Policy of use, objectives and strategies

The Company and its subsidiaries use derivative instruments to hedge their operating margins (EBITDA). The Company created a Risk Management Executive Committee in July 2008 and approved the Risk Management Policy at the meeting of its Board of Directors held on October 29, 2008. The Risk Management Executive Committee is a body linking the Board of Directors and Executive Board of the Company. Its mission is to support, on a daily basis, the decisions of the Executive Board, monitor compliance with the established risk limits and, when applicable, analyze and evaluate draft proposals for adjusting or reformulating risk policies or limits, which are subsequently submitted for consideration to the Board of Directors.

Derivative transactions are carried out with prime financial institutions (institutions in the country with a rating of at least “A” at a minimum of one of the three main international risk rating agencies, namely: Moody’s, S&P and/or Fitch), respecting the risk limits and exposures to the currency, commodity and interest risk of its counterparties, on a regular basis.

20. Management of risks and financial instruments (Continued)

b) Gains (losses) from financial instruments under parent company and consolidated shareholders' equity

Transactions involving forward contracts (NDFs) and Trade Finance (PPEs/ECNs/Res. 2770) are contracted to hedge exposure to future sales in dollar. These transactions are documented in order to be recorded using the hedge accounting methodology, in conformity with CPC 38. The Company records, in a specific item under shareholders' equity, the unrealized effects from these instruments contracted for own transactions or contracted on a consolidated basis to cover future sales.

c) Currency risk

Derivative instruments are used to protect the sales revenues of the Company and its subsidiaries, which are subject to the volatility in the exchange rate, whose portfolio basically consists of non-deliverable forwards (NDFs) and option contracts.

These transactions are carried out directly with financial institutions, in the over-the-counter market, where there are no margin calls. The impact on the cash flow of the Company and its subsidiaries occurs only on the settlement date of the contracts. However, it should be considered that the settlement of these financial operations is associated with the receipt of sales, which are also associated with exchange variation, therefore offsetting any gains or losses on derivative instruments to hedge debt due to variations in the exchange rate.

To analyze the exposure to currency risk, the Business Plan is updated regularly considering the following assumptions: (I) projection of planted area; (II) projected productivity; (III) commodity prices, which are quoted in U.S. dollar, considering the average realized sales prices weighted by volume and the market prices of the volumes to be sold; and (IV) the distribution of sales in the periods analyzed. After defining the Business Plan and the measurement of the items presented above, we arrive at the total currency exposure.

Based on the cost already formed with the advance purchase of the main inputs (fertilizers, pesticides and seeds) and the estimate of fixed costs, the expected operating margin is determined. Accordingly, the risk management committee executes the parameters described in the risk management policy in order to reduce the standard deviation of the operating margin defined as the target.

The following table shows the positions of the Company and its subsidiaries, with the nominal and fair values of each instrument contracted, as follows:

	Reference value (notional)			Fair Value (MTM)			Value in curve (Accrual)		
Description	**Currency**	**09/30/2017**	**12/31/2016**	**Currency**	**09/30/2017**	**12/31/2016**	**Currency**	**09/30/2017**	**12/31/2016**
Forward Contracts (NDF):									
Foreign currency - Short position									
Maturity in 2017	USD	**105,824**	231,223	R$	**54,003**	80,881	R$	**51,706**	77,230
Maturity in 2018	USD	**217,667**	31,870	R$	**43,466**	6,571	R$	**35,901**	5,779
Maturity in 2019	USD	**13,011**	-	R$	**1,065**	-	R$	**650**	-
TOTAL	**USD**	**336,502**	263,093	**R$**	**98,534**	87,452	**R$**	**88,257**	83,009

20 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

Details of the debt denominated in foreign currency (U.S. dollar) follows:

Counterparty	Type	Contracting rate	Notional US$	Fair Value 09/30/2017	Foreign exchange variation [1]	Book value
Banco Itaú BBA S/A	NCE	R$1.9418	USD 25,000	R$ 79,678	R$ (31,133)	R$ 80,313
Total			**USD 25,000**	**R$ 79,678**	**R$ (31,133)**	**R$ 80,313**

([1]) Deferred amount under shareholders' equity ("hedge accounting") as an offsetting entry to the items of the group loans and financing.

The following table provides details on the maturity schedule of derivative transactions and deferred exchange variation, which are classified under hedge accounting:

Maturity	Currency	Forward Contracts (NDF)	Export credit notes (NCE)	Total
Up to 12/31/2017	R$	54,003	-	54,003
Up to 03/31/2018	R$	22,082	-	22,082
Up to 06/30/2018	R$	9,294	-	9,294
Up to 09/30/2018	R$	4,134	-	4,134
Up to 12/31/2018	R$	7,956	-	7,956
Up to 03/31/2019	R$	1,066	-	1,066
Up to 06/30/2019	R$	-	(31,133)	(31,133)
TOTAL	**R$**	**98,534**	**(31,133)**	**67,402**

(*) Amounts of exchange variation classified as hedge accounting. The maturity of the reference amount (Notional) is presented in note 13.

The following table provides a breakdown of currency derivatives by counterparty (of the Company and its subsidiaries):

	Notional amount			Fair Value		
Description	**Currency**	**09/30/2017**	**12/31/2016**	**Currency**	**09/30/2017**	**12/31/2016**
Banco Itaú BBA S/A	**USD**	**19,433**	17,597	**R$**	**3,107**	3,574
Citibank S/A	**USD**	**7,900**	10,506	**R$**	**1,570**	9,664
Banco BNP Paribas Brasil S.A.	**USD**	**14,657**	-	**R$**	**(41)**	-
Banco Bradesco S/A	**USD**	**25,700**	63,590	**R$**	**23,361**	34,330
Banco Votorantim S/A	**USD**	**34,751**	4,950	**R$**	**3,524**	353
Morgan Stanley S/A	**USD**	**36,864**	13,730	**R$**	**4,495**	3,125
Banco J.P. Morgan S/A	**USD**	**60,454**	66,895	**R$**	**20,495**	9,798
Banco Santander Brasil S/A	**USD**	**73,110**	66,800	**R$**	**30,279**	21,360
Banco ABC Brasil S.A.	**USD**	**8,358**	7,900	**R$**	**1,928**	1,357
Rabobank International Brasil S.A.	**USD**	**55,275**	11,125	**R$**	**9,816**	3,891
Total	**USD**	**336,502**	263,093	**R$**	**98,534**	87,452

20 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

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

- Forward Contracts (NDF) - adopted the future curve of the U.S. dollar published by the BM&FBovespa - Securities, Commodities and Futures Exchange (www.bmf.com.br;) at the end of each period. Based on this information, the adjustment projected upon the maturity of each transaction is discounted by the interest rate curve of the exchange rate (PTAX at end of period) and the future quote upon maturity of the derivative published by the BM&FBovespa.

Risks of exchange rate variation

The Company projected the potential impact from transactions designed to hedge exchange variation and dollar-denominated debt under five different scenarios for fiscal years 2017 and 2018, as follows:

- Probable Scenario: based on the “Market Readout” published by the Central Bank of Brazil on September 30, 2017, our probable scenario incorporates a Brazilian real/U.S. dollar exchange rate of R$3.1600, which varies from the PTAX rate on September 28, 2017 of R$3.1871
- Decrease of 25% in the exchange rate: under this scenario, transactions are settled at an exchange rate of R$ 2.3700, which is 25% lower than the exchange rate under the Probable Scenario.
- Decrease of 50% in the exchange rate: under this scenario, transactions are settled at an exchange rate of R$ 1.5800, which is 50% lower than the exchange rate under the Probable Scenario.
- Increase of 25% in the exchange rate: under this scenario, transactions are settled at an exchange rate of R$ 3.9500 which is 25% higher than the exchange rate under the Probable Scenario.
- Increase of 50% in the exchange rate: under this scenario, transactions are settled at an exchange rate of R$ 4.7400, which is 50% higher than the exchange rate under the Probable Scenario.

20 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

The following table provides a summary of the impacts on the parent company under each scenario projected:

Parent Company

	Remote scenario *Quotation R$*	**Possible scenario** *Quotation R$*	**Probable scenario** Quotation *R$*	**Possible scenario** Quotation *R$*	**Remote scenario** Quotation *R$*
Description	*1.5800*	*2.3700*	*3.1600*	*3.9500*	*4.7400*
Year 2017					
Highly probable estimated revenue in USD (1)	(188,870)	(94,435)	3,239	94,435	188,870
Estimated commitments in USD (2)	55,828	27,914	(958)	(27,914)	(55,828)
Forward Contracts (NDF) (3)	96,838	48,419	(1,661)	(48,419)	(96,838)
Net exposure in USD (1)-(2)-(3)	**(36,204)**	**(18,102)**	**620**	**18,102**	**36,204**
Year 2018					
Highly probable estimated revenue in USD (1)	(682,917)	(341,459)	11,713	341,459	682,917
Estimated commitments in USD (2)	98,080	49,040	(1,682)	(49,040)	(98,080)
Forward Contracts (NDF) (3)	227,425	113,713	(3,901)	(113,713)	(227,425)
Trade Finance (Indebtedness in Dollars) (4)	19,750	9,875	(339)	(9,875)	(19,750)
Net exposure in USD (1)-(2)-(3)-(4)	**(337,662)**	**(168,831)**	**5,791**	**168,831**	**337,662**
Year 2018					
Highly probable estimated revenue in USD (1)	(188,374)	(94,187)	3,231	94,187	188,374
Estimated commitments in USD (2)	7,164	3,582	(123)	(3,582)	(7,164)
Forward Contracts (NDF) (3)	12,798	6,399	(220)	(6,399)	(12,798)
Trade Finance (Indebtedness in Dollars) (4)	19,750	9,875	(339)	(9,875)	(19,750)
Net exposure in USD (1)-(3)-(4)	**(148,662)**	**(74,331)**	**2,549**	**74,331**	**148,662**
Total	**(522,528)**	**(261,264)**	**8,960**	**261,264**	**522,528**

Consolidated

	Remote scenario *Quotation R$*	**Possible scenario** *Quotation R$*	**Probable scenario** Quotation *R$*	**Possible scenario** Quotation *R$*	**Remote scenario** Quotation *R$*
Description	*1.5800*	*2.3700*	*3.1600*	*3.9500*	*4.7400*
Year 2017					
Highly probable estimated revenue in USD (1)	(209,573)	(104,786)	3,595	104,786	209,573
Estimated commitments in USD (2)	61,200	30,600	(1,050)	(30,600)	(61,200)
Forward Contracts (NDF) (3)	106,002	53,001	(1,818)	(53,001)	(106,002)
Net exposure in USD (1)-(2)-(3)	**(42,371)**	**(21,185)**	**727**	**21,185**	**42,371**
Year 2018					
Highly probable estimated revenue in USD (1)	(807,886)	(403,943)	13,857	403,943	807,886
Estimated commitments in USD (2)	113,803	56,901	(1,952)	(56,901)	(113,803)
Forward Contracts (NDF) (3)	230,111	115,056	(3,947)	(115,056)	(230,111)
Trade Finance (Indebtedness in Dollars) (4)	19,750	9,875	(339)	(9,875)	(19,750)
Net exposure in USD (1)-(2)-(3)-(4)	**(444,222)**	**(222,111)**	**7,619**	**222,111**	**444,222**
Year 2018					
Highly probable estimated revenue in USD (1)	(213,158)	(106,579)	3,656	106,579	213,158
Estimated commitments in USD (2)	7,759	3,880	(133)	(3,880)	(7,759)
Forward Contracts (NDF) (3)	12,798	6,399	(220)	(6,399)	(12,798)
Trade Finance (Indebtedness in Dollars) (4)	19,750	9,875	(339)	(9,875)	(19,750)
Net exposure in USD (1)-(3)-(4)	**(172,851)**	**(86,425)**	**2,964**	**86,425**	**172,851**
Total	**(659,444)**	**(329,721)**	**11,310**	**329,721**	**659,444**

20 Management of risks and financial instruments (Continued)

c) Currency risk (Continued)

The following table presents the net exposure to currency risk:

	Parent Company			
	09/30/2017		12/31/2016	
	Amount in Reais (R$)	**Amount in Dólares (USD)**	**Amount in Reais (R$)**	**Amount in Dólares (USD)**
Trade accounts receivable (note 5)	**49,618**	**15,568**	33,503	10,280
Suppliers	**(99,011)**	**(31,066)**	(99,109)	(30,410)
Trade Finance (Indebtedness in Dollars)	**(79,678)**	**(25,000)**	(158,532)	(48,643)
Net exposure of equity	**(129,071)**	**(40,498)**	(224,138)	(68,773)

	Consolidated			
	09/30/2017		12/31/2016	
	Amount in Reais (R$)	**Amount in Dólares (USD)**	**Amount in Reais (R$)**	**Amount in Dólares (USD)**
Trade accounts receivable (note 5)	**53,476**	**16,779**	33,503	10,280
Suppliers	**(122,280)**	**(38,367)**	(118,899)	(36,482)
Trade Finance (Indebtedness in Dollars)	**(79,678)**	**(25,000)**	(158,532)	(48,643)
Net exposure of equity	**(148,482)**	**(46,588)**	(243,928)	(74,845)

d) Price risk

Most of the protection against variations in commodity prices is obtained via advance sales directly with our clients involving future physical delivery (forward contracts). We also use futures and options contracts traded on the stock exchange and financial transactions involving swap and options contracts with financial institutions in the over-the-counter market. These transactions are negotiated based on the commodity prices quoted in the futures market. All transactions are related to the net exposure of the production of the Company and its subsidiaries, so that all transactions have an underlying physical product. The transactions carried out on the stock exchange must have initial margins available and adjustments are made on a daily basis based on the variation in the reference price. Meanwhile, transactions carried out with financial institutions do not require initial margins, since these transactions are secured by a credit limit pre-approved by the financial institutions.

20 Management of risks and financial instruments (Continued)

d) Price risk (Continued)

The following table shows the derivative instruments contracted to hedge against commodity price variation, whose effects were recorded under shareholders' equity given their treatment as hedge accounting.

	Reference value (notional)			Fair value		
Description	**Currency**	**09/30/2017**	**12/31/2016**	**Currency**	**09/30/2017**	**12/31/2016**
Year of Maturity at 2017						
Financial operations						
Commodities - Cotton	**USD**	**26,286**	79,315	**R$**	**1,219**	(435)
Commodities - Corn	**USD**	**-**	1,641	**R$**	**-**	96
Subtotal	**USD**	**26,286**	80,956	**R$**	**1,219**	(339)
Year of Maturity at 2018						
Financial operations						
Commodities - Cotton	**USD**	**31,695**	-	**R$**	**4,893**	-
Subtotal	**USD**	**31,695**	-	**R$**	**4,893**	-
Total	**USD**	**57,981**	80,956	**R$**	**6,112**	(339)

Commodity price risk

The Company projected the potential impact from variations in soybean and cotton prices under five scenarios for fiscal years 2017 and 2018, as follows:

- Probable Scenario: based on the closing quote on Sepetember 29, 2017 of the reference futures contract on the stock exchange where the product is priced.
- Decrease of 25% in the price of the reference futures contract on the stock exchange where the product is priced.
- Decrease of 50% in the price of the reference futures contract on the stock exchange where the product is priced.
- Increase of 25% in the price of the reference futures contract on the stock exchange where the product is priced.
- Increase of 50% in the price of the reference futures contract on the stock exchange where the product is priced.

The evaluation of price sensitivity considers as exposure the total estimated revenue (highly probable sales revenue) and the total hedge instruments contracted, which generally are represented by the future sales of agricultural products in relation to the exposure of these same items sold (hedged highly probable sales revenue).

20 Management of risks and financial instruments (Continued)

d) Price risk (Continued)

Commodity price risk (Continued)

The following table presents a summary of the impacts under each projected scenario translated into Brazilian real based on the PTAX on September 29, 2017:

Description	Remote scenario -50%	Possible scenario -25%	Probable scenario	Possible scenario + 25%	Remote scenario +50%
Cotton - Year 2017					
Highly probable income	745,280	745,280	745,280	745,280	745,280
Highly probble income protected	745,280	745,280	745,280	745,280	745,280
Net exposure	-	-	-	-	-
Change in net exposure	-	-	-	-	-
Soybean - Year 2017					
Highly probable income	742,567	746,180	749,794	753,408	757,022
Highly probble income protected	735,339	735,339	735,339	735,339	735,339
Net exposure	7,228	10,841	14,455	18,069	21,683
Change in net exposure	(7,228)	(3,614)	-	3,614	7,228
Cotton - Year 2018					
Highly probable income	690,721	727,303	763,884	800,466	837,047
Highly probble income protected	617,558	617,558	617,558	617,558	617,558
Net exposure	73,163	109,745	146,326	182,908	219,489
Change in net exposure	(73,163)	(36,582)	-	36,582	73,163
Soybean - Year 2018					
Highly probable income	633,003	715,544	798,086	880,628	963,169
Highly probble income protected	467,919	467,919	467,919	467,919	467,919
Net exposure	165,084	247,625	330,167	412,709	495,250
Change in net exposure	(165,084)	(82,542)	-	82,542	165,083

The Company has a balance of R$ 76,334 in trade notes payable that are linked to land purchase contracts and indexed to the price of the soybean bag, as described in note 16. The Company believes that the potential gains or losses from the variation in the soybean bag price for the subsequent fiscal year are not significant, considering the sensitivity under the potential and remote scenarios and the potential future soybean sales, which would neutralize these potential effects on the result from operations.

e) Interest risk

A portion of the Company's debt is indexed to floating interest rates. The floating interest rates to which our debt are indexed are the Long-Term Interest Rate (TJLP), which is used for financing transactions with the Brazilian Development Bank (BNDES), and the London Interbank Offered Rate (LIBOR), which are used for international loans.

20 Management of risks and financial instruments (Continued)

e) Interest risk (Continued)

To protect against variations in these interest rates, the Company carries out hedge transactions through interest rate swap contracts from prime financial institutions. These transactions consist of exchanging a floating interest rate for a fixed interest rate, in which the Company receives a floating interest rate (TJLP or Libor) and pays a fixed interest rate. The amount of the principal (notional) and the maturities of the swap transaction are identical to the debt flow, which is the purpose of the hedge. This eliminates the risk of any fluctuation in the floating interest rate of the debt.

The following table presents details on the interest rate swap transactions and debt indexed:

			Adjustment
			Financial income
Counterparty	**Hedge instrument**	**Hedged object**	
Tokio-Mitsubishi	Swap of R$ 159MM (Assets VC / Liability CDI)	Debit of USD 60MM a interest of 3.12 aa.	**29,975**
Rabobank	Swap of R$ 117MM (Assets VC / Liability CDI)	Debit of USD 30MM a interest of 4.10 aa.	**(16,856)**
Total			**13,119**

Risk of variations in interest rates

To verify the sensitivity of the Company's debt indexers on the base date of September 30, 2017, five different scenarios were defined. Based on the "Market Readout" published by the Central Bank of Brazil on September 29, 2017, we defined the indices for the CDI and Foreign Exchange, and for LIBOR, we considered the future curve on the BM&FBovespa also of September 29, 2017, and for TJLP we considered the rate valid on the closing date of the fiscal year. Based on this information, we defined the Probable Scenario for the analysis and calculated variations of 25% and 50%. The gross financial expense or income were considered for each scenario, excluding the taxes levied and the flow of debt maturities and financial investment redemptions scheduled for 2017. The portfolio's base date was September 30, 2017, with the projection of the indexers for one year and the verification of their sensitivity under each scenario.

20 Management of risks and financial instruments (Continued)

e) Interest risk (Continued)

The following table provides a summary of the impacts in the next 12 months under each scenario:

	Interest rate *	Balance in 09/30/2017	Decrease of 50%	Decrease of 25%	Probable Scenario	Increase of 25%	Increase of 50%
Debt in Reais - Prefixed rate							
Rural credit	9.12%	342,712	N/A	N/A	N/A	N/A	N/A
Constitutional Funds	7.23%	3,703	N/A	N/A	N/A	N/A	N/A
BNDES	6.15%	128,535	N/A	N/A	N/A	N/A	N/A
Working Capital	8.93%	47,479	N/A	N/A	N/A	N/A	N/A
Export financing	9.00%	13,131	N/A	N/A	N/A	N/A	N/A
Debt in Reais – Post-fixed rate							
BNDES	TJLP	20,082	(1,305)	(1,656)	(2,008)	(2,359)	(2,711)
BNDES	UMBNDES	7,871	(371)	(459)	(547)	(636)	(724)
BNDES	SELIC	11,614	(1,286)	(1,286)	(1,286)	(1,286)	(1,286)
Export financing	CDI + 1.00%	569,637	(29,410)	(41,002)	(52,595)	(64,187)	(75,779)
Debits in Dólares							
NCE	Libor 6M + 4.14 % a.a.	81,172	(4,236)	(4,657)	(5,079)	(5,500)	(5,922)
CCE	4.10% a.a.	65,379	N/A	N/A	N/A	N/A	N/A
PPE	3.12% a.a.	192,878	N/A	N/A	N/A	N/A	N/A
Swaps - Debits in Dólares							
Swap VC x CDI + PRÉ**	Assets: 3.12% a.a. Liability: CDI + 0.921% a.a.	29,975	(1,496)	(2,106)	(2,716)	(3,326)	(3,936)
Swap VC x CDI + PRÉ**	Assets: 4.10 % a.a. Liability: CDI+1%	(16,856)	855	1,198	1,541	1,884	2,227
Interest earnings bank deposits							
CDB and Debentures	99.42% CDI	625,823	25,331	37,997	50,663	63,328	75,994

(*) Average annual rates.

(**) Amounts refer to the calculation of the adjustment of the transaction on September 30, 2017.

f) Credit risk

A substantial portion of the sales of the Company and its subsidiaries sales are made to select and highly qualified clients: trading, textile and other companies that typically acquire high volumes to guarantee local and international trading. Credit risk is managed by specific rules for accepting clients, by analyzing their credit worthiness and by setting limits for exposure per client. Historically, the Company and its subsidiaries have not registered significant losses in trade accounts receivable.

In view of the aforementioned, the credit risk assumed is not material. The Company considers the balance of trade accounts receivable as exposed to this risk. On September 30, 2017, this balance was R$ 92,889 at the parent company and R$ 110,659 at the consolidated level (R$ 71,529 at the parent company and R$ 73,392 at the consolidated level on December 31, 2016).

20 Management of risks and financial instruments (Continued)

g) Liquidity risk

The gross outflows shown in the following table represent the flows of undiscounted contractual cash flows related to derivative and nonderivative financial liabilities held to hedge against risks and that normally are not closed before the contractual maturity. The table presents net cash flows for cash derivatives settled by net exposure and gross cash outflows for derivatives with simultaneous gross settlement.

	Parent Company							
September 30, 2017	**Book Value**	**Contractual cash flow**	**up to 1 year**	**1 to 2 Years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**over 5 years**
Financial liabilities								
Nonderivatives								
Loans and financing	**1,251,320**	**1,347,941**	**680,210**	**502,947**	**86,552**	**23,638**	**17,446**	**37,148**
Suppliers	**174,110**	**174,110**	**174,110**	**-**	**-**	**-**	**-**	**-**
	1,425,430	**1,522,051**	**854,320**	**502,947**	**86,552**	**23,638**	**17,446**	**37,148**
Derivatives								
Transactions with Derivatives	**(112,118)**	**(112,118)**	**(82,220)**	**(15,706)**	**(14,192)**	**-**	**-**	**-**
	1,313,312	**1,409,933**	**772,100**	**487,241**	**72,360**	**23,638**	**17,446**	**37,148**

	Parent Company							
December 31, 2016	**Book Value**	**Contractual cash flow**	**up to 1 year**	**1 to 2 Years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**over 5 years**
Financial liabilities								
Nonderivatives								
Loans and financing	1,681,119	1,869,209	1,030,309	441,591	303,702	25,286	23,372	44,949
Suppliers	369,887	369,887	369,887	-	-	-	-	-
	2,051,006	2,239,096	1,400,196	441,591	303,702	25,286	23,372	44,949
Derivatives								
Transactions with Derivatives	(75,264)	(75,264)	(51,283)	(9,257)	(14,724)	-	-	-
	1,975,742	2,163,832	1,348,913	432,334	288,978	25,286	23,372	44,949

20 Management of risks and financial instruments (Continued)

g) Liquidity risk (Continued)

	Consolidated							
September 30, 2017	**Book Value**	**Contractual cash flow**	**up to 1 year**	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**Over 5 years**
Financial liabilities								
Nonderivatives								
Loans and financing	**1,484,194**	**1,602,618**	**873,900**	**519,147**	**99,941**	**30,914**	**23,720**	**54,996**
Suppliers	**213,993**	**213,993**	**213,993**	**-**	**-**	**-**	**-**	**-**
Securities payable	**76,334**	**79,259**	**79,259**	**-**	**-**	**-**	**-**	**-**
	1,774,521	**1,895,870**	**1,167,152**	**519,147**	**99,941**	**30,914**	**23,720**	**54,996**
Derivatives								
Transactions with Derivatives	**(117,946)**	**(117,946)**	**(88,069)**	**(15,685)**	**(14,192)**	**-**	**-**	**-**
	1,656,575	**1,777,924**	**1,079,083**	**503,462**	**85,749**	**30,914**	**23,720**	**54,996**

	Consolidated							
December 31, 2016	**Book Value**	**Contractual cash flow**	**up to 1 year**	**1 to 2 Years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**over 5 years**
Financial liabilities								
Nonderivatives								
Loans and financing	1,901,245	2,106,662	1,215,935	450,432	310,550	32,160	30,269	67,316
Suppliers	439,735	439,735	439,735	-	-	-	-	-
Securities payable	81,813	81,813	81,813	-	-	-	-	-
	2,422,793	2,628,210	1,737,483	450,432	310,550	32,160	30,269	67,316
Derivatives								
Transactions with Derivatives	(67,661)	(67,661)	(43,359)	(9,578)	(14,724)	-	-	-
	2,355,132	2,560,549	1,694,124	440,854	295,826	32,160	30,269	67,316

The cash flows included in the maturity analysis are not expected to occur significantly earlier or in different amounts.

20 Management of risks and financial instruments (Continued)

h) Summary of outstanding derivative transactions

The following table presents the consolidated derivative instruments of the Company that are reflected under assets and liabilities:

		Notional amount			Fair value recorded in assets		Fair value recorded in liabilities	
Description	**Currency**	**09/30/2017**	**12/31/2016**	**Currency**	**09/30/2017**	**12/31/2016**	**09/30/2017**	**12/31/2016**
Hedge transactions for exchange rates								
Non Deliverable Forwards - 20.c	USD	**336,502**	263,093	R$	**99,306**	87,489	**772**	37
Trade Finance Contracts[1] - 20.c	USD	**25,000**	48,643	R$	**-**	-	**31,133**	65,550
Subtotal	**USD**	**361,502**	311,736	**R$**	**99,306**	87,489	**31,905**	65,587
Hedge transactions for products								
Cotton - Financial operations 20.d	USD	**57,981**	79,315	R$	**9,189**	4,286	**3,077**	4,721
Corn - Financial operations 20.d	USD	**-**	1,641	R$	**-**	116	**-**	20
Subtotal	**USD**	**57,981**	80,956	**R$**	**9,189**	4,402	**3,077**	4,741
Hedge transactions for inputs								
Swap VC+Pré x CDI+Pré	USD	**80,000**	104,836	R$	**58,182**	56,720	**45,063**	72,836
Swap VC+Pré x CDI	USD	**-**	25,837	R$	**-**	-	**-**	3,336
Subtotal	USD	**80,000**	130,673	**R$**	**58,182**	56,720	**45,063**	76,172
Total	USD	**499,483**	523,365	**R$**	**166,677**	148,611	**80,045**	146,500
Portion classified in current assets				**R$**	**115,113**	99,963	**24,164**	56,604
Portion in noncurrent liabilities				**R$**	**51,564**	48,648	**55,881**	89,896

[1] Deferred value in shareholders' equity ("hedge accounting") as a contra entry to accounts of loans group.

i) Gains/losses on derivative transactions

The following table presents the consolidated gains and losses on derivative transactions in the period, grouped by the main risk categories:

		Gains and Losses recorded in income				Gains and Losses recorded in equity	
		Allocated in the gross income at		Allocated in the finance income at			
Description	**Currency**	**09/30/2017**	**09/30/2016**	**09/30/2017**	**09/30/2016**	**09/30/2017**	**09/30/2016**
Foreign exchange hedge transactions							
Non Deliverable Forwards	**R$**	**86,379**	(31,637)	**-**	2,266	**94,735**	118,216
Trade Finance Contracts	**R$**	**(28,472)**	(55,872)	**-**	-	**(31,133)**	(65,138)
Subtotal	**R$**	**57,907**	(87,509)	**-**	2,266	**63,602**	53,078
Hedge transactions for commodities							
Agricultural commodities swap							
Cotton	**R$**	**(4,746)**	5,082	**-**	13	**6,014**	(2,729)
Corn		**-**	-	**-**	-	**221**	1,950
Subtotal	**R$**	**(4,746)**	5,082	**-**	13	**6,235**	(779)
Interest hedge transactions							
Swap VC+Pré x Pré	**R$**	**-**	-	**-**	(4,237)	**-**	-
Swap VC+Pré x CDI+Pré	**R$**	**-**	-	**(21,619)**	(99,737)	**(20,292)**	(11,290)
Swap VC+Pré x CDI	**R$**	**-**	-	**-**	(24,727)	**-**	40
Subtotal	**R$**	**-**	-	**(21,619)**	(128,701)	**(20,292)**	(11,250)
TOTAL	**R$**	**53,161**	(82,427)	**(21,619)**	(126,422)	**49,545**	41,049

20 Management of risks and financial instruments (Continued)

j) Management of capital stock

The main purpose of the management of capital stock is to ensure the continuity of the Company's business by adopting a policy of maintaining a low level of leverage to protect its capital stock from changes in the government's economic policy and to maximize value for shareholders.

The Company manages its capital structure and adjusts it in accordance with changes in the country's economic conditions. To maintain or adjust its capital structure, the Company may adjust its policy for distributing dividends to shareholders.

There was no change in dividend policy, in the Company's objectives, policies or capital management processes for the year ended September 30, 2017.

	Parent Company		Consolidated	
	09/30/2017	**12/31/2016**	**09/30/2017**	**12/31/2016**
Short and long-term loans and financing	**1,251,320**	1,681,119	**1,484,194**	1,901,245
(-) Cash and cash equivalents and short-term interest earnings bank deposits	**(481,850)**	(896,213)	**(626,194)**	(1,064,506)
Gains and losses on derivatives linked to investments and debt	**13,119**	(4,417)	**13,119**	(16,115)
Net debt	**756,351**	789,323	**844,881**	852,854
Shareholders' equity	**2,551,875**	2,451,035	**2,742,417**	2,628,886
Financial leverage index	**29.64%**	32.20%	**30.81%**	32.44%

21 Share-based payments

a) Stock option plan

In the Extraordinary Shareholders' Meeting held on May 23, 2007, the Company's shareholders approved a stock option plan to take effect on June 15, 2007, for the Company's officers and managers. The plan is managed by the Management Committee, which was created by the Board of Directors on May 23, 2007.

The stock option plan is limited to a maximum number of options that results in the dilution of 3% of the Company's capital stock on the creation date of each Annual Program. Dilution corresponds to the percentage represented by the number of shares underlying the options divided by the total number of shares issued by the Company.

The beneficiaries of the Stock Option Plan may exercise their options within 5 years as from the respective grant date. The vesting period is up to three years, with 30% vested as from the first anniversary, 60% as from second anniversary and 100% as from the third anniversary. The Company has 30 days to issue the shares as from the delivery date of the Declaration of Exercise of the Stock Option Plan.

The meetings of the Board of Directors held on November 10, 2010, November 9, 2011, November 13, 2012 and November 13, 2013, May 6, 2015, November 11, 2015 and November 8, 2016 approved the Annual Programs for fiscal years 2010, 2011, 2012, 2013, 2014, 2015 and 2016, with the granting of 805,000, 899,000, 809,000, 933,000, 770,000, 393,000 and 363,500 stock options, respectively.

21 Share-based payments (Continued)

a) Stock option plan (Continued)

The changes in the shares granted in the Annual Program for 2011, 2012, 2013, 2014, 2015 and 2016 and the respective exercise prices in Brazilian real are shown below:

		Quantity of shares				
Grant year	**Strike price - R$**	**Balance in 12/31/2016**	**Granted**	**Canceled**	**Exercised**	**Balance in 09/30/2017**
2011	R$ 16.24	480,600	-	**-**	**-**	**480,600**
2012	R$ 17.09	662,000	-	**-**	**(662,000)**	**-**
2013	R$ 17.32	763,000	-	**-**	**(761,100)**	**1,900**
2015	R$ 12.31	640,400	-	**-**	**(355,800)**	**284,600**
2015	R$ 13.79	374,500	-	**(2,800)**	**(102,500)**	**269,200**
2016	R$ 11.64	363,500	-	**(5,000)**	**-**	**358,500**
		3,284,000	-	**(7,800)**	**(1,881,400)**	**1,394,800**

		Quantity of shares				
Grant year	**Strike price - R$**	**Balance on 12/31/2015**	**Granted**	**Canceled**	**Exercised**	**Balance on 12/31/2016**
2011	R$ 16.24	522,600	-	(15,000)	(27,000)	480,600
2012	R$ 17.09	698,000	-	(36,000)	-	662,000
2013	R$ 17.32	849,000	-	(86,000)	-	763,000
2015	R$ 12.31	750,000	-	(65,500)	(44,100)	640,400
2015	R$ 13.79	393,000	-	(15,500)	(3,000)	374,500
2016	R$ 11.64	-	363,500	-	-	363,500
		3,212,600	363,500	(218,000)	(74,100)	3,284,000

The exercise price of the Annual Programs for 2012, 2013, 2014, 2015 and 2016 were determined based on the average quote of the Company's stock in the 90 trading sessions on the BM&FBovespa prior to the plan's approval, with discounts of 20%, 15% and 20% respectively.

The exercise price of the Annual Program for 2011 also was determined based on the average quote of the Company's stock in the 90 trading sessions on the BM&FBovespa prior to the plan's approval, though without any discount.

21 Share-based payments (Continued)

a) Stock option plan (Continued)

The vesting periods as from the grant date are as follows:

Grace periods beginning as of grant date	% of options released to be exercised	Maximum quantity of shares
As from– 11/09/2012	3%	46,800
As from– 11/12/2012	3%	46,800
As from– 11/08/2013	9%	127,000
As from– 11/11/2013	9%	127,000
As from– 11/13/2013	9%	131,000
As from– 11/10/2014	31%	430,600
As from– 11/13/2014	34%	480,600
As from– 11/13/2015	34%	480,600
As from– 05/06/2016	35%	481,400
As from– 11/10/2016	36%	496,750
As from– 11/13/2016	36%	498,650
As from– 05/08/2017	37%	516,350
As from– 11/11/2017	53%	733,550
As from– 05/07/2018	72%	999,650
As from– 11/11/2018	90%	1,251,400
As from– 11/11/2019	100%	1,394,800

The Company recognizes the cost of the stock option plan based on the fair value of the options granted, considering their fair value on the grant date. The model used to price the fair value of options is Black-Scholes up to the 2015 plan, and the 2016 plan was based on the Binomials model. For the determination of the fair value of the stock option plans, the Company adopts the "Level 3" valuation technique.

The weighted average fair value, the premiums considered and the economic assumptions adopted for the calculation under the model are presented in the following table:

	2011	2012	2013	2014	2015	2016
Weighted average fair value	R$ 21.75	R$ 23.66	R$ 24.47	R$ 19.94	R$ 21.36	R$ 17.20
Awards	R$ 5.51	R$ 6.57	R$ 7.15	R$ 7.63	R$ 7.57	R$ 5.56
Dividends	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Volatility of share price	39.90%	36.56%	31.05%	31.80%	33.44%	32.39%
Risk-free rate of return						
1st maturity	9.98%	7.31%	10.78%	13.70%	15.41%	12.27%
2nd maturity	10.16%	7.90%	11.64%	13.41%	15.72%	11.49%
3rd maturity	10.46%	8.38%	11.95%	13.20%	15.78%	11.27%
Period expected up to the maturity						
1st maturity	365	365	365	366	366	366
2nd maturity	730	730	730	733	731	731
3rd maturity	1.097	1.095	1.096	1.097	1.096	1.096

21 Share-based payments (Continued)

a) Stock option plan (Continued)

In compliance with CPC 10 (R1) and based on the vesting periods presented, the Company recognized in the profit of loss the amounts with the stock option plan in accordance with the vesting period, with an offsetting entry under shareholders' equity in a specific item of the capital reserve, the amount of R$3,199 (expense) on September 30, 2017 (R$4,798 on September 30, 2016).

Reconciliation of outstanding stock options

The number and weighted average of the exercise prices of the stock options in connection with the stock option program are shown in the following table:

	Weighted average of the exercise	Number of options	Weighted average of the exercise	Number of options
	09/30/2017	09/30/2017	12/31/2016	12/31/2016
Outstanding at January 1	**R$17.36**	**3,284,000**	R$16.75	3,212,600
Granted during the period	**-**	**-**	R$11.64	363,500
Exercised during the period	**R$16.10**	**(1,881,400)**	R$13.80	(74,100)
Canceled during the period	**-**	**(7,800)**	R$15.45	(218,000)
Outstanding	**R$19.16**	**1,394,800**	R$17.36	3,284,000
Exercisable	**R$16.03**	**516,350**	R$16.46	2,180,250

The options outstanding on September 30, 2017 have an exercise price in the range from R$ 17.32 to R$ 11.64 (R$ 16.24 to R$ 11.64 on December 31, 2016).

The weighted average share price on the vesting date for the stock options exercised in the period ended September 30, 2017 was R$16.10 (R$13.80 in the period ended December 31, 2016).

b) Restricted Share Plan

The meeting of the Board of Directors, which was held on April 29, 2015, approved the Restricted Share Plan for 2015. The plan is managed by the Management Committee, which was created by the Board of Directors on May 23, 2007.

The total number of restricted shares that may be granted annually in connection with the plan, considering the sum of all active programs, shall not exceed one percent (1%) of the shares representing the total capital stock of the Company.

The beneficiaries of the Restricted Share Plan acquired the rights to the restricted shares to the extent that they remained a manager or employee of the Company or its subsidiaries, for the period from the grant date to the specified dates. The vesting period is up to three years, with 30% vested as from the first anniversary, 60% as from second anniversary and 100% as from the third anniversary.

21 Share-based payments (Continued)

b) Restricted Share Plan (Continued)

Until the restricted shares are fully vested, the beneficiaries may not pledge, sell, assign or transfer, directly or indirectly, the restricted shares. Once the conditions established are satisfied and observing the applicable legal and regulatory requirements, which include, but are not limited to, obtaining authorization from the Securities and Exchange Commission of Brazil (CVM) for the private transfer of the shares, the Company shall transfer to the beneficiary the respective restricted shares, by means of a declaration of transfer of registered shares in the Company on the system of the agent responsible for the bookkeeping of the shares issued by the Company, without any cost to the beneficiary.

At a meeting of the Board of Directors held on November 11, 2015 and November 08, 2016, the Restricted Stock Granting Programs of 2015 and 2016 and with grant of 98,250 and 90,875 shares.

		Quantity of shares	
Grant year	**Strike price - R$**	**Balance on 12/31/2016**	**Balance on 09/30/2017**
2015	R$ 17.79	66,667	**66,667**
2016	R$ 15.10	90,875	**90,875**
		157,542	**157,542**

		Quantity of shares				
Grant year	**Strike price - R$**	**Balance on 12/31/2015**	**Granted**	**Canceled**	**Exercised**	**Balance on 12/31/2016**
2015	R$ 17.79	98,250	-	(3,875)	(27,708)	66,667
2016	R$ 15.10	-	90,875	-	-	90,875
		98,250	90,875	(3,875)	(27,708)	157,542

In compliance with CPC 10 (R1), based on the vesting periods presented, the company recognized under net income the amounts from the restricted share plan due to the expiration of the vesting period, with an offsetting entry under shareholders' equity in a specific item of the capital reserve. The expenses with contributions to the INSS and FGTS systems were recorded in an offsetting entry under current liabilities, in a specific item under labor obligations, as shown below:

	Plan of restricted shares			
	9/30/2017		**09/30/2016**	
Expense	**R$**	**954**	R$	765
INSS Expense	**R$**	**189**	R$	60
FGTS Expense	**R$**	**144**	R$	47

22 Net sales revenue

	Parent company		Consolidated	
	09/30/2017	06/30/2016	09/30/2017	06/30/2016
Gross operating income	**1,048,523**	858,098	**1,205,553**	1,097,116
Sale of goods	**1,002,473**	935,516	**1,152,392**	1,179,543
Income (loss) from hedge transactions	**46,050**	(77,418)	**53,161**	(82,427)
Deductions, taxes and contributions	**(45,405)**	(53,475)	**(53,227)**	(70,382)
Net operating income	**1,003,118**	804,623	**1,152,326**	1,026,734

23 Nature of expenses

	Parent company		Consolidated	
	09/30/2017	09/30/2016	09/30/2017	09/30/2016
Expenses according to the role				
Cost of goods sold	**915,796**	837,138	**983,095**	988,348
Sales expenses	**42,254**	45,453	**48,892**	62,553
General and administrative expenses	**45,893**	30,728	**51,229**	35,298
Other operating expenses	**7,761**	6,870	**10,274**	8,935
	1,011,704	920,189	**1,093,490**	1,095,134
Expenses per type				
Depreciation and amortization	**47,976**	55,506	**65,103**	77,084
Personnel expenses	**130,565**	115,592	**149,998**	144,185
Raw material and material	**627,048**	645,038	**658,009**	754,453
CPV biological asset variation	**180,027**	73,507	**187,943**	82,239
Freight	**18,328**	23,516	**19,624**	29,528
Other expenses	**7,760**	7,030	**12,813**	7,645
	1,011,704	920,189	**1,093,490**	1,095,134

24 Reporting by segment

The Group has two (2) reportable segments, as described below, which are its strategic business units. The strategic business units offer different products and services. For each one, Management analyses the internal reports at least once in each quarter. The following summary describes the operations of each of the Group's reportable segments:

- Agricultural production segment: cultivation of primarily cotton, soybean and corn.
- Land portfolio segment: acquisition and development of land for agriculture.

Information on the results of each reportable segment is presented below. The performance is evaluated based on the segment's net profit before income and social contribution taxes and is included in the internal reports analyzed by the Group's Management. The segment's net profit is used to evaluate performance, since management believes that this information is the most relevant for analyzing the segments' results.

Information on reportable segments

	Agricultural Production		Land		Eliminations		Consolidated	
	09/30/2017	**09/30/2016**	**09/30/2017**	**09/30/2016**	**09/30/2017**	**09/30/2016**	**09/30/2017**	**09/30/2016**
Net revenue	**1,152,326**	1,026,734	**77,235**	86,672	**(77,235)**	(86,672)	**1,152,326**	1,026,734
Biologic assets	**340,753**	3,276	**-**	-	**-**	-	**340,753**	3,276
Products Costs	**(1,045,564)**	(918,340)	**(9,004)**	-	**71,473**	(70,008)	**(983,095)**	(988,348)
Gross income	**447,515**	111,670	**68,231**	86,672	**(5,762)**	(156,680)	**509,984**	41,662
Operating expenses/ income	**(114,095)**	(112,995)	**(2,313)**	(2,251)	**5,738**	-	**(110,670)**	(115,246)
Sales expenses	**(48,892)**	(62,553)	**-**	-	**-**	-	**(48,892)**	(62,553)
General and administrative expenses	**(55,602)**	(34,175)	**(1,433)**	(1,123)	**5,806**	-	**(51,229)**	(35,298)
Management compensation	**(9,768)**	(9,540)	**(880)**	(1,128)	**-**	-	**(10,648)**	(10,668)
Other operating income (expenses)	**167**	(6,727)	**-**	-	**(68)**	-	**99**	(6,727)
Income (loss) before financial income (loss) and taxes	**333,420**	(1,325)	**65,918**	84,421	**(24)**	(156,680)	**399,314**	(73,584)
Net financial income (loss)	**(65,357)**	(90,586)	**4,800**	2,509	**68**	-	**(60,489)**	(88,077)
Income (loss) before income tax	**268,063**	(91,911)	**70,718**	86,930	**44**	(156,680)	**338,825**	(161,661)
Income and social contribution taxes	**(95,313)**	71,766	**(10,864)**	(8,512)	**(14)**	-	**(106,191)**	63,254
Consolidated income (loss) for the period	**172,750**	(20,145)	**59,854**	78,418	**30**	(156,680)	**232,634**	(98,407)

	Agricultural Production		Land		Eliminations		Consolidated	
	09/30/2017	**12/31/2016**	**09/30/2017**	**12/31/2016**	**09/30/2017**	**12/31/2016**	**09/30/2017**	**12/31/2016**
Current assets	**2,034,041**	2,282,605	**119,921**	104,702	**(53,936)**	(55,139)	**2,100,026**	2,332,168
Non-current assets	**3,043,505**	2,952,431	**2,192,059**	2,199,703	**(2,083,692)**	(2,030,926)	**3,151,872**	3,121,208
Total assets	**5,077,546**	5,235,036	**2,311,980**	2,304,405	**(2,137,628)**	(2,086,065)	**5,251,898**	5,453,376
Current liabilities	**1,506,726**	1,784,684	**90,495**	94,772	**(15,454)**	(41,080)	**1,581,767**	1,838,376
Non-currente liabilities	**847.076**	847.848	**91,595**	143,277	**(10,957)**	(5,011)	**927,714**	986,114
Shareholders' equity	**2.723.742**	2.602.504	**2,129,891**	2,066,356	**(2,111,216)**	(2,039,974)	**2,742,417**	2,628,886
Total liabilities and shareholders' equity	**5,077,544**	5,235,036	**2,311,981**	2,304,405	**(2,137,627)**	(2,086,065)	**5,251,898**	5,453,376

24 Reporting by segment (Continued)

Information on reportable segments (Continued)

The Group sells its goods in the domestic and international markets. Sales to the export market are considered as direct sales if the Group is the trader and as indirect sales if made to trading houses based in Brazil.

Consolidated sales in the domestic and export market are shown in the following table:

	09/30/2017	09/30/2016
Domestic market	**330,484**	304,434
Sale of goods	**277,323**	386,861
Income (loss) from hedge operations	**53,161**	(82,427)
Foreign market	**875,069**	792,682
Sale of goods - indirect export	**615,534**	445,970
Sale of goods - direct export	**259,535**	346,712
Gross operating income	**1,205,553**	1,097,116
Deductions, taxes and contributions	**(53,227)**	(70,382)
Net operating income	**1,152,326**	1,026,734

The information on gross sales revenue by geographic segment was prepared based on the country of origin of the revenue and is presented in the following table:

	09/30/2017	09/30/2016
Asia	**258,592**	342,405
America	**-**	3,334
Europe	**943**	973
	259,535	346,712

The Company's clients Cargill Agricola S.A. and Amaggi LD Commodities S.A. jointly account for 36.8% of net revenue. The amount of revenue from these clients corresponding to sales of corn and soybean, Cargill Agrícola S.A., in the amount of R$ 387,150 (25.3%) and Amaggi LD Commodities S.A., in the amount of R$ 175.474 (11.5%).

Other Information the company deems to be relevant

OWNERSHIP BREAKDOW Balance on: 09/30/2017						
Shareholders	**Commom Shares Unit**	**%**	**Preferred Shares Unit**	**%**	**Total Shares Unit**	**%**
Controllers	**50,476,273**	**51.04%**	**-**	**-**	**50,476,273**	**51.04%**
SLC Participações S.A.	50,476,273	51.03%	-	-	50,476,273	51.03%
Board of Directors	**18,400**	**0.02%**	**-**	**-**	**18,400**	**0.02%**
Board	0	0.00%	-	-	0	0.00%
Directors	8,400	0.01%	-	-	8,400	0.01%
Board of Fiscal	10,000	0.01%	-	-	10,000	0.01%
Shareholders over 5%	**9,850,067**	**9.96%**	**-**	**-**	**9.850,067**	**9.96%**
Odey	4,751,113	4.80%	-	-	4,751,113	4,80%
Kopernik Global Investors, LLC	5,098,954	5.16%			5,098,954	5.16%
Treasury Shares	**2,271,793**	**2.30%**	**-**	**-**	**2.271,793**	**2.30%**
Others Shareholders	**36,280,967**	**36.69%**	**-**	**-**	**36,280,967**	**36.69%**
Total	**98,897,500**	**100.00%**	**-**	**-**	**98,897,500**	**100.00%**
Free Float	**46,131,034**	**46.65%**	**-**	**-**	**46,131,034**	**46.65%**

OWNERSHIP BREAKDOW Balance on: 06/30/2017						
Shareholders	**Commom Shares Unit**	**%**	**Preferred Shares Unit**	**%**	**Total Shares Unit**	**%**
Controllers	**50,469,371**	**51.03%**	**-**	**-**	**50,469,371**	**51.03%**
SLC Participações S.A.	50,469,371	51.03%	-	-	50,469,371	51.03%
Board of Directors	**46,303**	**0.05%**	**-**	**-**	**46,303**	**0.05%**
Board	6,903	0.01%	-	-	6,903	0.01%
Directors	29,400	0.03%	-	-	29,400	0.03%
Board of Fiscal	10,000	0.01%	-	-	10,000	0.01%
Shareholders over 5%	**14,335,600**	**14.50%**	**-**	**-**	**14,335,600**	**14.50%**
Odey	9,236,646	9.34%	-	-	9,236,646	9.34%
Kopernik Global Investors, LLC	5,098,954	5.16%			5,098,954	5.16%
Treasury Shares	**1,510,043**	**1.53%**	**-**	**-**	**1,510,043**	**1.53%**
Others Shareholders	**32,536,183**	**32.90%**	**-**	**-**	**32,536,183**	**32.90%**
Total	**98,897,500**	**100.00%**	**-**	**-**	**98,897,500**	**100.00%**
Free Float	**46,871,783**	**47.39%**	**-**	**-**	**46,871,783**	**47.39%**

OWNERSHIP BREAKDOW Balance on: 03/31/2017						
Shareholders	**Commom Shares Unit**	**%**	**Preferred Shares Unit**	**%**	**Total Shares Unit**	**%**
Controllers	**50,469,371**	**51.03%**	**-**	**-**	**50,469,371**	**51.03%**
SLC Participações S.A.	50,469,371	51.03%	-	-	50,469,371	51.03%
Board of Directors	**33,903**	**0.03%**	**-**	**-**	**33,903**	**0.03%**
Board	6,903	0.01%	-	-	6,903	0.01%
Directors	17,000	0.02%	-	-	17,000	0.02%
Board of Fiscal	10,000	0.01%	-	-	10,000	0.01%
Shareholders over 5%	**14,335,600**	**14.50%**	**-**	**-**	**14,335,600**	**14.50%**
Odey	9,236,646	9.34%	-	-	9,236,646	9.34%
Kopernik Global Investors, LLC	5,098,954	5.16%			5,098,954	5.16%
Treasury Shares	**1,750,643**	**1.77%**	**-**	**-**	**1,750,643**	**1.77%**
Others Shareholders	**32,307,983**	**32.67%**	**-**	**-**	**32,307,983**	**32.67%**
Total	**98,897,500**	**100.00%**	**-**	**-**	**98,897,500**	**100.00%**
Free Float	**46,643,583**	**47.16%**	**-**	**-**	**46,643,583**	**47.16%**

OWNERSHIP BREAKDOW Balance on: 12/31/2016						
Shareholders	**Commom Shares Unit**	**%**	**Preferred Shares Unit**	**%**	**Total Shares Unit**	**%**
Controllers	**50,469,371**	**51.03%**	**-**	**-**	**50,469,371**	**51.03%**
SLC Participações S.A.	50,469,371	51.03%	-	-	50,469,371	51.03%
Board of Directors	**29,203**	**0.03%**	**-**	**-**	**29,203**	**0.03%**
Board	6,903	0.01%	-	-	6,903	0.01%
Directors	12,300	0.01%	-	-	12,300	0.01%
Board of Fiscal	10,000	0.01%	-	-	10,000	0.01%
Shareholders over 5%	**5,098,953**	**5.16%**	**-**	**-**	**5,098,953**	**5.16%**
Kopernik Global Investors, LLC	5,098,953	5.16%	-	-	5,098,953	5.16%
Treasury Shares	**1,742,293**	**1.76%**	**-**	**-**	**1,742,293**	**1.76%**
Others Shareholders	**41,557,680**	**42.02%**	**-**	**-**	**41,557,680**	**42.02%**
Total	**98,897,500**	**100.00%**	**-**	**-**	**98,897,500**	**100.00%**
Free Float	**46,656,633**	**47.18%**	**-**	**-**	**46,656,633**	**47.18%**

OWNERSHIP BREAKDOW Balance on: 09/30/2016						
Shareholders	**Commom Shares Unit**	**%**	**Preferred Shares Unit**	**%**	**Total Shares Unit**	**%**
Controllers	**50,469,371**	**51.03%**	**-**	**-**	**50,469,371**	**51.03%**
SLC Participações S.A.	50,469,371	51.03%	-	-	50,469,371	51.03%
Board of Directors	**204**	**0.00%**	**-**	**-**	**204**	**0.00%**
Board	204	0.00%	-	-	**204**	0.00%
Directors	-	-	-	-	-	-
Shareholders over 5%	**5,098,953**	**5.16%**	**-**	**-**	**5,098,953**	**5.16%**
Kopernik Global Investors, LLC	5,098,953	5.16%	-	-	5,098,953	5.16%
Treasury Shares	**1,802,201**	**1.82%**	**-**	**-**	**1,802,201**	**1.82%**
Others Shareholders	**41,526,771**	**41.99%**	**-**	**-**	**41,526,771**	**41.99%**
Total	**98,897,500**	**100.00%**	**-**	**-**	**98,897,500**	**100.00%**
Free Float	**46,625,724**	**47.15%**	**-**	**-**	**46,625,724**	**47.15%**

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A free translation from Portuguese into English of Independent Auditor's Review Report on Individual and Consolidated Quarterly Information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board – IASB

INDEPENDENT AUDITOR'S REVIEW REPORT ON QUARTERLY INFORMATION

The Shareholders, Board of Directors and Officers
SLC Agrícola S.A.
Porto Alegre - RS

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of SLC Agrícola S.A. (the "Company") for the quarter ended September 30, 2017, comprising the statement of financial position as of September 30, 2017 and the related statements of profit or loss and of comprehensive income for the three and nine-month periods then ended, and of changes in equity and of cash flows for the nine-month period then ended, including the explanatory notes.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement CPC 21 (R1) – Interim Financial Reporting and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards on review engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of Quarterly Information (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters

Statements of value added

We have also reviewed the individual and consolidated statements of value added (SVA) for the nine-month period ended September 30, 2017, prepared under the Company responsibility, whose presentation in the interim financial information is required by rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to preparation of Quarterly Information (ITR), and as supplementary information by the International Financial Reporting Standards (IFRS), which do not require SVA presentation. These statements have been subject to the same review procedures previously described and, based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall interim financial information.

Audit and review of prior-year corresponding figures

The audit of the individual and consolidated statements of financial position of the Company for the year ended December 31, 2016, and the review of the individual and consolidated interim financial information for the quarter ended September 30, 2016, were conducted, respectively, by other independent auditors, who issued an audit report and a review report on quarterly information, dated March 15, 2017 and November 08, 2016, respectively, with an unmodified opinion.

Porto Alegre, November 08, 2017

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP015199/O-6

Américo F. Ferreira Neto
Accountant CRC-1-SC 192685/O-9

Opinion of Statutory Audit Committee

The Statutory Audit Committee of SLC Agrícola SA , in compliance with legal and statutory provisions, examined the Management Report and the Financial Statements of SLC Agrícola SA prepared in accordance with accounting practices adopted in Brazil and the Consolidated Financial Statements prepared in accordance with standards International financial Reporting Standards (IFRS) issued by the International accounting Standards Board - IASB and the accounting practices adopted in Brazil, for the fiscal year ended September 30, 2016.

Based on the procedures executed, and also considering the report of ERNST & YOUNG Auditors Independents, dated November 08, 2017, and the information and explanations received during the fiscal year, opines that these documents are able to be assessed and approved the Annual General Meeting of Shareholders .

Porto Alegre, State of Rio Grande do Sul, November 07, 2017.

João Carlos Sfreddo
Chairman of Statutory Audit Committee

Paulo Roberto Kruse
Counselor

Mauricio Rocha Alves de Carvalho
Counselor

Declarations Board of Executive Officers on the Financial Statements

In compliance with the established in Article 25 of CVM Instruction No. 480/09 of 7 December 2009, the Board declares that reviewed, discussed and agreed with the Financial Statements (Parent Company and Consolidated) for the year ended September 30, 2017.

Porto Alegre, November, 08, 2017.

Aurelio Pavinato
Chief Executive Officer

Ivo Brum
CFO and Investor Relations

Gustavo Lunardi
Director of Production

Aldo Roberto Tisott
Director of Sales

Declarations Board of Executive Officers on the Report of Independent Auditors

In compliance with the established in Article 25 of CVM Instruction No. 480/09 of 7 December 2009, the Board declares that reviewed, discussed and agreed with the opinion expressed in the Independent Auditors' Report, dated on November 08, 2017,
on to the Financial Statements (Parent Company and Consolidated) for the year ended September 30, 2017.

Porto Alegre, November, 08, 2017.

Aurelio Pavinato
Chief Executive Officer

Ivo Brum
CFO and Investor Relations

Gustavo Lunardi
Director of Production

Aldo Roberto Tisott
Director of Sales